



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
COUNCIL BRIEFING ROOM
TUESDAY, FEBRUARY 02, 2021 AT 2:30 PM**

AGENDA

The meeting will be held at City Hall Council Briefing Room 300 W. Main St, Grand Prairie, Texas.

CALL TO ORDER

STAFF PRESENTATIONS

1. General Obligation Bond Election Presentation – Presented by Deputy City Manager Cheryl DeLeon
2. Internal Audit FY21 1st Quarter Report
3. FYE 2020 – Parks Enterprise Financial Reports
4. Monthly Insurance Fund 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.

5. Minutes of the December 15, 2020 Finance & Government Committee Meeting
6. Minutes of the January 5, 2021 Finance & Government Committee Meeting
7. Purchase of one (1) rescue hazmat truck from Siddons-Martin of Denton, using the Buy Board price agreement at a total cost of \$1,199,742.11 after discounts from chassis prepayment discount, 100% prepayment discount, contract discount totaling \$44,911.00
8. Agreement with GPUC for Texas Emergency Rental Assistance Program Grant Funding in the Amount of \$363,210.74 for rental assistance to eligible applicants in Grand Prairie
9. Price Agreement for 150 12-gauge less lethal shotguns from Kiesler Police Supply, in the amount of \$60,162.00
10. Resolution authorizing the City Manager to apply for a STEP Commercial Vehicle Enforcement grant from the TxDOT, Texas Department of Transportation, to conduct commercial motor vehicle enforcement in the amount of \$58,717.19
11. Resolution for the City Manager to submit an application for FY 2021 Emergency Management Performance Grant (EMPG) and accept grant award from the Texas Department of Public Safety/Texas Division of Emergency Management, in an anticipated amount of \$50,000

12. Resolution authorizing the City Manager to accept a Selective Traffic Enforcement (STEP) grant from the Texas Department of Transportation (TxDOT) for the enforcement of safety belt, child safety seat, speed, intersection traffic control, distracted driving and DWI laws in the amount of \$309,849.57
13. Price Agreement for Audio, Visual, and Lighting (AVL) services from Mike Milligan (up to \$50,000.00 annually). This agreement will be for one year with the option to renew for nine (9) additional one year periods totaling \$500,000.00 if all extensions are exercised. Award a secondary to Tye Cunningham (up to \$50,000.00 annually) to be used only if the primary is unable to fulfill the needs of the department. Authorize the City Manager to execute the renewal options with aggregate price fluctuations of the lesser of up to \$50,000 or 25% of the original maximum price so long as sufficient funding is appropriated by the City Council to satisfy the City’s obligation during the renewal terms

ITEMS FOR INDIVIDUAL CONSIDERATION

14. Change Order/Amendment No. 6 with Hill & Wilkinson General Contractors for City Hall Municipal Campus Phase Two construction work in the amount of \$95,129.45 for masonic stone installation, added paint work, millwork relocation, mailroom relocation, glazing treatment, electrical upgrades required by code, punch list work resolution, security room enhancements and project closeout scope of work required to finalize phase 2 work
15. Ordinance Calling a Bond Election on May 1, 2021 in the amount of \$75,000,000 for the Purpose of Providing Funds for Economic Development
16. Resolution to Adopt 2021 Financial Management Policies

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.

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” City Manager Contract*
- (4) Section 551.087 “Deliberations Regarding Economic Development Negotiations.”*

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 8018 or email Jennifer Stubbs (jstubbs@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 January 29, 2021.

A handwritten signature in black ink that reads "Jennifer Stubbs". The signature is written in a cursive, flowing style.

Jennifer Stubbs, Deputy City Secretary



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 01/19/2021

REQUESTER: Becky Brooks, CFO

PRESENTER: Cheryl DeLeon, Deputy City Manager

TITLE: General Obligation Bond Election Presentation – Presented by Deputy City Manager Cheryl DeLeon

RECOMMENDED ACTION:



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021
REQUESTER: Cathy Patrick
PRESENTER: Cathy Patrick, Audit Services Director
TITLE: Internal Audit FY21 1st Quarter Report
RECOMMENDED ACTION: N/A

ANALYSIS:
Internal Audit FY21 1st Quarter Report

FINANCIAL CONSIDERATION:
N/A

AUDIT SERVICES DEPARTMENT
Fiscal Year 2021
1st Quarter

| COMPLETED REPORTS | DEPARTMENT | FIELD WORK COMPLETE | REPORT DATE | HOURS TO DATE | IMPLEMENTATION PLAN | IMPLEMENTATION COMPLETE | FOLLOW-UP REVIEW |
|---|-------------------|----------------------------|--------------------|----------------------|----------------------------|--------------------------------|-------------------------|
| HUD SEMAP Certification | Housing | 11/25/2020 | 12/14/2020 | 30 | N/A | N/A | N/A |
| Kensington Motor Lodge Occupancy Tax Review | Marketing | 12/22/2020 | 12/22/2020 | 16 | N/A | N/A | N/A |
| Crime Stoppers | Police | 10/27/2020 | 10/27/2020 | 30 | N/A | N/A | N/A |
| Fiscal Services Revenue | Police | 11/2/2020 | 11/3/2020 | 89 | N/A | N/A | N/A |
| State and Federal Seizures | Police | 12/16/2020 | 12/17/2020 | 115 | N/A | N/A | 1/20/2021 |
| Work In Progress | | | | | | | |
| EnerGov Software Implementation (Inspection Software) | 288 | | | | | | |
| Capital Assets Reconciliation | 129 | | | | | | |
| Loyd Park Revenue | 74 | | | | | | |
| Miscellaneous Projects | | | | | | | |
| Risk Assessment | 58 | | | | | | |
| Utility Audits | 43 | | | | | | |
| HR Surveys | 31 | | | | | | |
| Housing Promissory Notes & Portability Checks | 29 | Continual | | | | | |
| Budget Procurement Card Review | 22 | Continual | | | | | |
| Finance Investment Reconciliations | 21 | Continual | | | | | |
| Short Term Rental Software Implementation | 13 | | | | | | |

Financial Report
September 2020 (Unaudited)



Item 3.

| | YEAR TO DATE | | | | | FY20 PROJECTION | | FY20 BUDGET | | Actual to Budget |
|----------------------------------|------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|------------------|
| | FY20 ACTUAL | | FY19 ACTUAL | | \$ Chg | | | | | |
| Revenues | | | | | | | | | | |
| In House Catering | 60,841 | 8.39% | 102,674 | 7.38% | (41,833) | 65,000 | 10.19% | 125,000 | 9.29% | 48.67% |
| Outside Catering | 268,779 | 37.07% | 583,124 | 41.90% | (314,345) | 235,000 | 36.85% | 525,000 | 39.03% | 51.20% |
| Service Charge | 112,496 | 15.51% | 200,138 | 14.38% | (87,642) | 100,000 | 15.68% | 230,000 | 17.10% | 48.91% |
| Alcohol | 64,715 | 8.92% | 101,921 | 7.32% | (37,206) | 53,750 | 8.43% | 85,000 | 6.32% | 76.14% |
| Equipment Rental | 43,266 | 5.97% | 62,436 | 4.49% | (19,170) | 36,000 | 5.64% | 50,000 | 3.72% | 86.53% |
| Room Rental | 175,025 | 24.14% | 334,767 | 24.06% | (159,742) | 148,000 | 23.21% | 325,000 | 24.16% | 53.85% |
| Other | - | 0.00% | 6,550 | 0.47% | (6,550) | - | 0.00% | 5,000 | 0.37% | 0.00% |
| | 725,122 | 100.00% | 1,391,610 | 100.00% | (666,488) | 637,750 | 100.00% | 1,345,000 | 100.00% | 53.91% |
| Labor | | | | | | | | | | |
| City Labor | 254,410 | 35.09% | 284,728 | 20.46% | (30,318) | 254,284 | 39.87% | 304,261 | 22.62% | 83.62% |
| City Benefits | 107,778 | 14.86% | 115,599 | 8.31% | (7,821) | 110,599 | 17.34% | 126,820 | 9.43% | 84.99% |
| Workforce/Temp Labor | 94,817 | 13.08% | 118,213 | 8.49% | (23,396) | 100,000 | 15.68% | 108,000 | 8.03% | 87.79% |
| | 457,005 | 63.02% | 518,540 | 37.26% | (61,535) | 464,883 | 72.89% | 539,081 | 40.08% | 84.77% |
| Cost Of Goods | | | | | | | | | | |
| Food | 30,556 | 50.22% | 55,170 | 53.73% | (24,614) | 32,500 | 50.00% | 56,250 | 45.00% | 54.32% |
| Alcohol | 25,194 | 38.93% | 38,961 | 38.23% | (13,767) | 23,100 | 42.98% | 36,508 | 42.95% | 69.01% |
| | 55,750 | 44.40% | 94,131 | 46.01% | (38,381) | 55,600 | 46.82% | 92,758 | 44.17% | 60.10% |
| Catering Cost | 218,154 | 81.16% | 477,446 | 81.88% | (259,292) | 188,000 | 80.00% | 404,500 | 77.05% | 53.93% |
| Supplies | 10,789 | 1.49% | 24,751 | 1.78% | (13,962) | 13,100 | 2.05% | 9,800 | 0.73% | 110.09% |
| Utilities | 51,759 | 7.14% | 60,928 | 4.38% | (9,169) | 60,000 | 9.41% | 80,500 | 5.99% | 64.30% |
| Promotion | 24,916 | 3.44% | 26,623 | 1.91% | (1,707) | 25,000 | 3.92% | 25,000 | 1.86% | 99.66% |
| Operating Expense | 151,788 | 20.93% | 184,406 | 13.25% | (32,618) | 150,008 | 23.52% | 231,531 | 17.21% | 65.56% |
| Total All Expenditures | 970,161 | 133.79% | 1,386,825 | 99.66% | (416,664) | 956,591 | 149.99% | 1,383,170 | 102.84% | 70.14% |
| Operating Income / (Loss) | (245,039) | -33.79% | 4,785 | 0.34% | (249,824) | (318,841) | -49.99% | (38,170) | -2.84% | 641.97% |
| Cost Recovery | 74.74% | | 100.35% | | | 66.67% | | 97.24% | | |
| Subsidy | 25.26% | | -0.35% | | | 33.33% | | 2.76% | | |



Financial Report September 2020 (Unaudited)

| | YEAR TO DATE | | | | | FY20 PROJECTION | | FY20 BUDGET | | Actual to Budget |
|-------------------------------------|------------------|-----------------|------------------|----------------|-----------------|------------------|-----------------|------------------|----------------|------------------|
| | FY20 ACTUAL | | FY19 ACTUAL | | \$ Chg | | | | | |
| Revenues | | | | | | | | | | |
| Tickets | 49,158 | 27.55% | 47,790 | 17.78% | 1,368 | 46,000 | 24.35% | 65,000 | 24.62% | 75.63% |
| Rentals | 44,177 | 24.76% | 91,304 | 33.97% | (47,127) | 38,200 | 20.22% | 65,000 | 24.62% | 67.96% |
| Concessions | 8,967 | 5.02% | 18,118 | 6.74% | (9,151) | 9,000 | 4.76% | 20,000 | 7.58% | 44.84% |
| Alcohol | 9,795 | 5.49% | 22,798 | 8.48% | (13,003) | 9,000 | 4.76% | 26,000 | 9.85% | 37.67% |
| Catering | 2,250 | 1.26% | 2,285 | 0.85% | (35) | 2,250 | 1.19% | - | 0.00% | |
| Arts Council Rent (HM) | 60,000 | 33.62% | 60,000 | 22.32% | - | 60,000 | 31.75% | 60,000 | 22.73% | 100.00% |
| City Advertising Contribution (HM) | - | 0.00% | 20,000 | 7.44% | (20,000) | 20,000 | 10.58% | 20,000 | 7.58% | 0.00% |
| Restoration Fees | 4,103 | 2.30% | 6,489 | 2.41% | (2,386) | 4,500 | 2.38% | 8,000 | 3.03% | 51.29% |
| Sponsorships / Contributions | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | #DIV/0! |
| | 178,450 | 100.00% | 268,784 | 100.00% | (90,334) | 188,950 | 100.00% | 264,000 | 100.00% | 67.59% |
| Labor | 157,348 | 88.17% | 168,997 | 62.87% | (11,649) | 165,781 | 87.74% | 185,869 | 70.40% | 84.66% |
| Cost Of Goods | | | | | | | | | | |
| Food | 3,686 | 41.11% | 8,034 | 44.34% | (4,348) | 4,950 | 55.00% | 11,000 | 55.00% | 33.51% |
| Alcohol | 5,109 | 52.16% | 9,232 | 40.49% | (4,123) | 4,500 | 50.00% | 12,711 | 48.89% | 40.19% |
| | 8,795 | 46.88% | 17,266 | 42.20% | (8,471) | 9,450 | 52.50% | 23,711 | 51.55% | 37.09% |
| Supplies | 4,079 | 2.29% | 8,421 | 3.13% | (4,342) | 6,450 | 3.41% | 6,950 | 2.63% | 58.69% |
| Utilities | 16,733 | 9.38% | 20,238 | 7.53% | (3,505) | 19,500 | 10.32% | 23,500 | 8.90% | 71.20% |
| Promotion | 5,116 | 2.87% | 6,402 | 2.38% | (1,286) | 15,000 | 7.94% | 23,500 | 8.90% | 21.77% |
| Shows | 52,228 | 29.27% | 63,662 | 23.69% | (11,434) | 60,000 | 31.75% | 60,000 | 22.73% | 87.05% |
| Operating Expense | 129,559 | 72.60% | 141,134 | 52.51% | (11,575) | 146,094 | 77.32% | 148,707 | 56.33% | 87.12% |
| Total Operating Expenditures | 373,858 | 209.50% | 426,120 | 158.54% | (52,262) | 422,275 | 223.49% | 472,237 | 178.88% | 79.17% |
| Net Income / (Loss) | (195,408) | -109.50% | (157,336) | -58.54% | (38,072) | (233,325) | -123.49% | (208,237) | -78.88% | 93.84% |
| Cost Recovery | 47.73% | | 63.08% | | | 44.75% | | 55.90% | | |
| Subsidy | 52.27% | | 36.92% | | | 55.25% | | 44.10% | | |

Excludes encumbrances and transfers.

Financial Report
September 2020 (Unaudited)



| | FY20 YTD | | FY19 YTD | | \$ CHANGE | FY20 PROJECTION | | FY20 BUDGET | | Actual to Budget |
|-------------------------------|----------------|---------------|------------------|---------------|------------------|--------------------|---------------|------------------|---------------|------------------|
| Active Members | | | 3,757 | | | 1,500 | | 4,000 | | |
| Active Silver Sneaker Members | | | 1,022 | | | 1,000 | | 750 | | |
| Active Renew Active Members | | | 832 | | | 1,000 | | 850 | | |
| | | | 5,611 | | | 3,500 | | 5,600 | | |
| MEMBERSHIPS | 196,471 | 36.39% | 445,379 | 42.67% | (248,908) | 210,000 | 38.03% | 510,000 | 48.80% | 38.52% |
| Silver Sneakers | 32,550 | 6.03% | 71,855 | | (39,305) | 35,000 | | 90,000 | | |
| Renew Active | 81,000 | 15.00% | 83,860 | | (2,860) | 85,000 | | - | | |
| Total Memberships | 310,021 | | 601,094 | | (291,073) | 330,000 | | 600,000 | | |
| ACTIVITIES | | | | | | | | | | |
| Fitness | 44,212 | 8.19% | 108,888 | 10.43% | (64,676) | 45,000 | 8.15% | 90,000 | 8.61% | 49.12% |
| Massage | 17,362 | 3.22% | 37,214 | 3.57% | (19,852) | 18,000 | 3.26% | 40,000 | 3.83% | 43.41% |
| Aquatics | 13,277 | 2.46% | 30,232 | 2.90% | (16,955) | 14,000 | 2.54% | 24,000 | 2.30% | 55.32% |
| Classes | 5,944 | 1.10% | 15,225 | 1.46% | (9,281) | 6,000 | 1.09% | 18,000 | 1.72% | 33.02% |
| Dances | 816 | 0.15% | 590 | 0.06% | 226 | 1,000 | 0.18% | 2,000 | 0.19% | 40.80% |
| Travel | 18,538 | 3.43% | 37,742 | 3.62% | (19,204) | 20,456 | 3.70% | 50,000 | 4.78% | 37.08% |
| | 100,149 | 18.55% | 229,891 | 22.03% | (129,742) | 104,456 | 18.92% | 224,000 | 21.44% | 44.71% |
| FOOD & BEVERAGE | | | | | | | | | | |
| In House Food Service | 32,364 | 5.99% | 81,554 | 7.81% | (49,190) | 33,000 | 5.98% | 80,000 | 7.66% | 40.46% |
| Alcohol | 6,216 | 1.15% | 11,359 | 1.09% | (5,143) | 6,400 | 1.16% | 13,000 | 1.24% | 47.82% |
| External Catering | 9,671 | 1.79% | 18,312 | 1.75% | (8,641) | 10,000 | 1.81% | 20,000 | 1.91% | 48.36% |
| | 48,251 | 8.94% | 111,225 | 10.66% | (62,974) | 49,400 | 8.95% | 113,000 | 10.81% | 42.70% |
| OTHER / MISC. | | | | | | | | | | |
| Special Events/Theater | 7,206 | 1.33% | 10,214 | 0.98% | (3,008) | 7,200 | 1.30% | 9,000 | 0.86% | 80.07% |
| Rentals & Attendant Fees | 17,572 | 3.25% | 63,913 | 6.12% | (46,341) | 23,000 | 4.17% | 50,000 | 4.78% | 35.14% |
| Vending | 8 | 0.00% | 777 | 0.07% | (769) | 100 | 0.02% | 3,000 | 0.29% | 0.27% |
| Merchandise | 2,938 | 0.54% | 7,582 | 0.73% | (4,644) | 3,000 | 0.54% | 4,000 | 0.38% | 73.45% |
| Other Contributions | 53,796 | 9.96% | 18,992 | 1.82% | 34,804 | 35,000 | 6.34% | 42,000 | 4.02% | 128.09% |
| | 81,520 | 15.10% | 101,478 | 9.72% | (19,958) | 68,300 | 12.37% | 108,000 | 10.33% | 75.48% |
| TOTAL REVENUE | 539,941 | 85.00% | 1,043,688 | 85.08% | (503,747) | 552,156 | 78.27% | 1,045,000 | 91.39% | 51.67% |

Financial Report
September 2020 (Unaudited)



| | FY20 YTD | | FY19 YTD | | \$ CHANGE | PROJECTION | | BUDGET | | | |
|----------------------------------|--------------------|-----------------|------------------|----------------|------------------|--------------------|-----------------|--------------------|------------------|---------------|--|
| | | | | | | | | | Actual to Budget | | |
| LABOR | | | | | | | | | | | |
| City Labor | 775,031 | 143.54% | 805,467 | 77.18% | (30,436) | 879,348 | 159.26% | 944,031 | 90.34% | 82.10% | |
| City Benefits | 324,554 | 60.11% | 326,078 | 31.24% | (1,524) | 375,367 | 67.98% | 379,065 | 36.27% | 85.62% | |
| Workforce / Recreation Leaders | 56,526 | 10.47% | 118,771 | 11.38% | (62,245) | 81,000 | 14.67% | 90,250 | 8.64% | 62.63% | |
| | 1,156,111 | 214.12% | 1,250,316 | 119.80% | (94,205) | 1,335,715 | 241.91% | 1,413,346 | 135.25% | 81.80% | |
| COST OF GOODS | | | | | | | | | | | |
| Merchandise | 2,156 | 73.38% | 3,402 | 44.87% | (1,246) | 3,800 | 126.67% | 3,750 | 93.75% | 57.49% | |
| In House Food Service | 26,656 | 82.36% | 56,009 | 68.68% | (29,353) | 25,750 | 78.03% | 61,750 | 77.19% | 43.17% | |
| Alcohol Sales | 3,032 | 48.78% | 5,619 | 49.47% | (2,587) | 3,310 | 51.72% | 7,642 | 58.78% | 39.68% | |
| External Catering | 7,538 | 77.94% | 13,676 | 74.68% | (6,138) | 9,000 | 90.00% | 19,000 | 95.00% | 39.67% | |
| | 39,382 | 76.93% | 78,706 | 66.25% | (39,324) | 41,860 | 79.89% | 92,142 | 78.75% | 42.74% | |
| EXPENDITURES | | | | | | | | | | | |
| Supplies | 55,428 | 10.27% | 83,768 | 8.03% | (28,340) | 76,434 | 13.84% | 87,744 | 8.40% | 63.17% | |
| Utilities | 136,567 | 25.29% | 172,192 | 16.50% | (35,625) | 200,000 | 36.22% | 248,000 | 23.73% | 55.07% | |
| Travel | 23,981 | 129.36% | 43,869 | 116.23% | (19,888) | 27,000 | 131.99% | 40,000 | 80.00% | 59.95% | |
| Special Events/Theater | 3,262 | 16.85% | 5,161 | 13.46% | (1,899) | 6,500 | 30.29% | 12,582 | 24.20% | 25.93% | |
| Promotion | 11,779 | 2.18% | 25,279 | 2.42% | (13,500) | 20,000 | 3.62% | 28,200 | 2.70% | 41.77% | |
| Maintenance | 118,834 | 22.01% | 125,481 | 12.02% | (6,647) | 104,262 | 18.88% | 114,232 | 10.93% | 104.03% | |
| Janitorial | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | #DIV/0! | |
| Masasage Therapy | 16,025 | 2.97% | 27,385 | 2.62% | (11,360) | 19,000 | 3.44% | 24,000 | 2.30% | 66.77% | |
| Contingency | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | #DIV/0! | |
| Operating Expense | 62,197 | 11.52% | 67,011 | 6.42% | (4,814) | 81,320 | 14.73% | 82,995 | 7.94% | 74.94% | |
| Reimbursements | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | #DIV/0! | |
| | 428,073 | 79.28% | 550,146 | 52.71% | (122,073) | 534,516 | 96.81% | 637,753 | 61.03% | 67.12% | |
| TOTAL EXPENDITURES | 1,623,566 | 300.69% | 1,879,168 | 180.05% | (255,602) | 1,912,091 | 346.30% | 2,143,241 | 205.09% | 75.75% | |
| OPERATING INCOME / (LOSS) | (1,083,625) | -200.69% | (835,480) | -80.05% | (248,145) | (1,359,935) | -246.30% | (1,098,241) | -105.09% | 98.67% | |
| Cost Recovery | 33.26% | | 55.54% | | | 28.88% | | 48.76% | | | |
| Subsidy | 66.74% | | 44.46% | | | 71.12% | | 51.24% | | | |

Excludes capital and transfers

Financial Report
September 2020 (Unaudited)



| | YEAR TO DATE | | | | | FY20 | | FY20 | | Actual to Budget |
|-------------------------------------|------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|------------------|
| | FY20 ACTUAL | | FY19 ACTUAL | | \$ Chg | PROJECTION | | BUDGET | | |
| Revenues | | | | | | | | | | |
| Camp | 2,220 | 2.61% | 62,952 | 24.76% | (60,732) | 3,000 | 3.65% | 60,000 | 24.14% | 3.70% |
| Class | 20,052 | 23.56% | 59,057 | 23.23% | (39,005) | 20,000 | 24.32% | 60,000 | 24.14% | 33.42% |
| Memberships | 30,381 | 35.70% | 64,750 | 25.47% | (34,369) | 27,000 | 32.83% | 67,000 | 26.96% | 45.34% |
| Food / Beverage / Retail | 3,240 | 3.81% | 1,685 | 0.66% | 1,555 | 3,242 | 3.94% | 1,500 | 0.60% | 216.00% |
| Rental Reservations | 28,325 | 33.28% | 64,988 | 25.56% | (36,663) | 28,000 | 34.05% | 60,000 | 24.14% | 47.21% |
| Other | 889 | 1.04% | 819 | 0.32% | 70 | 1,000 | 1.22% | - | 0.00% | 0.00% |
| | 85,107 | 100.00% | 254,251 | 100.00% | (169,144) | 82,242 | 100.00% | 248,500 | 100.00% | 34.25% |
| Labor | | | | | | | | | | |
| City Labor | 224,337 | 263.59% | 288,114 | 113.32% | (63,777) | 271,692 | 330.36% | 312,624 | 125.80% | 71.76% |
| City Benefits | 65,748 | 77.25% | 69,638 | 27.39% | (3,890) | 75,542 | 91.85% | 76,558 | 30.81% | 85.88% |
| Workforce/Temp Labor | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | 0.00% |
| | 290,085 | 340.85% | 357,752 | 140.71% | (67,667) | 347,234 | 422.21% | 389,182 | 156.61% | 74.54% |
| Supplies | 12,156 | 14.28% | 32,039 | 12.60% | (19,883) | 23,768 | 28.90% | 32,148 | 12.94% | 37.81% |
| Utilities | 42,024 | 49.38% | 50,043 | 19.68% | (8,019) | 49,000 | 59.58% | 59,000 | 23.74% | 71.23% |
| Promotion | - | 0.00% | - | 0.00% | - | 700 | 0.85% | 700 | 0.28% | 0.00% |
| Capital | 23,855 | 0.00% | - | 0.00% | 23,855 | 23,855 | 0.00% | 23,855 | 0.00% | #DIV/0! |
| Operating Expense | 79,070 | 92.91% | 102,375 | 40.27% | (23,305) | 90,757 | 110.35% | 114,265 | 45.98% | 69.20% |
| Total Operating Expenditures | 447,190 | | 542,209 | | | 535,314 | | 619,150 | | 72.23% |
| Net Income / (Loss) | (362,083) | | (287,958) | | (74,125) | (453,072) | | (370,650) | | 97.69% |
| Cost Recovery | 19.03% | | 46.89% | | | 15.36% | | 40.14% | | |
| Subsidy | 80.97% | | 53.11% | | | 84.64% | | 59.86% | | |



Financial Report
September 2020 (Unaudited)

| | FY20 ACTUAL | | FY19 ACTUAL | | FY20 PROJECTION | | FY20 BUDGET | | Actual To Budget |
|------------------------------|------------------|----------------|------------------|----------------|--------------------|----------------|------------------|----------------|---------------------|
| Active Members | 6,413 | | 11,006 | | 5,000 | | 13,000 | | |
| MEMBERSHIPS | 887,188 | 72.67% | 1,404,554 | 69.35% | 978,763 | 73.13% | 1,600,000 | 55.17% | 55.45% |
| LEAGUES / TOURNAMENTS | 32,599 | 2.67% | 31,659 | 1.56% | 33,782 | 2.52% | 250,000 | 8.62% | 13.04% |
| ACTIVITIES | | | | | | | | | |
| Camps | 14,995 | 1.23% | 94,295 | 4.66% | 15,000 | 1.12% | 100,000 | 3.45% | 15.00% |
| Massage | 10,270 | 0.84% | 5,219 | 0.26% | 10,695 | 0.80% | 50,000 | 1.72% | 20.54% |
| Swim | 9,290 | 0.76% | 51,205 | 2.53% | 11,690 | 0.87% | 75,000 | 2.59% | 12.39% |
| Recording Studio | 2,706 | 0.22% | 14,018 | 0.69% | 2,706 | 0.20% | 80,000 | 2.76% | 3.38% |
| Art | 9,711 | 0.80% | 8,173 | 0.40% | 10,033 | 0.75% | 25,000 | 0.86% | 38.84% |
| Fitness | 57,282 | 4.69% | 101,910 | 5.03% | 66,700 | 4.98% | 275,000 | 9.48% | 20.83% |
| | 104,254 | 8.54% | 274,820 | 13.57% | 116,824 | 8.73% | 605,000 | 20.86% | 17.23% |
| FOOD & BEVERAGE | | | | | | | | | |
| Food Service | 3,674 | 0.30% | 10,314 | 0.51% | 841 | 0.06% | 20,000 | 0.69% | 18.37% |
| Alcohol | - | 0.00% | 2,326 | 0.11% | - | 0.00% | 0 | 0.00% | 0.00% |
| Catering | - | 0.00% | - | 0.00% | - | 0.00% | 5,000 | 0.17% | 0.00% |
| | 3,674 | 0.30% | 12,640 | 0.62% | 841 | 0.06% | 25,000 | 0.86% | 14.70% |
| OTHER / MISC. | | | | | | | | | |
| Special Events | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | |
| Childcare | 20,089 | 1.65% | 38,337 | 1.89% | 22,731 | 1.70% | 30,000 | 1.03% | 66.96% |
| Vending | 4,618 | 0.38% | 2,800 | 0.14% | 5,673 | 0.42% | 10,000 | 0.34% | 46.18% |
| Merchandise | 2,800 | 0.23% | 10,023 | 0.49% | 2,000 | 0.15% | 25,000 | 0.86% | 11.20% |
| Theater | 22,350 | 1.83% | 47,008 | 2.32% | 25,000 | 1.87% | 100,000 | 3.45% | 22.35% |
| Rentals | 77,628 | 6.36% | 113,331 | 5.60% | 87,239 | 6.52% | 160,000 | 5.52% | 48.52% |
| Sponsorships | 62,500 | 5.12% | 62,500 | 3.09% | 62,500 | 4.67% | 75,000 | 2.59% | 83.33% |
| Youth Programs | 3,075 | 0.25% | 27,683 | 1.37% | 2,970 | 0.22% | 20,000 | 0.69% | 15.38% |
| Transfers - Gen Fund | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | |
| | 193,060 | 15.81% | 301,682 | 14.90% | 208,113 | 15.55% | 420,000 | 14.48% | 45.97% |
| TOTAL REVENUE | 1,220,775 | 100.00% | 2,025,355 | 100.00% | 1,338,323 | 100.00% | 2,900,000 | 100.00% | 42.10% |

