



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
COUNCIL BRIEFING ROOM
TUESDAY, DECEMBER 05, 2023 AT 2:30 PM**

AGENDA

The meeting will be held at City Hall Council Briefing Room, 300 W. Main St, Grand Prairie, Texas, and a quorum of the committee or the presiding member will be physically present. Some members may participate remotely via video conference.

CALL TO ORDER

STAFF PRESENTATIONS

1. Ruthe Jackson Center: Venue Review

CONSENT AGENDA

The full agenda has been posted on the city's website, www.gptx.org, for those who may want to view this agenda in more detail. Citizens may speak for five minutes on any item on the agenda by completing and submitting a speaker card.

2. Minutes of the July 17, 2023, Finance and Government Committee Budget Meeting #1, July 31, 2023, Budget Meeting #2 and November 7, 2023 Finance and Government Committee Meeting
3. Purchase of Avaya CM 10 phone system upgrade from Lantana Communications in the amount of \$74,860.00
4. Annual Contract for heavy duty and medium duty truck and trailer parts and services from Industrial Power Truck and Equipment through a Cooperative Agreement with TIPS. This contract will be for one year (up to \$50,000.00 annually) ending October 31, 2024, with the option to renew for two additional one-year period (up to \$50,000.00 annually), totaling \$150,000.00 if all extensions are exercised
5. Annual contract for Original Equipment Manufacturer (OEM) Maintenance, Service, and Repair from Longhorn Harley Davidson (up to \$50,000.00 annually) through a Master Cooperative Agreement with BuyBoard. This contract will be for one year with the option to renew for two additional one-year periods totaling \$150,000.00 if all extensions are exercised
6. Annual contract for Original Equipment Manufacturer (OEM) Maintenance, Service, and Repair from Holt Texas, Ltd (up to \$250,000.00 annually) through a Master Cooperative Agreement with BuyBoard. This contract will be for one year with the option to renew for an additional one-year period totaling \$500,000.00 if all extensions are exercised

7. Purchase of Audio and Video equipment for the Council Briefing Room from AVI-SPL LLC in the amount of \$73,952.49
8. Annual Contract for Diversity Management Software from AskReply, Inc. dba B2GNow in the amount of \$36,172 annually through a Master Cooperative agreement with the Department of Information Resources (DIR). This contract will be for one year with the option to renew for five additional one-year periods totaling \$217,032 if all extensions are exercised
9. Purchase of a generator for the Public Safety Storage & Facility Services Warehouse from Holt Cat through a Master Cooperative agreement with Sourcewell. This is a one-time purchase in the amount of \$1,126,000 with a contingency of \$224,000 totaling \$1,350,000.00
10. Resolution ratifying the application and acceptance of a grant from the Texas State Energy Conservation Office (SECO) in the amount of \$12,500 for the purpose of converting existing lighting to LED lighting at Jennifer McFalls Park East and authorizing the City Manager to accept, reject, alter, or terminate the award
11. Construction Manager at Risk (CMAR) Contract with Hill & Wilkinson General Contractors for initial pre-construction services regarding City Hall East Level 2 Office Renovations in the amount of \$3,000 along with approval of a construction management services fee of 6.95%
12. Amendment to the Existing Price Agreement with Genuine Parts CO dba NAPA Auto Parts to Increase the Total Authorized Expenditure from August 2021 through December 21, 2024 to \$6,600,000

ITEMS FOR INDIVIDUAL CONSIDERATION

13. Annual contract for Bank Depository Services from Wells Fargo Bank, N.A. (fees up to \$100,000.00 annually). This contract will be for two years with the option to renew for three additional one-year periods fees totaling \$500,000.00 if all extensions are exercised
14. Resolution Approving the City's Investment Policy
15. Purchase of Consulting Services to conduct a Disparity Study Analysis from MGT Consulting, LLC for \$400,107.42
16. Ordinance amending the FY 2023/2024 Operating Budget for the Tree Preservation Fund; Construction contract with RLM EarthCo, Inc. for Tyre Park Phase II construction in the amount of \$1,735,828 plus a 7.5% contingency in the amount of \$130,187.10 for a total construction cost of \$1,866,015.10
17. Annual contract for HVAC Equipment, Supplies and Installation from Enviromatic Systems Inc. through a national inter-local agreement with Buyboard at an annual cost of \$300,000 with the option to renew for two additional one-year periods totaling \$900,000 if the renewal option is exercised

18. Annual Contract for Grounds Maintenance Equipment, Parts and Supplies from Longhorn, Inc. in the amount of \$75,000 annually through a Master Cooperative Agreement with BuyBoard. This contract will be for seven (7) months with the option to renew for two additional one-year periods totaling \$225,000 if all extensions are exercised.

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.”*

CITIZEN COMMENTS

Citizens may speak during Citizen Comments for up to five minutes on any item not on the agenda by completing and submitting a speaker card. The views expressed during Citizen Comments are the views of the speaker, and not the City of Grand Prairie or City Council. Council Members are not able to respond to Citizen Comments under state law.

ADJOURNMENT

The Grand Prairie City Hall is accessible to people with disabilities. If you need assistance in participating in this meeting due to a disability as defined under the ADA, please call 972-237-8035 or email GPCitySecretary@gptx.org at least three (3) business days prior to the scheduled meeting to request an accommodation.

Certification

In accordance with Chapter 551, Subchapter C of the Government Code, V.T.C.A, the Finance and Government Committee agenda was prepared and posted December 1, 2023.



Gloria Colvin, Deputy City Secretary



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Ray Cerda, Director of Parks, Arts & Recreation

TITLE: Ruthe Jackson Center: Venue Review

REVIEWING COMMITTEE:



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Cole Humphreys, Chairman

TITLE: Minutes of the July 17, 2023, Finance and Government Committee Budget Meeting #1, July 31, 2023, Budget Meeting #2 and November 7, 2023 Finance and Government Committee Meeting

REVIEWING COMMITTEE:



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
BUDGET MEETING #1
COUNCIL BRIEFING ROOM
MONDAY, JULY 17, 2023 AT 9:00 AM**

MINUTES

CALL TO ORDER

Chairman Humphreys called meeting to order at 9:00 a.m.

PRESENT

*Chairman Cole Humphreys
Council Member Junior Ezeonu*

ABSENT

Council Member Kurt Johnson

STAFF PRESENTATIONS

1. Presentation & Discussion on FYE 24 Proposed Budget – Meeting #1:

Fund Summaries and discussion over:

- Water/Wastewater Rate Increase
- Water/Wastewater Fund
- Stormwater Utility Fund
- Solid Waste Fund
- Fleet Services Fund

City Manager Steve Dye thanked staff and noted Council Member Johnson was not able to join today. He presented a balanced budget, discussed revenue and an imbalance due to transfers to the Capital Improvement Project (CIP) fund. Mr. Dye proposed cost of living adjustments as follows: three percent to Police/Fire and five percent to civilian employees totaling \$5.5 million. He noted the city had fallen behind the market and discussed focused recruiting efforts. Mr. Dye reviewed increase of part-time seasonal employees to fifteen dollars per hour and discussed a homestead exemption increase. He noted storm water rates are staying the same and the water rate would be higher. Mr. Dye highlighted new proposed positions. There was discussion on relying on sales tax, the city's financial management policy and cutting the property tax rate. Council Member Ezeonu favored making roadways a priority but would like Council's input on other projects to use the fund balance. Chairman Humphreys inquired if funding has been approved for Fire Station 11, and Mr. Dye confirmed noting it would take about 1.5 years to hire, test and train firefighters. There was discussion on the Texas Insurance Services Office (ISO) rating far south, current home building and development down there and the need for additional patrol. Audit and Budget Manager Thao Vo discussed starting timeline of Fire Department positions, noting half would be in April 2024 and the remainder in fiscal year 2025.

Deputy City Manager Bill Hills discussed why utility rate alternatives are being reviewed to balance revenue between water and wastewater (W/WW).

Consultant Dan Jackson with Willdan discussed conducting annual reviews to ensure W/WW funds receives proper revenues while making certain adjustments to rate payers are appropriate. He discussed the necessity to raise revenues to fund operations and provide services, discussed history of the established 4.5 percent annual rate adjustments from 2013 which have created some imbalances over time. Mr. Jackson discussed the desire for rates to be as low as possible and balancing the need to invest in the system to keep it operational and in adequate financial health. He reviewed current tiered residential rates, non-residential wastewater volume, multi-family base rates and multi-family volume rates. Mr. Jackson discussed how modified rate plans benefit the city and its utility. He advised it will enable the utility to recover sufficient revenues to cover all operating and capital costs for next five years, the utility will meet bond ratings requirements, and W/WW will be self-sufficient – wastewater will no longer be supported by water utility enabling the city to invest \$212 million in system capital repairs and improvements over next five years. Mr. Jackson reviewed residential monthly charge comparison with surrounding cities, historical and forecast water accounts and usage volumes. He noted water use in Grand Prairie is prudent due to conservation policies. Mr. Jackson reviewed the forecast of Capital Improvement Project funding sources from 2023-2027 and the W/WW forecast cost of service. He reviewed recommendations for structural changes in rate plans - gradually adjusting the lifeline tier, adding two conservation block rate tiers and billing no-residential wastewater at 100% of water consumption volume. Mr. Jackson discussed revenue impact and revamping the multi-family rate structure. He said this will enable city to maintain 4.5 percent general annual rate adjustments beyond 2023. He recommended the lifeline rate increase to .25 effective October 2023, .50 effective October 2024, .75 effective October 2025 and \$1.00 effective October 2026. He discussed two conservation block rate volume tiers and recommended structure for residential/irrigation. Council Member Ezeonu requested clarification of residential and commercial rate. Mr. Jackson discussed conservation efforts and block rates for residential only, discretionary and non-discretionary water uses. He discussed billing no-residential wastewater at 100 percent water volume. Mr. Jackson discussed proposed restructuring of multi-family rate structure which will create a multi-family class, defined as larger than fourplex, assessing a monthly charge for each unit in complex, making it a functional equivalent of a house; assessing a volume charge at commercial rate, noting it will result in significant increase in the monthly charge in October 2023. There was discussion on apartment rate charges, annual increases for remaining years and forecasted residential monthly bills. Mr. Hills noted this was scrutinized for a year now to have the most nominal impact on citizens while balancing the water rates and maintaining current bond ratings. There was discussion on keeping the same rate, an inverted block rate and water utility economics. Chief Financial Officer Cathy Patrick noted tiers encourage conservation. There was discussion on an increase to the lifeline rate, policy and cost recovery to deliver service, and assistance provided to citizens unable to pay their water bills. Chairman Humphreys and Council Member Ezeonu both expressed concerns with the initial impact and a desire keep the same rate. They requested to see data of 0-3000 gallon usage in surrounding cities. Mr. Hills noted through very good communication efforts, the city can relay to the public how the impact is minimal. Mr. Vo reviewed the budget calendar noting the budget workshop on Aug 16 and 17. He then discussed the W/WW Fund providing a Fund Summary Guide. Deputy City Manager Cheryl De Leon explained this is an overview of the enterprise fund. Mr. Vo reviewed actual/projected and proposed. He discussed regulatory and city's financial management policy. Mr. Vo

provided an overview noting key changes including fuel, energy, maintenance and chemical inflation pressure, an eleven percent increase in water purchases due to pass through costs, six percent increase in water treatment due to pass through costs, merit and salary/benefits changes to remain competitive with other municipalities, and three fulltime personnel additions.

Engineering Services Director Noreen Housewright discussed the age of infrastructure and working to keep a failure from occurring. Ms. De Leon noted they will try to cash fund as much as possible through the rate to balance. Chairman Humphryes asked whether grants are being pursued and Ms. De Leon confirmed Audit Department is monitoring and sending those to departments as they come up. There was discussion on federal grant opportunities, hiring a federal grant consultant, water treatment in-house services, infrastructure in the city still consisting of clay piping and replacing infrastructure while doing road repair. There was discussion on current bonds issued for infrastructure earlier this year, a fulltime civil engineer addition, the current three week turn around for project review and charges for service. Mr. Vo advised charges for storm water are currently on the water bill.

Solid Waste Director Dr. Patricia Redfearn provided an overview of the enterprise fund, provided a solid waste overview, discussed key changes including new cell construction, trinity riverbank fortification, gas control and collection system expansion and two additional fulltime brush crew personnel. She discussed working toward restoring reserves over next several years. Mr. Vo reviewed budget changes, long term liability for closure and regulatory requirement of some funds. There was discussion on contingency to keep bond rating, transferring excess to CIP fund to buy equipment and the code compliance litter crew.

Director of General Services Jayson Ramirez advised Fleet Services provides a comprehensive fleet management program for all vehicles and equipment in the city's fleet, noting Fleet Services oversees and manages vehicle acquisition based on replacement guidelines and specifications, routine preventative maintenance, repairs, vehicle inspections, registration renewals, minor accident repairs, fuel sales and maintenance on nine fueling stations, and vehicle and equipment disposal. He said they have an Internal Service Fund noting fleet services maintains and services 1263 vehicles and equipment and discussed repair orders and service calls completed. There was discussion on fleet revenues from asset auction sales and maintenance versus purchasing new. Deputy City Manager/City Attorney Megan Mahan said they are currently reviewing costs to keep and maintain versus replacement. Ms. Patrick and Mr. Ramirez discussed software utilized.

EXECUTIVE SESSION

There was no closed session.

CITIZEN COMMENTS

None.

ADJOURNMENT

Chairman Humphreys adjourned meeting at 11:31 a.m.

The foregoing minutes were approved at the December 5, 2023, Finance and Government Committee meeting.

Mona Lisa Galicia, City Secretary



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE BUDGET MEETING #2
COUNCIL BRIEFING ROOM
MONDAY, JULY 31, 2023 AT 9:00 AM**

MINUTES

CALL TO ORDER

Chairman Humphreys called the meeting to order at 9:01 a.m.

PRESENT

Chairman Cole Humphreys

Council Member Junior Ezeonu

ABSENT

Council Member Kurt Johnson

STAFF PRESENTATIONS

1. Presentation & Discussion on FY 2023/2024 Proposed Budget – Meeting #2. Fund Summaries and budget discussion over:
 - Epic Central Fund
 - Police Department Funds
 - Airport Fund
 - Downtown, Uptown Theatre, Farmers Market
 - Parks Department Funds
 - Risk Management Fund
 - Employee Insurance Fund
 - Pooled Investments Fund
 - Debt Service Fund
 - Water/Wastewater Debt Service Fund
 - General Fund
 - Capital Lending Fund
 - Equipment Acquisition Fund
 - Municipal Courts Funds
 - Hotel/Motel Tax Fund
 - Cable Operations Fund
 - Tree Preservation Fund
 - Cricket Fund
 - City Council Travel Policy
 - Discuss any items previously presented at F&G Budget Meeting #1, on July 17, 2023:
 - Water/Wastewater Rate Increase
 - Water/Wastewater Fund
 - Stormwater Utility Fund
 - Solid Waste Fund

- Fleet Services Fund

Audit Services / Budget Director Thao Vo provided a summary of what would be discussed today and reviewed the budget calendar and timeline.

Epic Central Fund – Mr. Vo reviewed the purpose of this revenue fund. Consultant Gary Yakesch reviewed hotel occupancy tax, sales tax rebates, lease rents from tenants, hotel and conference center proceeds. He reviewed the EpicCentral debt noting the second payment for Epic Central and the first payment affecting the fund. Mr. Yakesch discussed new program requests including marketing campaigns, landscaping, PlayGrand maintenance contracts, and a fulltime personnel addition. He reviewed the fund summary and discussed expenses. Chairman Humphreys asked for clarification of the balance requirement of \$1.6 million. Deputy City Manager Cheryl De Leon discussed financial management policy requirements. There was discussion from which fund Creative Producer Zane King is paid. Mr. Yakesch noted he is currently paid from the Park Venue Sales Tax Venue fund. He discussed the five-year plan noting eventually the EpicCentral fund will pay that salary. Chairman Humphreys asked if three different staff members are needed. Deputy City Manager Cheryl De Leon noted PlayGrand has been managed by Parks staff, and she would look into whether efforts can be combined with EpicCentral and Parks staff, noting landscaping is required maintenance of the grounds. She said once hotels and restaurants come online, staff would have a better picture. There was discussion on the proceeds, pad sites, stabilization of funds and EpicCentral opening/timeline. Ms. De Leon reminded the committee that in fiscal year 2025, the budget would provide a better picture as revenue would not be recognized until the hotel and conference center are open.

Police Department Funds –Assistant Director of Police Ryan Simpson provided an overview of commercial vehicle enforcement. He noted key changes including a one-time computer purchase and a Texas Department of Transportation grant which no longer requires a city match. Mr. Simpson discussed a new one-time request to purchase a commercial vehicle scale in fiscal year 2023 and reviewed fines and uses of funds for one-time expenses. He provided an overview of Community Policing including addition of an officer for the south sector. Mr. Simpson discussed chair replacements at the Public Safety Building (PSB), the equine facility construction, Axon contract increases for equipment and five fulltime personnel additions including four officers and one sergeant for a new beat in the far southern area of the city. Ms. De Leon noted staff understands the volatility of sales tax and council has had good conservative policies in place. Mr. Simpson noted the Red Light Safety fund is used for traffic safety related expenses until all prior revenues have been expended and will be used for replacement electronic ticket writers, noting when funds are expended costs would be pushed a different fund. Mr. Simpson provided information on the US Marshals Service Agreement (a governmental fund) which is a lease agreement for office space at the PSB, noting funds are primarily used for facility improvements by the Police Department. Chairman Humphreys asked to clarify rent paid. Mr. Simpson advised it increased a few years ago but has been flat since and noted Grand Prairie houses their North Texas location.

Airport Fund – Mr. Vo provided an overview of the fund. Airport Director Mark Divita discussed an increase in salaries and benefits. He noted an increase in utilities, namely electricity, and discussed incremental increases in rents to hangars. He reviewed fuel sales and the ability to transfer more funds into Capital Improvement Projects (CIP). Council Member Ezeonu asked what is included in miscellaneous expenses, and Mr. Vo advised indirect costs charged to the airport.

Downtown, Uptown Theatre, Farmers Market – Mr. Vo provided an overview of the Downtown budget. Downtown Manager Chip Nami reviewed highlights, noting he took over the Dia de Los Muertos event, Music on Main, Ice Rink, Tree Lighting Ceremony and the Tool Lending Trailer. He reviewed key changes including a volunteer coordinator position and management of Farmers Market and Uptown Theater. Mr. Nami discussed the Request for Expressions of Interest for the Calvary Church property and reviewed funds lines. Mr. Nami advised the Farmers Market with the funding source of Parks Venue Fund offers entrepreneurs an opportunity to showcase their talents, grow their businesses and attract visitors to downtown. He reviewed highlights including Market on the Move, Sock Drive for the Homeless, a back to school drive and Fiestas Patrias for September 16th. Mr. Nami said Market on the move has twenty-five vendors with currently no fee paid since the program is a leap of faith to test its success and noted vendors are happy for the opportunity. Ms. De Leon advised council requested it and taking it on the road has shown us that we can reach others successfully. Chairman Humphreys noted he would like to review the rent downtown. Mr. Nami advised there have been twenty-five thousand visitors this year so far at Farmers Market which has created a community for the downtown residents. He said they are reviewing private rentals to offset costs and will explore if there is a market for it. Chairman There was discussion on adding temperature control at the Farmer’s Market. There was discussion on Music on Main, creating opportunities for a return on investment and two vendors who have turned a brick and mortar businesses. Council Member Ezeonu noted he does not want to increase the fee to tenants because it provides an important service to the community.

Mr. Nami provided an overview of the Uptown Theater, noting it creates a home for arts in Grand Prairie and assists in attracting visitors downtown. He reviewed Grand Prairie Arts Council (GPAC) rentable dates, noting sixty-five thousand dollars was transferred in from the Hotel Motel fund. Mr. Nami discussed the 33rd District Congressional District Representative Marc Veasey’s Art Show held in May and discussed theater renovations. Chairman Humphreys said he appreciates theater art but would like to see what the appetite is for additional art opportunities. Ms. De Leon noted an opportunity to educate council at briefing to incorporate other art and work with GPAC and discussed key changes to include a focus on rental based clients to improve finances and promote rental of the black box spaces.

Parks Department Funds – Mr. Vo provided a Parks Venue Fund overview. Assistant Director of Parks Chris Michalski discussed the Mi Familia Park Phase I renovation, Tyre Park Phase I Renovation, Turner Park Phase I Renovation and a new grant secured from National Fitness Campaign. He said the department has undergone significant changes with a department reorganization. Deputy City Manager / City Attorney Megan Mahan noted the National Fitness Campaign grant is new and will be taken to Council tomorrow. There was discussion on funds used for renovation. Ms. Mahan noted the main increases were due to salaries and compression. Mr. Michalski provided a Cemetery Fund Overview which is dedicated to providing long term care and maintenance to the cemetery, includes installation of replacement markers, benches and crypt fonts. He said the fund supports six fulltime and three parttime personnel. He reviewed highlights including the Grand Prairie Memorial Gardens perimeter wall replacement, total plots, markers/headstones sold, number of services and sale of remaining plots. There was discussion on bundling of funds, but reviewing The Summit and Ruthie Jackson Center as separate funds.

Mr. Michalski reviewed The Epic and Epic Waters funds and revenue sources noting the fund supports twenty-three fulltime, one-hundred parttime and twenty-five seasonal personnel. He

reviewed Epic Recreation highlights, noting membership is now at 11,424 members, with revenue at \$1.14 million. Mr. Michalski noted operational maintenance cost supports a one hundred twenty thousand square foot facility. Ms. Mahan noted they decreased the amount charged for individual classes at The Epic. Mr. Michalski said they are expanding external partnerships to increase revenue and rental usages. There was discussion on number of necessary parttime employees and working hours. Mr. Michalski advised most parttime employees work nineteen hours per week. Ms. Deleon noted Epic Waters sustains itself and discussed its dynamic pricing. Mr. Michalski reviewed admission rates, proposed schedule reduction and two dollar resident rate increase. He said once EpicCentral and hotels open, room packages can be offered to grow attendance numbers. There was discussion of Epic Waters sustaining The Epic and the need to put aside funds for repair and maintenance.

Mr. Michalski provided a Lake Parks fund overview, noting it includes the ongoing operating expenses for Lynn Creek Park and Loyd Park. He reviewed year-to-date revenues, noting Loyd Park is strong revenue generator with gate fees currently at four hundred eighty-nine thousand dollars with lodging at \$1.05 million. He noted Lynn Creek Park gate fees of \$1.10 million and Marina lease fees of one hundred ninety-three thousand dollars. Mr. Michalski said the fund supports twenty-four fulltime, six parttime and thirty seasonal personnel. Chairman Humphreys asked to review a sea wall option, and Mr. Michalski said he would review with the Army Corp of Engineers.

Mr. Michalski reviewed fund highlights including installation of two thousand linear feet of fencing protecting the shoreline at Lynn Creek Park, enhancement cooperation with Grand Prairie Police Department (GPPD) on enforcing park rules to include prohibition of glass containers and illegal parking within Lynn Creek Park and enhanced Loyd Park electrical systems to support lodging facilities. He noted changes to replace reservation system for booking lodging facilities.

Mr. Michalski provided a Golf Fund overview which uses the enterprise fund and provides maintenance operations for Tangle Ridge, Prairie Lakes and Pro Shop operations. He discussed rounds played, number of personnel and fund highlights with significant changes in replacement of trucks, mowers and office equipment.

Mr. Michalski provided a Prairie Lights fund overview noting revenue is from user fees. He said the fund provides setup and operations of the holiday light park located at Lynn Creek Park on Joe Pool Lake noting it attracted over twenty-five thousand vehicles and one hundred thirty-five thousand guests. There was discussion on personnel including two fulltime and thirty seasonal employees fully funded from this event but who also work other special events throughout the year.

Risk Management Fund – Human Resources Director Lisa Norris and Ms. Mahan provided a Risk Management fund overview, noting it accounts for all funds collected through internal service rates for workers compensation, property and liability insurance indemnity. The fund is managed cooperatively between the City Attorney’s Office and Human Resources. Ms. Norris said it is charged back to departments on headcount basis and noted key changes include using funds from stoploss reserve for employee insurance fund, increased property and liability premiums and claims, and reducing contracted services.

Employee Insurance Fund – Ms. Norris reviewed the employee insurance review noting the fund accounts for funding of all health and wellness related benefits and services for both

employees and retirees, such as medical, dental, vision, life, disability and the Employee Assistance Program. There was discussion on self-funding claims and utilizing a third-party claims administrator to manage claims. Ms. Norris reviewed key changes for fiscal year 2023 including volatility in medical and pharmacy costs and drawing down ending resource balance for any deficit. She said for fiscal year 2024 they account for increased medical pharmacy claims costs, discontinuing the health spending account incentive, increasing city medical contribution for actives and retirees and reducing copay for mental health visits to support affordability of care due to mental health crisis. There was discussion on claims handling, city and employee contribution, the premium for one hundred percent paid costs and stop loss reserve.

Pooled Investments Funds – Mr. Vo discussed pooled investments noting increased revenue by \$2 million due to market changes, adding investment advisory services. There was discussion on the importance of having a third-party contractor, investments, AAA rating and buying debt, the financial management policy and short-term bonds. Mr. Vo noted as interest rates go higher, staff would review and provide information to this committee.

Debt Service Fund - Mr. Vo provided an overview noting it is primarily funded from taxes and interest earnings to meet the requirements of General Obligation Debt Service and reserve. Key changes noted are total expenditures change annually to meet our debt payment obligations; issuing \$40 million in certificates of obligation to fund Capital Improvement Projects for Fire, IT, Library, Municipal Facilities, Police and Streets. There was discussion on the debt and property tax rate.

Water/Wastewater Debt Service Fund – Mr. Vo provided an overview noting it is funded from operating revenue to meet the water/wastewater (W/WW) debt requirements for principal and interest payments.

General Fund – Mr. Vo provided an overview noting it provides funding for basic operating services such as Police, Fire, Municipal Court, Transportation and Mobility, and various support services. Ms. De Leon noted the hired consultant determined anticipated growth at lower rate. Mr. Vo said the General Fund is supported by property taxes, sales taxes and other fees/charges. He discussed a 6.5 percent increase in proposed sales tax revenues. Mr. Vo advised property tax remains at \$.66/\$100, with an average taxable value of homestead exemption increase from 12.5 percent to 15 percent and noted average taxable home value at \$235,000. There was discussion regarding Tax Increment Financing. Mr. Vo reviewed the sales tax financial management policy. He discussed the three-tier program with first tier of twenty-six percent of total proposed revenues used for general fund; the second tier with first excess \$1 million to be used for reserve/improvement projects/other; and the third tier would divide the remaining excess equally into each of four areas – economic development, redevelopment, public art and special projects. There was discussion on tier two reserves. Council Member Ezeonu noted he wants to ensure the funds are used yearly for the earmarked projects. Ms. De Leon said they will bring back “buckets” to be allocated and get direction from this committee on where dollars should be spent. Chairman Humphreys asked to include suggestions for tier two.

Mr. Vo reviewed major General Fund expenditures including increases to salaries and benefits of three percent for civil service employees / five percent for non-civil service employees, part time seasonal minimum wage increase to fifteen dollars per hour and the compression study increased overall salaries. He noted transfers out include the sales tax financial management

policy. Mr. Vo discussed significant current new requests which include thirty-one additional full-time employees, cybersecurity management software and Prairie Paws exterior and security improvements. There was discussion on animal shelter improvements.