Financial Report

September 2020 (Unaudited)



| | FY20 ACTUAL | | FY19 ACTUAL | | FY20 PROJECTION | | FY20 BUDGET | | Actual To Budget |
|---|--------------------|-----------------|------------------|----------------|--------------------|-----------------|--------------------|----------------|---------------------|
| LABOR | | | | | | | | | |
| City Labor | 1,441,441 | 118.08% | 1,502,544 | 74.19% | 1,557,720 | 116.39% | 1,899,829 | 65.51% | 75.87% |
| City Benefits | 426,523 | 34.94% | 441,020 | 21.77% | 474,034 | 35.42% | 497,923 | 17.17% | 85.66% |
| | <u>1,867,964</u> | <u>153.01%</u> | <u>1,943,564</u> | <u>95.96%</u> | <u>2,031,754</u> | <u>151.81%</u> | <u>2,397,752</u> | <u>82.68%</u> | <u>77.90%</u> |
| COST METRICS | | | | | | | | | |
| Activities | 79,923 | 76.66% | 133,102 | 48.43% | 86,617 | 74.14% | 338,500 | 55.95% | 23.61% |
| Leagues/Tournaments | 11,804 | 36.21% | - | 0.00% | 15,000 | 44.40% | 162,500 | 65.00% | 7.26% |
| Massage | 8,385 | 81.65% | 3,960 | 75.88% | 8,556 | 80.00% | 40,000 | 80.00% | 20.96% |
| Resale | 571 | 20.39% | 8,193 | 81.74% | 1,266 | 63.30% | 17,500 | 70.00% | 3.26% |
| Youth Programs | 2,145 | 69.76% | 19,725 | 71.25% | 2,000 | 67.34% | 17,000 | 85.00% | 12.62% |
| Theater | 2,117 | 9.47% | 16,681 | 35.49% | 7,315 | 29.26% | 30,000 | 30.00% | 7.06% |
| Food & Beverage | - | 0.00% | 8,257 | 65.32% | - | 0.00% | - | 0.00% | |
| | <u>104,945</u> | <u>8.60%</u> | <u>189,918</u> | <u>9.38%</u> | <u>120,754</u> | <u>9.02%</u> | <u>605,500</u> | <u>20.88%</u> | <u>17.33%</u> |
| EXPENDITURES | | | | | | | | | |
| Supplies | 67,948 | 5.57% | 116,328 | 5.74% | 73,500 | 5.49% | 150,000 | 5.17% | 45.30% |
| Utilities | 314,756 | 25.78% | 243,934 | 12.04% | 360,000 | 26.90% | 470,000 | 16.21% | 66.97% |
| Promotion | 85,338 | 6.99% | 85,899 | 4.24% | 150,000 | 11.21% | 150,000 | 5.17% | 56.89% |
| Maintenance | 103,222 | 8.46% | 32,419 | 1.60% | 129,300 | 9.66% | 129,300 | 4.46% | 79.83% |
| Contingency | - | 0.00% | - | 0.00% | 51,500 | 3.85% | 51,500 | 1.78% | 0.00% |
| Operating Expense | 123,683 | 10.13% | 192,884 | 9.52% | 139,025 | 10.39% | 239,000 | 8.24% | 51.75% |
| Reimbursements | 22,517 | 1.84% | 26,959 | 1.33% | 22,517 | 1.68% | 22,517 | 0.78% | 100.00% |
| | <u>717,464</u> | <u>58.77%</u> | <u>698,423</u> | <u>34.48%</u> | <u>925,842</u> | <u>69.18%</u> | <u>1,212,317</u> | <u>41.80%</u> | <u>59.18%</u> |
| General Fund Reimbursement - Facilities | (75,000) | | (75,000) | | (75,000) | | (75,000) | | 100.00% |
| **TOTAL EXPENDITURES | 2,615,373 | 214.24% | 2,756,905 | 136.12% | 3,003,350 | 224.41% | 4,140,569 | 142.78% | 63.16% |
| OPERATING INCOME / (LOSS) | (1,394,598) | -114.24% | (731,550) | -36.12% | (1,665,027) | -124.41% | (1,240,569) | -42.78% | 112.42% |
| Cost Recovery | 46.68% | | 73.46% | | 44.56% | | 70.04% | | |
| Subsidy | 53.32% | | 26.54% | | 55.44% | | 29.96% | | |

** Includes One Time

**Financial Report
September 2020 (Unaudited)**



| | A | | B | | C | | D | | |
|---|--|-------------------|-----------------|------------------|---------------------|-------------------|-----------------|-------------------|----------------|
| | FY 20 ACTUAL | | FY 19 ACTUAL | | FY 20 PROJECTION | | FY 20 BUDGET | | |
| 1 | VISITATION STAT | | 179,860 | 329,895 | 164,716 | | 438,284 | | |
| 2 | Revenue/Visit Metric | 31.58 | 30.09 | | 30.60 | | 23.86 | | |
| REVENUE BY DEPARTMENT | | | | | | | | | |
| 3 | Waterpark Revenue | 3,538,203 | 62.30% | 6,415,733 | 64.63% | 3,230,650 | 64.09% | 6,728,597 | 64.33% |
| 4 | Food & Beverage Revenue + EPIC Eats | 1,469,281 | 25.87% | 2,481,667 | 25.00% | 1,195,252 | 23.71% | 2,249,400 | 21.51% |
| 5 | Retail & Misc Revenue (Includes Other) | 354,154 | 6.24% | 485,644 | 4.89% | 295,457 | 5.86% | 992,925 | 9.49% |
| 6 | Arcade Revenue | <u>317,949</u> | <u>5.60%</u> | <u>543,218</u> | <u>5.47%</u> | <u>319,534</u> | <u>6.34%</u> | <u>487,890</u> | <u>4.66%</u> |
| 7 | Total Department Revenue | 5,679,587 | 100.00% | 9,926,262 | 100.00% | 5,040,893 | 100.00% | 10,458,812 | 100.00% |
| 8 | Total Department Expenses | 3,345,619 | 58.91% | 4,335,058 | 43.67% | 3,001,703 | 59.55% | 4,808,252 | 45.97% |
| 9 | Department Income | 2,333,968 | 41.09% | 5,591,204 | 56.33% | 2,039,190 | 40.45% | 5,650,560 | 54.03% |
| Undistributed Operating Expenses | | | | | | | | | |
| 10 | Sales & Marketing | 763,379 | 13.44% | 1,154,968 | 11.64% | 1,038,910 | 20.61% | 1,408,279 | 13.46% |
| 11 | Administration & General | 988,415 | 17.40% | 1,026,812 | 10.34% | 1,011,160 | 20.06% | 1,007,120 | 9.63% |
| 12 | Maintenance | 662,034 | 11.66% | 795,470 | 8.01% | 663,422 | 13.16% | 878,727 | 8.40% |
| 13 | Utilities | <u>436,279</u> | <u>7.68%</u> | <u>397,006</u> | <u>4.00%</u> | <u>474,855</u> | <u>9.42%</u> | <u>507,500</u> | <u>4.85%</u> |
| 14 | Total Undistributed Operati | 2,850,107 | 50.18% | 3,374,256 | 33.99% | 3,188,347 | 63.25% | 3,801,626 | 36.35% |
| 15 | Gross Operating Profit | -516,139 | -9.09% | 2,216,948 | 22.33% | -1,149,157 | -22.80% | 1,848,934 | 17.68% |
| Fixed Cost / Insurance | | | | | | | | | |
| 16 | Management Fees | 288,035 | 5.07% | 446,567 | 4.50% | 221,705 | 4.40% | 418,352 | 4.00% |
| 17 | Insurance & Other | <u>238,891</u> | <u>4.21%</u> | <u>274,517</u> | <u>2.77%</u> | <u>209,215</u> | <u>4.15%</u> | <u>226,200</u> | <u>2.16%</u> |
| 18 | Total Fixed Cost / Insura | 526,926 | 9.28% | 721,084 | 7.26% | 430,920 | 8.55% | 644,552 | 6.16% |
| 19 | NET INCOME | -1,043,065 | -18.37% | 1,495,864 | 15.07% | -1,580,077 | -31.35% | 1,204,382 | 11.52% |

Financial Report
September 2020 (Unaudited)



GRAND PRAIRIE MEMORIAL GARDENS
And Mausoleum

| | YEAR TO DATE | | | | | FY20 PROJECTION | | FY20 BUDGET | | Actual to Budget |
|----------------------------------|------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|------------------|
| | FY20 ACTUAL | | FY19 ACTUAL | | \$ Chg | | | | | |
| Revenues | | | | | | | | | | |
| Section Sales | 648,241 | 45.10% | 508,672 | 24.79% | 139,569 | 520,000 | 40.12% | 489,000 | 44.19% | 132.56% |
| Marker Sales | 335,524 | 23.34% | 346,628 | 16.89% | (11,104) | 350,000 | 27.00% | 300,000 | 27.11% | 111.84% |
| Columbarium Sales | 61,266 | 4.26% | 32,402 | 1.58% | 28,864 | 55,000 | 4.24% | 25,000 | 2.26% | 245.06% |
| Interment Fees | 256,691 | 17.86% | 181,281 | 8.84% | 75,410 | 245,000 | 18.90% | 193,600 | 17.50% | 132.59% |
| Mausoleum Sales | 65,725 | 4.57% | 93,853 | 4.57% | (28,128) | 60,000 | 4.63% | 60,000 | 5.42% | 109.54% |
| Burial Box/Vaults | 44,894 | 3.12% | 38,463 | 1.87% | 6,431 | 40,000 | 3.09% | 33,000 | 2.98% | 136.04% |
| Scattering Sales | 203 | 0.01% | (208) | -0.01% | 411 | 600 | 0.05% | 1,000 | 0.09% | 20.30% |
| Other | 24,876 | 1.73% | 8,710 | 0.42% | 16,166 | 25,500 | 1.97% | 5,000 | 0.45% | 497.52% |
| Transfers | - | 0.00% | 842,036 | 41.04% | (842,036) | - | 0.00% | - | 0.00% | 0.00% |
| Total | 1,437,420 | 100.00% | 2,051,837 | 100.00% | (614,417) | 1,296,100 | 100.00% | 1,106,600 | 100.00% | 129.90% |
| Labor | | | | | | | | | | |
| City Labor | 265,791 | 18.49% | 242,879 | 11.84% | 22,912 | 271,080 | 20.92% | 269,460 | 24.35% | 98.64% |
| City Benefits | 107,215 | 7.46% | 96,675 | 4.71% | 10,540 | 116,233 | 8.97% | 117,853 | 10.65% | 90.97% |
| Workforce/Temp Labor | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | 0.00% |
| | 373,006 | 25.95% | 339,554 | 16.55% | 33,452 | 387,313 | 29.88% | 387,313 | 35.00% | 96.31% |
| Marker Cost | 203,006 | 60.50% | 193,491 | 55.82% | 9,515 | 230,200 | 65.77% | 230,200 | 76.73% | 88.19% |
| Utilities | 26,673 | 1.86% | 28,561 | 1.39% | (1,888) | 36,500 | 2.82% | 36,500 | 3.30% | 73.08% |
| Operating Expense | 213,055 | 14.82% | 182,973 | 8.92% | 30,082 | 249,624 | 19.26% | 249,624 | 22.56% | 85.35% |
| Indirect Cost - Gen Fund | 39,120 | 2.72% | 37,198 | 1.81% | 1,922 | 39,120 | 3.02% | 39,120 | 3.54% | 100.00% |
| Operating Income / (Loss) | 582,560 | 40.53% | 1,270,060 | 61.90% | (687,500) | 353,343 | 27.26% | 163,843 | 14.81% | 355.56% |
| Replacement Transfer | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | #DIV/0! |
| Capital | 126,035 | 8.77% | 49,563 | 2.42% | 76,472 | 127,835 | 9.86% | 127,835 | 11.55% | 98.59% |
| | 126,035 | 8.77% | 49,563 | 2.42% | 76,472 | 127,835 | 9.86% | 127,835 | 11.55% | 98.59% |
| Total Expenditures | 980,895 | | 831,340 | | 149,555 | 1,070,592 | | 1,070,592 | | 91.62% |
| Net Income / (Loss) | 456,525 | 31.76% | 1,220,497 | 59.48% | (763,972) | 225,508 | 17.40% | 36,008 | 3.25% | 1267.84% |

Excludes encumbrances

Financial Report
September 2020 (Unaudited)



| | YEAR TO DATE | | | | | FY20 PROJECTION | | FY20 BUDGET | | Actual to Budget |
|-------------------------------------|------------------|----------------|------------------|----------------|------------------|------------------|----------------|------------------|----------------|------------------|
| | FY20 ACTUAL | | FY19 ACTUAL | | \$ Chg | | | | | |
| Revenues | | | | | | | | | | |
| Festivals | 1,000 | 0.03% | 1,000 | 0.03% | - | 1,000 | 0.03% | 10,000 | 0.27% | 10.00% |
| Gate Receipts | 1,539,812 | 46.79% | 1,561,836 | 48.72% | (22,024) | 1,189,000 | 32.36% | 1,874,000 | 51.00% | 82.17% |
| Annual Permits | 189,415 | 5.76% | 184,838 | 5.77% | 4,577 | 120,000 | 3.27% | 175,000 | 4.76% | 108.24% |
| Cabins | 108,346 | 3.29% | 133,231 | 4.16% | (24,885) | 75,000 | 2.04% | 150,000 | 4.08% | 72.23% |
| Rentals | 48,179 | 1.46% | 95,357 | 2.97% | (47,178) | 50,000 | 1.36% | 86,000 | 2.34% | 56.02% |
| Parksites | 926,897 | 28.16% | 695,845 | 21.70% | 231,052 | 780,000 | 21.23% | 730,000 | 19.87% | 126.97% |
| Marina Lease | 305,991 | 9.30% | 245,497 | 7.66% | 60,494 | 230,000 | 6.26% | 325,000 | 8.84% | 94.15% |
| Camp Store | 37,097 | 1.13% | 64,193 | 2.00% | (27,096) | 35,000 | 0.95% | 80,000 | 2.18% | 46.37% |
| Lodge | 28,280 | 0.86% | 130,211 | 4.06% | (101,931) | 58,500 | 1.59% | 156,000 | 4.25% | 18.13% |
| Other | 105,964 | 3.22% | 94,038 | 2.93% | 11,926 | 585,615 | 15.94% | 88,500 | 2.41% | 119.73% |
| | 3,290,981 | 100.00% | 3,206,046 | 100.00% | 84,935 | 3,124,115 | 85.02% | 3,674,500 | 100.00% | 89.56% |
| Labor | | | | | | | | | | |
| City Labor | 1,048,093 | 31.85% | 1,150,654 | 35.89% | (102,561) | 1,106,610 | 35.42% | 1,231,816 | 33.52% | 85.09% |
| City Benefits | 474,575 | 14.42% | 495,872 | 15.47% | (21,297) | 518,981 | 16.61% | 534,652 | 14.55% | 88.76% |
| Workforce/Temp Labor | 60,202 | 1.83% | 67,870 | 2.12% | (7,668) | 70,000 | 2.24% | 70,000 | 1.91% | 86.00% |
| | 1,582,870 | 48.10% | 1,714,396 | 53.47% | (131,526) | 1,695,591 | 54.27% | 1,836,468 | 49.98% | 86.19% |
| Camp Store | 32,984 | 88.91% | 47,347 | 73.76% | (14,363) | 42,950 | 122.71% | 50,750 | 63.44% | 64.99% |
| Supplies | 87,890 | 2.67% | 140,919 | 4.40% | (53,029) | 126,039 | 4.03% | 160,085 | 4.36% | 54.90% |
| Utilities | 167,122 | 5.08% | 151,695 | 4.73% | 15,427 | 211,000 | 6.75% | 263,000 | 7.16% | 63.54% |
| Indirect Cost - Gen Fund | 143,716 | 4.37% | 136,694 | 4.26% | 7,022 | 143,716 | 4.60% | 143,716 | 3.91% | 100.00% |
| Reimbursements | 56,748 | 1.72% | 68,051 | 2.12% | (11,303) | 56,748 | 1.82% | 56,748 | 1.54% | 100.00% |
| Debt | - | 0.00% | - | 0.00% | - | 750 | 0.02% | 185,000 | 5.03% | 0.00% |
| Operating Expense | 358,333 | 10.89% | 458,798 | 14.31% | (100,465) | 422,586 | 13.53% | 486,689 | 13.25% | 73.63% |
| Total Operating Expenditures | 2,429,663 | | 2,717,900 | | (288,237) | 2,699,380 | | 3,182,456 | | 76.35% |
| Operating Income / (Loss) | 861,318 | 26.17% | 488,146 | 15.23% | 373,172 | 424,735 | 13.60% | 492,044 | 13.39% | |
| Transfer To Lake CIP | 200,000 | 6.08% | 450,000 | 14.04% | | 200,000 | 6.40% | 200,000 | 5.44% | |
| Capital | 196,519 | 5.97% | 155,065 | 4.84% | | 219,525 | 7.03% | 246,000 | 6.69% | |
| Debt Svc | - | 0.00% | - | 0.00% | | - | 0.00% | - | 0.00% | |
| | 396,519 | 12.05% | 605,065 | 18.87% | | 419,525 | 13.43% | 446,000 | 12.14% | |
| Total All Expenditures | 2,826,182 | | 3,322,965 | | | 3,118,905 | | 3,628,456 | | |
| Net Income / (Loss) | 464,799 | 14.12% | (116,919) | -3.65% | | 5,210 | 0.17% | 46,044 | 1.25% | |

CONSOLIDATED GOLF FUND REPORT
September 2020 (Unaudited)

Item 3.

| | FY20 | | YEAR TO DATE | | \$ | FY20 | | FY20 | |
|-------------------------------------|------------------|----------------|------------------|----------------|-----------------|--------------------|----------------|------------------|------------------|
| | ACTUAL | | FY19 | ACTUAL | | Chg | PROJECTION | BUDGET | Actual to Budget |
| Rounds | | | | | | | | | |
| Paid | 60,321 | | 58,550 | | 1,771 | 51,993 | | 65,000 | |
| Pass | 14,037 | | 12,395 | | 1,642 | 11,763 | | 12,300 | |
| Comp | 12,360 | | 7,467 | | 4,893 | 8,000 | | 4,300 | |
| | <u>86,718</u> | | <u>78,412</u> | | <u>8,306</u> | <u>71,756</u> | | <u>81,600</u> | |
| Avg Green Fee | 23.01 | | 22.77 | | 0.24 | 23.08 | | 22.92 | |
| Avg Cart Fee | 7.94 | | 6.42 | | 1.52 | 6.50 | | 7.12 | |
| Avg Range | 0.92 | | 1.04 | | (0.11) | 1.12 | | 1.13 | |
| Total | 31.88 | | 30.22 | | 1.66 | 30.70 | | 31.17 | |
| Revenues | | | | | | | | | |
| Green Fee | 1,387,846 | 58.00% | 1,332,924 | 58.29% | 54,922 | 1,200,000 | 59.92% | 1,490,000 | 58.71% |
| Cart Fee | 479,220 | 20.03% | 375,865 | 16.44% | 103,355 | 338,000 | 16.88% | 462,500 | 18.23% |
| Driving Range | 55,751 | 2.33% | 60,607 | 2.65% | (4,856) | 58,000 | 2.90% | 73,700 | 2.90% |
| Memberships | 261,552 | 10.93% | 291,013 | 12.73% | (29,461) | 250,000 | 12.48% | 280,000 | 11.03% |
| Pro Shop | 106,243 | 4.44% | 120,469 | 5.27% | (14,226) | 75,000 | 3.75% | 124,000 | 4.89% |
| F&B | 84,612 | 3.54% | 98,642 | 4.31% | (14,030) | 72,000 | 3.60% | 104,000 | 4.10% |
| Other | 17,462 | 0.73% | 7,041 | 0.31% | 10,421 | 9,610 | 0.48% | 3,500 | 0.14% |
| | <u>2,392,686</u> | <u>100.00%</u> | <u>2,286,561</u> | <u>100.00%</u> | <u>106,125</u> | <u>2,002,610</u> | <u>100.00%</u> | <u>2,537,700</u> | <u>100.00%</u> |
| Labor | | | | | | | | | |
| City Labor | 1,068,552 | 44.66% | 1,061,253 | 46.41% | 7,299 | 1,126,411 | 56.25% | 1,142,382 | 45.02% |
| City Benefits | 461,442 | 19.29% | 455,185 | 19.91% | 6,257 | 506,501 | 25.29% | 508,507 | 20.04% |
| | <u>1,529,994</u> | <u>63.94%</u> | <u>1,516,438</u> | <u>66.32%</u> | <u>13,556</u> | <u>1,632,912</u> | <u>81.54%</u> | <u>1,650,889</u> | <u>65.05%</u> |
| Pro Shop Cost Of Goods | <u>84,510</u> | <u>3.53%</u> | <u>114,366</u> | <u>5.00%</u> | <u>(29,856)</u> | <u>56,160</u> | <u>2.80%</u> | <u>90,125</u> | <u>3.55%</u> |
| | 79.54% | | 94.93% | | | 74.88% | | 72.68% | |
| Course Maintenance | <u>403,442</u> | <u>16.86%</u> | <u>453,454</u> | <u>19.83%</u> | <u>(50,012)</u> | <u>434,507</u> | <u>21.70%</u> | <u>454,222</u> | <u>17.90%</u> |
| Management Contract | <u>402,765</u> | <u>16.83%</u> | <u>389,458</u> | <u>17.03%</u> | <u>13,307</u> | <u>375,000</u> | <u>18.73%</u> | <u>403,200</u> | <u>15.89%</u> |
| Cart Lease | <u>215,674</u> | <u>9.01%</u> | <u>179,724</u> | <u>7.86%</u> | <u>35,950</u> | <u>217,834</u> | <u>10.88%</u> | <u>217,834</u> | <u>8.58%</u> |
| Supplies | <u>5,959</u> | <u>0.25%</u> | <u>2,971</u> | <u>0.13%</u> | <u>2,988</u> | <u>11,350</u> | <u>0.57%</u> | <u>16,575</u> | <u>0.65%</u> |
| Utilities | <u>170,377</u> | <u>7.12%</u> | <u>177,844</u> | <u>7.78%</u> | <u>(7,467)</u> | <u>209,900</u> | <u>10.48%</u> | <u>238,100</u> | <u>9.38%</u> |
| Promotion | <u>28,739</u> | <u>1.20%</u> | <u>29,228</u> | <u>1.28%</u> | <u>(489)</u> | <u>46,825</u> | <u>2.34%</u> | <u>46,825</u> | <u>1.85%</u> |
| Services | <u>57,992</u> | <u>2.42%</u> | <u>48,999</u> | <u>2.14%</u> | <u>8,993</u> | <u>71,475</u> | <u>3.57%</u> | <u>67,257</u> | <u>2.65%</u> |
| Total Operating Expenditures | <u>2,899,452</u> | | <u>2,912,482</u> | | <u>(13,030)</u> | <u>3,055,963</u> | | <u>3,185,027</u> | <u>91.03%</u> |
| Operating Income / (Loss) | <u>(506,766)</u> | <u>-21.18%</u> | <u>(625,921)</u> | <u>-27.37%</u> | <u>119,155</u> | <u>(1,053,353)</u> | <u>-52.60%</u> | <u>(647,327)</u> | <u>-25.51%</u> |

Excludes encumbrances, debt, transfers, and non-budget items

Financial Report
September 2020 (Unaudited)



| | FY20 | | YEAR TO DATE | | \$ | FY20 | | FY20 | | Actual to Budget | |
|-------------------------------------|------------------|----------------|------------------|----------------|-----------------|------------------|----------------|------------------|----------------|------------------|--------|
| | ACTUAL | | ACTUAL | | | Chg | PROJECTION | BUDGET | | | |
| Rounds | | | | | | | | | | | |
| Paid | 34,621 | | 34,440 | | 181 | 31,492 | | 39,000 | | | |
| Pass | 7,747 | | 6,870 | | 877 | 5,267 | | 4,300 | | | |
| Comp | 5,972 | | 4,584 | | 1,388 | 4,000 | | 1,500 | | | |
| | <u>48,340</u> | | <u>45,894</u> | | <u>2,446</u> | <u>40,759</u> | | <u>44,800</u> | | | |
| Avg Green Fee | 20.90 | | 20.24 | | 0.66 | 20.64 | | 20.72 | | | |
| Avg Cart Fee | 7.02 | | 5.32 | | 1.70 | 5.08 | | 6.09 | | | |
| Avg Range | 1.28 | | 1.38 | | (0.10) | 1.43 | | 1.36 | | | |
| Total | 29.20 | | 26.94 | | 2.26 | 27.15 | | 28.17 | | | |
| Revenues | | | | | | | | | | | |
| Green Fee | 723,633 | 56.84% | 697,037 | 55.71% | 26,596 | 650,000 | 59.44% | 808,000 | 56.89% | 89.56% | |
| Cart Fee | 243,105 | 19.10% | 183,335 | 14.65% | 59,770 | 160,000 | 14.63% | 237,500 | 16.72% | 102.36% | |
| Driving Range | 44,247 | 3.48% | 47,410 | 3.79% | (3,163) | 45,000 | 4.12% | 53,200 | 3.75% | 83.17% | |
| Memberships | 85,098 | 6.68% | 127,700 | 10.21% | (42,602) | 110,000 | 10.06% | 120,000 | 8.45% | 70.92% | |
| Pro Shop | 102,089 | 8.02% | 116,604 | 9.32% | (14,515) | 72,000 | 6.58% | 120,000 | 8.45% | 85.07% | |
| F&B | 63,493 | 4.99% | 73,623 | 5.88% | (10,130) | 53,000 | 4.85% | 78,000 | 5.49% | 81.40% | |
| Other | 11,352 | 0.89% | 5,449 | 0.44% | 5,903 | 3,500 | 0.32% | 3,500 | 0.25% | 324.34% | |
| | <u>1,273,017</u> | <u>100.00%</u> | <u>1,251,158</u> | <u>100.00%</u> | <u>21,859</u> | <u>1,093,500</u> | <u>100.00%</u> | <u>1,420,200</u> | <u>100.00%</u> | <u>89.64%</u> | |
| Labor | | | | | | | | | | | |
| City Labor | 620,686 | 48.76% | 634,203 | 50.69% | 72.93% | (13,517) | 668,583 | 61.14% | 683,635 | 48.14% | 90.79% |
| City Benefits | 240,317 | 18.88% | 235,372 | 18.81% | 27.07% | 4,945 | 264,622 | 24.20% | 266,460 | 18.76% | 90.19% |
| | <u>861,003</u> | <u>67.63%</u> | <u>869,575</u> | <u>69.50%</u> | <u>(8,572)</u> | <u>933,205</u> | <u>85.34%</u> | <u>950,095</u> | <u>66.90%</u> | <u>90.62%</u> | |
| Pro Shop Cost Of Goods | <u>84,510</u> | <u>82.78%</u> | <u>114,366</u> | <u>98.08%</u> | <u>(29,856)</u> | <u>56,160</u> | <u>5.14%</u> | <u>90,125</u> | <u>6.35%</u> | <u>75.10%</u> | |
| | 82.78% | | 98.08% | | | 78.00% | | 75.10% | | | |
| Course Maintenance | <u>185,820</u> | <u>14.60%</u> | <u>207,875</u> | <u>16.61%</u> | <u>(22,055)</u> | <u>200,173</u> | <u>18.31%</u> | <u>215,513</u> | <u>15.17%</u> | <u>86.22%</u> | |
| Cart Lease | 91,373 | 7.18% | 83,158 | 6.65% | 8,215 | 92,558 | 8.46% | 92,558 | 6.52% | 98.72% | |
| Supplies | 5,959 | 0.47% | 2,971 | 0.24% | 2,988 | 11,350 | 1.04% | 16,575 | 1.17% | 35.95% | |
| Utilities | 90,494 | 7.11% | 108,362 | 8.66% | (17,868) | 109,900 | 10.05% | 125,100 | 8.81% | 72.34% | |
| Promotion | 12,079 | 0.95% | 8,484 | 0.68% | 3,595 | 21,825 | 2.00% | 21,825 | 1.54% | 55.34% | |
| Services | 46,031 | 3.62% | 37,660 | 3.01% | 8,371 | 56,925 | 5.21% | 55,647 | 3.92% | 82.72% | |
| Total Operating Expenditures | <u>1,377,269</u> | | <u>1,432,451</u> | | <u>(55,182)</u> | <u>1,482,096</u> | | <u>1,567,438</u> | | <u>87.87%</u> | |
| Operating Income / (Loss) | <u>(104,252)</u> | <u>-8.19%</u> | <u>(181,293)</u> | <u>-14.49%</u> | <u>77,041</u> | <u>(388,596)</u> | <u>-35.54%</u> | <u>(147,238)</u> | <u>-10.37%</u> | <u>70.81%</u> | |

Tangle Ridge
September 2020 (Unaudited)



| | FY20 | | YEAR TO DATE | | | \$ | FY20 | | FY20 | | Actual to |
|-------------------------------------|------------------|----------------|------------------|----------------|---------------|------------------|----------------|------------------|----------------|----------------|-----------|
| | ACTUAL | | FY19 | | | Chg | PROJECTION | | BUDGET | | Budget |
| Rounds | | | | | | | | | | | |
| Paid | 25,700 | | 24,110 | | 1,590 | 20,501 | | 26,000 | | | |
| Pass | 6,290 | | 5,525 | | 765 | 6,496 | | 8,000 | | | |
| Comp | 6,388 | | 2,883 | | 3,505 | 4,000 | | 2,800 | | | |
| | <u>38,378</u> | | <u>32,518</u> | | <u>5,860</u> | <u>30,997</u> | | <u>36,800</u> | | | |
| Avg Green Fee | 25.84 | | 26.37 | | (0.53) | 26.83 | | 26.23 | | | |
| Avg Cart Fee | 9.19 | | 7.99 | | 1.20 | 8.68 | | 8.65 | | | |
| Avg Range | 0.45 | | 0.55 | | (0.10) | 0.63 | | 0.79 | | | |
| Total | 35.48 | | 34.91 | | 0.57 | 36.14 | | 35.67 | | | |
| Revenues | | | | | | | | | | | |
| Green Fee | 664,213 | 59.32% | 635,887 | 61.41% | 28,326 | 550,000 | 60.50% | 682,000 | 61.03% | 97.39% | |
| Cart Fee | 236,115 | 21.09% | 192,530 | 18.59% | 43,585 | 178,000 | 19.58% | 225,000 | 20.13% | 104.94% | |
| Driving Range | 11,504 | 1.03% | 13,197 | 1.27% | (1,693) | 13,000 | 1.43% | 20,500 | 1.83% | 56.12% | |
| Memberships | 176,454 | 15.76% | 163,313 | 15.77% | 13,141 | 140,000 | 15.40% | 160,000 | 14.32% | 110.28% | |
| Pro Shop | 4,154 | 0.37% | 3,865 | 0.37% | 289 | 3,000 | 0.33% | 4,000 | 0.36% | 103.85% | |
| F&B | 21,119 | 1.89% | 25,019 | 2.42% | (3,900) | 19,000 | 2.09% | 26,000 | 2.33% | 81.23% | |
| Other | 6,110 | 0.55% | 1,592 | 0.15% | 4,518 | 6,110 | 0.67% | - | 0.00% | 0.00% | |
| | <u>1,119,669</u> | <u>100.00%</u> | <u>1,035,403</u> | <u>100.00%</u> | <u>84,266</u> | <u>909,110</u> | <u>100.00%</u> | <u>1,117,500</u> | <u>100.00%</u> | <u>100.19%</u> | |
| Labor | | | | | | | | | | | |
| City Labor | 447,866 | 40.00% | 427,050 | 41.24% | 20,816 | 457,828 | 50.36% | 458,747 | 41.05% | 97.63% | |
| City Benefits | 221,125 | 19.75% | 219,813 | 21.23% | 1,312 | 241,879 | 26.61% | 242,047 | 21.66% | 91.36% | |
| | <u>668,991</u> | <u>59.75%</u> | <u>646,863</u> | <u>62.47%</u> | <u>22,128</u> | <u>699,707</u> | <u>76.97%</u> | <u>700,794</u> | <u>62.71%</u> | <u>95.46%</u> | |
| Course Maintenance | 217,622 | 19.44% | 245,579 | 23.72% | (27,957) | 234,334 | 25.78% | 238,709 | 21.36% | 91.17% | |
| Management Contract | 402,765 | 35.97% | 389,458 | 37.61% | 13,307 | 375,000 | 41.25% | 403,200 | 36.08% | 99.89% | |
| Cart Lease | 124,301 | 11.10% | 96,566 | 9.33% | 27,735 | 125,276 | 13.78% | 125,276 | 11.21% | 99.22% | |
| Supplies | - | 0.00% | - | 0.00% | - | - | 0.00% | - | 0.00% | | |
| Utilities | 79,883 | 7.13% | 69,482 | 6.71% | 10,401 | 100,000 | 11.00% | 113,000 | 10.11% | 70.69% | |
| Promotion | 16,660 | 1.49% | 20,744 | 2.00% | (4,084) | 25,000 | 2.75% | 25,000 | 2.24% | 66.64% | |
| Services | 11,961 | 1.07% | 11,339 | 1.10% | 622 | 14,550 | 1.60% | 11,610 | 1.04% | 103.02% | |
| Total Operating Expenditures | <u>1,522,183</u> | | <u>1,480,031</u> | | <u>42,152</u> | <u>1,573,867</u> | | <u>1,617,589</u> | | <u>94.10%</u> | |
| Operating Income / (Loss) | <u>(402,514)</u> | <u>-35.95%</u> | <u>(444,628)</u> | <u>-42.94%</u> | <u>42,114</u> | <u>(664,757)</u> | <u>-73.12%</u> | <u>(500,089)</u> | <u>-44.75%</u> | <u>80.49%</u> | |



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021
REQUESTER: Gary Yakesch
PRESENTER: Gary Yakesch, Assistant Director Parks, Arts, & Recreation
TITLE: FYE 2020 – Parks Enterprise Financial Reports
RECOMMENDED ACTION: Presentation Only

ANALYSIS:

Fiscal Year End 2020 Financial Report Presentation – Parks Enterprise Financial Reports

FINANCIAL CONSIDERATION:

None Presentation Only



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Lisa Norris

PRESENTER: Lisa Norris, Human Resources Director

TITLE: Monthly Insurance Fund Review

RECOMMENDED ACTION: None

ANALYSIS:

The Insurance Fund has completed the first quarter through December 2020. The only notable item in revenues is that retiree contributions may show a lag as we have a new vendor implemented in October 2020 and are working getting a consistent file of contributions made each month for deposit sent back to our City. It should be caught up in the new year once that transfer becomes routinely completed each month.