Capital Lending Fund – Mr. Vo noted the fund was established for financing one-time, non-recurring capital projects and disbursements from the fund are authorized by City Council action following recommendations by the City Manager’s Office and the Finance and Government Committee. He said one-time uses will not be repaid, citywide gas royalties go into this fund and no lending activity is forecasted for upcoming year.

Equipment Acquisition Fund – General Services Director Jayson Ramirez discussed use for purchasing capital outlay when unit purchase price is ten thousand dollars or more, including replacement vehicles for Engineering Services, Fire, Parks, Police, Public Health and Transportation. He discussed key changes including the purchase of forty-four vehicles and equipment units in fiscal year 2023. Mr. Ramirez noted the fiscal year 2024 proposed budget is for eight vehicles and equipment units, and the “make ready” equipment for an additional twenty-one vehicles. He said the use of American Rescue Plan Act (ARPA) funding resulted in fewer vehicle and equipment purchases using this fund in fiscal year 2024.

Chairman Humphreys called a recess at 11:38 a.m. for lunch.

Mr. Humphreys call the meeting back to order at 12:13 p.m.

Mr. Vo reviewed General Fund appropriations by department, approved/modified versus proposed and major changes. Chairman Humphreys requested to clarify levels of cyber security/access. Mr. Vo discussed access control and levels. There was discussion on the Mobile Library and increasing locations, and hiring additional code compliance officers.

Municipal Courts Funds – Mr. Vo provided an overview of the Municipal Court building security fund which is funded by proceeds of a security fee paid by defendants who have been convicted of a misdemeanor offence. He said thirty-five percent of the fourteen dollar court fee is deposited into this fund and is used for building security / City Marshals. Municipal Court Director Steven Cherry discussed the judicial efficiency fund which is dependent upon the year and enforcement level. He said it is funded from proceeds of a twenty-five dollar one-time fee paid by defendants who have been convicted of a misdemeanor offence, noting ten dollars goes to the General Fund, two dollars and fifty cents goes to the municipal court judicial efficiency fund. Mr. Vo and Mr. Cherry provided an overview of the technology fund noting it funds software and any other technology used. They also reviewed Truancy Prevention and Diversion funds.

Hotel/Motel Tax (HOT) Fund – Mr. Vo discussed seven percent tax charged to occupants of city hotels, motels, and any other facility in which the public may obtain sleeping quarters. He said it is a special revenue guests pay at thirty percent, seven percent goes to the city and six percent to state. Mr. Vo noted key changes are the I.T. Digital Event Calendar software, music friendly program and the Hispanic history book. Tourism Manager Sara Dedeluk discussed both programs/projects and addition of one fulltime group sales professional. Mr. Vo provided information on how the HOT can be used. Ms. Dedeluk advised most of the funding is used for advertising, marketing and the visitor guide. Chairman Humphreys said he would like a more detailed break out of how funds are used. Ms. De Leon and Mr. Vo advised they would provide an update.

Cable Operations Fund – Mr. Vo noted the fund provides government access programming to residents of Grand Prairie and advised accounts for revenue are collected from the one percent fee charged to cable customers. Mr. Vo discussed key changes including decreasing revenues, removal of one-time cameras and mics from last year and a slight increase in salaries and merits increases. There was discussion on use of the city easement, streaming and defining who is a telecom provider.

Tree Preservation Fund – Mr. Vo advised this fund is based on an ordinance approved a short time ago, established for tree mitigation fees. He said when a developer takes out a certain amount of trees and cannot or does not mitigate for the removed trees, they pay a fee established in the ordinance. Planning Director Rashad Jackson said it is part of the developer’s plan, and Mr. Vo added it has to be used to replant trees. Chairman Humphreys asked to clarify how departments would request money to replace trees. Mr. Vo and Ms. De Leon explained the process and measure for charging the tree fee.

Cricket Fund – Mr. Vo discussed funding for operations of the new Major League Cricket stadium. There was discussion on the monthly rental agreement.

City Council Travel Policy – City Manager Bill Hills, Ms. Mahan and Ms. De Leon provided and overview of the current policy and information on business meals. Mr. Vo discussed per diem as it relates to travel, actuals and overages. He reviewed the proposed travel meals payment procedure for business meals and meals payment procedure for personal meals. Ms. De Leon advised they are providing information and options for council to determine how they prefer to manage their procedures regarding meals. Council Member Ezeonu said he preferred to take per diem instead of using a card. Ms. De Leon clarified the business meal option. There was discussion on per diem amounts, recommended proposed changes to the policy, eligible travel / local travel expenses, meals not purchased by city staff and meals for conferences within a thirty-mile radius. Mr. Vo reviewed non-local travel expenses and discussed business meals, which would be reimbursed based on actual costs and requires itemized receipt listing attendees and business purpose. There was discussion on providing a reasonable tip, noting the city will not reimburse tip above twenty percent, and discussion on who should approve exceptions. There was discussion on transportation and lodging, allowing travel and accommodations a day before and a day after conferences. The committee recommended striking the clause pertaining to limiting council to twenty percent of the travel budget per council member. Council Member Ezeonu noted he would like to increase the travel budget to one hundred thousand total per year and no limits on amount of travel per council member. The committee recommended keeping the clause allowing the City Manager and Mayor to decide on exceptions from the policy.

EXECUTIVE SESSION

There was no closed session.

CITIZEN COMMENTS

There were none.

ADJOURNMENT

Chairman Humphreys adjourned the meeting at 2:02 p.m.

The foregoing minutes were approved at the December 5, 2023, Finance and Government Committee meeting.

Mona Lisa Galicia, City Secretary



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
COUNCIL BRIEFING ROOM
TUESDAY, NOVEMBER 07, 2023 AT 2:30 PM**

MINUTES

CALL TO ORDER

Chairman Humphreys called the meeting to order at 2:30 p.m.

PRESENT

*Chairman Cole Humphreys
Council Member Kurt Johnson
Council Member Junior Ezeonu*

STAFF PRESENTATIONS

1. Bond Program Presentation

Managing Directors Hilltop Securities Jim Sabonis and Andre Ayala presented to the committee the Plan of Finance for Fall 2023 Debt Issuance and Conversion of General Obligation Bonds, Series 2022B from Taxable to Tax-Exempt Interest Rates.

2. Golf Budget Review and Tangle Ridge Benchmark Review

Parks Fiscal Manager Stephen Bowles presented this item to the committee noting 2023 Accomplishments, Objectives in 2024, Golf Course Fund Summary Review, Benchmarking – Financial, Facility Inspection, Customer Survey, Comp Reporting Prior to FY23 and Comp Reporting FY23 vs FY23.

3. Fleet Replacement Methodology

Director of General Services Jayson Ramirez presented this item to the committee noting Fleet Services provides a comprehensive fleet management program for all vehicles and equipment in the City of Grand Prairie's fleet. Also noted where the Fleet Service Accomplishments, reasons for vehicle replacements, direct effects of not replacing vehicles and fleet services policies and procedures.

CONSENT AGENDA

Chairman Humphreys mentioned he had some questions and comments on agenda item number nine, noted accordingly. Motion to recommend approval to City Council made by Council Member Johnson, seconded by Council Member Ezeonu to approve consent agenda items four through nine. The motion carried unanimously.

4. Minutes of the October 3, 2023, Finance and Government Committee Meeting

Approved on Consent Agenda

5. Annual Contract for embroidery and screen-printing services from Frontend Solutions, (up to \$66,666.66 annually) Texas Sportswear & Specialties dba Toro Branded Apparel & Merchandise, (up to \$66,666.66 annually), and Promotional Designs Inc. (up to \$66,666.66 annually). This contract will be for one year with the option to renew for four additional one-year periods in an amount not to exceed \$999,999.90 if all extensions are exercised

Approved on Consent Agenda

6. Annual Contract for Electrical, Lighting, Data Communications, and Security Products and Related Products, Services, and Solutions from Graybar Electric Company in the amount of \$280,000.00 through a Master Cooperative Agreement with Omnia Partners. This contract will be for one year with the option to renew for three additional one-year periods totaling \$1,120,000.00 if all extensions are exercised

Approved on Consent Agenda

7. Agreement with the Dallas Area Agency on Aging (DAAA) for a total budget of \$192,880 (Less program reimbursements of \$163,021) for the Congregate Meals and Transportation program located at the Summit

Approved on Consent Agenda

8. Annual Contract for Service and Repair of Marine Vessels from Boaters World of Grand Prairie (up to \$50,000.00 annually). This contract will be for one year with the option to renew for four (4) additional one-year periods totaling \$250,000.00 if all extensions are exercised

Approved on Consent Agenda

9. To authorize the City Manager to enter into a contract with the Grand Prairie Arts Council for promotion and facilitation of arts in the community in exchange for \$75,000 from the 2023-2024 Hotel Motel fund as approved in the budget

Chairman Humphreys said he would like the Grand Prairie Arts Council to consider doing two or three shows at Epic Central in 2024. Matt Betz and Debbie Dodd of the Grand Prairie Arts Council were present and said productions for 2024 are confirmed and purchased and due to the size are unable to be held at an alternate location but would consider for the future.

Marketing and Communications Supervisor Sara Dedeluk presented to the committee the Grand Prairie Arts Council Annual Contract Review noting recommended action, analysis and financial consideration including the Grand Prairie Arts Council plans for 2024 and funding.

Council Member Johnson concurred with Chairman Humphreys in hosting productions at Epic Central; recommending staff and the Grand Prairie Arts Council look into working collaboratively to bring productions to Epic Central in 2025. Chairman Humphreys said Council has vocally expressed interest in more arts throughout the city and thanks staff for this presentation.

Approved on Consent Agenda

ITEMS FOR INDIVIDUAL CONSIDERATION

10. Resolution declaring expectation to reimburse expenditures with proceeds from the issuance of future debt for fire-fighting facilities and equipment, goods and services for information technology projects, library facilities and equipment, new construction and renovations to municipal facilities, public safety equipment, and street improvements, including related costs of rights-of-way and costs incidental to street improvements as outlined in the adopted FY2023/2024 CIP

Chief Financial Officer Cathy Patrick informed the committee this resolution provides the mechanism to issue bonds in FY2023-2024 to reimburse expenditures incurred in the current fiscal year to expend items related to the adopted Capital Improvements Program.

Motion to recommend approval to City Council made by Council Member Johnson, seconded by Council Member Ezeonu. The motion carried unanimously.

11. Annual Contract for computer equipment and accessories from Dell Inc. in the amount of \$450,000.00 through a Master Cooperative Agreement with the Department of Information Resources (DIR). This contract will be for one year with the option to renew for four additional one-year periods, allowing an increase not to exceed 15% annually with an estimated total of \$3,034,071.56 if all extensions are exercised

Chief Financial Officer Keshnel Penny informed the committee this an annual contract for computer equipment, accessories, software and related services from Dell, Inc. Council Member Johnson inquired if this was for replacement of computer equipment. Mr. Penny confirmed this is a renewal contract with Dell, Inc. to replace computers throughout the city as needed.

Motion to recommend approval to City Council made by Council Member Ezeonu, seconded by Council Member Johnson. The motion carried unanimously.

12. Contract for auctioneering services with Rene Bates Auctioneers, through a national interlocal agreement with BuyBoard, and authorize the vendor to charge a 10% Buyer's Premium on all City property auctioned off (anticipated between \$100,000 - \$150,000 annually) for one year with the option to renew for two additional one-year periods and authorize the City Manager to execute the renewal options

Purchasing Manager Angi Mize informed the committee that Rene Bates Auctioneers has been utilized by the City since 2004 for auctioning city-wide surplus property, seized and abandoned property, and retired fleet vehicles and equipment through their cooperative contract. Auctions are conducted through the internet and live auctions.

Motion to recommend approval to City Council made by Council Member Johnson, seconded by Council Member Ezeonu. The motion carried unanimously.

EXECUTIVE SESSION

No executive session was held.

CITIZEN COMMENTS

No citizen comments

ADJOURNMENT

Chairman Humphreys adjourned the meeting at 4:13 p.m.

Cole Humphreys, Chairman



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 12/05/2023
PRESENTER: Keshnel Penny, CIO – Information Technology
TITLE: Purchase of Avaya CM 10 phone system upgrade from Lantana Communications in the amount of \$74,860.00
REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

Table with 2 columns: Vendor Name, Total Cost. Row 1: Lantana Communications, \$74,860.00

PURPOSE OF REQUEST:

Purchase of Avaya CM 10 upgrade to the city’s phone system from Lantana Communications. This upgrade is to stay up to date with the new and enhanced features of Avaya Aura CM 10 components: Communication Manager is a foundational element of the Avaya Aura Platform. This software upgrade is not part of an IVR solution or feature. This upgrade adds general features for the users and our current Avaya has announced the End of Support for Communication Manager 8 and we need to upgrade to Communication Manager 10 to is to assure the city phone system is current with the phone vendor software recommendations.

Chapter 271.102 of the Local Government Code authorizes local governments to participate in a cooperative purchasing program with another local government or local cooperative organization. In lieu of competitive bidding, items, and services may be purchased through such agreements as the agreements have already been bid by the sponsoring entity or agency. The City of Grand Prairie has master inter-local cooperative agreements with various entities, including Choice Partners contract 21-031KN-35.

PROCUREMENT DETAILS:

Procurement Method: [X] Cooperative

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name: IT CIP Fund	153210-02401303-60540
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Colby Frantz, Superintendent of Fleet Services

TITLE: Annual Contract for heavy duty and medium duty truck and trailer parts and services from Industrial Power Truck and Equipment through a Cooperative Agreement with TIPS. This contract will be for one year (up to \$50,000.00 annually) ending October 31, 2024, with the option to renew for two additional one-year period (up to \$50,000.00 annually), totaling \$150,000.00 if all extensions are exercised

REVIEWING COMMITTEE: (Reviewed by the Finance and Government on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Industrial Power Truck & Equipment	\$50,000.00	\$150,000.00

PURPOSE OF REQUEST:

This contract is for fleet services and repairs for city owned class 3-8 vehicles. These services shall include but not limited to preventative maintenance, warranty work, medium/heavy vehicle maintenance, diagnostics, and emergency services on-site & off-site. Industrial Power and Equipment is an authorized Cummins engine and Allison transmission warranty facility and is based in Fort Worth, Texas.

The annual contract cost of *up to* \$50,000 takes into account increased maintenance cost associated with keeping units in service while awaiting delivery and placement in-service of new vehicles. Additionally, this allows for any unexpected, single major repair that may be needed and which may exceed previous years' spending. For example, a single major engine failure on a heavy truck may exceed \$35,000. While we hope to keep expenditures low as the experience demonstrates, having the available annual amount allows us to make any emergency repair needed and get vehicles back in service expeditiously for our customers.

State Purchasing laws, Government Code, Chapter 271.102 authorize local governments to enter into joining contracts and cooperative agreements for the performance of governmental functions normally associated with the operation of government such as purchasing necessary materials and supplies.

The City approved a Cooperative Agreement with TIPS; whereby, the City could make use of all that entities agreement(s).

FUNDING HISTORY (2 to 3 yrs info):

	<i>Amount</i>	<i>Approval Date</i>	<i>Reason</i>
FY '21	\$6,654		
FY '22	\$5,056		
FY '23	\$7,232		
TOTAL:	\$21,331		

PROCUREMENT DETAILS:

Procurement Method: Cooperative

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Fleet Services Fund
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Colby Frantz, Superintendent of Fleet Services

TITLE: Annual contract for Original Equipment Manufacturer (OEM) Maintenance, Service, and Repair from Longhorn Harley Davidson (up to \$50,000.00 annually) through a Master Cooperative Agreement with BuyBoard. This contract will be for one year with the option to renew for two additional one-year periods totaling \$150,000.00 if all extensions are exercised

REVIEWING COMMITTEE: (Reviewed by the Finance & Government Committee on 12/05/2023)

SUMMARY:

<i>Vendor Name</i>	<i>Annual Cost</i>	<i>Total Cost</i>
Longhorn Harley Davidson	\$50,000.00	\$150,000.00

PURPOSE OF REQUEST:

This annual contract will be used by General Services- Fleet Services for original equipment manufacturer (OEM) maintenance, services, and repairs on City owned Harley Davidson motorcycles on an as-needed basis. Services include preventive maintenance and repairs to city owned motorcycles.

Annual contract cost *up to* \$50,000 takes into account increased non-warranty maintenance costs associated with continued use of units while awaiting delivery and placement in-service of new vehicles. Cost also accounts for potential major component failure and accident damage repair through vendor. In the event of a major or post-collision repair this vendor would be utilized due to their specialization and in the interest of officer safety.

State Purchasing laws, Government Code, Chapter 271.102 authorize local governments to enter into joining contracts and cooperative agreements for the performance of governmental functions normally associated with the operation of government such as purchasing necessary materials and supplies.

The City approved a Master Cooperative agreement with BuyBoard; whereby, the City could make use of all that entities agreement(s).

FUNDING HISTORY (2 to 3 yrs info):

	<u>Amount</u>	<u>Approval Date</u>	<u>Reason</u>
FY '21	\$21,843	12/15/2020	
FY '22	\$13,267		
FY '23	\$20,582		
TOTAL:	\$55,692		

PROCUREMENT DETAILS:

Procurement Method: Cooperative/Interlocal

Local Vendor

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Fleet Services Fund
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Colby Frantz, Superintendent of Fleet Services

TITLE: Annual contract for Original Equipment Manufacturer (OEM) Maintenance, Service, and Repair from Holt Texas, Ltd (up to \$250,000.00 annually) through a Master Cooperative Agreement with BuyBoard. This contract will be for one year with the option to renew for an additional one-year period totaling \$500,000.00 if all extensions are exercised

REVIEWING COMMITTEE: (Reviewed by the Finance & Government Committee on 12/05/2023)

SUMMARY:

<i>Vendor Name</i>	<i>Annual Cost</i>	<i>Total Cost</i>
Holt Texas Ltd	\$250,000.00	\$500,000.00

PURPOSE OF REQUEST:

This annual contract will be used by General Services- Fleet Services for original equipment manufacturer (OEM) maintenance, services, and repairs on City owned Caterpillar machinery on an as-needed basis. Services include preventive maintenance and repairs to city owned machinery.

Annual contract cost of *up to* \$250,000 takes into account increased maintenance cost associated with keeping units in service while awaiting delivery and placement in-service of new equipment. Contract cost also accounts for the cost to perform any single major repair may exceed previous years' spending.

State Purchasing laws, Government Code, Chapter 271.102 authorize local governments to enter into joining contracts and cooperative agreements for the performance of governmental functions normally associated with the operation of government such as purchasing necessary materials and supplies.

The City approved a Master Cooperative agreement with BuyBoard; whereby, the City could make use of all that entities agreement(s).

FUNDING HISTORY (2 to 3 yrs info):

	<i>Amount</i>	<i>Approval Date</i>	<i>Reason</i>
FY '21	\$176,959	11/03/2020	

FY '22	\$133,132		
FY '23	\$156,089		
TOTAL:	\$466,180		

PROCUREMENT DETAILS:

Procurement Method: Cooperative/Interlocal

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Fleet Services Fund
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Keshnel Penny, CIO – Information Technology

TITLE: Purchase of Audio and Video equipment for the Council Briefing Room from AVI-SPL LLC in the amount of \$73,952.49

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Total Cost</u>
AVI-SPL LLC	\$73,952.49

PURPOSE OF REQUEST:

The purpose of this project is to upgrade the A/V equipment in the Council briefing Room to provide better quality audio and video of the public meetings. These upgrades will include replacing the cameras to enhance our citizens view of presenters, replacing the microphones in the ceiling to allow citizens to clearly hear the briefing updates, upgrade to provide video feed from projector directly to recording stream to allow citizens to easily view the presentation, and add an On Air sign to inform people in the briefing room that we are recording.

Chapter 271.102 of the Local Government Code authorizes local governments to participate in a cooperative purchasing program with another local government or local cooperative organization. In lieu of competitive bidding, items and services may be purchased through such agreements as the agreements have already been bid by the sponsoring entity or agency. The City of Grand Prairie has master inter-local cooperative agreements with various entities including AVI-SPL LLC through which this purchased will be made.

PROCUREMENT DETAILS:

Procurement Method: Cooperative/Interlocal

<u>FINANCIAL CONSIDERATION:</u> Budgeted?	<input checked="" type="checkbox"/>	Fund Name: CIP Building Security Ex	153210-02401403-61560
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Cathy Patrick, Chief Financial Officer

TITLE: Annual Contract for Diversity Management Software from AskReply, Inc. dba B2GNow in the amount of \$36,172 annually through a Master Cooperative agreement with the Department of Information Resources (DIR). This contract will be for one year with the option to renew for five additional one-year periods totaling \$217,032 if all extensions are exercised

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<i>Vendor Name</i>	<i>Annual Cost</i>	<i>Total Cost</i>
AskReply, Inc dba B2Gnow	\$36,172	\$217,032

PURPOSE OF REQUEST:

The City’s current financial management software, Lawson, does not have the ability to track, manage, or accurately produce reports for a procurement diversity program. Therefore, Finance recommends purchasing B2Gnow software to manage the City’s diversity programs. B2Gnow is a sophisticated web-based, hosted solution that offers vendor management, 24/7 unlimited access, contract compliance, spend analysis, and certified directories.

State purchasing laws, Government Code, Chapter 271.102 authorize local governments to enter into joint contacts and cooperative agreements to perform governmental functions normally associated with government operation, such as purchasing necessary materials and supplies.

The City approved a Master Cooperative agreement with DIR whereby the City could use all that entity's agreement(s).

PROCUREMENT DETAILS:

Procurement Method: Cooperative – DIR

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	General Fund
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Ray Riedinger, Facility Services Manager, General Services

TITLE: Purchase of a generator for the Public Safety Storage & Facility Services Warehouse from Holt Cat through a Master Cooperative agreement with Sourcewell. This is a one-time purchase in the amount of \$1,126,000 with a contingency of \$224,000 totaling \$1,350,000.00

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Total Cost</u>
Holt Cat	\$1,126,000

PURPOSE OF REQUEST:

This facility will be designated as an essential facility; therefore, this purchase of a generator ensures the Public Safety Storage & Facility Services Warehouse will be supplied with electrical power during a power outage and prevent disruption of business operations.

PROCUREMENT DETAILS:

Procurement Method: Cooperative

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Municipal Facilities CIP Fund
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If Capital Improvement:					
Total Project Budget	\$1,350,000	Proposed New Funding:	\$0	Remaining Funding:	\$0



**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 12/05/2023

PRESENTER: Jayson Ramirez, Director of General Services

TITLE: Resolution ratifying the application and acceptance of a grant from the Texas State Energy Conservation Office (SECO) in the amount of \$12,500 for the purpose of converting existing lighting to LED lighting at Jennifer McFalls Park East and authorizing the City Manager to accept, reject, alter, or terminate the award

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee 12/05/2023)

SUMMARY:

<u>Grantor</u>	<u>Grant Amount</u>	<u>Match Required</u>
Texas State Energy Conservation Office	\$12,500.00	\$2,500.00

PURPOSE OF REQUEST:

The Texas State Energy Conservation Office (SECO) has awarded the Municipally Owned Community or Recreation Center LED Lighting Retrofits Award to the City of Grand Prairie Parks Department in the amount of \$12,500 to convert existing lighting to LED lighting at Jennifer McFalls Park East. SECO requires a resolution from the City Council authorizing the City to accept grant awards and to dedicate an authorized official to represent the City throughout the grant award cycle.

FINANCIAL CONSIDERATION:

20% match (\$2,500) by the City

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Parks CIP Fund
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BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, RATIFYING THE APPLICATION TO AND ACCEPTANCE OF THE MUNICIPALLY OWNED COMMUNITY OR RECREATION CENTER LED LIGHTING RETROFITS GRANT AWARD FROM THE TEXAS STATE ENERGY CONSERVATION OFFICE (SECO) IN THE AMOUNT OF \$12,500.

WHEREAS, the City Council of the City of Grand Prairie, Texas (“Council”) finds it in the best interest of the citizens of Grand Prairie, Texas to convert existing lighting to LED lighting at Jennifer McFalls Park East; and

WHEREAS, the Texas State Energy and Conservation Office has selected the FY 2024 Recreation Center LED Lighting Retrofits Application, RFA No. MUN-G1-2024 (“Application”), submitted by the City of Grand Prairie Parks Department to receive an award in the amount of \$12,500 (“Award”) for the purpose of converting existing lighting to LED lighting at Jennifer McFalls Park East; and

WHEREAS, the Application requires commitment of a 20% cash-match from the City to accept and utilize the Award; and

WHEREAS, in the event of loss or misuse of the grant funds, the Council assures that the Award funds will be returned to SECO.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, THAT:

SECTION 1. The Council hereby supports and ratifies the Application.

SECTION 2. The Council authorizes the City Manager to take all actions necessary and proper to accept, reject, alter, or terminate the Award.

SECTION 3. This resolution shall be in full force and effect from and after its passage and approval in accordance with the Charter of the City of Grand Prairie and it is accordingly so resolved.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 12 DAY OF DECEMBER 2023.



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Andy Henning, Director of Design + Construction

TITLE: Construction Manager at Risk (CMAR) Contract with Hill & Wilkinson General Contractors for initial pre-construction services regarding City Hall East Level 2 Office Renovations in the amount of \$3,000 along with approval of a construction management services fee of 6.95%

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<i>Vendor Name</i>

Hill & Wilkinson General Contractors

PURPOSE OF REQUEST:

Approval of a Construction Manager at Risk (CMAR) Contract with Hill & Wilkinson General Contractors for initial pre-construction services regarding City Hall East Level 2 Office Renovations in the amount of \$3,000. In addition, approval of a construction management services fee of 6.95% to be applied to the actual costs of construction for the finalized work which will be competitively bid later and brought back to the City Council for approval prior to construction beginning.

In order to address the ever-growing needs and increased staffing of the Public Health & Environmental Quality Department (PH&EQ), renovations are desired to the inefficient layout of the existing City Hall East level 2 office space where the PH&EQ Department is currently located. The renovations will provide staff accommodations more appropriately in line with city hall staff workspace throughout the balance of the facility while also aligning with the new aesthetics of the overall City Hall complex. Most importantly, the redesign of the PH&EQ department will equate to increasing capacity by nearly 50%.

With the design process reaching the point of needing important cost estimation and constructability review, a Request for Proposal (RFP) #24000 solicitation was advertised by the City in accordance with State law with respondents to the RFP required to submit their proposals no later than October 31, 2023. Five (5) companies responded to the RFP. All proposals were reviewed by the selection committee and it was determined unanimously that Hill & Wilkinson General Contractors would be recommended for the CMAR contract award for the City Hall East Level 2 Office Renovations.

Pending determination of a final project construction cost within the planned overall budget, a subsequent contract award shall be comprised of Hill & Wilkinson General Contractors' estimated field and office staff (\$161,439), approximate General Conditions (\$72,261), and construction services fee amount based on a 6.95% fee applied to the actual competitively bid construction cost.

Should the City Council approve Hill & Wilkinson General Contractors for the CMAR contract award as recommended, City staff will begin working with Hill & Wilkinson General Contractors and Rouch Architects to finalize design items and begin the process of obtaining bids from Subcontractors. The Construction Manager at Risk pre-construction services role also involves the development of conceptual project estimates, preliminary construction schedules, value engineering considerations, and constructability review.

Once available, the final overall project construction cost will be presented to the City Council for consideration and approval as an amendment to the initial contract.