On expenses, claims have hit a high point during the past two months for actives (column 3 and 4, row 29) and for retirees (row 30). Right now, year-end projections appear high, but remember we are using the highest average (noted in red highlight in column 6) for all remaining months – and we are at year-end following the peak of elective procedures being allowed following a COVID “stall” of such procedures that occurred between April – July 2020. Claims will drop down beginning in January as people have to begin meeting their annual deductibles again. Other notable items pertain to row 34 for Pet Insurance which was a new benefit added last year and which we are now tracking via this new line item, as well as IBNR (Incurred But Not Reported) number being updated by the actuary in row 44 to \$2.2 million from \$2.18 million previously held in reserve. Also, we increased our Contingency Reserve in row 43 to \$6 million from \$5 million in the prior year. Our financial policies indicate we will hold 100% of the actuarially determined IBNR for this fund and a minimum of \$2 million in the Contingency Reserve. We choose to hold more in the event of a catastrophic year so that we can best “weather the storms.” Nothing else is notable at this time.

FINANCIAL CONSIDERATION:

None

EMPLOYEE INSURANCE FUND (FUND 213010)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-------------------------------|--------------------|-----------|-----------|-----------|----------------|----------------------|------------------------|-------------------------|--------------------|
| | 2020-21 MOD BGT | OCT | NOV | DEC | 2020/21 CUM | FY Monthly Avg | Running 12- Mo. Avg | 2020/21 RUNNING PROJ | % PROJ/ MOD BGT |
| 1 BEGINNING RESOURCES | 6,114,040 | | | | 6,114,040 | | | 6,114,040 | |
| REVENUES: | | | | | | | | | |
| 2 Employer Contr- Actives | 12,892,764 | 1,074,397 | 1,074,397 | 1,074,397 | 3,223,190 | 1,074,397 | | 12,892,764 | 100.0% |
| 3 Employer Contr-Retirees | 3,488,400 | 290,700 | 290,700 | 290,700 | 872,100 | 290,700 | | 3,488,400 | 100.0% |
| 4 Employee Contrib | 3,219,520 | 270,568 | 268,869 | 269,134 | 808,570 | 269,523 | | 3,230,772 | 100.3% |
| 5 Pet Insurance Premiums | 0 | 0 | 0 | 1,429 | 1,429 | 476 | | 1,429 | 100.0% |
| 6 Dental PPO Contrib | 872,756 | 70,523 | 70,735 | 59,416 | 200,674 | 66,891 | | 872,756 | 100.0% |
| 7 Retiree Contributions | 750,000 | 60,640 | 65,837 | 1,655 | 128,132 | 42,711 | | 786,501 | 104.9% |
| 8 Employee Life Contrib | 404,995 | 35,563 | 35,163 | 35,200 | 105,926 | 35,309 | | 457,926 | 113.1% |
| 9 Vision Contrib | 144,286 | 9,718 | 9,685 | 13,633 | 33,036 | 11,012 | | 144,286 | 100.0% |
| 10 DHMO Dental Contrib | 45,994 | 4,852 | 4,705 | 4,264 | 13,822 | 4,607 | | 45,994 | 100.0% |
| 11 QCD Dental | 1,132 | 112 | 100 | 48 | 260 | 87 | | 1,132 | 100.0% |
| 12 Retiree Drug Subsidy | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 13 Rx Rebates | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 14 Miscellaneous | 0 | 0 | 0 | 4,027 | 4,027 | 1,342 | | 4,027 | |
| 15 TOTAL REVENUES | 21,819,847 | 1,817,072 | 1,820,191 | 1,753,902 | 5,391,165 | 1,797,055 | | 21,925,986 | 100.5% |
| 16 Reserve for Encumbrance | | | | | | | | | |
| 17 Reserve for Contingency | 5,000,000 | | | | 5,000,000 | | | 5,000,000 | |
| 18 Reserves for Future Claims | 2,182,469 | | | | 2,182,469 | | | 2,182,469 | |
| 19 TOTAL RESOURCES | 35,116,356 | 1,817,072 | 1,820,191 | 1,753,902 | 18,687,674 | | | 35,222,495 | |
| EXPENDITURES: | | | | | | | | | |
| 20 Personnel Costs | 220,640 | 14,145 | 16,289 | 16,502 | 46,935 | 15,645 | | 220,640 | 100.0% |
| 21 Supplies | 4,616 | 0 | 96 | 0 | 96 | 32 | | 4,616 | 100.0% |
| 22 Other Services & Charges | 88,652 | 3,769 | 4,386 | 3,803 | 11,957 | 3,986 | | 51,427 | 58.0% |
| 23 Admin/Utilization Fees | 516,041 | 8,184 | 11,105 | 24,485 | 43,774 | 14,591 | | 516,041 | 100.0% |
| 24 Wellness Program | 95,000 | 3,076 | 2,351 | 2,257 | 7,684 | 2,561 | | 95,000 | 100.0% |
| 25 H S A Contributions | 125,000 | 0 | 0 | 0 | 0 | 0 | | 125,000 | 100.0% |
| 26 Actuarial Study | 5,500 | 0 | 0 | 0 | 0 | 0 | | 5,500 | 100.0% |
| 27 Life Premiums | 525,968 | 44,511 | 44,213 | 44,169 | 132,893 | 44,298 | | 530,813 | 100.9% |
| 28 Dental PPO Admin Fees | 872,756 | 72,580 | 70,649 | 72,998 | 216,226 | 72,075 | | 869,442 | 99.6% |
| 29 Employee Claims & Rx | 15,286,398 | 835,899 | 1,611,878 | 1,394,021 | 3,841,797 | 1,280,599 | 1,176,208 | 15,367,189 | 100.5% |
| 30 Retiree Claims & Rx | 2,241,666 | 164,649 | 287,364 | 228,313 | 680,325 | 226,775 | 194,688 | 2,948,076 | 131.5% |
| 31 DHMO Dental Premium | 45,994 | 4,936 | 4,862 | 4,877 | 14,674 | 4,891 | | 58,567 | 127.3% |
| 32 QCD Dental Premium | 1,132 | 120 | 120 | 224 | 464 | 155 | | 1,544 | 136.4% |
| 33 Vision Premiums | 144,286 | 12,186 | 0 | 12,260 | 24,446 | 8,149 | | 134,788 | 93.4% |
| 34 Pet Insurance | 0 | 599 | 686 | 1,611 | 2,896 | 965 | | 17,395 | |
| 35 EAP Services | 23,712 | 1,851 | 1,854 | 1,848 | 5,553 | 1,851 | | 22,186 | 93.6% |
| 36 Long Term Disability Prgm | 117,087 | 9,929 | 9,877 | 9,902 | 29,707 | 9,902 | | 118,823 | 101.5% |
| 37 Transfer to General Fund | 90,831 | 7,569 | 7,569 | 7,569 | 22,708 | 7,569 | | 90,831 | 100.0% |
| 38 TOTAL EXP/ENC | 20,405,279 | 1,183,999 | 2,073,299 | 1,824,838 | 5,082,136 | 1,694,045 | | 21,177,879 | 103.8% |
| 39 Exp) | 1,414,568 | 633,073 | (253,108) | (70,936) | 309,029 | | | 748,108 | |
| 40 One-Time Supplemental | | | | | | | | | |
| 41 TOTAL APPROPRIATIONS | 20,405,279 | | | | 5,082,135 | | | 21,177,879 | |
| 42 CUMULATIVE BALANCE | | 633,073 | 379,965 | 309,029 | | | | | |
| 43 Reserves for Contingency | 6,000,000 | | | | 6,000,000 | | | 6,000,000 | |
| 44 IBNR | 2,215,206 | | | | 2,215,206 | | | 2,215,206 | |
| 45 ENDING RESOURCES | 6,495,871 | | | | 5,390,333 | | | 5,829,411 | |



**MINUTES
CITY COUNCIL FINANCE AND GOVERNMENT COMMITTEE
DECEMBER 15, 2020**

The City of Grand Prairie Finance and Government Committee convened at 2:30 p.m. on Tuesday, December 15, 2020 via Zoom video conference in Grand Prairie, Texas. The following persons were in attendance:

COMMITTEE MEMBERS PRESENT

Greg Giessner, Vice Chairman
Jorja Clemson, Secretary

Vice Chairman Giessner called the meeting to order. He acknowledged the passing of Finance Chairman Jim Swafford with honor and heart felt comments.

Staff Presentations

Item 1 – Employee Insurance Fund Monthly Review

Ms. Lisa Norris, Human Resources Director, informed the committee that year end FY 19-20 ended well with a \$970,596 positive balance. For the insurance fund FY 20-21, there is not enough data to make a projection. *Vice Chairman Giessner inquired when the 100% covid-19 co-pay coverage will end. Ms. Norris replied that is driven by Blue Cross Blue Shield and is scheduled to end on December 31, 2020. The committee thanked Lisa for her report.*

Item 2 – Internal Audit 2021 Work Plan

Management Services Director, Ms. Cathy Patrick, advised the committee of current audit projects. We are reconciling all capital assets in the TML insurance file to our fixed asset list in Lawson versus what we have on hand. *Vice Chairman Giessner asked if any new areas were added to the audit workplan. Ms. Patrick said capital assets have never been audited and Mr. Hart requested this review. Secretary Clemson moved to approve and send to City Council for review. Mr. Giessner seconded. Motion carried 2-0.*

Consent Agenda

Vice Chairman Giessner asked Secretary Clemson if she needed to remove any items from the consent agenda. Ms. Clemson said she did not. Mr. Giessner moved to approve Items 3 – 7 on consent and send them to City Council for review and approval. Ms. Clemson seconded. Motion carried 2 – 0.

Item 3 – Minutes of the November 3, 2020, Finance and Government Committee Meeting

Item 4 – Purchase of Electric and Gas Utility Auditing services from Troy & Banks at 33% of realized savings

Item 5 – Revised Agreement and time extension with Global Gaming LSP, LLC for the Lone Star Park Logo on the Bowles Water Tower for an additional 5-year term at \$600 monthly

Item 6 – Agreement to lease SendPro P Series Mail Sorting and Postage Hardware with Software for four years from Pitney Bowes Inc. through a national inter-local agreement with BuyBoard at an estimated annual cost of \$16,822 for a total cost for all four years of \$67,286

Item 7 – Resolution Establishing the City of Grand Prairie’s Chapter 380 Economic Development Program

Items for Individual Consideration

Item 8 – Resolution approving the City’s Investment Policy

Ms. Becky Brooks, Chief Financial Officer informed the committee this is an annual policy review. There were only a couple of minor changes. Mr. Brady Olsen, Treasury & Debt Manager discussed those changes. *Vice Chairman Giessner inquired if that change in financial policy applies to both City Council and Sport Corp. Mr. Olsen replied they would need to approve the version, but yes, we would be recommending it. Secretary Clemson moved to approve and send to City Council for review. Mr. Giessner seconded. Motion carried 2-0.*

Item 9 – Resolution authoring the Treasury and Debt Manager to execute a general release with Elavon Inc in the amount of \$141,392.17 regarding credit card transaction processing

Mr. Olsen advised the committee this item will hopefully close out our business with Elavon. The committee had no questions. *Ms. Cheryl DeLeon, Deputy City Manager complimented Mr. Olsen on doing a phenomenal job, and nothing being escalated past him. Vice Chairman Giessner also thanked him for making sure the revenue was collected. Secretary Clemson thanked Mr. Olsen and his team for handling this situation in house. Ms. Clemson moved to approve and send to City Council for review. Mr. Giessner seconded. Motion carried 2-0.*

Item 10 – Ordinance amending the FY 2020/2021 Baseball Operating Fund by appropriating \$1,300,000 from fund balance for a cash grant to MLC Dallas Stadium Co, LLC (or related assignee), and \$200,000 from contingency for a maintenance reserve deposit

City Attorney, Ms. Megan Mahan informed the committee this item is an accompanying ordinance to the cricket economic development deal. *Vice Chairman Giessner clarified that money will come directly from the baseball fund and that it has \$8.1 million in it. Ms. Kathleen*

Mercer, Budget Director replied yes, that is correct. Mr. Marty Wieder, Director of Economic Development updated the press conference status and said it will not happen until next year. However, that should not delay permits and construction. Secretary Clemson asked if the \$200,000 for maintenance reserve is in the fund all of the time. Ms. Mahan said it works as a safety net and they would replenish it. Mr. Giessner inquired if going forward monthly and or quarterly property inspections will happen. Ms. Mahan replied that is an excellent point. Mr. Dye stated we will pay more attention to ongoing monitoring of the property maintenance. Ms. Clemson questioned if the contract will specifically mention what they are responsible for and what the city is responsible for. Mr. Dye answered they are responsible for 100% of the maintenance. Mr. Giessner moved to approve and send to City Council for review and approval. Ms. Clemson seconded. Motion carried 2 – 0.

Item 11 – Ordinance adopting TIF Board Recommendation related to TIRZ #3 Amended Project Plan & Financing Plan

Mr. Wieder advised the committee of the TIF #3 background, amendment and the project/financing plan. *Vice Chairman Giessner asked if the city is the only participating entity. Mr. Wieder said yes, but it is likely that some other taxing entities would join. Mr. Giessner questioned if the school district and community college district would participate. Mr. Wieder answered the legislative house bill #3 made it almost impossible for school districts to participate. However, there is some possibility for the county colleges. The committee thanked Marty for an outstanding job. Mr. Giessner moved to approve and send to City Council for review and approval. Ms. Clemson seconded. Motion carried 2 – 0.*

Item 12 – Resolution amending Resolution 5126-2020 for a Chapter 380 Economic Development Agreement with Grand Prairie Local Government Corporation to increase the cash grant to a total of \$2,900,000 to be used for purchase and maintenance of real property; identify the property located at 401 W. Church Street as a suitable site for the location, relocation or expansion of a business within the City

Mr. Dye briefed the committee about how and why the corporation was established. *Vice Chairman Giessner asked if the capital project budget is the funding source. Ms. Brooks said yes, it is the capital reserve fund. Secretary Clemson moved to approve and send to City Council for review. Mr. Giessner seconded. Motion carried 2-0.*

Item 13 – Contract for Credit Card Payment System with sole source provider OpenEdge for an initial term of 1 year with options to renew annually; OpenEdge will have an effective rate of 0.95% (estimated at \$11,964 annually); Authorize the City Manager to execute up to 5 renewal options with aggregate price fluctuations of the lesser of up to \$50,000 or 25% of the original maximum price so long as enough funding is appropriated by the City Council to satisfy the City's obligation during the renewal terms; additional renewals past 5 require additional City Council approval

Internal Auditor, Mr. Thao Vo advised the committee this a typical construction change order. *Secretary Clemson clarified that currently there is not something in place to take online payments. Mr. Vo replied that is correct. However, the new system will be ready in May 2021. Ms. Clemson asked which departments will be able to take those online payments. Mr. Vo said it includes most permit payments except alarm. Vice Chairman Giessner moved to approve and send to City Council for review and approval. Ms. Clemson seconded. Motion carried 2 – 0.*

Item 14 – Ordinance amending the FY 2020/2021 Capital Improvement Projects Budget; Change Order #1 in the amount of \$64,000 to add twenty (20) additional EnerGov Business Management Suite Licenses from Tyler Technologies. In addition, a contract amendment for the removal of EnerGov software components deemed no longer necessary resulting in a decrease in contract costs of \$15,000

Mr. Vo informed the committee as part of the implementation process, we found out that more licenses were needed. *Secretary Clemson observed that all departments should have online payment capabilities for citizens and vendors. Ms. DeLeon responded yes; we are looking into that. Vice Chairman Giessner moved to approve and send to City Council for review and approval. Ms. Clemson seconded. Motion carried 2 – 0.*

Item 15 – Independent Contractor/Personal Services contract for strategic planning at Epic Central for one year with Rick Coleman in the annual amount not to exceed \$55,000, plus \$10,000.00 for approved reimbursables; with the option to renew for one (1) additional one (1) year period for a total amount of \$130,000 if all renewals are exercised; authorize City Manager to execute renewals under the same terms as the original contract

Item 16 – Independent Contractor/Personal Services contract for strategic planning at Epic Central for one year with Jason Alan Smith in the annual amount not to exceed \$35,000, plus \$5,000 for approved reimbursable expenses; with the option to renew for one additional one year period for a total amount of \$80,000 if all renewals are exercised; authorize City Manager to execute renewals under the same terms as the original contract

Mr. Duane Strawn, Director of Parks, Arts and Recreation advised the committee we are seeking help in developing and creating a work plan for the animation at Epic Central. *Vice Chairman Giessner requested examples. Mr. Strawn responded Mr. Coleman would handle large 2-3-day festivals while Mr. Smith would handle the small, Sunday afternoon and boardwalk type events. Mr. Giessner inquired do you think Epic Central needs that additional marketing and salesmanship. Mr. Strawn replied we chose them because they are visionaries and very creative. Secretary Clemson questioned how often they will get paid. Mr. Strawn answered they will be billed for deliverables once per month. Ms. Clemson asked if after 1 year, would we review how it is working. Mr. Strawn said we will probably set them up for review after the first 6 months of their contracts. Ms. Clemson moved to approve this item with an amendment of contract review and send to City Council for their review. Mr. Giessner seconded. Motion carried 2-0.*

Item 17 – Ordinance amending the FY 2020/2021 Capital Improvement Projects Budget; contract to replace electrical panels and related components at The Summit with Voss Lighting in the amount of \$90,820 with a 5% contingency of \$4,541 through a national inter-local agreement with cooperative agreement through National Cooperative Purchasing Alliance for a total project cost not to exceed \$95,361

Mr. Strawn advised the committee this item is for repairs at The Summit. Ideally, we want to get all of this done before the re-opening. Vice Chairman Giessner asked how long the electrical repairs will take. Mr. Strawn said 6 – 8 weeks and then 1 week for installation. The plan is to re-open on March 1, 2021. Mr. Giessner asked Mr. Strawn if he would classify these repairs and emergency repairs and he said absolutely. *Secretary Clemson moved to approve and send to City Council for review. Mr. Giessner seconded. Motion carried 2-0.*

Vice Chairman Giessner gave an invitation for citizens to speak. Mr. Barron Fraker, I.T. Systems Administrator verified that no citizens were present for the video conference.

Mr. Giessner asked the committee and staff if they would like to say a few words about Mr. Swafford. Ms. Mercer and Ms. Clemson shared stories and kind remarks about him.

Executive Session

No executive session was called at today’s meeting.

The Finance and Government Committee meeting adjourned at 3:53 p.m.

Greg Giessner, Vice Chairman
Finance and Government Committee

Date



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Jennifer Stubbs, Deputy City Secretary

PRESENTER: Greg Giessner, Chairman

TITLE: Minutes of the December 15, 2020 Finance & Government Committee Meeting

RECOMMENDED ACTION: Approve



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Paula Elliott, Executive Assistant- Finance

PRESENTER: Greg Giessner, Chairman

TITLE: Minutes of the January 5, 2021 Finance & Government Committee Meeting

RECOMMENDED ACTION: Approve



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 02/02/2021

REQUESTER: Mike Joy

PRESENTER: Robert Fite, Fire Chief

TITLE: Purchase of one (1) rescue hazmat truck from Siddons-Martin of Denton, using the Buy Board price agreement at a total cost of \$1,199,742.11 after discounts from chassis prepayment discount, 100% prepayment discount, contract discount totaling \$44,911.00.

RECOMMENDED ACTION: Approve

ANALYSIS:

Since the formation of the Grand Prairie Fire Hazardous Materials (HazMat) team, we have been at the forefront of local and regional responses.

Grand Prairie has 4 major highways through our city, with many hazardous materials involved in a wreck. From a minor hazard to a major event, our HazMat team handles it from start to finish. This involves equipment used to mitigating, containing, to physically packing materials using specialized containers for disposal. We carry a large amount of equipment and instruments for this purpose. Our team is also first backup for all south Dallas and Ft Worth, meaning if their team is unavailable, our HazMat responds. Currently, HazMat utilizes a large trailer pulled by a pickup for transporting equipment. While it served us well in the beginning, our call volume and ability to respond requires us to have a vehicle dedicated to this purpose. It will also have a Command center inside for prolonged events, whether hazmat or fire related. Our team charges the company at fault or their insurance, which pays for much of the equipment used.

FINANCIAL CONSIDERATION:

Funding for the purchase and prepayment of one (1) rescue hazmat truck is available in the Fire Capital Projects Fund (400591), WO #02100303 (Fire Station Storage and Hazardous Materials Response).

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 400591/02100303
 Project Title: Fire Station Storage and Hazardous Materials Response
 Current Request: \$0.00

| ACCOUNT DESCRIPTION | 1 CURRENT BUDGET | 2 AVAILABLE BALANCE | 3 CURRENT REQUEST | 2+3 REVISED BALANCE | 1+3 AMENDED BUDGET |
|--------------------------|---------------------|------------------------|----------------------|------------------------|-----------------------|
| Autos and Trucks (68320) | \$1,200,000 | \$1,200,000 | | \$1,200,000 | \$1,200,000 |
| Construction (68540) | \$300,000 | \$300,000 | | \$300,000 | \$300,000 |
| | | | | \$0 | \$0 |
| | | | | \$0 | \$0 |
| | | | | \$0 | \$0 |
| | | | | \$0 | \$0 |
| TOTAL | \$1,500,000 | \$1,500,000 | \$0 | \$1,500,000 | \$1,500,000 |



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Andrew Fortune

PRESENTER: Andrew Fortune, Manager of Legislative Affairs

TITLE: Agreement with GPUC for Texas Emergency Rental Assistance Program Grant Funding in the Amount of \$363,210.74 for rental assistance to eligible applicants in Grand Prairie.

RECOMMENDED ACTION: Approve

ANALYSIS:

Enter into an agreement authorizing Grand Prairie United Charities as a third party administrator for Texas Emergency Rental Assistance grant funding in the amount of \$363,210.74 for the purpose of administering rental assistance to eligible applicants in Grand Prairie. Grand Prairie United Charities will adhere to the guidelines and reporting requirements put forward by the Texas Department of Housing and Community Affairs.

FINANCIAL CONSIDERATION:

Funding in the amount of \$363,210.74 will be allocated to account 161010-45165-CARESRENT.



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 02/01/2021

REQUESTER: Fred Bates, Jr.

PRESENTER: Daniel Scesney, Chief of Police

TITLE: Price Agreement for 150 12-gauge less lethal shotguns from Kiesler Police Supply, in the amount of \$60,162.00.

RECOMMENDED ACTION: Approve

ANALYSIS:

The Grand Prairie Police Department serves a City that is situated within an exponentially growing Dallas - Fort Worth region. The combination of urban, suburban, commercial, and industrial growth in this region necessitates a vibrant, progressive, and well-trained police department that understands and respects the need to continually enhance its effectiveness in providing a safe environment for its citizens, visitors, and officers in a mutual partnership.

The Grand Prairie Police Department functions under the guiding principle of the “sanctity of life” and based on current research in the area of use of force incidents, it is vital that police officers be equipped with technology that affords them the ability to respond to dangerous encounters with viable options. One such viable response option is when the line-level patrol officer is equipped with the less-lethal shotgun. A less-lethal shotgun affords officers the ability to respond safely to dangerous situations while also protecting the lives of individuals who may pose a danger to themselves or others. Staff therefore recommends that less-lethal patrol shotguns be purchased to equip each line-level patrol officer.

Notice of bid #21004 was advertised in the Fort Worth Star Telegram and Public Purchase; it was distributed to twenty-seven vendors. There was one Grand Prairie vendor available for this commodity. Four bids were received as shown on attachment A.

The award was based on best value criteria set up in the specification, including material markup, reputation, quality of service, price, past relationship with the city and other municipalities, if they were local, and other relevant criteria as listed in the specification.

Kiesler Police Supply meets specifications and is recommended for award.

FINANCIAL CONSIDERATION:

Funds are available in the Police Department State Asset Forfeiture Fund.



BID OPTION #2

REJECT - Did not bid the orange stock and forend grips, which are required for these less-lethal shotguns

BID OPTION #1
REJECT - Unable to obtain the Remington model for these accessories.

Item 9.

Bid Tabulation
Less-Lethal Shotguns
RFB # 21004

| Base Bid: | | | | Kiesler Police Supply Lafayette, LA | | Barney's Inc Lafayette, LA | | Proforce Law Enforcement Prescott, AZ | | Kiesler Police Supply Jeffersonville, IN | |
|-----------------------------|--|--------|-----|--|---------------------|-------------------------------|---------------------|--|---------------------|---|---------------------|
| Item | Description | QTY | UOM | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price |
| Brand/Model: | | | | Mossberg #50778 | | Mossberg #50778 | | Mossberg #50778 | | Remington (accessories only) | |
| 1 | 12ga shotgun | 150.00 | EA | 316.37 | 47,455.50 | 369.59 | 55,438.50 | 334.47 | 50,170.50 | No Bid | |
| 2 | Hogue less-lethal orange stock and forend grip | 150.00 | EA | 55.61 | 8,341.50 | 51.96 | 7,794.00 | No Bid | | 55.61 | 8,341.50 |
| 3 | Tac-Star Slimline side saddle shotgun shell holder | 150.00 | EA | 29.10 | 4,365.00 | 28.00 | 4,200.00 | 23.40 | 3,510.00 | 29.10 | 4,365.00 |
| Total Base-Bid: | | | | | \$ 60,162.00 | | \$ 67,432.50 | | \$ 53,680.50 | | \$ 12,706.50 |
| Add Alternate: | | | | | | | | | | | |
| Item | Description | QTY | UOM | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price |
| 4 | Pre-assemble the stock, forend grip, and shell holder onto the gun | 150.00 | EA | No Bid | | No Bid | | No Bid | | No Bid | |
| Brand/Model: | | | | Mossberg #50778 | | Mossberg #50778 | | Mossberg #50778 | | Remington (accessories only) | |
| 5 | 12ga shotgun | 50.00 | EA | 319.32 | 15,966.00 | 369.59 | 18,479.50 | 334.47 | 16,723.50 | No Bid | |
| 6 | Hogue less-lethal orange stock and forend grip | 50.00 | EA | 56.65 | 2,832.50 | 51.96 | 2,598.00 | No Bid | | 55.61 | 2,780.50 |
| 7 | Tac-Star Slimline side saddle shotgun shell holder | 50.00 | EA | 29.63 | 1,481.50 | 28.00 | 1,400.00 | 24.10 | 1,205.00 | 29.10 | 1,455.00 |
| 8 | Pre-assemble the stock, forend grip, and shell holder onto the gun | 50.00 | EA | No Bid | | No Bid | | No Bid | | No Bid | |
| Total Add-Alternate: | | | | | \$ 20,280.00 | | \$ 22,477.50 | | \$ 17,928.50 | | \$ 4,235.50 |
| Grand Total: | | | | | \$ 80,442.00 | | \$ 89,910.00 | | \$ 71,609.00 | | \$ 16,942.00 |

| | | | | | | | | |
|--|--|---------------------|--|---------------------|--|---------------------|--|-----------|
| Total of items for Scoring (does not include the stock and forend grip) | | \$ 69,268.00 | | \$ 79,518.00 | | \$ 71,609.00 | | NA |
|--|--|---------------------|--|---------------------|--|---------------------|--|-----------|

| Price Evaluation Less-Lethal Shotguns RFB # 21004 | | BID OPTION #2 | | REJECT - Did not bid the orange stock and forend grips, which are required for these less-lethal shotguns | | BID OPTION #1 REJECT - Unable to obtain the Remington model for these accessories. | |
|---|-----------------------|---------------|--------------------------|---|--|---|--|
| Vendor | Kiesler Police Supply | Barney's Inc | Proforce Law Enforcement | Kiesler Police Supply | | | |
| Total Bid | \$69,268.00 | \$79,518.00 | NA | NA | | | |
| Score | 60.00 | 52.27 | | | | | |

| | |
|-----------|-------------|
| Low bid | \$69,268.00 |
| Max Score | 60.00 |

Price FORMULA: The bidder with the lowest price receives the maximum score. The bidder with the next lowest price receives points based on dividing its price into the lowest price and multiplying that percentage by the available points.

For example: Assume 50 points is the max score. Next, assume that \$50,000 is the low offer. That bidder would receive 50 points for price (\$50,000/\$50,000 = 1.00 x 50 = 50). Assume \$55,000 is the next low offer, then that bidder would receive 45.455 points (\$50,000/\$55,000 = 0.9091 x 50 = 45.455), etc.



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 02/02/2021

REQUESTER: Fred Bates, Jr.

PRESENTER: Daniel Scesney, Chief of Police

TITLE: Resolution authorizing the City Manager to apply for a STEP Commercial Vehicle Enforcement grant from the TxDOT, Texas Department of Transportation, to conduct commercial motor vehicle enforcement in the amount of \$58,717.19.

RECOMMENDED ACTION: Approve

ANALYSIS:

The City of Grand Prairie covers 81.4 square miles, is the 5th largest city in the Metroplex in land mass, and is situated in three counties (Dallas, Tarrant, and Ellis). The City has a growing population of over 180,000 residents and provides emergency response service for two major Interstate Highways (I-20 and I-30), three State Highways (SH 360, SH 180, and SH 161), US Hwy 287, and Spur Hwy 303. Grand Prairie is a central and connecting City facilitating millions of large commercial vehicles each year. The City's industrial districts house some of the largest distributors in the country. Approximately 30 percent of the City's property tax value is industrial and commercial.

The mission of the Grand Prairie Police Department's Traffic Unit in relationship to commercial motor vehicle's is to enforce the laws of the State of Texas and the Federal Motor Carrier Safety Regulations to help ensure the safe and efficient movement of commercial traffic traveling the highways and local streets within the City. Through effective enforcement and interaction with the trucking industry and citizens, the police department's goal is to reduce commercial vehicle crashes and the number of unsafe vehicles operating on the roadways.

The GPPD's Traffic Unit's goal is to also promote detection and correction of commercial motor vehicle safety defects, commercial vehicle driver deficiencies, and unsafe motor carrier practices before they become contributing factors to crashes and hazardous materials incidents. This should thereby contribute to the reduction of commercial vehicle crashes in the City. Due to the large volume of warehouse, industrial, and commercial space in the City, the unit plans to address the growing Metroplex problem of Commercial Motor Vehicle thefts and cargo thefts. The unit, in anticipation of proactively addressing cargo thefts, is applying for additional funds in this grant for that purpose.

The Public Safety, Health, and Environmental Committee reviewed this item on February 1, 2021 and recommended that it be forwarded to the City Council for approval.

FINANCIAL CONSIDERATION:

The grant period begins October 1, 2021 and ends September 30, 2022. It is anticipated the total cost for the City during this period will amount to a cash match of \$11,825.60. Funding will be allocated in the FY 2021 General Fund budget. The Texas Department of Transportation will fund \$46,891.89 to pay the City for overtime salaries and benefits for enforcement efforts. Project cost will total \$58,717.49.

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, IN SUPPORT OF A TxDOT GRANT GRAND PRAIRIE POLICE DEPARTMENT'S TRAFFIC UNIT TO CONDUCT COMMERCIAL MOTOR VEHICLE INSPECTIONS, CONDUCT PUBLIC AWARENESS CAMPAIGNS IN THE AMOUNT OF \$58,717.49.

WHEREAS, the Grand Prairie Police Department wishes to apply for funding this opportunity to promote detection and correction of commercial motor vehicle safety defects, commercial vehicle driver deficiencies, and unsafe motor carrier practices before they become contributing factors to crashes and hazardous materials incidents;

WHEREAS, the City will provide a cash match of \$11,825.60 to the Texas Department of Transportation;

WHEREAS, in the event of loss or misuse of TxDot funds, the City of Grand Prairie assures that the funds will be returned;

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

SECTION 1. the City Council of the City of Grand Prairie, Texas, does hereby authorize the City Manager to apply for, and accept if awarded, a grant in the amount \$58,717.49 to promote detection and correction of commercial motor vehicle safety defects, commercial vehicle driver deficiencies, and unsafe motor carrier practices before they become contributing factors to crashes and hazardous materials incidents.

SECTION 2. 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 2nd DAY OF FEBRUARY 2021.

Texas Traffic Safety eGrants

Fiscal Year 2022

Organization Name: City of Grand Prairie Police Department

Legal Name: City of Grand Prairie

Payee Identification Number: 17560005435024

Project Title: STEP CMV

ID: 2022-GrandPra-S-CMV-00036

Period: 10/01/2021 to 09/30/2022

GENERAL INFORMATION

Project Title:STEP CMV

Program Elements

When performing enforcement activities under this grant, officers should make the enforcement of the STEP elements listed below their top priority, although any traffic-related probable cause can be used to initiate a vehicle stop

1. DWI: Driving While Intoxicated
2. Speed: Speed Enforcement
3. OP: Occupant Protection (Safety Belt)
4. H MV: Hazardous Moving Violations
- 5 .DD: Distracted Driving

XAgency agrees to enforce the above Program Elements as part of the Selective Traffic Enforcement Program.

GRANT AGREEMENT GENERAL TERMS AND CONDITIONS *(Revised:07/18/2019)*

Definitions: For purposes of these Terms and Conditions, the "Department" is also known as the "State" and the "prospective primary participant" and the "Subgrantee" is also known as the "Subrecipient" and "prospective lower tier participant"

ARTICLE 1. COMPLIANCE WITH LAWS

The Subgrantee shall comply with all federal, state, and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this agreement, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, nondiscrimination laws and regulations, and licensing laws and regulations. When required, the Subgrantee shall furnish the Department with satisfactory proof of compliance.

ARTICLE 2. STANDARD ASSURANCES

The Subgrantee assures and certifies that it will comply with the regulations, policies, guidelines, and requirements, including 2 CFR, Part 200; and the Department's Traffic Safety Program Manual, as they relate to the application, acceptance, and use of federal or state funds for this project. Also, the Subgrantee assures and certifies that:

A. It possesses legal authority to apply for the grant; and that a resolution, motion, or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained in the application, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide any additional information that may be required.

B. It and its subcontractors will comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352), as amended, and in accordance with that Act, no person shall discriminate, on the grounds of race, color, sex, national origin, age, religion, or disability.

C. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, as amended; 42 USC (United States Code) §§4601 et seq.; and United States Department of Transportation (USDOT) regulations, "Uniform Relocation and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR, Part 24, which provide for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs.

D. Political activity (Hatch Act) (applies to subrecipients as well as States). The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

E. It will comply with the federal Fair Labor Standards Act's minimum wage and overtime requirements for employees performing project work.

F. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

G. It will give the Department the access to and the right to examine all records, books, papers, or documents related to this Grant Agreement.

H. It will comply with all requirements imposed by the Department concerning special requirements of law, program requirements, and other administrative requirements.

I. It recognizes that many federal and state laws imposing environmental and resource conservation requirements may apply to this Grant Agreement. Some, but not all, of the major federal laws that may affect the project include: the National Environmental Policy Act of 1969, as amended, 42 USC §§4321 et seq.; the Clean Air Act, as amended, 42 USC §§7401 et seq. and sections of 29 USC; the Federal Water Pollution Control Act, as amended, 33 USC §§1251 et seq.; the Resource Conservation and Recovery Act, as amended, 42 USC §§6901 et seq.; and the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 USC §§9601 et seq. The Subgrantee also recognizes that the U.S. Environmental Protection Agency, USDOT, and other federal agencies have issued, and in the future are expected to issue, regulations, guidelines, standards, orders, directives, or other requirements that may affect this Project. Thus, it agrees to comply, and assures the compliance of each contractor and each subcontractor, with any federal requirements that the federal government may now or in the future promulgate.

J. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, 42 USC §4012a(a). Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where that insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any form of direct or indirect federal assistance.

K. It will assist the Department in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 USC 470 et seq.), Executive Order 11593, and the Antiquities Code of Texas (National Resources Code, Chapter 191).

L. It will comply with Chapter 573 of the Texas Government Code by ensuring that no officer, employee, or member of the Subgrantee's governing board or the Subgrantee's subcontractors shall vote or confirm the employment of any person related within the second degree of affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise that person. This prohibition shall not apply to the employment of a person described in Section 573.062 of the Texas Government Code.

M. It will ensure that all information collected, assembled, or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Chapter 552 of the Texas Government Code, unless otherwise expressly provided by law.

N. If applicable, it will comply with Chapter 551 of the Texas Government Code, which requires all regular, special, or called meetings of governmental bodies to be open to the public, except as otherwise provided by law or specifically permitted in the Texas Constitution.

ARTICLE 3. COMPENSATION

A. The method of payment for this agreement will be based on actual costs incurred up to and not to exceed the limits specified in the Project Budget. The amount included in a Project Budget category will be deemed to be an estimate only and a higher amount can be reimbursed, subject to the conditions specified in paragraph B of this Article. If the Project Budget specifies that costs are based on a specific rate, per-unit cost, or other method of payment, reimbursement will be based on the specified method.

B. All payments will be made in accordance with the Project Budget.

1. The Subgrantee's expenditures may overrun a budget category (I, II, or III) in the approved Project Budget without a grant (budget) amendment, as long as the overrun does not exceed a total of five (5) percent of the maximum amount eligible for reimbursement (TxDOT) in the attached Project Budget for the current fiscal year. This overrun must be off-set by an equivalent underrun elsewhere in the Project Budget.

2. If the overrun is five (5) percent or less, the Subgrantee must provide written notification to the Department, through the TxDOT Electronic Grants Management System (eGrants), prior to the Request for Reimbursement being approved. The notification must indicate the amount, the percent over, and the specific reason(s) for the overrun.

3. Any overrun of more than five (5) percent of the amount eligible for reimbursement (TxDOT) in the attached Project Budget requires an amendment of this Grant Agreement.

4. The maximum amount eligible for reimbursement shall not be increased above the Grand Total TxDOT Amount in the approved Project Budget, unless this Grant Agreement is amended, as described in Article 5 of this agreement.

5. For Selective Traffic Enforcement Program (STEP) grants only: In the Project Budget, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or B, "PI&E Activities," to exceed the TxDOT amount listed in Subcategory C, "Other." Also, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or C, "Other," to exceed the TxDOT amount listed in Subcategory B, "PI&E Activities." The TxDOT amount for Subcategory B, "PI&E Activities," or C, "Other," can only be exceeded within the five (5) percent flexibility, with underrun funds from Budget Categories II or III.

C. To be eligible for reimbursement under this agreement, a cost must be incurred in accordance with the Project Budget, within the time frame specified in the Grant Period of this Grant Agreement, attributable to work covered by this agreement, and which has been completed in a manner satisfactory and acceptable to the Department.

D. Federal or TxDOT funds cannot supplant (replace) funds from any other sources. The term "supplanting," refers to the use of federal or TxDOT funds to support personnel or an activity already supported by local or state funds.

E. Payment of costs incurred under this agreement is further governed by the cost principles outlined in 2 CFR Part 200.

F. The Subgrantee agrees to submit monthly Requests for Reimbursement, as designated in this Grant Agreement, within thirty (30) days after the end of the billing period. The Request for Reimbursement and appropriate supporting documentation must be submitted through eGrants.

G. The Subgrantee agrees to submit the final Request for Reimbursement under this agreement within forty-five (45) days of the end of the grant period.

H. Payments are contingent upon the availability of appropriated funds.

I. Project agreements supported with federal or TxDOT funds are limited to the length of this Grant Period specified in this Grant Agreement. If the Department determines that the project has demonstrated merit or has potential long-range benefits, the Subgrantee may apply for funding assistance beyond the initial agreement period.

Preference for funding will be given to projects based on (1) proposed cost sharing and (2) demonstrated performance history.

ARTICLE 4. LIMITATION OF LIABILITY

Payment of costs incurred under this agreement is contingent upon the availability of funds. If at any time during this Grant Period, the Department determines that there is insufficient funding to continue the project, the Department shall notify the Subgrantee, giving notice of intent to terminate this agreement, as specified in Article 11 of this agreement. If at the end of a federal fiscal year, the Department determines that there is sufficient funding and performance to continue the project, the Department may notify the Subgrantee to continue this agreement.

ARTICLE 5. AMENDMENTS

This agreement may be amended prior to its expiration by mutual written consent of both parties, utilizing the Grant Agreement Amendment in eGrants. Any amendment must be executed by the parties within the Grant Period, as specified in this Grant Agreement.

ARTICLE 6. ADDITIONAL WORK AND CHANGES IN WORK

A. If the Subgrantee is of the opinion that any assigned work is beyond the scope of this agreement and constitutes additional work, the Subgrantee shall promptly notify the Department in writing through eGrants. If the Department finds that such work does constitute additional work, the Department shall advise the Subgrantee and a written amendment to this agreement will be executed according to Article 5, Amendments, to provide compensation for doing this work on the same basis as the original work. If performance of the additional work will cause the maximum amount payable to be exceeded, the work will not be performed before a written grant amendment is executed.

B. If the Subgrantee has submitted work in accordance with the terms of this agreement but the Department requests changes to the completed work or parts of the work which involve changes to the original scope of services or character of work under this agreement, the Subgrantee shall make those revisions as requested and directed by the Department. This will be considered as additional work and will be paid for as specified in this Article.

C. If the Subgrantee submits work that does not comply with the terms of this agreement, the Department shall instruct the Subgrantee to make any revisions that are necessary to bring the work into compliance with this agreement. No additional compensation shall be paid for this work.

D. The Subgrantee shall make revisions to the work authorized in this agreement that are necessary to correct errors or omissions, when required to do so by the Department. No additional compensation shall be paid for this work.

E. The Department shall not be responsible for actions by the Subgrantee or any costs incurred by the Subgrantee relating to additional work not directly associated with or prior to the execution of an amendment.

ARTICLE 7. REPORTING AND MONITORING

A. Not later than thirty (30) days after the end of each reporting period, the Subgrantee shall submit a performance report through eGrants. Reporting periods vary by project duration and are defined as follows:

1. For short term projects, the reporting period is the duration of the project. Subgrantee shall submit a performance report within 30 days of project completion.

2. For longer projects, the reporting period is monthly. Subgrantee shall submit a performance report within 30 days of the completion of each project month and within 30 days of project completion.

3. For Selective Traffic Enforcement Program (STEP) Wave projects, the reporting period is each billing cycle. Subgrantee shall submit a performance report within 30 days of the completion of each billing cycle.

B. The performance report will include, as a minimum: (1) a comparison of actual accomplishments to the objectives established for the period, (2) reasons why established objectives and performance measures were not met, if appropriate, and (3) other pertinent information, including, when appropriate, an analysis and explanation of cost underruns, overruns, or high unit costs.

C. The Subgrantee shall promptly advise the Department in writing, through eGrants, of events that will have a significant impact upon this agreement, including:

1. Problems, delays, or adverse conditions, including a change of project director or other changes in Subgrantee personnel, that will materially affect the ability to attain objectives and performance measures, prevent the meeting of time schedules and objectives, or preclude the attainment of project objectives or performance measures by the established time periods. This disclosure shall be accompanied by a statement of the action taken or contemplated and any Department or federal assistance needed to resolve the situation.

2. Favorable developments or events that enable meeting time schedules and objectives sooner than anticipated or achieving greater performance measure output than originally projected.

D. The Subgrantee shall submit the Final Performance Report through eGrants within thirty (30) days after completion of the grant.

ARTICLE 8. RECORDS

The Subgrantee agrees to maintain all reports, documents, papers, accounting records, books, and other evidence pertaining to costs incurred and work performed under this agreement (called the "Records"), and shall make the Records available at its office for the time period authorized within the Grant Period, as specified in this Grant Agreement. The Subgrantee further agrees to retain the Records for four (4) years from the date of final payment under this agreement, until completion of all audits, or until pending litigation has been completely and fully resolved, whichever occurs last.

Duly authorized representatives of the Department, the USDOT, the Office of the Inspector General, Texas State Auditor, and the Comptroller General shall have access to the Records. This right of access is not limited to the four (4) year period but shall last as long as the Records are retained.

ARTICLE 9. INDEMNIFICATION

A. To the extent permitted by law, the Subgrantee, if other than a government entity, shall indemnify, hold, and save harmless the Department and its officers and employees from all claims and liability due to the acts or omissions of the Subgrantee, its agents, or employees. The Subgrantee also agrees, to the extent permitted by law, to indemnify, hold, and save harmless the Department from any and all expenses, including but not limited to attorney fees, all court costs and awards for damages incurred by the Department in litigation or otherwise resisting claims or liabilities as a result of any activities of the Subgrantee, its agents, or employees.

B. To the extent permitted by law, the Subgrantee, if other than a government entity, agrees to protect, indemnify, and save harmless the Department from and against all claims, demands, and causes of action of every kind and character brought by any employee of the Subgrantee against the Department due to personal injuries to or death of any employee resulting from any alleged negligent act, by either commission or omission on the part of the Subgrantee.

C. If the Subgrantee is a government entity, both parties to this agreement agree that no party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds, as well as the acts and deeds of its contractors, employees, representatives, and agents.

ARTICLE 10. DISPUTES AND REMEDIES

This agreement supersedes any prior oral or written agreements. If a conflict arises between this agreement and the Traffic Safety Program Manual, this agreement shall govern. The Subgrantee shall be responsible for the settlement of all contractual and administrative issues arising out of procurement made by the Subgrantee in support of work under this agreement. Disputes concerning performance or payment shall be submitted to the Department for settlement, with the Executive Director or his or her designee acting as final referee.

ARTICLE 11. TERMINATION

A. This agreement shall remain in effect until the Subgrantee has satisfactorily completed all services and obligations described in this agreement and these have been accepted by the Department, unless:

1. This agreement is terminated in writing with the mutual consent of both parties; or
2. There is a written thirty (30) day notice by either party; or
3. The Department determines that the performance of the project is not in the best interest of the Department and informs the Subgrantee that the project is terminated immediately.

B. The Department shall compensate the Subgrantee for only those eligible expenses incurred during the Grant Period specified in this Grant Agreement that are directly attributable to the completed portion of the work covered by this agreement, provided that the work has been completed in a manner satisfactory and acceptable to the Department. The Subgrantee shall not incur nor be reimbursed for any new obligations after the effective date of termination.

ARTICLE 12. INSPECTION OF WORK

A. The Department and, when federal funds are involved, the USDOT, or any of their authorized representatives, have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this agreement and the premises in which it is being performed.

B. If any inspection or evaluation is made on the premises of the Subgrantee or its subcontractor, the Subgrantee shall provide and require its subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and evaluations shall be performed in a manner that will not unduly delay the work.

ARTICLE 13. AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

ARTICLE 14. SUBCONTRACTS

A subcontract in excess of \$25,000 may not be executed by the Subgrantee without prior written concurrence by the Department. Subcontracts in excess of \$25,000 shall contain all applicable terms and conditions of this agreement. No subcontract will relieve the Subgrantee of its responsibility under this agreement.

ARTICLE 15. GRATUITIES

A. Texas Transportation Commission policy mandates that employees of the Department shall not accept any benefit, gift, or favor from any person doing business with or who, reasonably speaking, may do business with the Department under this agreement. The only exceptions allowed are ordinary business lunches and items that have received the advanced written approval of the Department's Executive Director.

B. Any person doing business with or who reasonably speaking may do business with the Department under this agreement may not make any offer of benefits, gifts, or favors to Department employees, except as mentioned here above. Failure on the part of the Subgrantee to adhere to this policy may result in termination of this agreement.

ARTICLE 16. NONCOLLUSION

The Subgrantee warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Subgrantee, to solicit or secure this agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this agreement. If the Subgrantee breaches or violates this warranty, the Department shall have the right to annul this agreement without liability or, in its discretion, to deduct from the agreement price or consideration, or otherwise recover the full amount of such fee, commission, brokerage fee, contingent fee, or gift.

ARTICLE 17. CONFLICT OF INTEREST

The Subgrantee represents that it or its employees have no conflict of interest that would in any way interfere with its or its employees' performance or which in any way conflicts with the interests of the Department. The Subgrantee shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the Department's interests.

ARTICLE 18. SUBGRANTEE'S RESOURCES

A. The Subgrantee certifies that it presently has adequate qualified personnel in its employment to perform the work required under this agreement, or will be able to obtain such personnel from sources other than the Department.

B. All employees of the Subgrantee shall have the knowledge and experience that will enable them to perform the duties assigned to them. Any employee of the Subgrantee who, in the opinion of the Department, is incompetent or whose conduct becomes detrimental to the work, shall immediately be removed from association with the project.

C. Unless otherwise specified, the Subgrantee shall furnish all equipment, materials, supplies, and other resources required to perform the work.

ARTICLE 19. PROCUREMENT AND PROPERTY MANAGEMENT

The Subgrantee shall establish and administer a system to procure, control, protect, preserve, use, maintain, and dispose of any property furnished to it by the Department or purchased pursuant to this agreement in accordance with its own procurement and property management procedures, provided that the procedures are not in conflict with (1) the Department's procurement and property management standards and (2) the federal procurement and property management standards provided by 2 CFR §§ 200.310-.316, 200.318-.324.

ARTICLE 20. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Upon completion or termination of this Grant Agreement, whether for cause or at the convenience of the parties, all finished or unfinished documents, data, studies, surveys, reports, maps, drawings, models, photographs, etc. prepared by the Subgrantee, and equipment and supplies purchased with grant funds shall, at the option of the Department, become the property of the Department. All sketches, photographs, calculations, and other data prepared under this agreement shall be made available, upon request, to the Department without restriction or limitation of their further use.

A. Intellectual property consists of copyrights, patents, and any other form of intellectual property rights covering any databases, software, inventions, training manuals, systems design, or other proprietary information in any form or medium.

B. All rights to Department. The Department shall own all of the rights (including copyrights, copyright applications, copyright renewals, and copyright extensions), title and interests in and to all data, and other information developed under this contract and versions thereof unless otherwise agreed to in writing that there will be joint ownership.

C. All rights to Subgrantee. Classes and materials initially developed by the Subgrantee without any type of funding or resource assistance from the Department remain the Subgrantee's intellectual property. For these classes and materials, the Department payment is limited to payment for attendance at classes.

ARTICLE 21. SUCCESSORS AND ASSIGNS

The Department and the Subgrantee each binds itself, its successors, executors, assigns, and administrators to the other party to this agreement and to the successors, executors, assigns, and administrators of the other party in respect to all covenants of this agreement. The Subgrantee shall not assign, sublet, or transfer interest and obligations in this agreement without written consent of the Department through eGrants.

ARTICLE 22. CIVIL RIGHTS COMPLIANCE

A. Compliance with regulations: The Subgrantee shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the United States Department of Transportation

(USDOT): 49 CFR, Part 21; 23 CFR, Part 200; and 41 CFR, Parts 60-74, as they may be amended periodically (called the "Regulations"). The Subgrantee agrees to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented by the U.S. Department of Labor regulations (41 CFR, Part 60).

B. Nondiscrimination: (applies to subrecipients as well as States) The State highway safety agency will comply with all Federal statutes and implementing regulations relating to nondiscrimination ("Federal Nondiscrimination Authorities"). These include but are not limited to:

- **Title VI of the Civil Rights Act of 1964** (42 U.S.C. 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin) and 49 CFR part 21;
- **The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- **Federal-Aid Highway Act of 1973**, (23 U.S.C. 324 et seq.), and **Title IX of the Education Amendments of 1972**, as amended (20 U.S.C. 1681-1683 and 1685-1686) (prohibit discrimination on the basis of sex);
- **Section 504 of the Rehabilitation Act of 1973**, (29 U.S.C. 794 et seq.), as amended, (prohibits discrimination on the basis of disability) and 49 CFR part 27;
- **The Age Discrimination Act of 1975**, as amended, (42 U.S.C. 6101 et seq.), (prohibits discrimination on the basis of age);
- **The Civil Rights Restoration Act of 1987**, (Pub. L. 100-209), (broadens scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- **Titles II and III of the Americans with Disabilities Act** (42 U.S.C. 12131-12189) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and 49 CFR parts 37 and 38;
- **Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations** (prevents discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations); and
- **Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency** (guards against Title VI national origin discrimination/discrimination because of limited English proficiency (LEP) by ensuring that funding recipients take reasonable steps to ensure that LEP persons have meaningful access to programs (70 FR 74087-74100)).

The State highway safety agency-

- Will take all measures necessary to ensure that no person in the United States shall, on the grounds of race, color, national origin, disability, sex, age, limited English proficiency, or membership in any other class protected by Federal Nondiscrimination Authorities, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any of its programs or activities, so long as any portion of the program is Federally-assisted;
- Will administer the program in a manner that reasonably ensures that any of its subrecipients, contractors, subcontractors, and consultants receiving Federal financial assistance under this program will comply with all requirements of the Non-Discrimination Authorities identified in this Assurance:

- Agrees to comply (and require its subrecipients, contractors, subcontractors, and consultants to comply) with all applicable provisions of law or regulation governing US DOT's or NHTSA's access to records, accounts, documents, information, facilities, and staff, and to cooperate and comply with any program or compliance reviews, and/or complaint investigations conducted by US DOT or NHTSA under any Federal Nondiscrimination Authority;
- Acknowledges that the United States has a right to seek judicial enforcement with regard to any matter arising under these Non-Discrimination Authorities and this Assurance;
- Agrees to insert in all contracts and funding agreements with other State or private entities the following clause:

"During the performance of this contract/funding agreement, the contractor/funding recipient agrees-

a. To comply with all Federal nondiscrimination laws and regulations, as may be amended from time to time;

b. Not to participate directly or indirectly in the discrimination prohibited by any Federal non-discrimination law or regulation, as set forth in appendix B of 49 CFR part 21 and herein;

c. To permit access to its books, records, accounts, other sources of information, and its facilities as required by the State highway safety office, US DOT or NHTSA;

d. That, in event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding agreement, the State highway safety agency will have the right to impose such contract/agreement sanctions as it or NHTSA determine are appropriate, including but not limited to withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies; and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part; and

e. To insert this clause, including paragraphs (a) through (e), in every subcontract and subagreement and in every solicitation for a subcontract or sub-agreement, that receives Federal funds under this program.

C. Solicitations for subcontracts, including procurement of materials and equipment: In all solicitations either by competitive bidding or negotiation made by the Subgrantee for work to be performed under a subcontract, including procurements of materials and leases of equipment, each potential subcontractor or supplier shall be notified by the Subgrantee of the Subgrantee's obligations under this agreement and the regulations relative to nondiscrimination on the grounds of race, color, sex, national origin, age, religion, or disability.

D. Information and reports: The Subgrantee shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department or the USDOT to be pertinent to ascertain compliance with the Regulations or directives. Where any information required of the Subgrantee is in the exclusive possession of another who fails or refuses to furnish this information, the Subgrantee shall certify that to the Department or the USDOT, whichever is appropriate, and shall set forth what efforts the Subgrantee has made to obtain the requested information.

E. Sanctions for noncompliance: In the event of the Subgrantee's noncompliance with the nondiscrimination provision of this agreement, the Department shall impose such sanctions as it or the USDOT may determine to be appropriate.

F. Incorporation of provisions: The Subgrantee shall include the provisions of paragraphs A. through

E. in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives. The Subgrantee shall take any action with respect to any subcontract or procurement that the Department may direct as a means of enforcing those provisions, including sanctions for noncompliance. However, in the event a Subgrantee becomes involved in, or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Subgrantee may request the Department to enter into litigation to protect the interests of the state; and in addition, the Subgrantee may request the United States to enter into such litigation to protect the interests of the United States.

ARTICLE 23. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

A. The parties shall comply with the DBE Program requirements established in 49 CFR Part 26.

B. The Subgrantee shall adopt, in its totality, the Department's federally approved DBE program.

C. The Subgrantee shall set an appropriate DBE goal consistent with the Department's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Subgrantee shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.

D. The Subgrantee shall follow all other parts of the Department's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity and attachments found at web address <http://www.txdot.gov/business/partnerships/dbe.html>

E. The Subgrantee shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Subgrantee shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of USDOT-assisted contracts. The Department's DBE program, as required by 49 CFR Part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Subgrantee of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and the Program Fraud Civil Remedies Act of 1986 (31 USC 3801 et seq.).

F. Each contract the Subgrantee signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.

ARTICLE 24. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to subrecipients as well as States)

Instructions for Primary Tier Participant Certification (States)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or

voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Tier Covered Transactions

(1) The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Lower Tier Participant Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered

transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ARTICLE 25. CERTIFICATION REGARDING FEDERAL LOBBYING (applies to subrecipients as well as States)

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation,

renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE 26. CHILD SUPPORT CERTIFICATION

Under Section 231.006, Texas Family Code, the Subgrantee certifies that the individual or business entity named in this agreement is not ineligible to receive the specified grant, loan, or payment and acknowledges that this agreement may be terminated and payment may be withheld if this certification is inaccurate. If the above certification is shown to be false, the Subgrantee is liable to the state for attorney's fees and any other damages provided by law or the agreement. A child support obligor or business entity ineligible to receive payments because of a payment delinquency of more than thirty (30) days remains ineligible until: all arrearages have been paid; the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency; or the court of continuing jurisdiction over the child support order has granted the obligor an exemption from Subsection (a) of Section 231.006, Texas Family Code, as part of a court-supervised effort to improve earnings and child support payments.