PROCUREMENT DETAILS:

Procurement Method: RFB

Local Vendor HUB Vendor

Number of Responses: Five (5) RFB #: 24000

Selection Details: Low Bid Best Value

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Capital Reserve CIP Fund
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ATTACHMENTS / SUPPORTING DOCUMENTS:

- 1- Request for Proposal Tabulation Summary
- 2- Selection Committee Evaluation Form


CMAR CITY HALL LEVEL 2 RENOVATIONS

RFB #24000

TABULATION

		Hispanic/Woman	Woman		Woman	
		Azteca Designs Somerset, TX	Hill & Wilkinson Richardson, TX	ICGM Group Dallas, TX	Key Construction FTW, TX	NAE Contracting FTW, TX
Item	Description	PRICE	PRICE	PRICE	PRICE	Unit Price
	Pre-Construction Fee:	\$ 10,000.00	\$ 3,000.00	\$ 75,276.00	\$ 4,500.00	\$ 49,363.00
	Construction Fee					
	A. Percentage:	10.00%	6.95%		8.0%	7.0%
	B. Dollar Amount (included as part of GMP):	\$ 150,000.00	\$ 81,230.00		\$ 100,000.00	\$ 87,500.00
	Field & Office Staff (Line 12):	\$ 27,500.00	\$ 161,439.00	\$ 367,600.00	\$ 146,200.00	\$ 129,996.56
	General Conditions (Line 52):	\$ 69,500.00	\$ 72,261.00	\$ 1,385,264.50	\$ 71,936.75	\$ 109,306.00
	Total Cost (Pre-Construction (Line 1) + Construction (Line 2B) + Field & Office Staff (Line 3) + General Conditions (Line 4))	\$ 257,000.00	\$ 317,930.00	\$ 1,828,140.50	\$ 322,636.75	\$ 376,165.56

SCORECARD

		Evaluation Score Card				
CHE LVL 2 RENOV RFB # 24000		Azteca Designs	Hill & Wilkinson	ICGM Group	Key Construction	NAE Contracting
		Somerset, TX	Richardson, TX	Dallas, TX	FTW, TX	FTW, TX
Evaluation Criteria	Maximum Score	Score	Score	Score	Score	Score
Price	30.00	30.00	24.25	0.00	23.90	20.50
Experience (size)	10.00	6.00	10.00	0.00	10.00	8.00
Experience (contract)	10.00	4.00	10.00	0.00	10.00	8.00
Approach	30.00	24.00	30.00	0.00	24.00	18.00
Interview	20.00	16.00	20.00	0.00	0.00	0.00
Total	100.00	80.00	94.25	0.00	67.90	54.50

Evaluation Form
 CHE LVL 2 RENOV
 RFB # 24000

Evaluator: Cindy Mendez + Jody Cason + Werner Rodriguez + Petrina Bonnicks-Higgins + Andy Henning + Rouch Architects

Criteria	Max Score	Max Rating	Azteca Designs Somerset, TX	Hill & Wilkinson Richardson, TX	ICGM Group Dallas, TX	Key Construction FTW, TX	NAE Contracting FTW, TX
Price	30.00	N/A					
Experience (size)	10.00	5.00	3.00	5.00	Non-Resp	5.00	4.00
Experience (contract)	10.00	5.00	2.00	5.00	Non-Resp	5.00	2.00
Approach	30.00	5.00	4.00	5.00	Non-Resp	4.00	3.00
Interview	20.00	5.00	4.00	5.00	N/A	N/A	N/A

Notes: Please provide a "rating" for applicable criteria.
 Pricing is auto calculated by Purchasing and will be included on the final score card. Please review the "score method" worksheet prior to scoring.

Selection Committee Review Notes:

Concerns over Azteca location, staffing capacity and ability to fulfill CM role when not self-performing work

Concerns over Azteca true staff assignment to project based on line item cost

Positive value associated with Hill & Wilkinson work on municipal complex - no learning curve = time/\$ savings

Hill & Wilkinson proactive approach to procurement of long lead time items - glass, lighting and roof top units

Hill & Wilkinson diversity staff member dedicated to HUB participation focus - list of over 1500 subcontractors

Hill & Wilkinson local subcontractor market knowledge versus Azteca knowledge not being local



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/5/2023

PRESENTER: Colby Frantz, Superintendent of Fleet Services

TITLE: Amendment to the Existing Price Agreement with Genuine Parts CO dba NAPA Auto Parts to Increase the Total Authorized Expenditure from August 2021 through December 21, 2024 to \$6,600,000

REVIEWING COMMITTEE: (Reviewed by the Finance & Government Committee on 12/05/2023)

SUMMARY:

In April 2021, City Council authorized a price agreement for an on-site fleet parts distributor with Genuine Parts Co dba NAPA Auto Parts for a total contract amount of \$6,400,000 if the contract is extended through December 31, 2024 (estimated \$1.6M per year).

The existing contract, which is based on a cooperative purchasing agreement with Sourcewell, is set to expire on December 31, 2024. Market conditions have greatly decreased the availability of parts and increased costs of the parts and freight charges. The delayed or low availability of the replacement vehicles in the market during such turbulent times, has increased the need to extend the life of the City’s existing fleet causing increased vehicle repairs.

With these changes in market conditions, staff anticipates the expenditures for this year and next to exceed the estimated annual amount of \$1,600,000. Therefore, staff is seeking to amend the existing agreement to authorize a total contract expenditure of \$6,600,000.

PURPOSE OF REQUEST:

The City’s vendor for on-site fleet parts distribution, Genuine Parts co dba NAPA Auto Parts, will exceed current contract limits. The increase is requested to address the rising cost of the parts and shipping charges until the term expires in December 2024.

FUNDING HISTORY (2 to 3 yrs. info):

	<u>Amount</u>	<u>Approval Date</u>	<u>Reason</u>
<i>Original:</i>	\$6,400,000	4/20/2021	Original Authorized Amount
<i>Amendment</i>	\$ 200,000		Price increase due to market conditions
TOTAL:	\$6,600,000		

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Fleet Services Fund
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Cathy Patrick, Chief Financial Officer

TITLE: Annual contract for Bank Depository Services from Wells Fargo Bank, N.A. (fees up to \$100,000.00 annually). This contract will be for two years with the option to renew for three additional one-year periods fees totaling \$500,000.00 if all extensions are exercised

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Wells Fargo, N.A.	\$100,000.00	\$500,000.00

PURPOSE OF REQUEST:

Texas Local Government Code Chapter 105 requires the city to solicit bank applications no less than every five years. The current agreement expires on February 29, 2024. City staff used Valley View Consulting LLC to assist with the Bank Request for Application (RFA) process and analysis.

Wells Fargo has an Outstanding CRA rating from the State of Texas as well as outstanding Lending and Service Test scores. Wells Fargo also has a High Satisfactory Investment Test score.

Valley View Consulting LLC compiled a summary of the resulting analysis and a comparison of the bids, as attached.

FUNDING HISTORY (2 to 3 yrs. info):

	<u>Fees Paid</u>	<u>Approval Date</u>
<i>FY2020</i>	\$86,043.48	12/11/2018
<i>FY2021</i>	\$94,075.10	12/11/2018
<i>FY2022</i>	\$96,907.35	12/11/2018

PROCUREMENT DETAILS:

Procurement Method: RFA
 Local Vendor HUB Vendor
 Number of Responses: Three RFA #: 23133
 Selection Details: Low Bid Best Value

FINANCIAL CONSIDERATION:

Budgeted?	<input type="checkbox"/>	Fund Name:	Pooled Investment Fund
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ATTACHMENTS / SUPPORTING DOCUMENTS:

- 1- Bid Analysis
- 2- Presentation

Evaluation Criteria

1. Ability to perform and provide the required and requested services.
2. References provided and quality of services
3. Cost of services;
4. Transition cost, retention and transition offers and incentives;
5. Funds availability;
6. Interest paid on interest bearing accounts and deposits;
7. Earnings credit calculation on compensating balances;
8. Completeness of application and agreement to points outlined in the RFA;
9. Applicants physical location as defined in the RFA and the convenience of location(s);
10. Previous service relationship with the City; and
11. Financial strength and stability of the institution.

RFA Financial Analysis

Summary Financial Comparison			
	J.P. Morgan	PNC	Wells Fargo
Average Bank Balance	\$8,611,953	\$8,611,953	\$8,611,953
Monthly Service Fee Estimate	(6,863)	(10,458)	(8,329)
Waived Fees	123,525	-	45,000
Net Fees for Two Year Term	(\$41,175)	(\$250,982)	(\$154,886)
Earnings Credit Rate	4.12%	2.50%	2.50%
Earnings Credit for 2 Years	41,175	250,982	12,737
Interest Rate Offered	4.02%	3.65%	4.98%
Two Year Investment Income	652,225	262,239	832,378
Net Two Year Income	\$652,225	\$262,239	\$690,229
Fees for Five Year Term	(\$288,226)	(\$627,454)	(\$454,716)
Earnings Credit for Five Year Term	288,226	627,454	31,844
Five Year Investment Income	1,449,773	655,598	2,080,944
Net Five Year Income	\$1,449,773	\$655,598	\$1,658,071
Incentives Offered	7,500	0	5,000
Net Income w/ Incentives	\$1,457,273	\$655,598	\$1,663,071

Staff recommendation

The Staff recommends, and Valley View Consulting concurs with accepting the application from Wells Fargo Bank based on the following:

1. Offered the most favorable terms and conditions of the three applications received.
2. Proven track record of performance as the current depository.
3. Staying with incumbent eliminates work of changing banks
4. Wells Fargo has an Outstanding CRA rating.

Valley View Consulting Banking Team

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**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 12/05/2023

PRESENTER: Cathy Patrick, Chief Financial Officer

TITLE: Resolution Approving the City's Investment Policy

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

PURPOSE OF REQUEST:

The City's Investment Policy is reviewed at least annually per State Law, the Public Funds Investment Act of Texas (PFIA), or as deemed appropriate due to other circumstances.

The City's amended investment policies' scope also applies to Sports Corporation investments unless otherwise specified. However, Sports Corporation investments will be separately and discretely managed apart from City funds. Any changes related to the Sports Corporation will also be reviewed and approved by that body.

The policy was reviewed by the City's new Investment Advisors, who have suggested several changes as listed below:

- Section III Investment Committee - Updated the Investment Committee's authority and responsibilities.
- Section IX Collateral Policy – Clarified letter of credit collateral and securities pledged collateral. Also added was the Financial Institutions Reform Recovery Act (FIRREA) language that provides perfected collateral processes to protect the City's investments.
- Section VI Diversification – removed chart with limits on maximum percentages for investment type.
- Section XII Strategy – Added the six required priorities for investment strategy.
- Removed redundant and unnecessary information.

ATTACHMENTS / SUPPORTING DOCUMENTS:

- 1- Marked-up version of the Investment Policy
- 2- A clean version of the Investment Policy

BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, APPROVING THE CITY OF GRAND PRAIRIE REVISED INVESTMENT POLICY TO BECOME EFFECTIVE UPON PASSAGE AND APPROVAL

WHEREAS, it is the goal of the City to maintain a long-term, stable, and positive financial condition;

WHEREAS, well-planned and prudent public funds investment management is essential to the achievement of the City's goal:

WHEREAS, the City is required by State Law to review, revise, if necessary, and adopt the City Investment Policy annually.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, THAT:

SECTION 1. the City Council hereby adopts the Investment Policy, attached as Exhibit A.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 12 DAY OF DECEMBER 2023.

CITY OF GRAND PRAIRIE
SUMMARY OF INVESTMENT POLICY RECOMMENDATIONS
November 2023

- II Responsibility – Clarified language for processes and removed unnecessary wording. Confirmed that the titles of Investment Officers remained correct.
- III Investment Committee – Added the approval of broker/dealers and training sources to the committee responsibilities. Added Audit/Budget Director as member of Committee. Removed unnecessary wording.
- IV Authorized Investments – Updated language in compliance with PFIA and removed extra language.
- VI Diversification – Updated the titles and percentages within the investment grid. We also removed the verbiage on callable securities. Callable securities remove the ability to lock in investments along your planned ladder and we do not suggest the use of callable securities.
- VII Qualifying Broker/Dealers – We suggested simplified language.
- VIII Safekeeping and Custodial Agreements – Segregated the securities owned by the City versus what is pledged as collateral to the City.
- IX Collateral Policy – Clarified letter of credit collateral and securities pledged collateral. Also added the Financial Institutions Reform Recovery & Enforcement Act (FIRREA) language that provides for the processes of perfected collateral to protect the City's investments.
- X Investment Practice – General – Updated the competitive environment language and added the Investment Policy Certification wording required for pools and discretionary investment firms.
- XI Reporting – Added the weighted average yield to maturity measurement language.
- XIII Strategy – Added the 6 PFIA required priorities for investment strategy.
- XIV Indemnity – Clarified the personal business relationship wording to align with PFIA and updated the prudent person language to match PFIA.
- Glossary – Suggested removal of glossary. It is not required within the policy.

CITY OF GRAND PRAIRIE

INVESTMENT POLICIES

December 12, 2023

Prepared by the Finance Department

Approved by the City Manager
(Originally approved March, 1986)

Adopted by the City Council December 12, 2023

INVESTMENT POLICIES
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CITY OF GRAND PRAIRIE
INVESTMENT POLICIES
MARCH 1, 1986
As Revised December 12, 2023

I. Introduction and Scope

The City of Grand Prairie (“City”) shall manage and invest its cash with three objectives, listed in order of priority: preservation and safety of principal, liquidity, and yield. The preservation and safety of the principal invested always remains the primary objective.

Cash management is defined as the process of managing monies in order to ensure optimum cash availability and optimum yield on short-term investment of idle cash. Pursued objectives include expediting revenue receipts and slowing down disbursements of cash.

The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payment in accordance with invoice terms, and prudent investment of its available cash.

The Public Funds Investment Act Chapter 2256 Government Code of Texas (“PFIA”) as amended prescribes that each city is to adopt rules governing its investment practices. The Investment Policies are intended to fulfill the requirements of this State law.

Further, as administrative agent of the Grand Prairie Sports Facilities Development Corporation, Inc, (“the Sports Corp”) the scope of the City’s Investment Policies will apply to investments of the Sports Corp, unless otherwise indicated. However, the investments for the Sports Corp will be separately and discretely managed apart from City funds.

II. Responsibility

These Policies are developed to guide the Chief Financial Officer and staff in investment matters. The overriding goal of the Investment Policies is to enable the City to achieve the objectives of preservation and safety of principal, liquidity and yield while conducting its operations consistent with the Council’s objectives.

The City Council designates the Chief Financial Officer as the City's Chief Investment Officer. The Assistant Finance Director and Treasury Administrator are designated as additional Investment Officers. The Chief Financial Officer is responsible for the City's comprehensive cash management program, including the administration of the Investment Policies. The Chief Financial Officer is responsible for considering the quality and capability of staff involved in investment management and procedures. The Chief Financial Officer shall be responsible for authorizing investments, and the Assistant Finance Director shall account for investments and pledged collateral in order to maintain appropriate internal controls. The Assistant Finance Director shall be responsible for ensuring the investments are recorded in the City's financial system. The Internal Audit staff shall audit records quarterly and the external auditors will review management controls on investments and adherence to policy as required by law.

III. Investment Committee

An Investment Committee consisting of the Treasury Administrator, Assistant Finance Director, Chief Financial Officer, Audit/Budget Director, and Deputy City Manager shall meet as frequently as necessary to review the City's investment portfolio. The Committee shall also meet as necessary to review, revise, and adopt the list of qualified broker/dealers that are authorized to engage in investment transactions with the City and approve the list of independent training sources.

Any three of the five Investment Committee members constitute a quorum. The Assistant Finance Director shall serve as chairman of the Committee and maintain written record of Investment Committee meetings.

IV. Authorized Investments

City and Sports Corp funds governed by the Investment Policies may be invested in the instruments described below, all of which are authorized by the PFIA. Investment of City and Sport Corp funds in any instrument or security not authorized for investment under the PFIA is prohibited. The City and Sports Corp will not be required to liquidate an investment that becomes unauthorized after its purchase.

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities (including the Federal Home Loan Banks).
2. Obligations of states, agencies, counties, cities, and other political subdivisions rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
3. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that is rated at least A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies or by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof. The Sports Corp only allows this quality of commercial paper if managed through a local government investment pool.
4. Local Government Investment Pools, which (1) meet the requirements of the PFIA, (2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and (3) are authorized by resolution or ordinance of the City Council or Sports Corporation Board.
5. An SEC-registered, no-load money market mutual fund whose investment objectives include seeking to maintain a stable net asset value of \$1.0000 per share and are rated AAAM, or its equivalent, by at least one nationally recognized rating service.
6. Certificates of deposit and other forms of deposit in a depository institution that has its main office or branch office in Texas; are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor; or are secured by obligations in any other manner and amount provided by law for deposits of the City. Or, deposits placed through a broker or financial institution that has its main office or a branch office in Texas that arranges for deposit of funds in one or more federally insured depository institution, wherever located, for an account of the City, and in compliance with the requirements of the PFIA.

V. Prohibited Investments

The City's authorized investment options are more restrictive than those allowed by State law. Furthermore, this policy specifically prohibits investment in the following investment securities.

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

VI. Diversification

Investments shall be diversified to reduce the risk of loss resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of securities, as appropriate.

The asset mix of the City's and Sports Corp portfolio is expressed in terms of maximum commitment so as to allow flexibility to take advantage of market conditions. This policy represents the allowable maximum at the point in time that an investment is placed, or security bought, as maturities and call features may affect the portfolio distribution. The asset mix requirements are as follows:

	% City Max	% Sports Corp Max
U.S. Treasury Bills and Notes	75	75
U.S. Agency or Instrumentality Obligations	75	75
Repurchase Agreements (excluding Bond Proceeds)	20	20
Municipal Securities	40	40
Financial Institution Deposits	75	75
Money Market Mutual Fund	40	40
Local Government Investment Pool	50	100

VII. Authorized Broker/Dealers

The Investment Committee shall, at least annually, review, revise and adopt a list of authorized broker/dealers authorized to engage in securities transactions with the City. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories.

The City shall evaluate the broker/dealers' soundness to the extent the Investment Committee considers necessary. Investigation may include review of rating agency reports, review of call reports, and analyses of management, profitability, capitalization, and asset quality. Financial institutions and broker/dealers with whom the City wishes to do business shall provide the financial data requested by the City.

A broker/dealer must be approved by the Investment Committee and added to the approved list before any

business can be transacted with the City.

The City will send the Investment Policies to all financial institutions and authorized broker/dealers and request acknowledgement of receipt.

VIII. Safekeeping and Custodial Agreements

The City shall contract with a safekeeping agent for the safekeeping of securities owned by the City as part of its investment portfolio. Securities owned by the City shall be held in the City's account as evidenced by safekeeping receipts of the institution holding the securities.

The City shall approve all third-party custodians for the holding of securities pledged to the City as collateral to secure financial institution deposits. The custodial agreement is to specify the acceptable pledged securities as collateral, including provisions relating to possession of the collateral, the substitution or release of pledged securities, ownership of securities, and the method of valuation of securities.

IX. Collateral Policy

With the exception of deposits secured with irrevocable letters of credit at 100% of principal plus anticipated interest, all deposits of City funds with financial institutions shall be secured by pledged collateral with a market value equal to or greater than 105% of the principal plus accrued interest of the deposits, less any amount insured by the FDIC. Repurchase agreements shall be documented by a specific agreement noting the "purchased securities" in each agreement; such securities shall comply with the PFIA. Collateral pledged and purchased securities shall be reviewed at least monthly to assure the market value equals or exceeds the related City investment.

The City shall accept forms of collateral permitted by the Public Funds Collateral Act, Chapter 2257 Government Code of Texas. All collateral shall be subject to inspection and audit by the City or the City's independent auditors.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits. Financial institutions serving as City Depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- a. The agreement must be in writing;
- b. The agreement must be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- c. The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- d. The agreement must be part of the Depository's "official record" continuously since its execution.

X. Investment Practice - General

All investment decisions shall be internally documented and approved before execution by any two of the

Investment Officers. All funds reported in the City's Annual Comprehensive Financial Report (ACFR) are included in the Pooled Investment Fund. Any of the above Investment Officers may order investments orally, but the financial institution or broker/dealer shall follow up the investment order with a written confirmation.

All investments purchased by the City and held in safekeeping in a third-party safekeeping institution shall be purchased "delivery versus payment." That is, the City shall authorize the release of its funds only after it has received notification from the safekeeping bank that a purchased security has been received in the City's safekeeping account.

The City must have confirmation from the collateral custodian that collateral pledged from a financial institution is in the City's account or possession before investing in financial institution deposits.

The City will strive for a competitive environment on all individual security purchases and sales, financial institution time deposits and transaction accounts, and money market mutual fund and local government investment pool selections.

Effect of Loss of Required Rating – All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. This includes consideration of final maturity date, realized amount of gain/loss, alternative investment options, rating agency analyses and their rationale.

Rating changes will be monitored through the information published by the rating agencies, industry newsletters and broker/dealer notifications.

Investment Policy Certification – All local government investment pools and discretionary investment management firms must sign a certification acknowledging that the organization has received and reviewed the City's Investment Policies and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the City's Policies and in accordance with the PFIA.

XI. Reporting

The City staff shall prepare a quarterly report for the City Council and Sports Corp on their investments. The report must:

- describe in detail the investment position of the entity on the date of the report;
- be prepared jointly by all Investment Officers of the City;
- be signed by each Investment Officer of the City;
- contain a summary statement of each pooled fund group that states the:
 - beginning market value for the reporting period;
 - additions and changes to the market value during the period;
 - ending market value for the period; and
 - fully accrued interest for the reporting period;
- state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- state the maturity date of each separately invested asset that has a maturity date;
- state the account or fund or pooled group fund in the City for which each individual investment was acquired; and
- state the compliance of the investment portfolio of the City as it relates to:
 - the investment strategy expressed in the City's Investment Policies; and
 - relevant provisions of the PFIA.

Weighted average yield to maturity shall be the portfolio's performance measurement standard.

If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the Investment Officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

XII. Training

State law requires the Investment Officers of the City to attend at least one training session consisting of at least 10 hours of instruction relating to the Investment Officers' responsibilities within 12 months of assuming duties. Training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the PFIA.

In addition, the Investment Officers must attend an investment training session not less than once in a two-year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years thereafter. Not less than 8 hours of instruction is required relating to investment responsibilities under this subchapter from an independent source approved by the governing body or Investment Committee.

XIII. Strategy

City Funds: The City accounts for investments in one main portfolio and is primarily managed through the Pooled Investment Fund. The City may, from time to time, specifically designate funds to isolate and distribute interest, such as Epic CIP, TxDot Grants, and TWDB Escrow. In those instances, interest will be distributed to the fund designated; otherwise, investment earnings will be pooled and distributed according to City policy and management or Council direction. Sports Corp will be kept separate.

Pooled Investment Fund

Suitability - Any investment eligible in the Investment Policy is suitable for Pooled Investment Funds.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing the weighted average days to maturity for the portfolio to less than 365 days and restricting the maximum allowable maturity to three years, the price volatility of the overall portfolio will be minimized.

Liquidity - Cash equivalent investments will provide daily liquidity for the Pooled Investment Fund and may be utilized as a competitive yield alternative to fixed maturity investments.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market "spreads" between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market.

Diversification - Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through two years.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

Bond sale proceeds are part of the Pooled Investment Fund. As such arbitrage is an issue where the City continues to pursue maximizing yield on applicable investments while ensuring the safety of capital and liquidity. It is a fiscally sound position to continue optimization of yield and rebate excess earnings, if necessary.

Sports Corp Funds: The Sports Corp portfolio covers operating, reserve and construction project needs. Investment maturities shall be governed within the boundaries of maturity, diversity, liquidity and quality expressed in the Policies. Maturities will correspond with cash flow needs of the Sports Corp, but will not exceed 5 years. The total portfolio weighted average maturity will not exceed two years.

XIV. Indemnity

The City Manager, Deputy City Manager, Chief Financial Officer, Assistant Finance Director, Controller, Treasury Administrator, other Finance Department employees, and the Investment Committee shall be personally indemnified in the event of investment loss provided the Investment Policies are followed.

All participants in the investment process shall seek to act responsibly as custodians of public assets. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

An Investment Officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the City or an Investment Officer who is related within the second degree by affinity or consanguinity as determined under the Chapter 573 Government Code of Texas to an individual seeking to sell an investment to the City shall file a statement disclosing that personal business interest or relationship with the City Council and the Texas Ethics Commission.

An Investment Officer has a personal business relationship with a business organization if:

1. The Investment Officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the Investment Officer from the business organization exceed 10% of the Investment Officer's gross income for the prior year; or
3. The Investment Officer has acquired from the business organization during the prior year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

The standard of prudence to be used by the Investment Officers shall be the "Prudent Person Rule" which states "Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived."

Investment Officers acting in accordance with written procedures and the Investment Policies and exercising due diligence shall be relieved of personal responsibilities for an individual security's credit risk or market price

change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

XV. Policy Revisions

The Policies will be reviewed and adopted annually by the City Council Finance and Government Committee and City Council, as well as the Sports Corp Finance and Governance Committee and the Sports Corp Board. The Policies may be amended by recommendation of the City Manager and action (by resolution or minute order) of the City Council and Sports Corp. Investment Policies revision may become necessary with changes in State law, entity needs, the economy, and investment opportunities. Due to the less frequent timing of Sports Corp Board formal meetings, any administrative changes made by the City Council will apply to the Sports Corp until formal ratification can occur. Administrative matters may include definitions of authorized or unauthorized investments, clarification of matters pertaining to state law and procedures, assignment of Investment Officers and committees and similar items. No substantive changes to authorized investments, diversification or maximum maturity will be made to Sports Corp funds without their Board approval.

CITY OF GRAND PRAIRIE
INVESTMENT POLICIES

December ~~1213~~, 202~~32~~

Prepared by the Finance Department

Approved by the City Manager
(Originally approved March, 1986)
Adopted by the City Council December ~~12,13th~~
202~~32~~

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**CITY OF GRAND PRAIRIE
INVESTMENT POLICIES
MARCH 1, 1986
As Revised December ~~12~~3, 202~~3~~2**

I. Introduction and Scope

The City of Grand Prairie ("City") shall manage and invest its cash with three objectives, listed in order of priority: preservation and safety of principal, liquidity, and yield. The preservation and safety of the principal invested always remains the primary objective.

Cash management is defined as the process of managing monies in order to ensure optimum cash availability and optimum yield on short-term investment of idle cash. Pursued objectives include expediting revenue receipts and slowing down disbursements of cash.

The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payment in accordance with invoice terms, and prudent investment of its available cash.

The Public Funds Investment Act Chapter 2256 Government Code of Texas ("PFIA") as amended prescribes that each city is to adopt rules governing its investment practices. The "Investment Policies" are intended to fulfill the requirements of this State law.

Further, as administrative agent of the Grand Prairie Sports Facilities Development Corporation, Inc., ("the Sports Corp") the scope of the City's Investment Policies will apply to investments of the Sports Corp, unless otherwise indicated. However, the investments for the Sports Corp will be separately and discretely managed apart from City funds.

II. Responsibility

These Policies are developed ~~by the City Manager~~ to guide the Chief Financial Officer and staff in investment matters. The overriding goal of the Investment Policies is to enable the City to achieve the objectives of preservation and safety of principal, liquidity and yield while conducting its operations consistent with the Council ~~Manager form of government as established in the City Charter's objectives.~~

~~The purpose of the Investment Policies is to provide guidelines for the Chief Financial Officer in planning and directing the City's day-to-day investment affairs and in developing recommendations to the City Manager.~~

The City ~~Manager-Council~~ designates the Chief Financial Officer as the City's eChief Investment Officer. The Assistant Finance Director, and Treasury Administrator are designated as additional Investment Officers. The Chief Financial Officer is responsible for the City's comprehensive cash management program, including the administration of the Investment Policies. The Chief Financial Officer is responsible for considering the quality and capability of staff involved in investment management and procedures. The Chief Financial Officer shall be responsible for authorizing investments, and the Assistant Finance Director shall account for investments and pledged collateral in order to maintain appropriate internal controls. The Assistant Finance Director shall be responsible for ensuring the investments are recorded in the City's financial system. The Internal Audit staff shall audit records quarterly and the external auditors will review ~~for~~ management controls on investments and adherence to policy as required by law.