ARTICLE 27. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT REQUIREMENTS

A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms:

<http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and
<http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>.

B. The Subgrantee agrees that it shall:

1. Obtain and provide to the State a System for Award Management (SAM) number (48 CFR subpt. 4.11) if this award provides for more than \$25,000 in Federal funding. The SAM number may be obtained by visiting the SAM web-site at: <https://www.sam.gov>

2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the Federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>;

and

3. Report the total compensation and names of its top five (5) executives to the State if:
 - i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
 - ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

ARTICLE 28. SINGLE AUDIT REPORT

A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in 2 CFR Part 200.

B. If threshold expenditures of \$750,000 or more are met during the Subgrantee's fiscal year, the Subgrantee must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Audit Office at singleaudits@txdot.gov

C. If expenditures are less than \$750,000 during the Subgrantee's fiscal year, the Subgrantee must submit a statement to TxDOT's Audit Office as follows: "We did not meet the \$750,000 expenditure threshold and therefore, are not required to have a single audit performed for FY _____."

D. For each year the project remains open for federal funding expenditures, the Subgrantee will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

ARTICLE 29. BUY AMERICA ACT (applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

ARTICLE 30. RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

ARTICLE 31. NONGOVERNMENTAL ENTITY'S PUBLIC INFORMATION

(This article applies only to non-profit entities.)

The Subgrantee is required to make any information created or exchanged with the Department pursuant to this Grant Agreement and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the Department. [SB-1368, 83rd Texas Legislature, Regular Session, Effective 9/1/13]

ARTICLE 32. PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE
(applies to subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

ARTICLE 33. INTERNAL ETHICS AND COMPLIANCE PROGRAM

Subgrantee shall comply with Title 43 Texas Administrative Code §25.906(b). Subgrantee certifies it has adopted an internal ethics and compliance program that satisfies the requirements of Title 43 Texas Administrative Code §10.51 (relating to Internal Ethics and Compliance Program). Subgrantee shall enforce compliance with that program.

Data Universal Numbering System: The Data Universal Numbering System (DUNS) is a unique nine-digit number recognized as the universal standard for identifying and tracking businesses worldwide. The Federal Spending Transparency Directive and the previous Federal Funding Accountability and Transparency Act (FFATA) requires grantees and sub-grantees to have a DUNS number. Most agencies and organizations have DUNS numbers established, please check with your accounting staff. To obtain a DUNS number, applicants should go to the Dun and Bradstreet website at: <http://fedgov.dnb.com/webform>

Data Universal Numbering System (D-U-N-S) 010597169

2 C.F.R. Part 200 Compliance

Enter the Begin Date and End Date of your Agency's Fiscal Year 2022

Begin Date : 10/1/2021 End Date : 9/30/2022

Your entity is required to comply with federal (OMB A-133) and/or state (State of Texas Single Audit Circular) requirements.

If threshold expenditures of \$750,000 or more are met during your agency's fiscal year, please submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 East Eleventh Street, Austin, TX 78701 or contact TxDOT's Audit Office at singleaudits@txdot.gov

If expenditures are less than \$750,000 during your agency's fiscal year, please submit a statement to TxDOT's Audit Office as follows:

"We did not meet the \$750,000 expenditure threshold and therefore we are not required to have a single audit performed for FY ."

X I agree

STEP Operating Policies and Procedures

All STEP agencies must either have established written STEP operating policies and procedures, or will develop written policies and procedures before STEP grants can be executed. Please click here for [STEP Policies and Procedures requirements.](#)

If your agency has approved STEP Operating Policies and Procedures, please upload here :

https://www.dot.state.tx.us/apps/egrants/_Upload/1022884_337697-

Policy5.18SelectiveTrafficEnforcementProgram.doc

If your agency does not have approved STEP Operating Policies and Procedures, please certify the following:

I certify that our agency will develop STEP Operating Policies and Procedures before executing the grant.

PROPOSING AGENCY AUTHENTICATION

X The following person has authorized the submittal of this proposal.

| | |
|----------------|-------------------|
| Name | :Eric Hansen |
| Title | :Traffic Sergeant |
| Address | :1525 Arkansas Ln |
| City | :Grand Prairie |
| State | :Texas |
| Zip Code | :75052 |
| Phone Number | :9722378906 |
| Fax Number | :9722378915 |
| E-mail address | :ehansen@gptx.org |

COUNTY SERVED

Dallas County - Dallas District

Ellis County - Dallas District

Tarrant County - Fort Worth District

POLITICAL DISTRICT SERVED

U.S. Congress* Congressional District 6
Congressional District 30
Congressional District 33

Texas Senate* Texas Senate District 9
Texas Senate District 10
Texas Senate District 22
Texas Senate District 23

Texas House* Texas House of Representatives District 10
Texas House of Representatives District 92
Texas House of Representatives District 101
Texas House of Representatives District 104
Texas House of Representatives District 105
Texas House of Representatives District 111

GOALS AND STRATEGIES

Goal: To reduce commercial motor vehicle crashes, injuries, and fatalities involving vehicles with a vehicle body type of "Semi-Trailer" or "Truck-Tractor"

Increase public information and education on sharing the road with commercial motor vehicles (CMV).

Strategies:

Increase public education and information campaigns regarding enforcement activities.

Increase and sustain high visibility enforcement of traffic safety-related laws.

X Agency agrees to the above goals and strategies.

BASELINE INFORMATION

Baseline Definition: A number serving as a foundation for subgrantees to measure pre-grant traffic enforcement activity. Baseline information must be provided by the subgrantee in order to identify local traffic enforcement related activity. This information should exclude any activity generated with STEP grant dollars. Once the baseline is established, these figures will be used to compare subsequent year's local and grant traffic enforcement activity.

Note: Baseline data used must be no older than 2016.

Baseline Year (12 months) **From 10/1/2019 to 9/30/2020**

| <u>Baseline Measure</u> | <u>Arrests/Citations</u> | <u>Written Warnings</u> | <u>KA Crashes</u> |
|-------------------------------------|--------------------------|-------------------------|-------------------|
| Commercial Motor Vehicle (non STEP) | 363 | 0 | 3 |
| Other Elements (non STEP) | 31116 | 0 | |

If you have additional attachments, provide them on the "Attachments" page

LAW ENFORCEMENT OBJECTIVE/PERFORMANCE MEASURE

| Objective/Performance Measure | Target Number |
|--|----------------------|
| Reduce the number of crashes that involve a CMV to | 2 |

Note: Nothing in this agreement shall be interpreted as a requirement, formal or informal, that a peace officer issue a specified or predetermined number of citations in pursuance of the Subgrantee's obligations hereunder. Department and Subgrantee acknowledge that Texas Transportation Code Section 720.002 prohibits using traffic-offense quotas and agree that nothing in this Agreement is establishing an illegal quota.

In addition to the STEP enforcement activities, the subgrantee must maintain baseline non-STEP funded citation and arrest activity due to the prohibition of supplanting.

PI&E OBJECTIVE/PERFORMANCE MEASURE

XI agree to the below efforts with a public information and education (PI&E) program.

- a. Conduct a minimum of one (1) presentations
- b. Conduct a minimum of two (2) media exposures (e.g. news conferences, news releases, and interviews)
- c. Conduct a minimum of one (1) community events (e.g. health fairs, booths)

OPERATIONAL PLAN

Zone Name : Zone 1

Zone Location : SH 360/Green Oaks-Carrier east to Lower Tarrant Rd, east to SH 161, south to Carrier, south to Dalworth St, west to Duncan Perry Rd, north to Ave K, west to SH 360, back to point of beginning.

Zone Hours : 24/7 Enforcement

Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022895_337651-CMVZone1.docx
(attach)

OPERATIONAL PLAN

Zone Name : Zone 2
Zone Location : IH-20 within city limits
Zone Hours : 24/7 Enforcement
Zone Heat Map : [https://www.dot.state.tx.us/apps/egrants/_Upload/1025787_337651-](https://www.dot.state.tx.us/apps/egrants/_Upload/1025787_337651-CMVZone2.docx)
(attach) CMVZone2.docx

SALARIES AND FRINGE BENEFITS

| Law Enforcement Hours: 680 | | | | | | | | |
|----------------------------------|--|-------------|-----------|----------------|----------------|----------------|----------|---------------|
| X Overtime Regular Time | | | | | | | | |
| | TxDOT Hours | Match Hours | Wage Rate | TxDOT Salaries | Match Salaries | Total Salaries | Fringe % | Total Fringe: |
| A. Enforcement | | | | | | | | |
| Officers/Deputies: | 489 | 123 | \$62.000 | \$30,318.00 | \$7,626.00 | \$37,944.00 | 24.7% | \$9,372.17 |
| Sergeants: | 54 | 14 | \$74.500 | \$4,023.00 | \$1,043.00 | \$5,066.00 | 24.7% | \$1,251.30 |
| Lieutenants/Other: | 0 | 0 | \$85.000 | | | | 24.7% | \$0 |
| B. PI&E Activities | | | | | | | | |
| PI&E Activities: | | | \$0 | | \$0 | | % | \$0 |
| C. Administrative Duties | | | | | | | | |
| Admin | 43 | 11 | \$75.500 | \$3,246.50 | \$830.50 | \$4,077.00 | 24.7% | \$1,007.02 |
| | | | \$0 | | | | % | \$0 |
| | | | \$0 | | | | % | \$0 |
| | | | \$0 | | | | % | \$0 |
| | | | \$0 | | | | % | \$0 |
| | | | \$0 | | | | % | \$0 |
| Total: | | | | \$37,587.50 | \$9,499.50 | \$47,087.00 | | \$11,630.49 |
| | | | | | | | | |
| Category | | TxDOT | % | | Match | | % | Total |
| Salaries: | | \$37,587.50 | 79.83% | | \$9,499.50 | | 20.17% | \$47,087.00 |
| Fringe Benefits: | | \$9,304.39 | 80.00% | | \$2,326.10 | | 20.00% | \$11,630.49 |
| Breakdown of Fringe Percentages: | Details of regular time, if included in any of the above hours : | | | | | | | |

BUDGET SUMMARY

| Budget Category | | TxDOT | Match | Total |
|---|--------------------------------------|--------------------|--------------------|--------------------|
| Category I - Labor Costs | | | | |
| (100) | Salaries: | \$37,587.50 | \$9,499.50 | \$47,087.00 |
| (200) | Fringe Benefits: | \$9,304.39 | \$2,326.10 | \$11,630.49 |
| | Sub-Total: | \$46,891.89 | \$11,825.60 | \$58,717.49 |
| Category II - Other Direct Costs | | | | |
| (300) | Travel: | \$0 | \$0 | \$0 |
| (400) | Equipment: | \$0 | \$0 | \$0 |
| (500) | Supplies: | \$0 | \$0 | \$0 |
| (600) | Contractual Services: | \$0 | \$0 | \$0 |
| (700) | Other Miscellaneous: | \$0 | \$0 | \$0 |
| | Sub-Total: | \$0 | \$0 | \$0 |
| Total Direct Costs: | | \$46,891.89 | \$11,825.60 | \$58,717.49 |
| Category III - Indirect Costs | | | | |
| (800) | Indirect Cost Rate: | \$0 | \$0 | \$0 |
| Summary | | | | |
| | Total Labor Costs: | \$46,891.89 | \$11,825.60 | \$58,717.49 |
| | Total Direct Costs: | \$0 | \$0 | \$0 |
| | Total Indirect Costs: | \$0 | \$0 | \$0 |
| Grand Total | | \$46,891.89 | \$11,825.60 | \$58,717.49 |
| | Fund Sources (Percent Share): | 79.86% | 20.14% | |
| Salary and cost rates will be based on the rates submitted by the Subgrantee in its grant application in Egrants. | | | | |



**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 02/02/2021

REQUESTER: Chase Wheeler

PRESENTER: Chase Wheeler, EMC

TITLE: Resolution for the City Manager to submit an application for FY 2021 Emergency Management Performance Grant (EMPG) and accept grant award from the Texas Department of Public Safety/Texas Division of Emergency Management, in an anticipated amount of \$50,000.

RECOMMENDED ACTION: Approve

ANALYSIS:

The grant award amount for FY 2021 has not yet been calculated by the State and Federal Government; however an estimate of \$50,000 is anticipated. The City of Grand Prairie is at the advanced level of preparedness and is considered an eligible jurisdiction for the FY 2021 Emergency Management Performance Grant.

The City of Grand Prairie Office of Emergency Management (GP OEM) plans to apply for and receive a grant award for approximately \$50,000 for grant period October 1, 2020 to September 30, 2021 from the State of Texas Department of Public Safety/Division of Emergency Management for GP OEM to receive reimbursement for emergency management program-related expenses. The City of Grand Prairie Office of Emergency Management has received EMPG grant awards for the last several years by completing the necessary requirements.

The purpose of the EMPG grant program is to make grants to states to assist local governments in preparing for all hazards, as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Title VI of the Stafford Act authorizes FEMA to make grants for the purpose of providing a system of emergency preparedness for the protection of life and property in the United States from hazards and to vest the responsibility for emergency preparedness jointly in the federal government and the states and their political subdivisions.

Associated reporting requirements are included in this grant to determine how effective the City of Grand Prairie (grantee) is utilizing the EMPG program funding to prepare for all hazards and advance a whole community approach. With these measures, the City of Grand Prairie Office of Emergency Management must evaluate the progress towards achieving specified objectives in quarterly EMPG program reports and in compliance with the below reporting requirements:

- Maintain an approved Emergency Management Plan and Annexes
- Develop and Maintain a Multi-Year Training and Exercise Plan to include conducting of exercises.
- Verify Capability of Personnel through the completion of National Incident Management System (NIMS) related training and other required emergency management-related training.
- Completion of Work Plans, Progress Reports #1 & #2, and Quarterly Financial Reports must be submitted.

The federal government, through the EMPG program, provides necessary direction, coordination, and guidance, and provides necessary assistance, as authorized so that a comprehensive emergency preparedness system exists for all hazards.

FINANCIAL CONSIDERATION:

As part of the FY 2020/2021 budget, the City Council approved \$415,153 in total expenditures for the Office of Emergency Management (OEM). Since the City has consistently received EMPG grant funding for many years now, an estimate of \$50,000 in EMPG grant revenue was also included in the FY 2020/2021 budget in anticipation of receiving the award again. If the City is awarded this grant, no other financial consideration is necessary. However, if the City does not receive the grant award in FY 2020/2021, OEM budget expenditures and/or revenue adjustments will be necessary.

BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS,

(add the function of the resolution in this caption; i.e. what action is being taken by adoption of this resolution - uppercase)

WHEREAS, the Grand Prairie Office of Emergency Management wishes to apply for funding to maintain the emergency management program and to prevent, prepare for, respond to and recover from hazards that face the City of Grand Prairie;

WHEREAS, the City will accept FY 2021 Emergency Management Performance Grant reimbursements from the Texas Division of Emergency Management for emergency management program-related expenses;

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

SECTION 1. the City Council of the City of Grand Prairie, Texas, does hereby authorize the City Manager to apply for and accept if awarded the FY 2021 Emergency Management Performance Grant and receive grant reimbursements to promote emergency preparedness, maintain the emergency management program and to prevent, prepare for, respond to and recover from emergencies and disasters that we may face in the City of Grand Prairie.

SECTION 2. 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 2ND DAY OF February, 2021.**



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 02/02/2021

REQUESTER: Fred Bates, Jr.

PRESENTER: Daniel Scesney, Chief of Police

TITLE: Resolution authorizing the City Manager to accept a Selective Traffic Enforcement (STEP) grant from the Texas Department of Transportation (TxDOT) for the enforcement of safety belt, child safety seat, speed, intersection traffic control, distracted driving and DWI laws in the amount of \$309,849.57.

RECOMMENDED ACTION: Approve

ANALYSIS:

The results of special statewide traffic enforcement efforts in Texas and other states confirm that coordinated programs, such as the Selective Traffic Enforcement Program (STEP), are highly effective in reducing traffic-related fatalities, injuries and costs.

The Grand Prairie Police Department has participated in the Selective Traffic Enforcement Program for 30 years. The total grant money addresses primarily seatbelt, child safety seat, speeding, intersection traffic control, and DWI laws.

From October 2019 through August 2020, the TxDOT STEP Grant has resulted in the following grant-related citation totals: speeding violations 9071; seatbelt use violations 338; unrestrained child violations 241; intersection control devices violations 1964. The total number of citations issued as part of the grant program from October 2019 through September 2020 was 19334, which includes the above totals and non-hazardous violations.

The Selective Traffic Enforcement Program benefits the citizens of Grand Prairie by increasing safety belt compliance and reducing the number of crashes caused by excessive speed, disregarding traffic control devices, and alcohol consumption.

The Public Safety, Health and Environmental Committee reviewed this item on February 1, 2021 and recommended that it be forwarded to the City Council for approval.

FINANCIAL CONSIDERATION:

The grant period begins October 1, 2021 and ends September 30, 2022. It is anticipated the total cost for the City during this period will amount to a cash match of \$186,058.14. Funding will be allocated in the FY 2021 General Fund budget. The Texas Department of Transportation will fund \$123,791.43 to pay the City for overtime salaries and benefits for enforcement efforts. Project cost will total \$309,849.57.

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, IN SUPPORT OF A TEXAS DEPARTMENT OF TRANSPORTATION GRANT FOR SAFETY BELT, CHILD SAFETY SEAT, SPEED, INTERSECTION TRAFFIC CONTROL, AND DWI ENFORCEMENT IN THE AMOUNT OF 309,849.57 TO BECOME EFFECTIVE UPON ITS PASSAGE AND APPROVAL.

WHEREAS, the Grand Prairie Police Department wishes to participate in an intensified enforcement of safety belt, child safety seat, speed, intersection traffic control and DWI laws;

WHEREAS, the City will provide a cash match of \$186,058.14 to the Texas Department of Transportation;

WHEREAS, in the event of loss or misuse of Texas Department of Transportation funds, the City of Grand Prairie assures that the funds will be returned to the Texas Department of Transportation in full;

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

SECTION 1. the City Manager of the City of Grand Prairie is empowered to accept, reject, alter or terminate this grant on behalf of the City Council;

SECTION 2. 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 2ND DAY OF FEBRUARY, 2021.

Texas Traffic Safety eGrants

Fiscal Year 2022

Organization Name: City of Grand Prairie Police Department

Legal Name: City of Grand Prairie

Payee Identification Number: 17560005435024

Project Title: STEP Comprehensive

ID: 2022-GrandPra-S-1YG-00068

Period: 10/01/2021 to 09/30/2022

GENERAL INFORMATION

Project Title:STEP Comprehensive

Project Description:

Program Elements

When performing enforcement activities under this grant, officers should make the enforcement of the STEP elements listed below their top priority, although any traffic-related probable cause can be used to initiate a vehicle stop

1. DWI : Driving While Intoxicated
2. Speed: Speed Enforcement
3. OP: Occupant Protection (Safety Belt and Child Safety Seat)
4. ITC: Intersection Traffic Control
5. DD: Distracted Driving

Holiday Periods

Enforcement activities under this grant may be conducted on any day at any time of day the agency deems appropriate. However, subgrantee should make it a priority to conduct enforcement activities during state and federally determined holiday periods, which are:

1. Christmas/New Year's
2. Spring Break
3. Memorial Day
4. Independence Day
5. Labor Day

STEP Mobilization Calendar is available on [eGrantsHelp page](#)

X Agency agrees to enforce the above Program Elements and Holiday Periods as part of the Selective Traffic Enforcement Program

GRANT AGREEMENT GENERAL TERMS AND CONDITIONS *(Revised:07/18/2019)*

Definitions: For purposes of these Terms and Conditions, the "Department" is also known as the "State" and the "prospective primary participant" and the "Subgrantee" is also known as the "Subrecipient" and "prospective lower tier participant"

ARTICLE 1. COMPLIANCE WITH LAWS

The Subgrantee shall comply with all federal, state, and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this agreement, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, nondiscrimination laws and regulations, and licensing laws and regulations. When required, the Subgrantee shall furnish the Department with satisfactory proof of compliance.

ARTICLE 2. STANDARD ASSURANCES

The Subgrantee assures and certifies that it will comply with the regulations, policies, guidelines, and requirements, including 2 CFR, Part 200; and the Department's Traffic Safety Program Manual, as they relate to the application, acceptance, and use of federal or state funds for this project. Also, the Subgrantee assures and certifies that:

A. It possesses legal authority to apply for the grant; and that a resolution, motion, or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained in the application, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide any additional information that may be required.

B. It and its subcontractors will comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352), as amended, and in accordance with that Act, no person shall discriminate, on the grounds of race, color, sex, national origin, age, religion, or disability.

C. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, as amended; 42 USC (United States Code) §§4601 et seq.; and United States Department of Transportation (USDOT) regulations, "Uniform Relocation and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR, Part 24, which provide for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs.

D. Political activity (Hatch Act) (applies to subrecipients as well as States). The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

E. It will comply with the federal Fair Labor Standards Act's minimum wage and overtime requirements for employees performing project work.

F. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

G. It will give the Department the access to and the right to examine all records, books, papers, or documents related to this Grant Agreement.

H. It will comply with all requirements imposed by the Department concerning special requirements of law, program requirements, and other administrative requirements.

I. It recognizes that many federal and state laws imposing environmental and resource conservation requirements may apply to this Grant Agreement. Some, but not all, of the major federal laws that may affect the project include: the National Environmental Policy Act of 1969, as amended, 42 USC §§4321 et seq.; the Clean Air Act, as amended, 42 USC §§7401 et seq. and sections of 29 USC; the Federal Water Pollution Control Act, as amended, 33 USC §§1251 et seq.; the Resource Conservation and Recovery Act, as amended, 42 USC §§6901 et seq.; and the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 USC §§9601 et seq. The Subgrantee also recognizes that the U.S. Environmental Protection Agency, USDOT, and other federal agencies have issued, and in the future are expected to issue, regulations, guidelines, standards, orders, directives, or other requirements that may affect this Project. Thus, it agrees to comply, and assures the compliance of each contractor and each subcontractor, with any federal requirements that the federal government may now or in the future promulgate.

J. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, 42 USC §4012a(a). Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where that insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any form of direct or indirect federal assistance.

K. It will assist the Department in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 USC 470 et seq.), Executive Order 11593, and the Antiquities Code of Texas (National Resources Code, Chapter 191).

L. It will comply with Chapter 573 of the Texas Government Code by ensuring that no officer, employee, or member of the Subgrantee's governing board or the Subgrantee's subcontractors shall vote or confirm the employment of any person related within the second degree of affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise that person. This prohibition shall not apply to the employment of a person described in Section 573.062 of the Texas Government Code.

M. It will ensure that all information collected, assembled, or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Chapter 552 of the Texas Government Code, unless otherwise expressly provided by law.

N. If applicable, it will comply with Chapter 551 of the Texas Government Code, which requires all regular, special, or called meetings of governmental bodies to be open to the public, except as otherwise provided by law or specifically permitted in the Texas Constitution.

ARTICLE 3. COMPENSATION

A. The method of payment for this agreement will be based on actual costs incurred up to and not to exceed the limits specified in the Project Budget. The amount included in a Project Budget category will be deemed to be an estimate only and a higher amount can be reimbursed, subject to the conditions specified in paragraph B of this Article. If the Project Budget specifies that costs are based on a specific rate, per-unit cost, or other method of payment, reimbursement will be based on the specified method.

B. All payments will be made in accordance with the Project Budget.

1. The Subgrantee's expenditures may overrun a budget category (I, II, or III) in the approved Project Budget without a grant (budget) amendment, as long as the overrun does not exceed a total of five (5) percent of the maximum amount eligible for reimbursement (TxDOT) in the attached Project Budget for the current fiscal year. This overrun must be off-set by an equivalent underrun elsewhere in the Project Budget.

2. If the overrun is five (5) percent or less, the Subgrantee must provide written notification to the Department, through the TxDOT Electronic Grants Management System (eGrants), prior to the Request for Reimbursement being approved. The notification must indicate the amount, the percent over, and the specific reason(s) for the overrun.

3. Any overrun of more than five (5) percent of the amount eligible for reimbursement (TxDOT) in the attached Project Budget requires an amendment of this Grant Agreement.

4. The maximum amount eligible for reimbursement shall not be increased above the Grand Total TxDOT Amount in the approved Project Budget, unless this Grant Agreement is amended, as described in Article 5 of this agreement.

5. For Selective Traffic Enforcement Program (STEP) grants only: In the Project Budget, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or B, "PI&E Activities," to exceed the TxDOT amount listed in Subcategory C, "Other." Also, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or C, "Other," to exceed the TxDOT amount listed in Subcategory B, "PI&E Activities." The TxDOT amount for Subcategory B, "PI&E Activities," or C, "Other," can only be exceeded within the five (5) percent flexibility, with underrun funds from Budget Categories II or III.

C. To be eligible for reimbursement under this agreement, a cost must be incurred in accordance with the Project Budget, within the time frame specified in the Grant Period of this Grant Agreement, attributable to work covered by this agreement, and which has been completed in a manner satisfactory and acceptable to the Department.

D. Federal or TxDOT funds cannot supplant (replace) funds from any other sources. The term "supplanting," refers to the use of federal or TxDOT funds to support personnel or an activity already supported by local or state funds.

E. Payment of costs incurred under this agreement is further governed by the cost principles outlined in 2 CFR Part 200.

F. The Subgrantee agrees to submit monthly Requests for Reimbursement, as designated in this Grant Agreement, within thirty (30) days after the end of the billing period. The Request for Reimbursement and appropriate supporting documentation must be submitted through eGrants.

G. The Subgrantee agrees to submit the final Request for Reimbursement under this agreement within forty-five (45) days of the end of the grant period.

H. Payments are contingent upon the availability of appropriated funds.

I. Project agreements supported with federal or TxDOT funds are limited to the length of this Grant Period specified in this Grant Agreement. If the Department determines that the project has demonstrated merit or has potential long-range benefits, the Subgrantee may apply for funding assistance beyond the initial agreement period.

Preference for funding will be given to projects based on (1) proposed cost sharing and (2) demonstrated performance history.

ARTICLE 4. LIMITATION OF LIABILITY

Payment of costs incurred under this agreement is contingent upon the availability of funds. If at any time during this Grant Period, the Department determines that there is insufficient funding to continue the project, the Department shall notify the Subgrantee, giving notice of intent to terminate this agreement, as specified in Article 11 of this agreement. If at the end of a federal fiscal year, the Department determines that there is sufficient funding and performance to continue the project, the Department may notify the Subgrantee to continue this agreement.

ARTICLE 5. AMENDMENTS

This agreement may be amended prior to its expiration by mutual written consent of both parties, utilizing the Grant Agreement Amendment in eGrants. Any amendment must be executed by the parties within the Grant Period, as specified in this Grant Agreement.

ARTICLE 6. ADDITIONAL WORK AND CHANGES IN WORK

A. If the Subgrantee is of the opinion that any assigned work is beyond the scope of this agreement and constitutes additional work, the Subgrantee shall promptly notify the Department in writing through eGrants. If the Department finds that such work does constitute additional work, the Department shall advise the Subgrantee and a written amendment to this agreement will be executed according to Article 5, Amendments, to provide compensation for doing this work on the same basis as the original work. If performance of the additional work will cause the maximum amount payable to be exceeded, the work will not be performed before a written grant amendment is executed.

B. If the Subgrantee has submitted work in accordance with the terms of this agreement but the Department requests changes to the completed work or parts of the work which involve changes to the original scope of services or character of work under this agreement, the Subgrantee shall make those revisions as requested and directed by the Department. This will be considered as additional work and will be paid for as specified in this Article.

C. If the Subgrantee submits work that does not comply with the terms of this agreement, the Department shall instruct the Subgrantee to make any revisions that are necessary to bring the work into compliance with this agreement. No additional compensation shall be paid for this work.

D. The Subgrantee shall make revisions to the work authorized in this agreement that are necessary to correct errors or omissions, when required to do so by the Department. No additional compensation shall be paid for this work.

E. The Department shall not be responsible for actions by the Subgrantee or any costs incurred by the Subgrantee relating to additional work not directly associated with or prior to the execution of an amendment.

ARTICLE 7. REPORTING AND MONITORING

A. Not later than thirty (30) days after the end of each reporting period, the Subgrantee shall submit a performance report through eGrants. Reporting periods vary by project duration and are defined as follows:

1. For short term projects, the reporting period is the duration of the project. Subgrantee shall submit a performance report within 30 days of project completion.

2. For longer projects, the reporting period is monthly. Subgrantee shall submit a performance report within 30 days of the completion of each project month and within 30 days of project completion.

3. For Selective Traffic Enforcement Program (STEP) Wave projects, the reporting period is each billing cycle. Subgrantee shall submit a performance report within 30 days of the completion of each billing cycle.

B. The performance report will include, as a minimum: (1) a comparison of actual accomplishments to the objectives established for the period, (2) reasons why established objectives and performance measures were not met, if appropriate, and (3) other pertinent information, including, when appropriate, an analysis and explanation of cost underruns, overruns, or high unit costs.

C. The Subgrantee shall promptly advise the Department in writing, through eGrants, of events that will have a significant impact upon this agreement, including:

1. Problems, delays, or adverse conditions, including a change of project director or other changes in Subgrantee personnel, that will materially affect the ability to attain objectives and performance measures, prevent the meeting of time schedules and objectives, or preclude the attainment of project objectives or performance measures by the established time periods. This disclosure shall be accompanied by a statement of the action taken or contemplated and any Department or federal assistance needed to resolve the situation.

2. Favorable developments or events that enable meeting time schedules and objectives sooner than anticipated or achieving greater performance measure output than originally projected.

D. The Subgrantee shall submit the Final Performance Report through eGrants within thirty (30) days after completion of the grant.

ARTICLE 8. RECORDS

The Subgrantee agrees to maintain all reports, documents, papers, accounting records, books, and other evidence pertaining to costs incurred and work performed under this agreement (called the "Records"), and shall make the Records available at its office for the time period authorized within the Grant Period, as specified in this Grant Agreement. The Subgrantee further agrees to retain the Records for four (4) years from the date of final payment under this agreement, until completion of all audits, or until pending litigation has been completely and fully resolved, whichever occurs last.

Duly authorized representatives of the Department, the USDOT, the Office of the Inspector General, Texas State Auditor, and the Comptroller General shall have access to the Records. This right of access is not limited to the four (4) year period but shall last as long as the Records are retained.

ARTICLE 9. INDEMNIFICATION

A. To the extent permitted by law, the Subgrantee, if other than a government entity, shall indemnify, hold, and save harmless the Department and its officers and employees from all claims and liability due to the acts or omissions of the Subgrantee, its agents, or employees. The Subgrantee also agrees, to the extent permitted by law, to indemnify, hold, and save harmless the Department from any and all expenses, including but not limited to attorney fees, all court costs and awards for damages incurred by the Department in litigation or otherwise resisting claims or liabilities as a result of any activities of the Subgrantee, its agents, or employees.

B. To the extent permitted by law, the Subgrantee, if other than a government entity, agrees to protect, indemnify, and save harmless the Department from and against all claims, demands, and causes of action of every kind and character brought by any employee of the Subgrantee against the Department due to personal injuries to or death of any employee resulting from any alleged negligent act, by either commission or omission on the part of the Subgrantee.

C. If the Subgrantee is a government entity, both parties to this agreement agree that no party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds, as well as the acts and deeds of its contractors, employees, representatives, and agents.

ARTICLE 10. DISPUTES AND REMEDIES

This agreement supersedes any prior oral or written agreements. If a conflict arises between this agreement and the Traffic Safety Program Manual, this agreement shall govern. The Subgrantee shall be responsible for the settlement of all contractual and administrative issues arising out of procurement made by the Subgrantee in support of work under this agreement. Disputes concerning performance or payment shall be submitted to the Department for settlement, with the Executive Director or his or her designee acting as final referee.

ARTICLE 11. TERMINATION

A. This agreement shall remain in effect until the Subgrantee has satisfactorily completed all services and obligations described in this agreement and these have been accepted by the Department, unless:

1. This agreement is terminated in writing with the mutual consent of both parties; or
2. There is a written thirty (30) day notice by either party; or
3. The Department determines that the performance of the project is not in the best interest of the Department and informs the Subgrantee that the project is terminated immediately.

B. The Department shall compensate the Subgrantee for only those eligible expenses incurred during the Grant Period specified in this Grant Agreement that are directly attributable to the completed portion of the work covered by this agreement, provided that the work has been completed in a manner satisfactory and acceptable to the Department. The Subgrantee shall not incur nor be reimbursed for any new obligations after the effective date of termination.

ARTICLE 12. INSPECTION OF WORK

A. The Department and, when federal funds are involved, the USDOT, or any of their authorized representatives, have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this agreement and the premises in which it is being performed.

B. If any inspection or evaluation is made on the premises of the Subgrantee or its subcontractor, the Subgrantee shall provide and require its subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and evaluations shall be performed in a manner that will not unduly delay the work.

ARTICLE 13. AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

ARTICLE 14. SUBCONTRACTS

A subcontract in excess of \$25,000 may not be executed by the Subgrantee without prior written concurrence by the Department. Subcontracts in excess of \$25,000 shall contain all applicable terms and conditions of this agreement. No subcontract will relieve the Subgrantee of its responsibility under this agreement.

ARTICLE 15. GRATUITIES

A. Texas Transportation Commission policy mandates that employees of the Department shall not accept any benefit, gift, or favor from any person doing business with or who, reasonably speaking, may do business with the Department under this agreement. The only exceptions allowed are ordinary business lunches and items that have received the advanced written approval of the Department's Executive Director.

B. Any person doing business with or who reasonably speaking may do business with the Department under this agreement may not make any offer of benefits, gifts, or favors to Department employees, except as mentioned here above. Failure on the part of the Subgrantee to adhere to this policy may result in termination of this agreement.

ARTICLE 16. NONCOLLUSION

The Subgrantee warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Subgrantee, to solicit or secure this agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this agreement. If the Subgrantee breaches or violates this warranty, the Department shall have the right to annul this agreement without liability or, in its discretion, to deduct from the agreement price or consideration, or otherwise recover the full amount of such fee, commission, brokerage fee, contingent fee, or gift.

ARTICLE 17. CONFLICT OF INTEREST

The Subgrantee represents that it or its employees have no conflict of interest that would in any way interfere with its or its employees' performance or which in any way conflicts with the interests of the Department. The Subgrantee shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the Department's interests.

ARTICLE 18. SUBGRANTEE'S RESOURCES

A. The Subgrantee certifies that it presently has adequate qualified personnel in its employment to perform the work required under this agreement, or will be able to obtain such personnel from sources other than the Department.

B. All employees of the Subgrantee shall have the knowledge and experience that will enable them to perform the duties assigned to them. Any employee of the Subgrantee who, in the opinion of the Department, is incompetent or whose conduct becomes detrimental to the work, shall immediately be removed from association with the project.

C. Unless otherwise specified, the Subgrantee shall furnish all equipment, materials, supplies, and other resources required to perform the work.

ARTICLE 19. PROCUREMENT AND PROPERTY MANAGEMENT

The Subgrantee shall establish and administer a system to procure, control, protect, preserve, use, maintain, and dispose of any property furnished to it by the Department or purchased pursuant to this agreement in accordance with its own procurement and property management procedures, provided that the procedures are not in conflict with (1) the Department's procurement and property management standards and (2) the federal procurement and property management standards provided by 2 CFR §§ 200.310-.316, 200.318-.324.

ARTICLE 20. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Upon completion or termination of this Grant Agreement, whether for cause or at the convenience of the parties, all finished or unfinished documents, data, studies, surveys, reports, maps, drawings, models, photographs, etc. prepared by the Subgrantee, and equipment and supplies purchased with grant funds shall, at the option of the Department, become the property of the Department. All sketches, photographs, calculations, and other data prepared under this agreement shall be made available, upon request, to the Department without restriction or limitation of their further use.

A. Intellectual property consists of copyrights, patents, and any other form of intellectual property rights covering any databases, software, inventions, training manuals, systems design, or other proprietary information in any form or medium.

B. All rights to Department. The Department shall own all of the rights (including copyrights, copyright applications, copyright renewals, and copyright extensions), title and interests in and to all data, and other information developed under this contract and versions thereof unless otherwise agreed to in writing that there will be joint ownership.

C. All rights to Subgrantee. Classes and materials initially developed by the Subgrantee without any type of funding or resource assistance from the Department remain the Subgrantee's intellectual property. For these classes and materials, the Department payment is limited to payment for attendance at classes.

ARTICLE 21. SUCCESSORS AND ASSIGNS

The Department and the Subgrantee each binds itself, its successors, executors, assigns, and administrators to the other party to this agreement and to the successors, executors, assigns, and administrators of the other party in respect to all covenants of this agreement. The Subgrantee shall not assign, sublet, or transfer interest and obligations in this agreement without written consent of the Department through eGrants.

ARTICLE 22. CIVIL RIGHTS COMPLIANCE

A. Compliance with regulations: The Subgrantee shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the United States Department of Transportation

(USDOT): 49 CFR, Part 21; 23 CFR, Part 200; and 41 CFR, Parts 60-74, as they may be amended periodically (called the "Regulations"). The Subgrantee agrees to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented by the U.S. Department of Labor regulations (41 CFR, Part 60).

B. Nondiscrimination: (applies to subrecipients as well as States) The State highway safety agency will comply with all Federal statutes and implementing regulations relating to nondiscrimination ("Federal Nondiscrimination Authorities"). These include but are not limited to:

- **Title VI of the Civil Rights Act of 1964** (42 U.S.C. 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin) and 49 CFR part 21;
- **The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- **Federal-Aid Highway Act of 1973**, (23 U.S.C. 324 et seq.), and **Title IX of the Education Amendments of 1972**, as amended (20 U.S.C. 1681-1683 and 1685-1686) (prohibit discrimination on the basis of sex);
- **Section 504 of the Rehabilitation Act of 1973**, (29 U.S.C. 794 et seq.), as amended, (prohibits discrimination on the basis of disability) and 49 CFR part 27;
- **The Age Discrimination Act of 1975**, as amended, (42 U.S.C. 6101 et seq.), (prohibits discrimination on the basis of age);
- **The Civil Rights Restoration Act of 1987**, (Pub. L. 100-209), (broadens scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- **Titles II and III of the Americans with Disabilities Act** (42 U.S.C. 12131-12189) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and 49 CFR parts 37 and 38;
- **Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations** (prevents discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations); and
- **Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency** (guards against Title VI national origin discrimination/discrimination because of limited English proficiency (LEP) by ensuring that funding recipients take reasonable steps to ensure that LEP persons have meaningful access to programs (70 FR 74087-74100)).

The State highway safety agency-

- Will take all measures necessary to ensure that no person in the United States shall, on the grounds of race, color, national origin, disability, sex, age, limited English proficiency, or membership in any other class protected by Federal Nondiscrimination Authorities, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any of its programs or activities, so long as any portion of the program is Federally-assisted;
- Will administer the program in a manner that reasonably ensures that any of its subrecipients, contractors, subcontractors, and consultants receiving Federal financial assistance under this program will comply with all requirements of the Non-Discrimination Authorities identified in this Assurance:

- Agrees to comply (and require its subrecipients, contractors, subcontractors, and consultants to comply) with all applicable provisions of law or regulation governing US DOT's or NHTSA's access to records, accounts, documents, information, facilities, and staff, and to cooperate and comply with any program or compliance reviews, and/or complaint investigations conducted by US DOT or NHTSA under any Federal Nondiscrimination Authority;
- Acknowledges that the United States has a right to seek judicial enforcement with regard to any matter arising under these Non-Discrimination Authorities and this Assurance;
- Agrees to insert in all contracts and funding agreements with other State or private entities the following clause:

"During the performance of this contract/funding agreement, the contractor/funding recipient agrees-

a. To comply with all Federal nondiscrimination laws and regulations, as may be amended from time to time;

b. Not to participate directly or indirectly in the discrimination prohibited by any Federal non-discrimination law or regulation, as set forth in appendix B of 49 CFR part 21 and herein;

c. To permit access to its books, records, accounts, other sources of information, and its facilities as required by the State highway safety office, US DOT or NHTSA;

d. That, in event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding agreement, the State highway safety agency will have the right to impose such contract/agreement sanctions as it or NHTSA determine are appropriate, including but not limited to withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies; and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part; and

e. To insert this clause, including paragraphs (a) through (e), in every subcontract and subagreement and in every solicitation for a subcontract or sub-agreement, that receives Federal funds under this program.

C. Solicitations for subcontracts, including procurement of materials and equipment: In all solicitations either by competitive bidding or negotiation made by the Subgrantee for work to be performed under a subcontract, including procurements of materials and leases of equipment, each potential subcontractor or supplier shall be notified by the Subgrantee of the Subgrantee's obligations under this agreement and the regulations relative to nondiscrimination on the grounds of race, color, sex, national origin, age, religion, or disability.

D. Information and reports: The Subgrantee shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department or the USDOT to be pertinent to ascertain compliance with the Regulations or directives. Where any information required of the Subgrantee is in the exclusive possession of another who fails or refuses to furnish this information, the Subgrantee shall certify that to the Department or the USDOT, whichever is appropriate, and shall set forth what efforts the Subgrantee has made to obtain the requested information.

E. Sanctions for noncompliance: In the event of the Subgrantee's noncompliance with the nondiscrimination provision of this agreement, the Department shall impose such sanctions as it or the USDOT may determine to be appropriate.

F. Incorporation of provisions: The Subgrantee shall include the provisions of paragraphs A. through

E. in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives. The Subgrantee shall take any action with respect to any subcontract or procurement that the Department may direct as a means of enforcing those provisions, including sanctions for noncompliance. However, in the event a Subgrantee becomes involved in, or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Subgrantee may request the Department to enter into litigation to protect the interests of the state; and in addition, the Subgrantee may request the United States to enter into such litigation to protect the interests of the United States.

ARTICLE 23. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

A. The parties shall comply with the DBE Program requirements established in 49 CFR Part 26.

B. The Subgrantee shall adopt, in its totality, the Department's federally approved DBE program.

C. The Subgrantee shall set an appropriate DBE goal consistent with the Department's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Subgrantee shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.

D. The Subgrantee shall follow all other parts of the Department's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity and attachments found at web address <http://www.txdot.gov/business/partnerships/dbe.html>

E. The Subgrantee shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Subgrantee shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of USDOT-assisted contracts. The Department's DBE program, as required by 49 CFR Part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Subgrantee of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and the Program Fraud Civil Remedies Act of 1986 (31 USC 3801 et seq.).

F. Each contract the Subgrantee signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.

ARTICLE 24. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to subrecipients as well as States)

Instructions for Primary Tier Participant Certification (States)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or

voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Tier Covered Transactions

(1) The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Lower Tier Participant Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in 2 CFR parts 180 and 1200. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered

transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ARTICLE 25. CERTIFICATION REGARDING FEDERAL LOBBYING (applies to subrecipients as well as States)

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation,

renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE 26. CHILD SUPPORT CERTIFICATION

Under Section 231.006, Texas Family Code, the Subgrantee certifies that the individual or business entity named in this agreement is not ineligible to receive the specified grant, loan, or payment and acknowledges that this agreement may be terminated and payment may be withheld if this certification is inaccurate. If the above certification is shown to be false, the Subgrantee is liable to the state for attorney's fees and any other damages provided by law or the agreement. A child support obligor or business entity ineligible to receive payments because of a payment delinquency of more than thirty (30) days remains ineligible until: all arrearages have been paid; the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency; or the court of continuing jurisdiction over the child support order has granted the obligor an exemption from Subsection (a) of Section 231.006, Texas Family Code, as part of a court-supervised effort to improve earnings and child support payments.

ARTICLE 27. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT REQUIREMENTS

A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms:

<http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and
<http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>.

B. The Subgrantee agrees that it shall:

1. Obtain and provide to the State a System for Award Management (SAM) number (48 CFR subpt. 4.11) if this award provides for more than \$25,000 in Federal funding. The SAM number may be obtained by visiting the SAM web-site at: <https://www.sam.gov>

2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the Federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>;

and

3. Report the total compensation and names of its top five (5) executives to the State if:
 - i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
 - ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

ARTICLE 28. SINGLE AUDIT REPORT

A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in 2 CFR Part 200.

B. If threshold expenditures of \$750,000 or more are met during the Subgrantee's fiscal year, the Subgrantee must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Audit Office at singleaudits@txdot.gov

C. If expenditures are less than \$750,000 during the Subgrantee's fiscal year, the Subgrantee must submit a statement to TxDOT's Audit Office as follows: "We did not meet the \$750,000 expenditure threshold and therefore, are not required to have a single audit performed for FY _____."

D. For each year the project remains open for federal funding expenditures, the Subgrantee will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

ARTICLE 29. BUY AMERICA ACT (applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

ARTICLE 30. RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

ARTICLE 31. NONGOVERNMENTAL ENTITY'S PUBLIC INFORMATION

(This article applies only to non-profit entities.)

The Subgrantee is required to make any information created or exchanged with the Department pursuant to this Grant Agreement and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the Department. [SB-1368, 83rd Texas Legislature, Regular Session, Effective 9/1/13]

ARTICLE 32. PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE
(applies to subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

ARTICLE 33. INTERNAL ETHICS AND COMPLIANCE PROGRAM

Subgrantee shall comply with Title 43 Texas Administrative Code §25.906(b). Subgrantee certifies it has adopted an internal ethics and compliance program that satisfies the requirements of Title 43 Texas Administrative Code §10.51 (relating to Internal Ethics and Compliance Program). Subgrantee shall enforce compliance with that program.

Data Universal Numbering System: The Data Universal Numbering System (DUNS) is a unique nine-digit number recognized as the universal standard for identifying and tracking businesses worldwide. The Federal Spending Transparency Directive and the previous Federal Funding Accountability and Transparency Act (FFATA) requires grantees and sub-grantees to have a DUNS number. Most agencies and organizations have DUNS numbers established, please check with your accounting staff. To obtain a DUNS number, applicants should go to the Dun and Bradstreet website at: <http://fedgov.dnb.com/webform>

Data Universal Numbering System (D-U-N-S) 010597169

2 C.F.R. Part 200 Compliance

Enter the Begin Date and End Date of your Agency's Fiscal Year 2022

Begin Date : 10/1/2021 End Date : 9/30/2022

Your entity is required to comply with federal (OMB A-133) and/or state (State of Texas Single Audit Circular) requirements.

If threshold expenditures of \$750,000 or more are met during your agency's fiscal year, please submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 East Eleventh Street, Austin, TX 78701 or contact TxDOT's Audit Office at singleaudits@txdot.gov

If expenditures are less than \$750,000 during your agency's fiscal year, please submit a statement to TxDOT's Audit Office as follows:

"We did not meet the \$750,000 expenditure threshold and therefore we are not required to have a single audit performed for FY ."

X I agree

STEP Operating Policies and Procedures

All STEP agencies must either have established written STEP operating policies and procedures, or will develop written policies and procedures before STEP grants can be executed. Please click here for [STEP Policies and Procedures requirements.](#)

If your agency has approved STEP Operating Policies and Procedures, please upload here :

If your agency does not have approved STEP Operating Policies and Procedures, please certify the following:

XI certify that our agency will develop STEP Operating Policies and Procedures before executing the grant.

PROPOSING AGENCY AUTHENTICATION

X The following person has authorized the submittal of this proposal.

| | |
|----------------|-------------------|
| Name | :Eric Hansen |
| Title | :Traffic Sergeant |
| Address | :1525 Arkansas Ln |
| City | :Grand Prairie |
| State | :Texas |
| Zip Code | :75052 |
| Phone Number | :972-237-8906 |
| Fax Number | :972-237-8915 |
| E-mail address | :ehansen@gptx.org |

COUNTY SERVED

Dallas County - Dallas District

Ellis County - Dallas District

Tarrant County - Fort Worth District

POLITICAL DISTRICT SERVED

U.S. Congress* Congressional District 6
Congressional District 30
Congressional District 33

Texas Senate* Texas Senate District 9
Texas Senate District 10
Texas Senate District 22
Texas Senate District 23

Texas House* Texas House of Representatives District 10
Texas House of Representatives District 92
Texas House of Representatives District 93
Texas House of Representatives District 101
Texas House of Representatives District 104
Texas House of Representatives District 105
Texas House of Representatives District 111

GOALS AND STRATEGIES

Goal: To increase effective enforcement and adjudication of traffic safety-related laws to reduce crashes, fatalities, and injuries.

Strategies: Increase and sustain high visibility enforcement of traffic safety-related laws.
Increase public education and information campaigns regarding enforcement activities.

Goal: To reduce the number of alcohol impaired and driving under the influence of alcohol and other drug-related crashes, injuries, and fatalities.

Strategy: Increase and sustain high visibility enforcement of DWI laws.

Goal: To increase occupant restraint use in all passenger vehicles and trucks.

Strategy: Increase and sustain high visibility enforcement of occupant protection laws.

Goal: To reduce the number of speed-related crashes, injuries, and fatalities.

Strategy: Increase and sustain high visibility enforcement of speed-related laws.

Goal: To reduce intersection-related motor vehicle crashes, injuries, and fatalities.

Strategy: Increase and sustain high visibility enforcement of Intersection Traffic Control (ITC) laws.

Goal: To reduce Distracted Driving motor vehicle crashes, injuries, and fatalities.

Strategies: Increase and sustain high visibility enforcement of state and local ordinances on cellular and texting devices.
Increase public information and education on Distracted Driving related traffic issues.

I agree to the above goals and strategies.

BASELINE INFORMATION

Baseline Definition: A number serving as a foundation for subgrantees to measure pre-grant traffic enforcement activity. Baseline information must be provided by the subgrantee in order to identify local traffic enforcement related activity. This information should exclude any activity generated with STEP grant dollars. Once the baseline is established, these figures will be used to compare subsequent year's local and grant traffic enforcement activity.

Note: Baseline data used must be no older than 2017.

Baseline Year (12 months) **From 10/1/2019 To 9/30/2020**

| <u>Baseline Measure</u> | <u>Arrests/Citations</u> | <u>Written Warnings</u> | <u>KA Crashes</u> |
|------------------------------------|--------------------------|-------------------------|-------------------|
| Driving Under Influence (DUI) | 494 | 0 | 15 |
| Speed | 9071 | 0 | 16 |
| Safety Belt | 338 | 0 | 11 |
| Child Safety Seat | 241 | 0 | |
| Intersection Traffic Control (ITC) | 1964 | 0 | 29 |
| Distracted Driving Citations | 37 | 0 | |
| Other Elements | 19334 | 0 | |

If you have additional attachments, provide them on the "Attachments" page.

LAW ENFORCEMENT OBJECTIVE/PERFORMANCE MEASURE

| Objective/Performance Measure | Target Number | Not Applicable |
|---|----------------------|-----------------------|
| Reduce the number of Alcohol-Involved (DWI/DUI) KA crashes toto | 14 | |
| Reduce the number of All OP-related (Seatbelt and Child Passenger Safety) KA crashes to | 10 | |
| Reduce the number of Speed-related crashes to | 15 | |
| Reduce the number of ITC-related crashes to | 28 | |

Note: Nothing in this agreement shall be interpreted as a requirement, formal or informal, that a peace officer issue a specified or predetermined number of citations in pursuance of the Subgrantee's obligations hereunder. Department and Subgrantee acknowledge that Texas Transportation Code Section 720.002 prohibits using traffic-offense quotas and agree that nothing in this Agreement is establishing an illegal quota.

In addition to the STEP enforcement activities, the subgrantee must maintain baseline non-STEP funded citation and arrest activity due to the prohibition of supplanting.

PI&E OBJECTIVE/PERFORMANCE MEASURE

XI agree to the below efforts with a public information and education (PI&E) program.

- a. Conduct a minimum of one (1) presentations
- b. Conduct a minimum of two (2) media exposures (e.g. news conferences, news releases, and interviews)
- c. Conduct a minimum of one (1) community events (e.g. health fairs, booths)

OPERATIONAL PLAN

Zone Name : Zone 1
Zone SH 360 from Ave K/Brown Blvd to Fort Worth City Limits, including service roads
Location : (includes NBFR from Ave H to Riverside)
Zone Hours : 24/7 Enforcement
Zone Heat https://www.dot.state.tx.us/apps/egrants/_Upload/1022541_337651_1-
Map : (attach) Zone1_NSH360.docx

OPERATIONAL PLAN

Zone Name : Zone 2
Zone Location : SH 360 from Kingswood Blvd south to Ragland Rd,including service roads.
Zone Hours : 24/7 Enforcement
Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022542_337651_1-
(attach) Zone2_SSH360.docx

OPERATIONAL PLAN

Zone Name : Zone 3
Zone Location : President George Bush Turnpike and SH 161 service roads from Dickey Rd to the Trinity River bridge
Zone Hours : 24/7 Enforcement
Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022546_337651_1-
(attach) Zone3_N.PGBT_SH161.docx

OPERATIONAL PLAN

Zone Name : Zone 4

Zone Location : SP 303 (Pioneer Pkwy) from Arlington City Limit to Dallas City Limit

Zone Hours : 24/7 Enforcement

Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022547_337651-Zone4SP303-
(attach) PioneerPkwy.docx

OPERATIONAL PLAN

Zone Name : Zone 5
Zone Location : Belt Line Rd (FM 1382) from Skyline Rd to Fish Creek Rd
Zone Hours : 24/7 Enforcement
Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022548_337651-
(attach) Zone5_BeltLineRd.docx

OPERATIONAL PLAN

Zone Name : Zone 6
Zone Location : President George Bush Turnpike and SH 161 service roads from Dickey Rd to IH-20
Zone Hours : 24/7 Enforcement
Zone Heat Map : [https://www.dot.state.tx.us/apps/egrants/_Upload/1022549_337651-](https://www.dot.state.tx.us/apps/egrants/_Upload/1022549_337651-Zone6_SPGBTSH161.docx)
(attach) Zone6_SPGBTSH161.docx

OPERATIONAL PLAN

Zone Name : Zone 7
Zone Location : IH-20 from Arlington City Limit to Dallas City Limit, including service roads.
Zone Hours : 24/7 Enforcement
Zone Heat Map : [https://www.dot.state.tx.us/apps/egrants/_Upload/1022550_337651-](https://www.dot.state.tx.us/apps/egrants/_Upload/1022550_337651-Zone7_IH20.docx)
(attach) Zone7_IH20.docx

OPERATIONAL PLAN

Zone Name : Zone 8

Zone Location : IH-30 from Belt Line Rd east to MacArthur Blvd, south to Main St (SH 180), west to SE 14th St, south to Skyline Rd, west to Belt Line Rd and north to IH-30, including service roads.

Zone Hours : 24/7 Enforcement

Zone Heat Map : https://www.dot.state.tx.us/apps/egrants/_Upload/1022551_337651-Zone8_IH30_E.Main.docx
(attach)

SALARIES AND FRINGE BENEFITS

| Law Enforcement Hours: 3647 | | | | | | | | | |
|---------------------------------------|--|--------------|-----------|----------------|----------------|----------------|----------|---------------|--|
| X Overtime Regular Time | | | | | | | | | |
| | TxDOT Hours | Match Hours | Wage Rate | TxDOT Salaries | Match Salaries | Total Salaries | Fringe % | Total Fringe: | |
| A. Enforcement | | | | | | | | | |
| Officers/Deputies: | 1342 | 2014 | \$62.000 | \$83,204.00 | \$124,868.00 | \$208,072.00 | 24.7% | \$51,393.78 | |
| Sergeants: | 101 | 154 | \$74.500 | \$7,524.50 | \$11,473.00 | \$18,997.50 | 24.7% | \$4,692.38 | |
| Lieutenants/Other: | 14 | 22 | \$85.000 | \$1,190.00 | \$1,870.00 | \$3,060.00 | 24.7% | \$755.82 | |
| B. PI&E Activities | | | | | | | | | |
| PI&E Activities: | 0 | 0 | \$0 | | \$0 | | 0% | \$0 | |
| C. Administrative Duties | | | | | | | | | |
| Traffic Sergeants / STEP Coordinators | 97 | 146 | \$75.500 | \$7,323.50 | \$11,023.00 | \$18,346.50 | 24.7% | \$4,531.59 | |
| | | | \$0 | | | | % | \$0 | |
| | | | \$0 | | | | % | \$0 | |
| | | | \$0 | | | | % | \$0 | |
| | | | \$0 | | | | % | \$0 | |
| | | | \$0 | | | | % | \$0 | |
| Total: | | | | \$99,242.00 | \$149,234.00 | \$248,476.00 | | \$61,373.57 | |
| Category | | TxDOT | % | | Match | | % | Total | |
| Salaries: | | \$99,242.00 | 39.94% | | \$149,234.00 | | 60.06% | \$248,476.00 | |
| Fringe Benefits: | | \$24,549.43 | 40.00% | | \$36,824.14 | | 60.00% | \$61,373.57 | |
| Breakdown of Fringe Percentages: | Details of regular time, if included in any of the above hours : | | | | | | | | |

BUDGET SUMMARY

| Budget Category | | TxDOT | Match | Total |
|---|--------------------------------------|--------------|--------------|--------------|
| Category I - Labor Costs | | | | |
| (100) | Salaries: | \$99,242.00 | \$149,234.00 | \$248,476.00 |
| (200) | Fringe Benefits: | \$24,549.43 | \$36,824.14 | \$61,373.57 |
| | Sub-Total: | \$123,791.43 | \$186,058.14 | \$309,849.57 |
| Category II - Other Direct Costs | | | | |
| (300) | Travel: | \$0 | \$0 | \$0 |
| (400) | Equipment: | \$0 | \$0 | \$0 |
| (500) | Supplies: | \$0 | \$0 | \$0 |
| (600) | Contractual Services: | \$0 | \$0 | \$0 |
| (700) | Other Miscellaneous: | \$0 | \$0 | \$0 |
| | Sub-Total: | \$0 | \$0 | \$0 |
| Total Direct Costs: | | \$123,791.43 | \$186,058.14 | \$309,849.57 |
| Category III - Indirect Costs | | | | |
| (800) | Indirect Cost Rate: | \$0 | \$0 | \$0 |
| Summary | | | | |
| | Total Labor Costs: | \$123,791.43 | \$186,058.14 | \$309,849.57 |
| | Total Direct Costs: | \$0 | \$0 | \$0 |
| | Total Indirect Costs: | \$0 | \$0 | \$0 |
| Grand Total | | \$123,791.43 | \$186,058.14 | \$309,849.57 |
| | Fund Sources (Percent Share): | 39.95% | 60.05% | |
| Salary and cost rates will be based on the rates submitted by the Subgrantee in its grant application in Egrants. | | | | |



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Gary Yakesch, Assistant Director of Parks Finance

PRESENTER: Duane Strawn, Director of Parks, Arts and Recreation

TITLE: Price Agreement for Audio, Visual, and Lighting (AVL) services from Mike Milligan (up to \$50,000.00 annually). This agreement will be for one year with the option to renew for nine (9) additional one year periods totaling \$500,000.00 if all extensions are exercised. Award a secondary to Tye Cunningham (up to \$50,000.00 annually) to be used only if the primary is unable to fulfill the needs of the department. Authorize the City Manager to execute the renewal options with aggregate price fluctuations of the lesser of up to \$50,000 or 25% of the original maximum price so long as sufficient funding is appropriated by the City Council to satisfy the City's obligation during the renewal terms.

RECOMMENDED ACTION: Approve

ANALYSIS:

This agreement will be utilized by multiple City facilities, including: Uptown Theater, The Epic, The Summit, Ruth Jackson Center, and other special event locations as needed. Audio, visual and lighting services shall include software and equipment maintenance, installation, diagnostic, repair/replacement, and technical lighting and sound engineer services.

Notice of bid #21023 was advertised in the Fort Worth Star Telegram, the State's Electronic Business Daily, and Public Purchase; it was distributed to 41 vendors. There were 3 Grand Prairie vendors available for this service type. 3 bids were received as shown on attachment A.

The award was based on best value criteria set up in the specification, including cost, technical merit, past experience, local business presence, and other relevant criteria as listed in the specification.


Mike Milligan and Tye Cunningham meet specifications and are recommended for award.

This item was presented to the Finance and Government Committee on February 2, 2021 for review and approval.


FINANCIAL CONSIDERATION:

Funds are available in various department 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 year's approved budgets.