An Investment Committee consisting of the Treasury Administrator, Assistant Finance Director, Chief Financial Officer, Audit/Budget Director, and Deputy City Manager shall meet as frequently as necessary to review the City's investment portfolio. The Committee shall also meet as necessary to ~~add or delete a financial institution or broker/dealer from review, revise, and adopt~~ the list of ~~institutions with qualified broker/dealers that are authorized to engage in investment transactions with whom~~ the City ~~and approve the list of independent training sources~~ may do business or to conduct other business. The Committee shall also meet to review prospectuses, financial statements and other performance data on Money Market Mutual Funds and shall formulate recommendations on the advisability of investing in specific funds for the consideration of the City Council.

Any three of the five ~~Investment~~ Committee members constitute a quorum. The Assistant Finance Director shall serve as chairman of the Committee; and maintain written record of ~~Investment~~ Committee meetings.

IV. Authorized Investments

~~City and Sports Corp funds governed by the Investment Policies may be invested in the instruments described below, all of which are authorized by the PFIA. Investment of City and Sport Corp funds in any instrument or security not authorized for investment under the PFIA is prohibited. The City and Sports Corp will not be required to liquidate an investment that becomes unauthorized after its purchase.~~

~~The City and Sports Corp may only invest in:~~

1. ~~Obligations, including letters of credit, of the United States or its agencies and instrumentalities (including the Federal Home Loan Banks) (except for derivatives and mortgage pass through securities).~~
2. ~~Obligations of states, agencies, counties, cities, and other political subdivisions rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent Municipal Securities (State, City, County, school or road district general obligation or revenue bonds) with a remaining maturity of three years or less which have received a rating by at least two nationally recognized credit rating agencies of at least A or its equivalent.~~
3. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that is rated at least A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies or by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof. The Sports Corp only allows this quality of commercial paper if managed through a local government investment pool.

~~Local Government Public Funds Investment Pools, which (1) meet the requirements of the PFIA, (2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and (3) are authorized by resolution or ordinance of the City Council or Sports Corporation Board, with a weighted average maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. An investment pool shall invest funds in authorized investments permitted by the Public Funds Investment Act. The pool must enter into~~

~~and approved (by resolution) by the City Council and provided in the City of San Antonio Backlog Review of Spot Cap 4.~~

5. ~~An SEC-registered, no-load money market mutual fund approved (by resolution) by the City Council with a dollar-weighted average portfolio maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1.0000 per share and are rated AAAM, or its equivalent, by at least one nationally recognized rating service. By state law the City is not authorized to invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, in money market mutual funds described in this subsection or to invest its funds or funds under its control, including bond proceeds and reserve and other funds held for debt service, in any one money market mutual fund in an amount that exceeds 10 percent of the total assets of the money market mutual fund.~~

6. ~~Collected in the City of San Antonio and the fund is a deposit of a federally insured bank financial institution that is a member branch office in Texas; and are fully guaranteed or insured by the FDIC (Federal Deposit Insurance Corporation) or its successor; or are secured by obligations in any other manner and amount provided by law for deposits of the City. Or, deposits placed through a broker or financial institution that has its main office or a branch office in Texas that arranges for deposit of funds in one or more federally insured depository institution, wherever located, for an account of the City, and in compliance with the requirements of the PFIA in the State of Texas.~~

V. Prohibited Investments

The City’s authorized investment options are more restrictive than those allowed by State law. Furthermore, this policy specifically prohibits investment in the following investment securities.

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

VI. Diversification

Investments shall be diversified to reduce the risk of loss resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of securities, as appropriate.

The asset mix of the City's and Sports Corp portfolio is expressed in terms of maximum commitment so as to allow flexibility to take advantage of market conditions. This policy represents the allowable maximum at the point in time that an investment is placed, or security bought, as maturities and call features may affect the portfolio distribution. The asset mix requirements are as follows:

	% City Max	% Sports Corp Max
U.S. Treasury Bills and Notes	100 75	100 75
U.S. Agency or Instrumentality Obligations (each type)	75 (a)	40 75

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Repurchase Agreements (excluding cept for Bond Proceeds)	20	20
Municipal Securities (total)	40	40
Certificates of Financial Institution Deposits (per institution)	7520	7520
Money Market Mutual Fund	4050 (b)	4050 (b)
Local Government Public Funds -Investment Pool	50	100

~~(a) Total agency investments limited to no more than 100% of the total portfolio.~~

~~In addition, the City may invest in callable securities but shall limit the total amount to no more than 50% of the portfolio. The Sports Corp does not limit the amount of callable securities.~~

~~Financial institutions (Federally insured banks) with and through whom the City invests in Certificate of Deposits shall be located in the State of Texas.~~

~~The City will send the Investment Policies to all approved financial institutions and authorized broker/dealers and request acknowledgement of receipt. (approved organizations) annually with a statement that that the City is providing the investment policy to aid in meeting its duties under Financial Industry Regulatory Authority (FINRA) Rule 2111, relating to “knowing your customer.” The City deems that by providing the investment policy to approved organizations, the approved organization has reviewed the City’s investment policy in satisfaction of the duties under FINRA Rule 2111, which states that organizations are required to “have a reasonable basis to believe that a recommendation is~~

VIII. Safekeeping and Custodial Agreements

~~The City shall contract with a safekeeping agent for the safekeeping of securities owned by the City as part of its investment portfolio. Securities owned by the City shall be held in the City’s account as evidenced by safekeeping receipts of the institution holding the securities. Investments in U. S. Treasury agency and instrumentality obligations purchased by the city and securities pledged as collateral for certificates of deposit or other evidences of deposit and for repurchase agreements shall be retained in safekeeping in a third party safekeeping bank or in the Federal Reserve Bank in the City’s name. The city, financial institution, and the safekeeping bank(s) shall operate in accordance with a master safekeeping agreement signed by all three parties.~~

~~The City shall approve all third-party custodians for the holding of securities pledged to the City as collateral to secure financial institution deposits. The custodial agreement is to specify the acceptable pledged securities as collateral, including provisions relating to possession of the collateral, the substitution or release of pledged securities, ownership of securities, and the method of valuation of securities. Securities owned by the City and collateral securities pledged to the City which must be maintained in safekeeping must be maintained at a bank other than the bank through which the specific owned security is purchased or from which the specific collateral security is pledged.~~

IX. Collateral Policy Securities for Certificates of Deposit and Demand Accounts

With the exception of deposits secured with irrevocable letters of credit at 100% of principal plus anticipated interest, all deposits of City funds with financial institutions shall be secured by pledged collateral with a market value equal to or greater than 105% of the principal plus accrued interest of the deposits, less any amount insured by the FDIC. Repurchase agreements shall be documented by a specific agreement noting the "purchased securities" in each agreement; such securities shall comply with the PFIA. Collateral pledged and purchased securities shall be reviewed at least monthly to assure the market value equals or exceeds the related City investment.

The City shall accept forms of collateral permitted by the Public Funds Collateral Act, Chapter 2257 Government Code of Texas. All collateral shall be subject to inspection and audit by the City or the City's independent auditors.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits. Financial institutions serving as City Depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- a. The agreement must be in writing;
- b. The agreement must be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- c. The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- d. The agreement must be part of the Depository's "official record" continuously since its execution.

~~Collateralization is required for all uninsured collected balances, plus accrued interest if any. The City will accept as collateral for its certificates of deposit and demand accounts and other evidences of deposit the following securities:~~

All investment decisions shall be internally documented and approved before execution by any two of the ~~I~~investment ~~O~~fficers. All funds reported in the City's ~~Annual~~ Comprehensive ~~Annual~~ Financial Report (ACAFR) are included in the Pooled Investment Fund. Any of the above ~~I~~investment ~~O~~fficers may order investments orally, but the financial institution or broker/dealer shall follow up the investment order with a written confirmation.

All investments purchased by the City and held in safekeeping in a third-party safekeeping institution shall be purchased "delivery versus payment." That is, the City shall authorize the release of its funds only after it has received notification from the safekeeping bank that a purchased security has been received in the City's safekeeping account. ~~This notification may be oral, but will be followed up in writing with the original safekeeping receipt.~~

The City must have confirmation from the ~~collateral custodian Federal Reserve Bank or Federal Home Loan Bank of Dallas~~ that collateral pledged from a financial institution is in the City's account ~~or possession~~ before investing in ~~financial institution certificates of deposit or other evidences of deposits at the financial institution.~~ ~~This confirmation may be oral, but must be followed up in writing with the original safekeeping receipt.~~

~~The City will strive for a competitive environment on all individual security purchases and sales, financial institution time deposits and transaction accounts, and money market mutual fund and local government investment pool selections. Quotations shall always be taken for certificates of deposit and shall be taken for U.S. Treasury security investments as considered prudent by the investment committee.~~

Effect of Loss of Required Rating – All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. This includes consideration of final maturity date, realized amount of gain/loss, alternative investment options, rating agency analyses and their rationale.

Rating changes will be monitored through the information published by the rating agencies, industry newsletters and broker/dealer notifications.

~~Investment Policy Certification – All local government investment pools and discretionary investment management firms must sign a certification acknowledging that the organization has received and reviewed the City's Investment Policies and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the City's Policies and in accordance with the PFIA.~~

XI. Reporting

The City ~~Manager-staff~~ shall prepare a quarterly report ~~quarterly to~~for the City Council and Sports Corp on their investments. The report must:

- describe in detail the investment position of the entity on the date of the report;
- be prepared jointly by all ~~I~~investment ~~O~~fficers of the City;
- be signed by each ~~I~~investment ~~O~~fficer of the City;
- contain a summary statement of each pooled fund group that states the:
 - beginning market value for the reporting period;
 - ending market value for the period; and
 - fully accrued interest for the reporting period;
- state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- state the maturity date of each separately invested asset that has a maturity date;
- state the account or fund or pooled group fund in the ~~C~~eity for which each individual investment was acquired; and
- state the compliance of the investment portfolio of the City as it relates to:
 - the investment strategy expressed in the City's ~~I~~investment ~~P~~olicies; and
 - relevant provisions of the ~~P~~FI~~A~~public funds investment act.

Weighted average yield to maturity shall be the portfolio's performance measurement standard.

If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the ~~I~~investment ~~O~~fficers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

~~Each month Bank of New York Mellon shall provide market prices of all the City's investment securities for which they hold as the City's third party safekeeping bank.~~

State law requires the ~~Investment Officers~~ of ~~the City local government to shall~~ attend at least one training session consisting of at least 10 hours of instruction relating to the ~~Investment Officers'~~ responsibilities within 12 months of assuming duties. Training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the ~~Public Funds Investment Act~~.

In addition, the Investment Officer(s) must attend an investment training session not less than once in a two-year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years thereafter. Not less than 8 hours of instruction is required relating to investment responsibilities under this subchapter from an independent source approved by the governing body ~~of the local government or a designated Investment Committee~~ ~~advising the investment officer as provided for in the investment policy of the local government~~.

XIII. Strategy

City Funds: The City accounts for investments in one main portfolio and is primarily managed through the Pooled Investment Fund. The City may, from time to time, specifically designate funds to isolate and distribute interest, such as Epic CIP, TxDot Grants, and TWDB Escrow. In those instances, interest will be distributed to the fund designated; otherwise, investment earnings will be pooled and distributed according to ~~City~~ policy and management or ~~C~~ouncil direction. Sports Corp will be kept separate.

Pooled Investment Fund

Suitability - Any investment eligible in the Investment Policy is suitable for Pooled Investment Funds.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing the weighted average days to maturity for the portfolio to less than 365 days and restricting the maximum allowable maturity to three years, the price volatility of the overall portfolio will be minimized.

Liquidity - Cash equivalent investments will provide daily liquidity for the Pooled Investment Fund and may be utilized as a competitive yield alternative to fixed maturity investments.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market "spreads" between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market.

Diversification - Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through two years.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

~~The investment maturity schedule shall correspond with the City's projected cash flow needs. Remaining maturities on individual investments purchased shall be no longer than 3 years, except exempt funds which would be subject to a maximum security of 5 years. Exempt funds would include long term required reserves~~

~~shall continue to pursue maximizing yield on applicable investments while ensuring the safety of capital and liquidity. It is a fiscally sound position to continue optimization of yield and rebate excess earnings, if necessary.~~

Sports Corp Funds: The Sports Corp portfolio covers operating, reserve and construction project needs. Investment maturities shall be governed within the boundaries of maturity, diversity, liquidity and quality expressed in ~~the~~ Policys. Maturities will correspond with cash flow needs of the Sports Corp, but will not exceed 5 years. The total portfolio weighted average maturity will not exceed two years.

XIV. Indemnity

The City Manager, Deputy City Manager, Chief Financial Officer, Assistant Finance Director, Controller, Treasury Administrator, ~~and~~ other Finance Department employees, and the Investment Committee shall be personally indemnified in the event of investment loss provided the Investment Policies are followed.

All participants in the investment process shall seek to act responsibly as custodians of public assets. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

~~An Investment Officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the City or an Investment Officer who is related within the second degree by affinity or consanguinity as determined under the Chapter 573 Government Code of Texas to an individual seeking to sell an investment to the City shall file a statement disclosing that personal business interest or relationship with the City Council and the Texas Ethics Commission.~~

~~Anyone involved in investing City funds shall file with the Chief Financial Officer and the Investment Committee a statement disclosing any personal business relationship and any material financial interest in a business organization that handle City of Grand Prairie investments. An Investment Officer has a personal business relationship with a business organization if:~~

1. The Investment Officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the Investment Officer from the business organization exceed 10% of the Investment Officer's gross income for the prior year; or
3. The Investment Officer has acquired from the business organization during the prior year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

~~Any Investment Officer who is related with the second degree by affinity or consanguinity as determined under the Tex. Gov't. Code Ann. Ch. 573 to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship with the City Council and the Texas Ethics Commission.~~

The standard of prudence to be used by the Investment Officers shall be the "Prudent Person Rule" ~~which states as set forth in Tex. Gov't. Code Ann. Sec. 2256.006 and will be applied in the context of managing an overall portfolio.~~ "Investments shall be made with judgment and care, under prevailing circumstances, ~~then prevailing~~ that a ~~which~~ persons of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of ~~their~~ capital and ~~s well as~~ the probable income to be derived."