BID NAME
RFB #21023
TABULATION

|  Bid Tabulation <small>Audio Visual & Event Production Services</small> RFB # 21023 | | | Non Responsive | | Non Responsive | | | | | | | |
|---|-----|-----|------------------------------------|----------|------------------------|----------|----------------------------------|-------------|-------------------------|-------------|--------------------------|-------------|
| | | | Communication Concepts Ft Worth | | Epic Center Bedford | | Ford Audio Irving | | Mike Milligan Dallas | | Tye Cunningham Denton | |
| PREVENTATIVE MAINTENAN | QTY | UOM | UNIT PRICE | EXTENDED | NIT PRIC | EXTENDED | UNIT PRICE | EXTENDED | NIT PRIC | EXTENDED | NIT PRIC | EXTENDED |
| 1 Uptown Theater | | | \$ - | \$ - | \$ - | \$ - | \$ 4,920.00 | \$ 4,920.00 | \$ 300.00 | \$ 1,200.00 | \$ 300.00 | \$ 1,200.00 |
| 2 The Epic | | | \$ - | \$ - | \$ - | \$ - | \$ 5,880.00 | \$ 5,880.00 | \$ 300.00 | \$ 1,200.00 | \$ 300.00 | \$ 1,200.00 |
| 3 The Summit | | | \$ - | \$ - | \$ - | \$ - | \$ 2,960.00 | \$ 2,960.00 | \$ 300.00 | \$ 600.00 | \$ 300.00 | \$ 1,200.00 |
| 4 Ruthe Jackson Center | | | \$ - | \$ - | \$ - | \$ - | \$ 1,960.00 | \$ 1,960.00 | \$ 300.00 | \$ 600.00 | \$ 300.00 | \$ 1,200.00 |
| Total Maintenance | | | \$ - | \$ - | \$ - | \$ - | \$ 15,720.00 | | \$ 3,600.00 | | \$ 4,800.00 | |
| Vendor warrants that a full inspection and inventory has | | | | | | | | | | | | |
| Inventory list MUST be provided | | | | | | | | | | | | |
| SERVICE CALLS - ROUTINE | QTY | UOM | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | |
| 5 Repair/Replacement | 1 | HR | | | | | \$165 1st hour; \$120 subsequent | | \$75.00 | | \$37.50 | |
| 6 New Installations | 1 | HR | | | | | \$165 1st hour; \$120 subsequent | | \$75.00 | | \$37.50 | |
| 7 End User Training | 1 | HR | | | | | \$150 | | \$75.00 | | \$37.50 | |
| 8 Other not listed | 1 | HR | | | | | | | \$75.00 | | \$37.50 | |
| SERVICE CALLS - EVENT PRODU | QTY | UOM | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | | UNIT PRICE | |
| 9 Sound & Lighting Engineering | 1 | HR | | | | | \$150.00 | | \$300 per day | | \$73.50 per hour | |

SCORECARD

|  Score Card <small>Audio Visual & Event Production Services</small> RFB # 21023 | | | Non Responsive | | Non Responsive | | | | | |
|---|---------------|-------------|------------------------------------|-------------|------------------------|--------------|----------------------|-------|-------------------------|--|
| | | | Communication Concepts Ft Worth | | Epic Center Bedford | | Ford Audio Irving | | Mike Milligan Dallas | |
| Evaluation Criteria | Maximum Score | Score | Score | Score | Score | Score | Score | Score | Score | |
| Price | 40 | 0.00 | 0.00 | 0.00 | 9.16 | 40.00 | 30.00 | | | |
| Technical Merit & Ability to Meet City's needs | 40 | 0.00 | 0.00 | 0.00 | 40.00 | 38.00 | 32.00 | | | |
| Past experience with the City of Grand Prairie or another municipality | 15 | 0.00 | 0.00 | 0.00 | 15.00 | 15.00 | 7.50 | | | |
| Local Business Presence | 5 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | |
| Total | 100 | 0.00 | 0.00 | 0.00 | 64.16 | 93.00 | 69.50 | | | |

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 405090 02002603
 Project Title: Municipal Complex Ph II
 Current Request: \$0.00

| ACCOUNT DESCRIPTION | 1 CURRENT BUDGET | 2 AVAILABLE BALANCE | 3 CURRENT REQUEST | 2+3 REVISED BALANCE | 1+3 AMENDED BUDGET |
|-------------------------------|---------------------|------------------------|----------------------|------------------------|-----------------------|
| 60530 Small FFE | \$60,000 | \$17,803 | \$0 | \$17,803 | \$60,000 |
| 61041 Prof Engineering | \$23,560 | \$1,665 | \$0 | \$1,665 | \$23,560 |
| 61205 Environmental Remed | \$45,101 | \$1,462 | \$0 | \$1,462 | \$45,101 |
| 61405 Survey and Studies | \$3,402 | \$652 | \$0 | \$652 | \$3,402 |
| 63010 Bldgs and Grounds Maint | \$15,000 | \$2,572 | \$0 | \$2,572 | \$15,000 |
| 63125 Traffic Signals Maint | \$1,450 | \$1,450 | \$0 | \$1,450 | \$1,450 |
| 68270 Comm and Video Equip | \$38,572 | \$1,760 | \$0 | \$1,760 | \$38,572 |
| 68290 FFE | \$1,047,847 | \$207,898 | \$0 | \$207,898 | \$1,047,847 |
| 68380 Security Equip | \$114,162 | \$1 | \$0 | \$1 | \$114,162 |
| 68410 Data Processing Equip | \$299,302 | \$1 | \$0 | \$1 | \$299,302 |
| 68540 Construction | \$6,750,878 | \$175,701 | \$0 | \$175,701 | \$6,750,878 |
| 68560 Eng/Geo/Con | \$496,507 | \$0 | \$0 | \$0 | \$496,507 |
| | | | | \$0 | \$0 |
| TOTAL | \$8,895,781 | \$410,965 | \$0 | \$410,965 | \$8,895,781 |



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Maxine Snow

PRESENTER: Andy Henning, Senior Building and Construction Projects Manager

TITLE: Change Order/Amendment No. 6 with Hill & Wilkinson General Contractors for City Hall Municipal Campus Phase Two construction work in the amount of \$95,129.45 for masonic stone installation, added paint work, millwork relocation, mailroom relocation, glazing treatment, electrical upgrades required by code, punch list work resolution, security room enhancements and project closeout scope of work required to finalize phase 2 work

RECOMMENDED ACTION: Approve

ANALYSIS:

On June 4, 2019 the City Council awarded the Construction Manager at Risk (CMAR) contract to Hill & Wilkinson General Contractors (19 9024) for pre construction services in the amount of zero dollars (\$0). This award provided for CMAR services including development of project estimates, preliminary construction schedules, value engineering proposals and constructability review during the Design Phase.

Current Change Order/Amendment No. 6 in the amount of \$95,129.45 is divided as follows:

\$3,820.30 for installation of a masonic stone for the City Hall Complex

\$37,867.85 for repainting level 1 of City Hall Central + miscellaneous HR/Finance additions

\$7,473.38 for millwork relocation work associated with the City Hall East cash vault

\$15,033.19 for relocation of the mailroom from City Hall West to City Hall East

\$322.46 for application of translucent film on an exterior window facing into the loading dock

\$4,539.54 for electrical circuit breaker upgrades to achieve new code requirements

\$3,010.18 for additional scope of work brought about during the punch list process

\$7,358.45 for added large screen security monitors in the main lobby security check point

\$15,704.10 for added scope of work associated with final project closeout

Change Order/Amendment No. 1 in the amount of \$6,215,173 was approved by City Council on December 17, 2019 (19 9613) and represented the Guaranteed Maximum Price (GMP) for the scope of work defined in the Rouch Architects Construction Documents package as competitively bid by Subcontractors to Hill & Wilkinson General Contractors. Costs above and beyond the Hill & Wilkinson portion of the project addressed in Change Order/Amendment No. 1 included previously approved Construction Manager pre construction fees (\$0) and an asbestos remediation allowance (\$30,000); 5% contingency (\$310,759); allowance for FF&E (\$1,200,000); allowance for IT/data design and installation (\$95,000); allowance for A/V equipment (\$200,000); allowance for door access and security systems (\$95,000); allowance for Oncor Electric power line relocation (\$125,000); plus an allowance for construction testing (\$25,000), all of which total the overall project budget of \$8,295,932.

Change Order/Amendment No. 2 in the amount of \$109,179.10 was approved by City Council on June 2, 2020 (20 10026) and was comprised of the following:

\$7,980.98 for electrical panel LA 4 coordination with existing conditions

\$94,410.97 for electrical upgrades of existing equipment in order to meet all code requirements

\$528.84 for minor adjustments to landscape and civil engineering designs to coordinate both scopes

\$2,706.35 for change in length of HVAC slot diffusers required to allow proper air flow

\$3,551.96 for replacement of existing fire alarm strobes in City Hall West in order to allow new overall fire alarm system for all three (3) connected City Hall buildings to communicate seamlessly and report appropriately to the Grand Prairie Fire Department

Change Order/Amendment No. 3 in the amount of \$75,637.77 was approved by City Council on August 4, 2020 (20 10204) and was comprised of the following:

\$70,495.30 for additional structural steel supports, masonry supports and exterior stone material

\$2,083.41 for additional door, frame and hardware required

\$19,667.82 for a trench drain along the west side of the building due to moisture concerns

\$5,094.41 for added moisture barrier at exterior walls

\$14,950.65 for additional structure steel support due to existing conditions discovered

\$4,085.16 for further electrical code compliance upgrades of existing equipment

\$1,813.29 for raising of an existing rooftop mechanical unit to coordinate with new roof installation

\$3,915.56 for wood panel material and stain revisions above the public lobby transaction windows

\$1,894.96 for added metal stud framing and drywall to create a required soffit condition

\$48,069.22 credit for elimination of the potassium injection treatment

\$1,863.56 for added wood paneling framing support above the public lobby transaction windows

\$2,737.76 for ten revised hollow metal door frames to coordinate with the ceiling height reduction

\$4,894.89 credit for reimbursement for new furniture ordered due to water infiltration damage

Change Order/Amendment No. 4 in the amount of \$103,689.52 was approved by City Council on October 13, 2020 (20 10432) and was comprised of the following:

\$9,603.60 for millwork changes to lobby drawing review counter including added structural steel

\$7,361.04 for repair of an existing concrete grade beam that was discovered to be damaged

\$8,922.02 for concrete ramp work due to uncovered floor elevation conflict at southwest connector

\$4,545.99 for protective wall covering in conference rooms to prevent wall damage from chairs

\$1,917.99 for a curb drain to coordinate with existing grades and new concrete ramp construction

\$7,537.97 for added structural steel at east façade to address existing conditions lacking support

\$3,297.86 for concrete masonry block infill at hidden opening condition uncovered

\$70,837.11 for reinstatement of interior finish materials previously removed from lobby design

\$2,089.70 for additional manually operated roller shades at south facing lobby huddle rooms

\$2,406.92 credit for deletion of specialty breakroom equipment not required

\$10,016.84 credit for painting of the existing exterior masonry in lieu of stain due to existing condition of mortar material at the northeast wall area and all north wall square footage

Change Order/Amendment No. 5 in the amount of \$98,214.32 was approved by City Council on November 3, 2020 (20 10476) and was comprised of the following:

\$6,755.90 for plumbing work associated with relocation of the Atmos gas meter

\$28,244.65 for expanded landscaping within the area just to the east of City Hall West

\$29,359.81 for COVID 19 costs associated with monitoring construction workers daily for 3 months

\$3,618.76 for painting revisions associated with the exposed ceiling in the entry lobby of City Hall East

\$1,960.85 for painting of screening supports along the west wall of City Hall East

\$16,927.57 for expanded landscaping to finish the area just south of phase 2 work now versus in phase 3

\$4,084.40 for existing door repairs and refinishing at the Transportation Management Center

\$8,127.18 for Fire Plan Review storage room revisions and additions

\$4,187.75 for additional floor preparation and leveling prior to tile installation due to existing conditions

\$34,891.37 for removal/reinstatement of the temporary construction yard on the Boze GPISD property

\$4,121.81 for electrical work required to meet code requirements per city inspector review

\$44,065.73 credit for signage costs not required by code

Items applicable to performance by the Construction Manager at Risk (CMAR) will be incorporated into the current Hill & Wilkinson General Contractors contract for a revised total contract in the amount of \$6,697,023.16.

This item was taken to the Finance and Government Committee on February 2, 2021 for their review and recommendation for approval.

FINANCIAL CONSIDERATION:

Funding in the amount of \$95,129.45 is available in Municipal Facilities Capital Projects Fund (405090) W.O. 02002603 (Municipal Complex Ph II)



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 02/02/2021

REQUESTER: Mona Lisa Galicia

PRESENTER: Becky Brooks, Chief Financial Officer; Cheryl De Leon, Deputy City Manager; Mona Lisa Galicia, City Secretary

TITLE: Ordinance Calling a Bond Election for the Purpose of Providing Funds for Economic Development Throughout the City

RECOMMENDED ACTION: Approve

ANALYSIS:

An election will be held to authorize the City Council of the City of Grand Prairie to issue general obligation bonds to provide funds for promoting economic development throughout the City.

FINANCIAL CONSIDERATION:

Funding is available in the FY General Fund City Manager's budget (111210) Elections expense account (61365).

AN ORDINANCE CALLING A BOND ELECTION TO BE HELD IN THE CITY OF GRAND PRAIRIE, TEXAS; MAKING PROVISION FOR THE CONDUCT OF AN ELECTION; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION

* * * * *

WHEREAS, the City Council (the *Council*) of the CITY OF GRAND PRAIRIE, TEXAS (the *City*), located in Dallas County, Ellis County and Tarrant County, Texas hereby finds and determines that an election should be held on May 1, 2021, to determine whether the Council shall be authorized to issue general obligation bonds of the City in the amount and for the purposes hereinafter identified (the *Election*); and

WHEREAS, the City will enter into election services contracts with the Dallas County Elections Administrator, the Ellis County Elections Administrator and the Tarrant County Elections Administrator, in accordance with the provisions of Subchapter D of Chapter 31, as amended, Texas Election Code, or other applicable law, pursuant to which the Elections Administrators will assist with certain aspects of the Election on the City’s behalf;

WHEREAS, the Council hereby finds and determines that the necessity to promote economic development within the City necessitates that it is in the public interest to call and hold the Election at the earliest possible date to authorize the issuance of general obligation bonds for the purposes hereinafter identified; and

WHEREAS, the Council hereby finds and determines that the holding of the Election is in the best interests of the residents of the City; now, therefore,

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

SECTION 1. The Election shall be held in the CITY OF GRAND PRAIRIE, TEXAS on the 1st day of May, 2021 (*Election Day*), which is a uniform election date under the Texas Election Code, as amended, and is not less than 78 days nor more than 90 days from the date of the adoption of this ordinance (the *Ordinance*), for the purpose of submitting the following proposition to the qualified voters of the City:

CITY OF GRAND PRAIRIE, TEXAS PROPOSITION A

“SHALL the City Council of the City of Grand Prairie, Texas be authorized to issue general obligation bonds of the City in the aggregate principal amount of \$75,000,000 for the purpose of providing funds for promoting economic development throughout the City, through planning, designing, constructing, improving, extending and expanding public streets, utilities, and other infrastructure facilities, including the acquisition of land therefor, and through the City’s programs for economic development and housing including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants, loans and otherwise providing assistance with bond proceeds to promote economic development and to stimulate business and commercial activity in the City for private commercial, industrial, retail, residential and mixed-

use development, hospitality and entertainment projects and neighborhood revitalization projects; such bonds to mature serially over a period not to exceed forty (40) years from their date, to be issued in such installments and sold at any price or prices and to bear interest at any rate or rates (fixed, floating, variable or otherwise) as shall be determined within the discretion of the City Council under laws in effect at the time of issuance and to provide for the payment of principal and interest on said bonds by levying a tax sufficient to pay the annual interest on and to create a sinking fund sufficient to redeem said bonds as they become due.

SECTION 2. Pursuant to an agreement to be entered into with the Dallas County Elections Department, for that portion of the City located in Dallas County, the Ellis County Elections Department for that portion of the City located in Ellis County and the Tarrant County Elections Department for that portion of the City located in Tarrant County, the election shall be conducted by the Dallas County Elections Department, the Ellis County Elections Department and the Tarrant County Elections Department, respectively, in accordance with the provisions of the respective agreements for election services (the “Contracts”).

The polling places for this election are shown in **Exhibit A**, which is attached hereto and incorporated herein by reference as a part of this Ordinance for all purposes. The election officers and maximum number of clerks for each polling place shall be determined and appointed in accordance with the Contracts.

On election day, the polls shall be open from 7:00 a.m. to 7:00 p.m.

SECTION 3. With respect to that portion of the City located in Dallas County, the locations, dates and times for early voting for this election shall be as shown in **Exhibit B**, which is attached hereto and incorporated herein by reference as a part hereof for all purposes. Michael J. Scarpello, Dallas County Elections Administrator, is hereby appointed early voting clerk and shall appoint and designate deputy clerks at such early voting polling place in accordance with the agreement with the Dallas County Elections Department.

With respect to that portion of the City located in Ellis County, the locations, dates and times for early voting for this election shall be as shown in **Exhibit C**, which is attached hereto and incorporated herein by reference as a part hereof for all purposes. Jana Onyon, Ellis County Elections Administrator, is hereby appointed as early voting clerk and shall appoint and designate deputy clerks for early voting in accordance with the agreement with the Ellis County Elections Department.

With respect to that portion of the City located in Tarrant County, the locations, dates and times for early voting for this election shall be as shown in **Exhibit D**, which is attached hereto and incorporated herein by reference as a part hereof for all purposes. Heider I. Garcia, Tarrant County Elections Administrator, is hereby appointed as early voting clerk and shall appoint and designate deputy clerks for early voting in accordance with the agreement with the Tarrant County Elections Department.

For purposes of processing ballots cast in early voting, the election officers for the early voting ballot board for this election shall be appointed and designated in accordance with the provisions of the Contracts.

SECTION 4: With respect to voters of the City residing in Dallas County, the Central Counting Station for the tabulation and counting of ballots for this election shall be located at the Office of the Elections Department, 1520 Round Table Drive, Dallas, Texas and the Manager, Tabulation Supervisor, Presiding Judge and Alternate Presiding Judge at such Central Counting Station shall be determined, appointed and designated in accordance with the agreement with the Dallas County Elections Department. The Manager and Presiding Judge of such Central Counting Station may appoint clerks to serve at such Station, as provided by Texas Election Code, Section 127.006, as amended.

With respect to voters of the City residing in Ellis County, the Central Counting Station for the tabulation and counting of ballots for this election shall be located at the Ellis County Election Department, 204 E. Jefferson Street, Waxahachie, Texas and the Manager, Tabulation Supervisor, Presiding Judge and Alternate Presiding Judge at such Central Counting Station shall be determined, appointed and designated in accordance with the agreement with the Ellis County Elections Department. The Manager and Presiding Judge of such Central Counting Station may appoint clerks to serve at such Station, as provided by Section 127.006 of the Election Code, as amended.

With respect to voters of the City residing in Tarrant County, the Central Counting Station for the tabulation and counting of ballots for this election shall be located at the Tarrant County Election Department, 2700 Premier Street, Fort Worth, Texas and the Manager, Tabulation Supervisor, Presiding Judge and Alternate Presiding Judge at such Central Counting Station shall be determined, appointed and designated in accordance with the agreement with the Tarrant County Elections Department. The Manager and Presiding Judge of such Central Counting Station may appoint clerks to serve at such Station, as provided by Section 127.006 of the Election Code, as amended.

SECTION 5. The official ballot shall be prepared in accordance with the Texas Election Code, as amended, so as to permit voters to vote “FOR” or “AGAINST” the aforesaid proposition which shall appear on the ballot substantially as follows:

CITY OF GRAND PRAIRIE, TEXAS PROPOSITION A

“THE ISSUANCE OF \$75,000,000 GENERAL OBLIGATION BONDS FOR PROMOTING ECONOMIC DEVELOPMENT WITHIN THE CITY AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS”

SECTION 6. All resident qualified voters of the City shall be permitted to vote at the Election, and on Election Day, such voters shall vote at the designated polling places. The Election shall be held and conducted in accordance with the laws of the State of Texas, including the provisions of the Texas Election Code, as amended, the Texas Government Code, as amended, including Chapter 1251 and as may be required by any other law. To the extent required by law, all materials and proceedings relating to the Election shall be printed in both English, Spanish and Vietnamese.

SECTION 7. Notice of election, including a Spanish and Vietnamese translation thereof, shall be published on the same day in each of two successive weeks in a newspaper of general circulation in the City, the first of these publications to appear in such newspaper not more than 30 days, and not less than 14 days, prior to Election Day. Moreover, a substantial copy of this Ordinance and the voter information attached as **Exhibit E**, including a Spanish and Vietnamese translation thereof, shall be posted (i) at City Hall not less than 21 days prior to Election Day; (ii) at three additional public places within the City not less than 21 days prior to Election Day, (iii) in a prominent location at each polling place on Election Day and during early voting, and (iv) in a prominent location on the City's internet website not less than 21 days prior to Election Day. A sample ballot shall be posted on the City's internet website not less than 21 days prior to Election Day.

SECTION 8. As required by and in accordance with Section 3.009(b)(5) and (7) through (9) of the Texas Election Code, the City, as of the date of this Ordinance, had outstanding an aggregate principal amount of debt equal to \$311,330,000; the aggregate amount of the interest owed on such City debt obligations, through respective maturity, totaled \$93,600,000; and the City levied an ad valorem debt service tax rate for its outstanding debt obligations of \$404,930,000 per \$100 of taxable assessed valuation. The City estimates an ad valorem debt service tax rate of \$0 per \$100 of taxable assessed valuation if the bonds that are subject of the Election are approved and are issued the City, as of the date of this Ordinance, had outstanding an aggregate principal amount of debt equal to \$311,330,000; the aggregate amount of the interest owed on such City debt obligations, through respective maturity, totaled \$93,600,000; and the City levied an ad valorem debt service tax rate for its outstanding debt obligations of \$.20936 per \$100 of taxable assessed valuation. The City estimates an ad valorem debt service tax rate of \$.20936 per \$100 of taxable assessed valuation if the bonds that are subject of the Election are approved and are issued (taking into account the outstanding City bonds and bonds that are the subject of this Election, but not future bond authorizations of the City). The bonds that are the subject of this Election shall mature serially or otherwise overall a specified number of years (not more than 40 years from their date), as preserved by applicable Texas law, though the City estimates that, based on current bond market conditions, such bonds will amortize over a 30-year period from their respective date of issue. The foregoing estimated tax rate and amortization period are only estimates, provided for Texas statutory compliance, and do not serve as a cap on any City ad valorem tax rate or the amortization period for bonds that are the subject of this Election.

SECTION 9. The Council authorizes the Mayor, the City Manager, or their respective designee, to negotiate and enter into one or more election agreements and/or similar contracts or agreements with Dallas County, Ellis County and Tarrant County, acting by and through their respective Elections Administrators, as permitted and in accordance with the provisions of the Texas Election Code, as amended. In addition, the City authorizes the Mayor, the City Manager, or their respective designee of either of such parties to make such technical modifications to this Ordinance that are necessary for compliance with applicable Texas or federal law or to carry out the intent of the Council, as evidenced herein. To the extent that any duty or obligation of the City, in general, or any City official, in particular, is properly delegated to the Dallas County, Ellis County and Tarrant County pursuant to an election agreement with such County, then the County's carrying out those duties and obligations on the City's behalf pursuant to the terms of such election agreement shall be binding upon the City and are hereby determined by the Council to be evidence

of the City’s compliance with the provisions of applicable Texas law concerning the Election relative to the same.

SECTION 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

SECTION 11. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 12. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 13. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 14. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 15. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption.

SECTION 16. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended and as in effect on the date hereof.

SECTION 17. This Ordinance shall take effect and be in full force from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND APPROVED on the _____ day of _____, 2021.

CITY OF GRAND PRAIRIE, TEXAS

Ron Jensen
Mayor

ATTEST:

Mona Lisa Galicia
City Secretary

(CITY SEAL)

Exhibit A**ELECTION DAY POLLING PLACES**

Election Day: Saturday, May 1, 2021

Election Day Polling Locations open from 7 a.m. to 7 p.m.

Presiding Judge(s) and Alternate(s): to be determined by the County Election Administrators

Polling Locations

Dallas County, Ellis County and Tarrant County participate in the Countywide Polling Place program under Section 43.007, as amended, Texas Election Code. Registered voters will be able to cast their Election Day ballots at any of the Vote Centers in the County of their residence. Locations will be identified and published in the forthcoming election notice.

Exhibit B**EARLY VOTING**

Early voting begins April 19, 2021 and ends on April 27, 2021.

Dallas County Early Voting Clerk: Michael Scarpello, 1520 Round Table Drive, Dallas, Texas 75247.

Ellis County Early Voting Clerk: Jana Onyon, 204 E. Jefferson Street, Waxahachie, Texas 75165

Tarrant County Early Voting Clerk: Heider Garcia, 2700 Premier Street, Fort Worth, Texas 76111

Presiding Judges of the Early Voting Ballot Boards: to be determined by the Administrators.

Voters entitled to vote an early ballot by personal appearance may do so at any Early Voting site within the county of their residence.

Main Early Voting Polling Place, Dates, and Times

| Polling Place | Dates | Times |
|--|---------------------------------|------------------------|
| Dallas County 1520 Round Table Drive, Dallas, Texas 75247 | April 19 – 23, Monday – Friday | 8:00 a.m. - 5:00 p.m. |
| | April 24, Saturday | 8:00 a.m. - 5:00 p.m. |
| | April 25, Sunday | 1:00 p.m. - 6:00 p.m. |
| | April 26 – 27, Monday – Tuesday | 7:00 a.m. - 7:00 p.m. |
| Ellis County 204 E. Jefferson Street, Waxahachie, Texas 75165 | April 19 – 23, Monday – Friday | 8:00 a.m. - 5:00 p.m. |
| | April 24, Saturday | 8:00 a.m. - 4:00 p.m. |
| | April 26 – 27, Monday – Tuesday | 7:00 a.m. - 7:00 p.m. |
| Tarrant County 2700 Premier Street, Fort Worth, Texas 76111 | April 19 – 23, Monday – Friday | 8:00 a.m. - 5:00 p.m. |
| | April 24, Saturday | 7:00 a.m. - 7:00 p.m. |
| | April 25, Sunday | 11:00 a.m. - 4:00 p.m. |
| | April 26 – 27, Monday - Tuesday | 7:00 a.m. - 7:00 p.m. |

Branch Early Voting Polling Places, Dates, and Times will be determined by the Dallas, Tarrant and Ellis County Elections Administrators and published in the forthcoming election notice.

Early Voting by Mail

Dallas County, Texas

Applications for voting by mail should be received no later than the close of business (5:00 p.m.) on April 20, 2021. Applications should be sent to:

1520 Round Table Drive, Dallas, Texas 75247
 phone: (469) 627-VOTE (8683)
 fax: (214) 819-6301
 email: dallascountyvotes@dallascounty.org

If an application for ballot by mail is faxed or emailed (or if a federal postcard application is faxed), the applicant must also mail the original application so that the early voting clerk receives the original no later than four days after receiving the emailed or faxed copy.

Ellis County, Texas

Applications for voting by mail should be received no later than the close of business (5:00 p.m.) on April 20, 2021. Applications should be sent to:

204 E. Jefferson Street, Waxahachie, Texas 75165
 phone: 972-825-5195
 fax: 972-923-5194
 email: elections@co.ellis.tx.us

If an application for ballot by mail is faxed or emailed (or if a federal postcard application is faxed), the applicant must also mail the original application so that the early voting clerk receives the original no later than four days after receiving the emailed or faxed copy.

Tarrant County, Texas

Applications for voting by mail should be received no later than the close of business (5:00 p.m.) on April 20, 2021. Applications should be sent to:

2700 Premier Street, Fort Worth, Texas 76111
 phone: 817-831-VOTE (8683)
 fax: 817-850-2344
 email: votebymail@tarrantcounty.com

If an application for ballot by mail is faxed or emailed (or if a federal postcard application is faxed), the applicant must also mail the original application so that the early voting clerk receives the original no later than four days after receiving the emailed or faxed copy.

Exhibit C

VOTER INFORMATION DOCUMENT

Grand Prairie City, Texas Proposition A:

| | |
|--|--|
| <input type="checkbox"/> FOR (a favor) <input type="checkbox"/> AGAINST (en contra) | <p>“THE ISSUANCE OF \$75,000,000 GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR PROMOTING ECONOMIC DEVELOPMENT THROUGHOUT THE CITY, THROUGH PLANNING, DESIGNING, CONSTRUCTING, IMPROVING, EXTENDING AND EXPANDING PUBLIC STREETS, UTILITIES, AND OTHER INFRASTRUCTURE FACILITIES, INCLUDING THE ACQUISITION OF LAND THEREFOR, AND THROUGH THE CITY’S PROGRAMS FOR ECONOMIC DEVELOPMENT AND HOUSING INCLUDING THE ACQUISITION OF IMPROVED AND UNIMPROVED PROPERTIES, THE DEMOLITION OF EXISTING STRUCTURES, MAKING GRANTS, LOANS AND OTHERWISE PROVIDING ASSISTANCE WITH BOND PROCEEDS TO PROMOTE ECONOMIC DEVELOPMENT AND TO STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY FOR PRIVATE COMMERCIAL, INDUSTRIAL, RETAIL, RESIDENTIAL AND MIXED-USE DEVELOPMENT, HOSPITALITY AND ENTERTAINMENT PROJECTS AND NEIGHBORHOOD REVITALIZATION PROJECTS AND THE IMPOSITION OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS.”</p> |
|--|--|

| | |
|---|----------------|
| principal of debt obligations to be authorized | \$75,000,000 |
| estimated interest for the debt obligations to be authorized presuming an interest rate of <u>3.0</u> % | \$39,793,333 |
| estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized amortized over 30 years | \$ 114,793,333 |
| as of the date the election was ordered, principal of all outstanding debt obligations | \$311,300,000 |
| as of the date the election was ordered, the estimated interest on all outstanding debt obligations | \$93,600,000 |
| estimated combined principal and interest required to pay on time and in full all outstanding debt obligations amortized over 30 years | \$404,930,000 |

| | |
|--|-----|
| estimated maximum annual increase in the amount of taxes on a residence homestead with a taxable value of \$100,000 to repay the debt obligations to be authorized, if approved This figure assumes the amortization of the City's debt obligations, including outstanding debt obligations and the proposed debt obligation; changes in estimated future appraised values within the City; and the assumed interest rate on the proposed debt obligations. | \$0 |
|--|-----|

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**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 02/2/2021

REQUESTER: Becky L. Brooks

PRESENTER: Becky L. Brooks

TITLE: APPROVE RESOLUTION ADOPTING 2021 FINANCIAL MANAGEMENT POLICIES

RECOMMENDED ACTION: Approve

ANALYSIS:

Each year, the Finance department facilitates a review of the City's overall Financial Management policies. Having a formal set of financial management policies is not only industry best practice, but these policies guide the decision-making process of the organization leadership on items relevant to fiscal stewardship. They are also a major aspect of our bond rating process, both from the existence of the policies, as well as our ability to comply with our stated guidelines.