Investment Officers acting in accordance with written procedures and the Investment Policys and

exercising due diligence shall be relieved of personal responsibilities for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The policies will be reviewed and adopted annually by the City Council Finance and Government Committee and City Council, as well as the Sports Corp Finance and Governance Committee and the Sports Corp Board.

The Policies may be amended by recommendation of the City Manager and action (by resolution or minute order) of the City Council and Sports Corp. Investment Policies revisions may become necessary with changes in State law, entity needs, the economy, and investment opportunities. Due to the less frequent timing of Sports Corp Board formal meetings, any administrative changes made by the City Council will apply to the Sports Corp until formal ratification can occur. Administrative matters may include definitions of authorized or unauthorized investments, clarification of matters pertaining to state law and procedures, assignment of Investment Officers and committees and similar items. No substantive changes to authorized investments, diversification or maximum maturity will be made to Sports Corp funds without their Board approval.

XVI. Glossary of Terms

AGENCIES: Federal agency securities. **ASKED:** The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft, bill, or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

ANNUAL FINANCIAL REPORT: The official annual report for the City of Grand Prairie. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non interest bearing money instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis a vis member commercial banks.

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~~FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States.~~

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~~Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.~~

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~~FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.~~

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~~FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.~~

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~~GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.~~

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~~LETTERS OF CREDIT: A financial instrument in which the issuing bank promises to pay a third party on behalf of a second party.~~



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Cathy Patrick, Chief Financial Officer

TITLE: Purchase of Consulting Services to conduct a Disparity Study Analysis from MGT Consulting, LLC for \$400,107.42

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
	MGT Consulting, LLC	\$400,107.42

PURPOSE OF REQUEST:

The disparity study analysis will determine how the City can establish a legal method to improve purchasing practices in awarding contracts to Small, Minority Woman-owned Business Enterprises (SMWBEs), Historically Underutilized Businesses (HUBs), and veteran-owned businesses that are qualified and available to perform Construction Services, Professional Services, and Goods and Services.

The Consultant will gather five years of procurement data, verify if the vendors paid qualify as SMWBE, HUB, or veteran-owned, and conduct focus groups. The Consultant will develop recommendations to improve spending for the previously mentioned groups by using race or gender-neutral and economically based measures. In addition, the Consultant will, by rigorous and applicable statistical methods, determine the bases and the mathematical or statistical formula(s) to be applied in formulating the City's diversity goals for its SMWBE Program. The study is expected to take approximately 12 months.

Notice of RFP #23114 was advertised in the Fort Worth Star-Telegram and Planet Bids; it was distributed to 52 vendors, including two Grand Prairie vendors and 29 HUBs. Three proposals were received, as shown in attachment A.

After two rounds of interviews, Staff requested the best and final offer from the 2nd round of interviewees, MGT Consultants, LLC, and Miller 3 Consulting. MGT Consultants reduced their cost by \$21,435.88 and Miller 3 decreased theirs by \$7,715.81.

MGT Consulting was selected due to their knowledge, experience, and the amount of time dedicated to the project. MGT is the only responder to comprehensively analyze past vendor usage to ensure an accurate report and appropriate recommendations and goals.

PROCUREMENT DETAILS:

Procurement Method: RFP

Local Vendor HUB Vendor

Number of Responses: three RFP #: 23114

Selection Details: Low Bid Best Value

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	General Fund
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ATTACHMENTS / SUPPORTING DOCUMENTS:

- 1- Bid Summary


DISPARITY STUDY

RFP #23114

TABULATION

Bid Tabulation					
 Disparity Study RFP #23114			Griffin & Strong	MGT Consultants, LLC	Miller 3 Consulting
			Atlanta GA	Tampa, FL	Atlanta, GA
Description	QTY	UOM	Total Price	Total Price	Total Price
Study Cost	1	JOB	\$ 366,288.00	\$ 421,543.30	\$ 342,925.00
Best & Final Offer				\$ 400,107.42	\$ 335,209.19
Number of Hours			hours not given	4,096 hours	2,460 hours
Cost per Hour				\$ 97.68	\$ 136.26

SCORECARD

Evaluation Score Card		MBE - Black		HUB - Black
 Disparity Study RFP #23114		Griffin & Strong	MGT Consultants	Miller 3 Consulting
		Atlanta GA	Tampa, FL	Atlanta, GA
Evaluation Criteria	Maximum Score	Score	Score	Score
Cost	25.00	18.75	22.50	22.50
Experience	10.00	9.00	10.00	9.50
Methodology	10.00	9.00	9.50	9.50
Personnel	10.00	8.00	8.50	8.50
Experience w/Municipalities	25.00	22.50	23.75	22.50
Overall Best Value	20.00	18.00	19.00	18.00
Interview	25.00	21.25	23.75	25.00
2nd Interview	25.00	0.00	25.00	20.00
Total	150.00	106.50	142.00	135.50
Complete and accurate bid		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Notes			Subcontractor is MWBE	

What is a Disparity Study

Determine if a disparity exists in awarding contracts to Small, Minority, Woman-owned Business Enterprises (SMWBE's), Historically Underutilized Businesses (HUB's), and Veteran-owned businesses that are **qualified** to perform Professional Services, Construction and Goods and Services.

Selection Process

Item 15.

Received three responses

- Selection Committee interviewed and scored all three firms and selected MGT & Miller 3 for second round interviews.
- Selection Committee interviewed the two firms and selected MGT based on their key strengths.



**CITY OF GRAND PRAIRIE
ORDINANCE**

MEETING DATE: 12/05/2023

PRESENTER: Ray Cerda, Director Parks, Arts and Recreation

TITLE: Ordinance amending the FY 2023/2024 Operating Budget for the Tree Preservation Fund; Construction contract with RLM EarthCo, Inc. for Tyre Park Phase II construction in the amount of \$1,735,828 plus a 7.5% contingency in the amount of \$130,187.10 for a total construction cost of \$1,866,015.10

REVIEWING COMMITTEE: (Reviewed by Finance and Government Committee on 12/05/2023)

SUMMARY:

<i>Vendor Name:</i>	RLM EarthCo, Inc.
<i>Annual Cost/Total Cost:</i>	\$1,866,015.10
<i>Department:</i>	Parks, Arts and Recreation
<i>Recommended Action:</i>	Approve

PURPOSE OF REQUEST:

Phase II improvements to Tyre Park will include a playground addition, walking trails, trail lighting, a new multi-purpose field, basketball court, National Fitness Campaign (NFC) fitness court concrete pad, and landscape to include an additional 55 new trees with irrigation, and site furnishings. Notice of bid #23211 was advertised in the Fort Worth Star Telegram and PlanetBids. Funding for this project is from a grant through Tarrant County American Rescue Plan Act Grant (ARPA) funding. RLM EarthCo, Inc. Base Bid amount of \$1,377,704 plus Bid Alternate No.1 (Outdoor Basketball Court) in the amount of \$234,891; Bid Alternate No. 3 (Pedestrian Trail Lighting) in the amount of \$123,233 for a total contract price of \$1,735,828 plus a 7.5% contingency in the amount of \$130,187.10 for a project total of \$1,866,015.10.

The total project budget is \$2,000,000 with a remaining balance of \$1,755,659. We are requesting \$113,977 from the Tree Preserve account for the additional 55 new trees at the Tyre Park site and installation of the trees.

Council approved the grant application for the \$2,000,000 from Tarrant County (ARPA) on 06-21-22. Council approved the purchase of the National Fitness Equipment on 09-19-23 for six locations. RLM will install the Tyre Park portion of the NFC equipment.

PROCUREMENT DETAILS:

Procurement Method: RFB

Number of Responses: 3

RFB #: 23211

Selection Details: Low Bid Best Value

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Local Parks Grant Fund
Budgeted?	<input type="checkbox"/>	Fund Name:	Tree Preservation Fund

ATTACHMENTS / SUPPORTING DOCUMENTS:

1- Bid Summary

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2023/2024 BUDGET AS REFLECTED IN SECTION 1 BELOW:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, THAT:

SECTION 1. The budget for FY 2023/2024, submitted by the City Manager and adjusted by the Council, is hereby incrementally amended for the following fund:

Fund	Revenue Increase (Decrease)	Expenditure Increase (Decrease)
Tree Preservation Fund	\$1,630,900	\$113,977

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 12TH DAY OF DECEMBER, 2023.



Bid Tabulation
 Tyre Park Improvements Phase II
 RFB#: 23211

				Millis Development and Construction-Dallas, LLC Location		A&C Construction, Inc. Location		RLM EarthCo Location	
Item	Description	QTY	UOM	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
1	Base Bid	1	EA	\$2,118,994.64	\$2,118,994.64	\$1,499,000.00	\$1,499,000.00	\$1,377,704.00	\$1,377,704.00
2	Alternate 1	1	EA	\$ 139,589.71	\$ 139,589.71	\$ 224,000.00	\$ 224,000.00	\$ 234,891.00	\$ 234,891.00
3	Alternate 2	1	EA	\$ 158,523.17	\$ 158,523.17	\$ 98,000.00	\$ 98,000.00	\$ 107,826.00	\$ 107,826.00
4	Alternate 3	1	EA	\$ 116,042.25	\$ 116,042.25	\$ 135,000.00	\$ 135,000.00	\$ 123,233.00	\$ 123,233.00
5	Alternate 4	1	EA	\$ 46,959.27	\$ 46,959.27	\$ 39,000.00	\$ 39,000.00	\$ 46,205.00	\$ 46,205.00
6	Alternate 5	1	EA	\$ 45,699.70	\$ 45,699.70	\$ 12,000.00	\$ 12,000.00	\$ 13,233.00	\$ 13,233.00
	Total				\$2,625,808.74		\$2,007,000.00		\$1,903,092.00



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Ray Riedinger, Facility Services Manager, General Services

TITLE: Annual contract for HVAC Equipment, Supplies and Installation from Enviromatic Systems Inc. through a national inter-local agreement with Buyboard at an annual cost of \$300,000 with the option to renew for two additional one-year periods totaling \$900,000 if the renewal option is exercised

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Enviromatic Systems	\$300,000.00	\$900,000.00

PURPOSE OF REQUEST: This annual contract will be for HVAC controls, equipment, installation, services and supplies to be used on an "as needed basis." This contract will be effective December 1, 2023 and will expire November 30, 2024 with the option to renew for two additional one-year periods.

State Purchasing Laws, Chapter 271.102 authorize local governments to enter joining contracts and cooperative agreements for the performance of governmental functions normally associated with the operation of government such as purchasing necessary materials, services and supplies,

The city of Grand Prairie has a master inter-local cooperative agreements with various entities including BuyBoard. Enviromatic Services, Inc. through their BuyBoard Contract #720-23 has been recommended due to their previous work with the city.

EXPENDITURE HISTORY (2 to 3yrs info):

	<u>Amount</u>	<u>Approval Date</u>	<u>Amount spent</u>
<i>Original Contract:</i>	\$300,000.00	12/01/20-11/30/21	\$223,225.00
	\$300,000.00	12/01/21-11/30/22	\$170,540.54
	\$300,000.00	12/01/22-11/30/23	\$50,779.49
TOTAL:	\$900,000.00		

PROCUREMENT DETAILS:

Procurement Method: Cooperative/Interlocal RFB/RFP Sole Source Professional Services Exempt

Local Vendor HUB Vendor

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	All Operating Funds with Facilities
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**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 12/05/2023

PRESENTER: Cathy Patrick, Chief Executive Officer

TITLE: Annual Contract for Grounds Maintenance Equipment, Parts and Supplies from Longhorn, Inc. in the amount of \$75,000 annually through a Master Cooperative Agreement with BuyBoard. This contract will be for seven (7) months with the option to renew for two additional one-year periods totaling \$225,000 if all extensions are exercised.

REVIEWING COMMITTEE: (Reviewed by the Finance and Government Committee on 12/05/2023)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Longhorn, Inc.	\$75,000	\$225,000

PURPOSE OF REQUEST:

This agreement is for grounds maintenance equipment, parts and supplies including sprinkler heads, timing mechanisms and Rainbird controls for regular maintenance at City golf courses. The Rainbird controls are the electronic interface modules, located in each satellite controller on the golf course. The units become degraded over time due to exposure to outdoor conditions such as lightning, moisture, and heat and cold cycles.

Chapter 271.102 of the Local Government Code authorizes local governments to participate in a cooperative purchasing program with another local government or local cooperative organization. In lieu of competitive bidding items and services may be purchased through such agreements as the agreements have already been bid by the sponsoring entity or agency. The City of Grand Prairie has master inter-local cooperative agreements with various entities including BuyBoard.

The City approved a Master Cooperative agreement with BuyBoard whereby the City could make use of all that entity’s agreement(s). This communication is to notify the Council that staff would like to make use of this agreement and enter an annual contract with Longhorn, Inc. for Grounds maintenance equipment, parts and supplies for a seven (7) month contract term with two one-year renewal options. The estimated annual expenditure will be \$75,000.

PROCUREMENT DETAILS:

Procurement Method: Cooperative/Interlocal

FINANCIAL CONSIDERATION:

Budgeted?	<input checked="" type="checkbox"/>	Fund Name:	Funds are available in the operating budgets and will be charged accordingly on orders through the end of the fiscal year. Funding for future fiscal years will be paid from that years' approved budgets.
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