This year, the review included leadership from Budget, Public Works, Human Resources, Housing, Solid Waste, Internal Audit, Information Technology and Parks & Recreation. Attached is a marked-up version to highlight any changes that are recommended. Also attached is a 'clean copy' for final adoption which will be forwarded to City Council for 2/16 approval.

Most of the changes are administrative clarification or edits, such as title changes, grammar, etc. The more substantive changes include: (the reference is to the sections of the marked up copy, since some numbering formats will be different in the clean copy)

- V. F. Capital Lending Reserve – interest earnings are not allocated to this fund
- V. G. Street Maintenance – updated frequency of assessment to annually
- VI. F. Cost Benefit of Abatements – extended to include TIF/TIRZ reinvestment zones
- VI. O. General and Administrative Charges – extend to include TIF/TIRZ and potentially special districts
- VII. E. Purchasing – updated to reflect relevant codes
- VII. I. Information Technology – updated to require lease agreements to be approved by Finance and to expand items identified to be paid from other funds.
- VIII. D. Risk Management Reserves – expanded to increase contingency reserves as previously reviewed by F&G
- XII. C. Budgeting (for Grants) – removed some unclear and somewhat redundant language.

City Management and staff recommend adoption of the attached resolution.

FINANCIAL CONSIDERATION:

NONE

BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, APPROVING THE CITY'S FINANCIAL MANAGEMENT POLICIES

WHEREAS, a comprehensive set of financial management policies is an industry best practice, an important governance tool, and a strong signal to the municipal bond credit market as to the City's fiscal stewardship and management;

WHEREAS, each year, city management and an interdisciplinary team of staff review the overall financial management policies of the city for applicability and refinement and submit for governance approval;

WHEREAS, the 2021 review resulted in minor administrative edits and few substantive changes that were identified and covered; and

WHEREAS, the Finance and Government Committee reviewed and adopted these policies on 2/2/2021 with approval to submit to City Council.

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 attached Financial Management Policy

SECTION 2. This resolution shall be in force immediately upon its passage 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, FEBRUARY 16, 2021.

**CITY OF GRAND PRAIRIE
FINANCIAL MANAGEMENT POLICIES
February 2nd, 2021
Prepared by the Finance Department**

FINANCIAL MANAGEMENT POLICIES

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I. PURPOSE STATEMENT

These policies are developed by the City Manager to guide the Chief Financial Officer, Audit Services Director, Budget Director, and other department staff in all financial matters. The overriding goal of the Financial Management Policies is to enable the City to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council—Manager form of government established in the City Charter. The watchwords of the City’s financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policies is to provide guidelines for the financial management staff in planning and directing the City’s day-to-day financial affairs and in developing recommendations to the City Manager. The scope of the policies spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management, expenditure control, and debt management.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **ACCOUNTING** - The City Controller is responsible for establishing the chart of accounts, and for properly recording financial transactions.
- B. **FUNDS** - Self-balancing groups of accounts are used to account for City financial transactions in accordance with generally accepted accounting principles. Each fund is created for a specific purpose except for the General Fund which is used to account for all transactions not accounted for in other funds. Funds are created and fund names are changed by City Council approval either through resolution during the year or in the City Council’s approval of the annual operating or capital budget ordinances.
- C. **EXTERNAL AUDITING** - The City will be audited annually by outside independent auditors. The auditors must be a CPA firm of national reputation and must demonstrate that they have the breadth and depth of staff to conduct the City’s audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements. The auditors’ report on the City’s financial statements including federal grants (single audit) will be completed within 180 days of the City’s fiscal year end, and the auditors’ management letter will be presented to the City staff within 180 days after the City’s fiscal year end. Staff will attempt to complete the reports prior to this, with a reach goal of 120 days. An interim management letter will be issued prior to this date if any materially significant internal control weaknesses are discovered. The City staff and auditors will jointly review the management letter with the City Council Finance and Government Committee and City Council within sixty (60) days of its receipt by the staff.
- D. **EXTERNAL AUDITORS’ RESPONSIBILITY TO CITY COUNCIL** - The external auditors are accountable to the City Council and will have access to direct communication with the City Council if the City staff is unresponsive to auditor recommendations or if the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

The City Council Finance and Government Committee will conduct at least one closed session annually with the auditors present without the presence of City staff. Such meeting shall be conducted in accordance with the Open Meetings Act.

- E. EXTERNAL AUDITOR ROTATION** - The City will not require external auditor rotation but will circulate requests for proposal for audit services periodically, normally at five-year intervals. The City will also consider periodic partner in charge rotations if continuing with existing auditors past five years.
- F. INTERNAL AUDITING** - The City Manager established an internal audit function February 1, 1989. The Audit Services Director reports to the City Manager's office. The annual work plan for internal audit includes compliance test work and performance auditing along with designated special projects. The internal audit work plan is approved annually by the City Manager's office and by the Finance and Government Committee.
- G. EXTERNAL FINANCIAL REPORTING** - The City will prepare and publish a comprehensive annual financial report (CAFR). The CAFR will be prepared in accordance with generally accepted accounting principles and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certification of Achievement for Excellence in Financial Reporting. The CAFR will be published and presented to the City Council within 180 days after the end of the fiscal year. City staffing limitations may preclude such timely reporting. In such case, the Chief Financial Officer will inform the City Manager and the City Manager will inform the City Council of the delay and the reasons therefore.
- H. INTERNAL FINANCIAL REPORTING** - The Finance and Budget departments will provide internal financial information, via online access or reports, sufficient for management to plan, monitor, and control the City's financial affairs. Internal financial reporting objectives are addressed throughout these policies.

III. INTERNAL CONTROLS

- A. WRITTEN PROCEDURES** - The Chief Financial Officer and Audit Services Director are responsible for developing City-wide written guidelines on accounting, cash handling, and other financial matters which will be approved by the City Manager and Finance and Governance (F&G) Committee. Annually, the City Manager and F&G committee will approve the Internal Audit work plan. Projects on the work plan will be reviewed quarterly by the F&G committee.

The Finance Department will assist department managers as needed in tailoring these guidelines into detailed written procedures to fit each department's requirements.

- B. INTERNAL AUDIT** – Audit Services will conduct reviews of the departments to determine if the departments are following the written guidelines as they apply to the departments. They will also review the written guidelines on accounting, cash handling, and other financial matters. Based on these reviews, Audit Services will recommend internal control improvements as needed.

- C. DEPARTMENT MANAGERS' RESPONSIBILITY** - Department Managers' responsibilities to the City Manager are to ensure that good internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented, and that all independent and internal auditor internal control recommendations are addressed.

IV. OPERATING BUDGET

- A. PREPARATION** - The City's "operating budget" is the City's annual financial operating plan. The operating budget's basis of accounting will be cash or modified accrual and reconciled to the annual audit. The budget is prepared by the Budget Office with the cooperation of all City Departments and is submitted to the City Manager who makes any necessary changes and transmits the document to the City Council. The budget should be presented to the City Council no later than six (6) weeks prior to fiscal year end and should be enacted by the City Council prior to fiscal year end.
- B. BALANCED BUDGETS** - The operating budgets will be balanced with current revenues, exclusive of beginning resources, greater than or equal to current expenditures/expenses. Funds deemed at risk will be updated either monthly or quarterly to the Finance and Government Committee.
- C. PLANNING** - The budget process will be coordinated so as to identify major policy issues for City Council consideration several months prior to the budget approval date. The Budget Office will work closely with the Finance and Government Committee in order to review all budgeted funds prior to submitting a proposed budget to the entire City Council.
- D. REPORTING** - Monthly financial reports will be prepared and made available to Department Managers for use in managing their budgets and to enable the Budget Director to monitor and control the budget as authorized by the City Manager.
- E. CONTROL** - Operating expenditure controls are addressed throughout these policies.

V. CAPITAL BUDGET AND PROGRAM

- A. PREPARATION** - The City's capital budget will include all capital project funds and all capital resources, excluding TIFs, PIDs, grants, and other unique projects. This budget will be prepared annually on a fiscal year basis and adopted by ordinance. The capital budget will be prepared by the Budget Office with the involvement of all required City departments.
- B. CONTROL** - All capital project expenditures must be appropriated in the capital budget, excluding TIFs, PIDs, grants, and other unique projects. The Budget Office must certify the availability of resources so an appropriation can be made before a capital project contract is presented by the City Manager to the City Council for approval.
- C. PROGRAM PLANNING** - The capital budget will include plans for a capital improvements program for future years. The planning time frame should be at least five years. The replacement and maintenance for capital items should also be projected for the next 5 years. Future

maintenance and operations will be fully costed, so that these costs can be considered in the operating budget.

D. ALTERNATE RESOURCES - Where applicable, assessments, impact fees, and/or other user-based fees should be used to fund capital projects which have a primary benefit to certain property owners.

E. DEBT FINANCING - Recognizing that debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire and/or construct major capital assets with expected lives equal to or exceeding the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, capitalized labor for the design and construction of capital projects, and small component parts which are attached to major equipment purchases. The City's debt policy will guide the use and extent of debt financing.

F. CAPITAL AND LENDING RESERVE FUND

The City established a Capital and Lending Reserve Fund in December, 2009 which is monitored by the Budget department and accounted for by the Finance Department separately from all other funds. There are no set funding sources; however, contributions may be added to this fund by recommendation of the City Manager's Office (CMO) and the Finance and Government Committee and must be approved by the City Council.

Expenditures and disbursements from the Capital Lending and Reserve Fund must be authorized and approved by City Council action following recommendations by the City Manager's Office and the Finance and Government Committee. A plan to replenish the fund over a reasonable time frame will be included in this authorization. There may be one-time uses that will not be repaid.

G. STREET MAINTENANCE - The City recognizes that deferred street maintenance increases future capital costs by an estimated 5 to 10 times. In 2017, the city voted ¼ cent of its sales tax and dedicated those revenues to street maintenance. Additionally, the city devotes PILOT and franchise fee revenue to street maintenance. A street maintenance paving assessment is done annually. The city reserves 10% of sales tax revenues for this purpose.

H. WATER/WASTEWATER MAIN REHABILITATION AND REPLACEMENT - The City recognizes that deferred water/wastewater main rehabilitation and replacement increases future costs due to loss of potable water from water mains and inflow and infiltration into wastewater mains. Therefore, to ensure that the rehabilitation and replacement program is adequately funded, the City's will annually appropriate cash as available.

I. GENERAL GOVERNMENT CAPITAL RESERVE - A reserve will be maintained for general governmental capital projects. The reserve will be funded with General Fund operating surpluses. The reserve will be used for, for major capital outlay, and for unplanned projects. As soon as practicable after each fiscal year end when annual operating results are known, any General Fund operating surplus in excess of budget which is not required to meet ending resources requirements may be transferred to the reserve with the approval of the City Council.

- J. REPORTING** - Monthly financial information will be available to enable Department Managers to manage their capital budgets and to enable the Budget Office to monitor the capital budget as authorized by the City Manager.

VI. REVENUE MANAGEMENT

- A. SIMPLICITY** - The City will strive to keep the revenue system simple which will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.
- B. CERTAINTY** - An understanding of the revenue source increases the reliability of the revenue system. The City will try to understand its revenue sources and enact consistent collection policies so that assurances can be provided that the revenue base will materialize according to budgets and plans.
- C. EQUITY** - The City will strive to maintain equity in the revenue system structure. That is, the City will seek to minimize or eliminate all forms for subsidization between entities, funds, services, utilities, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances, e.g., senior citizen property tax exemptions or partial property tax abatement.
- D. ADMINISTRATION** - The benefits of revenue will exceed the cost of producing the revenue. The cost of collection will be reviewed for cost effectiveness as a part of the indirect cost and cost of services analysis. Where appropriate, the City will use the administrative processes of State or Federal collection agencies in order to reduce administrative costs.
- E. REVENUE ADEQUACY** - The City will require that there be a balance in the revenue system. That is, the revenue base will have the characteristic of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
- F. COST/BENEFIT OF ABATEMENT AND REINVESTMENT ZONES** - The City will use due caution in the analysis of any tax, fee, or water and wastewater incentives that are used to encourage development. Ideally, a cost/benefit (fiscal impact) analysis will be performed as a part of such analysis. Annually, the City will also assess the current boundaries, revenues, and participation levels of the tax increment reinvestment zones and determine their ongoing viability. The City will include administrative costs in the use of TIRZ revenues. The City will follow an overall economic development program as authorized by the City Manager.
- G. DIVERSIFICATION AND STABILITY** - In order to protect the government from fluctuations in a revenue source due to fluctuations in the economy, and variations in weather, (in the case of water and wastewater), a diversified revenue system will be maintained across the organization.
- H. NON-RECURRING REVENUES** - One-time revenues will not be used for ongoing operations. Non-recurring revenues will be used only for non-recurring expenditures. Care will be taken not to use these revenues for budget balancing purposes.

- I. PROPERTY TAX REVENUES** - Property shall be assessed at 100% of the taxable value as appraised by the Dallas Central, Ellis, and Tarrant Appraisal Districts. Reappraisals and reassessments shall be completed as required by State law. A 99.5% collection rate will serve as a target budget for tax collections with a delinquency rate of 1% or less barring extraordinary circumstances. The 99.5% rate is calculated by dividing total current year tax collections for a fiscal year by the total tax levy for the fiscal year. All delinquent taxes will be aggressively pursued. Delinquencies greater than 150 days will be turned over to the City Attorney or a private attorney, and a penalty assessed to compensate the attorney as allowed by state law and in accordance with the attorney's contract. Annual performance criteria will be developed for the attorney.
- J. PARKS AND RECREATION VENUE SALES TAX REVENUE** – Parks and Recreation Venue sales tax revenue shall supplement, but not supplant, the funding for the Parks and Recreation System which was in place prior to 2000. No more than 49.99% of Parks and Recreation Venue sales tax revenue may be used for operations. At least 50.01% of the revenue will be dedicated to capital expenditures and debt service for Parks and Recreation System improvements and for associated reserves.
- K. EMPLOYEE INSURANCE FUND** – Since a portion of the revenue in the Employee Insurance Fund is deducted from employee paychecks for the specific purpose of providing health and life insurance coverage, no funds shall ever be transferred out of this fund to be used for any other purpose. Any additional contingency will be budgeted in the Risk Fund for added flexibility. The Finance and Government Committee will review the status of the fund no less than quarterly.
- L. USER-BASED FEES** - For services associated with a user fee or charge, the direct and indirect costs of that service will be offset by a fee where possible. There will be a review of fees and charges to ensure that fees provide adequate coverage of costs of services. User charges may be classified as “full cost recovery”, “partial cost recovery”, and “minimal cost recovery”, based upon City Council policy.
- M. IMPACT FEES** - Impact fees will be imposed for water and wastewater, in accordance with the requirements of state law. The staff working with the Impact Fee Advisory Committee (Planning and Zoning Commission) shall prepare a semi-annual report on the capital improvement plans and fees. Additionally, the impact fees will be re-evaluated at least every five years as required by law.
- N. IN-LIEU-OF PROPERTY TAX** - The in-lieu-of-property-tax paid by the Water/Wastewater and Solid Waste funds will be dedicated solely to street maintenance and improvements.
- O. GENERAL AND ADMINISTRATIVE CHARGES** - A method will be maintained whereby the General Fund can impose a charge to the enterprise funds for general and administrative services (indirect costs) performed on the enterprise funds' behalf. The details will be documented in the annual indirect cost study or staff analysis. This process may also apply to TIRZ/TIF funds and other support to special districts, as directed by the City Manager.
- P. UTILITY RATES** - The City will review utility rates annually, and if necessary, adopt new rates that will generate revenues required to fully cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital

needs. This policy does not preclude drawing down cash balance to finance current operations. However, it is best that any extra cash balance be used instead to finance capital projects.

- Q. INTEREST INCOME** - Interest earned from investment of available monies will accumulate in a Pooled Investment Fund to use for special projects as approved by the City Manager and City Council. In specific instances or where required by law (such as forfeiture funds), interest may be assigned to a particular fund or account. The activity in the pooled investment fund will be reported in accordance with city investment policies as reviewed and adopted annually by City Council.
- R. REVENUE MONITORING** - Revenues actually received will be regularly compared to budgeted revenues, and variances will be investigated. This process will be summarized in the appropriate budget report.
- S. SALES TAX REVENUE** – The State Comptrollers’ Office collects, administers, and disburses this revenue each month. The Budget Office monitors and reports this activity reflecting any Economic Development Agreements, state audit adjustments, and refunds made to the gross collections. These adjustments are prorated back to other sales taxing entities (Crime Control & Prevention District, Park Venue, Streets, and Epic) that currently exist and have not been dissolved. The General fund may absorb any adjustment variances among the sales tax entities that may result due to dissolutions.

VII. EXPENDITURE CONTROL

- A. APPROPRIATIONS** – Appropriations are budgeted at the fund level. If budget amendments (increase in appropriations) are necessary, they must be approved by the City Council. Budget adjustments (transfers between line items within the same fund) are allowed as long as the adjustments do not exceed the total budgeted appropriations for that fund.
- B. VACANCY SAVINGS AND CONTINGENCY ACCOUNT** - The General Fund Contingency Account will be budgeted at a minimal amount (\$50,000). The contingency account balance for expenditures will be increased monthly by the amount of available salary vacancy savings.
- C. CONTINGENCY ACCOUNT EXPENDITURES** - The City Council must approve all contingency account expenditures of \$50,000 or more, as discussed under Purchasing. While no approval is required, the City Council will be informed of General Fund contingency account expenditures of \$5,000 or more by memorandum in the monthly reports. The Budget Office is responsible for submitting this memorandum to the City Manager based on information submitted by the spending department.
- D. CENTRAL CONTROL** - Significant vacancy (salary) and capital budgetary savings in any department will be centrally controlled; and, may not be spent by the department without City Manager authorization.
- E. PURCHASING** – All purchases shall be in accordance with the City’s purchasing policies as defined in the Purchasing Policy. City procurements are governed by state and federal law, as well as the city Code of Ordinances. The primary Texas Statutes that pertain to Purchasing are:

- TEX. LOC. GOV'T CODE:
 - § 176 Disclosure of Certain Relationships with Local Government Officers; Providing Public Access to Certain Information
 - § 252 Purchasing and Contracting Authority of Municipalities
 - § 271 Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments
 - § 302 Energy Saving Performance Contracts for Local Governments
- TEX. GOV'T CODE:
 - § 791 Interlocal Cooperation Contracts
 - § 2155 Purchasing: General Rules and Procedures
 - § 2156 Purchasing Methods
 - § 2158 Purchasing: Miscellaneous Provisions for Purchase of Certain Goods & Services
 - § 2161 Historically Underutilized Businesses
 - § 2252 Contracts with Governmental Entity
 - § 2253 Public Work Performance and Payment Bonds
 - § 2254 Professional and Consulting Services
 - § 2258 Prevailing Wage Rates
 - § 2267 Public and Private Facilities and Infrastructure
 - § 2269 Contracting and Delivery Procedures for Construction Projects

Strong ethical standards are required at all levels of the purchasing function. Purchasing personnel and City departmental staff face the challenging task of developing good vendor relations and encouraging vendor competition while avoiding even the appearance of favoritism or other ethical misconduct.

Criminal penalties are associated with attempts to avoid compliance with the state procurement laws, as detailed below.

Local Government Code Section 252

Sec. 252.062. CRIMINAL PENALTIES

- (a) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential or component purchases to avoid the competitive bidding requirements of Section 252.021. An offense under this subsection is a Class B misdemeanor.
- (b) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates Section 252.021, other than by conduct described by Subsection (a). An offense under this subsection is a Class B misdemeanor.

CLASS B MISDEMEANOR. An individual adjudged guilty of a Class B misdemeanor shall be punished by:

- (1) a fine not to exceed \$2,000;**
- (2) confinement in jail for a term not to exceed 180 days; or**
- (3) both such fine and confinement**

- (c) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates this chapter, other than by conduct described by Subsection (a) or (b). An offense under this subsection is a Class C misdemeanor.

CLASS C MISDEMEANOR. An individual adjudged guilty of a Class C misdemeanor shall be punished by a fine not to exceed \$500.

Sec. 252.063. REMOVAL; INELIGIBILITY.

- (a) The final conviction of a municipal officer or employee for an offense under Section 252.062(a) or (b) results in the immediate removal from office or employment of that person.
- (b) For four years after the date of the final conviction, the removed officer or employee is ineligible:
- (1) To be a candidate for or to be appointed or elected to a public office in this state;
 - (2) To be employed by the municipality with which the person served when the offense occurred; and
 - (3) To receive any compensation through a contract with that municipality.
- (c) This section does not prohibit the payment of retirement or workers' compensation benefits to the removed officer or employee.

Several purchasing practices may appear as attempts to avoid compliance with procurement laws. They are making *component*, *separate* or *sequential purchases* and are explained below.

“Component purchases” usually is an attempt to circumvent bid or proposal laws or other requirements by buying items or services through the issuance of multiple purchase orders for the component parts or services of the item versus issuing a single purchase order for the entire item or service. Repeated purchases of additional optional equipment or parts after an initial purchase may create the perception of component purchasing. An example of “Component purchasing” for an item would be to place an order for a mower under one Purchase Order and then place an order for an attachment for the mower under a different Purchase Order. An example of “Component purchases” for a service would be to place an order to have the grass mowed and place another order to have the weeds pulled, and another separate order to have the area edged.

“Separate purchases” are very similar to “component purchases” but are usually less likely to be a direct attempt to circumvent bid or proposal laws or other statutory/policy requirements. Items or services that are purchased under separate orders that should be ordered under a single purchase order or contract could be considered “separate purchases”. An example of “separate purchases” would be to place an order with one vendor to perform construction framing services; place a separate order with another vendor to install sheet rock; place a separate order with another vendor to paint; and etc. Another example of “separate purchases” would be to place an order with a vendor to document management system for department “A” and then place a separate order for document management system for another department.

“Sequential purchases” of like items or services over the course of a consecutive 365 day period may exceed the state competitive procurement requirements. In some cases sequential purchasing is unintentional. It may result from needs that could not be anticipated. It may also result from lack of centralization of the purchasing function as one department may not know that another department is purchasing the same goods or services. However, some sequential purchasing is intentional, and must be avoided at all costs. A good example of “Sequential purchasing” would be office supplies. Many departments do not individually purchase office supplies in values that exceed the limits of competitive procurement requirements. However, the value of office supplies purchased by all City departments far exceeds the limits at which competitive bidding is required. This is one reason that the Purchasing Division solicits bids and awards annual price agreement contracts for items and services. Operating departments are encouraged to bring to the attention of Purchasing any items or services that are not on a price agreement contract and for which the anticipated usage will be near or exceed the \$50,000 threshold.

- F. PROFESSIONAL SERVICES** - Professional Services Contracts consist of the following services: Certified Public Accountant, Architect, Physician, Optometrist, Surgeon, Surveyor, Professional Engineer, Interior Designer, Insurance, Real Estate Appraisers, Professional services will generally be processed through a request for qualifications or proposals process, except for smaller contracts. The City Manager may execute any professional services contract except for insurance less than \$50,000 provided there is an appropriation for such contract. While City Council approval of other contracts less than \$50,000 is not required, the Budget Office will inform the City Manager and the City Council whenever a professional services contract of \$5,000 or more is approved.
- G. PROMPT PAYMENT** - All invoices will be paid within 30 days of receipt in accordance with the prompt payment requirements of State law. Procedures will be used to take advantage of all purchase discounts where considered cost effective. However, payments will also be reasonably delayed in order to maximize the City’s investable cash, where such delay does not violate the agreed upon payment terms.
- H. EQUIPMENT FINANCING** - Equipment may be financed when the unit purchase price is \$10,000 or more and the useful life is at least two years. General Fund equipment financing and equipment for the Parks and Recreation programs that were funded in the General Fund prior to fiscal year 2000 will be accounted for in the Equipment Acquisition Fund, along with related professional services costs including long range plans and studies.
- I. INFORMATION TECHNOLOGY –**
 Certain information technology acquisitions will be centrally funded from the Information Technology (I/T) Capital Project Fund. Acquisitions from this fund may include all related professional services costs for researching and/or implementing an information technology project. Lease cost is also an eligible expense; lease agreements must be pre-approved by Finance Department.

Items to be paid for in other funds include: The cost of repair and maintenance, supplies and replacement parts; acquisition of radios, telephones, computer equipment and mobile devices; on-going personnel costs; and, items acquired for a new position which will be budgeted with the position.

Annual funding of between \$250,000 and \$500,000 for replacements and between \$250,000 and \$500,000 for new technology will be provided through transfers from the General Fund and Water Wastewater Fund based on the relative amount of their budgeted ending resources.

Additional funding above the base amount may be provided for major projects with available one-time sources including debt proceeds.

VIII. ASSET MANAGEMENT

- A. **INVESTMENTS** - The City's investment practices will be conducted in accordance with the City Council approved Investment Policies.
- B. **CASH MANAGEMENT** - The City's cash flow will be managed to ensure all expenses can be paid with cash on hand.
- C. **INVESTMENT PERFORMANCE** - A quarterly report on investment performance will be provided by the Chief Financial Officer to the City Manager for submission to the City Council.
- D. **FIXED ASSETS AND INVENTORY** - These assets will be reasonably safeguarded and properly accounted for, and prudently insured.

IX. FINANCIAL CONDITION AND RESERVES

- A. **NO OPERATING DEFICITS** - Current expenditures will be paid with current revenues. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies or non-recurring expenditures, except when balances can be reduced because their levels exceed guideline minimums.
- B. **INTERFUND LOANS** - Non-routine interfund loans shall be made only in emergencies when other temporary sources of working capital are not available and with the approval of the City Council. At the time an interfund loan is considered, a repayment plan prior to fiscal year end shall also be considered. A fund will only lend money that it will not need to spend for the next 365 days. A loan may be made from a fund only if the fund has ending resources in excess of the minimum requirement for the fund. Loans will not be made from the City's enterprise funds (Water/Wastewater, Solid Waste, etc.) except for projects related to the purpose of the fund. Total interfund loans outstanding from a fund shall not exceed 15% of the target fund balance for the fund. If any interfund loan is to be repaid from the proceeds of a future debt issue, a proper reimbursement resolution will be approved at the time the loan is authorized.
- C. **OPERATING RESERVES** - A key element of the financial stability of the City is to establish guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures and similar circumstances. Fund balance also provides cash flow liquidity for the City's general questions.

Definitions:

Fund Equity is generally the difference between its assets and liabilities. Fund Balance is an accounting distinction made between the portions of fund equity that are spendable and non-spendable. These are broken up into five categories:

- (1) Non-spendable includes amounts that are not in a spendable form or required to be maintained intact (i.e., Inventory, prepaid assets, permanent funds, etc.).
- (2) Restricted includes amounts that can be spent only for specific purposes either constitutionally or through enabling legislation (e.g., grants and child safety fees).
- (3) Committed includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

The City Council is the highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

- (4) Assigned comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds (other than the General Fund), assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund.

The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by the fund balance policy.

- (5) Unassigned is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Failure to meet the minimum unassigned fund balance will be disclosed to the City Council as soon as the situation is recognized, and a plan to replenish the ending resources over a reasonable time frame shall be adopted.

- The General Fund available fund balance will be maintained at a level of at least 50 days expenditures.
- The combined ending resources of the Water/Wastewater shall be maintained at a level at least 80 days expenditures. The annual budget shall target rating agency standards.
- The ending resources of the Parks and Recreation Venue Fund will be maintained at a level at least 80 days of budgeted Parks and Recreation Venue Sales Tax revenue. EPIC Surplus Operating Reserve Fund - \$1,000,000 will be maintained during the term of

the outstanding debt schedule for EPIC. This amount is funded by surplus sales tax collections.

- The Pooled Investment Fund resources balance should be maintained at a level equal to .50% times the value of the investment portfolio.
- All other enterprise funds, including the Risk Management Fund and Employee Insurance Fund, should be maintained at a level equivalent to a minimum of 45 days expenditures.

Order of Expenditure of Funds – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

- D. RISK MANAGEMENT RESERVES** - The City will aggressively pursue every opportunity to provide for the public's and City employees' safety and to manage its risks.

Property, Liability, Workers Comp Reserves – Cash Reserves of no less than 85% of the actuarially determined incurred but not reported (IBNR) costs shall be maintained in the Risk Management Fund.

Employee Insurance Reserves – Cash Reserves of no less than 100% of actuarially determined incurred but not reported (IBNR) costs shall be maintained in the Employee Insurance Fund.

Employee Insurance Stop Loss Reserves – The City will self-fund its employee health insurance stop loss. A cash reserve will be established to fund the stop loss reserve. The City's goal will be a \$2,000,000 stop loss reserve. This goal will be reviewed on an annual basis during the budget preparation process to evaluate the funding level adequacy.

Contingency Reserves – The City will self-fund a reserve in the employee insurance fund, of at least \$2,000,000 to help offset claim years that result in higher than expected losses in order to preserve stability in the fund. This reserve is not actuarially required, but has been determined a sound process by actuaries reviewing the insurance fund due to volatility of claims that can occur. This reserve will be rebuilt, in whole or part, as funding is available, up to the minimum of \$2,000,000, during each budget year. The City may fund more in this reserve as needed or desired for financial stability.

- E. LOSS FINANCING** - All reasonable options will be investigated to finance losses. Such options may include risk transfer, insurance, and risk retention. Where risk is retained, reserves will be established based on a calculation of incurred but not reported (IBNR) claims and actuarial determinations. Such reserves will not be used for any purpose other than for financing losses.
- F. ENTERPRISE FUND SELF-SUFFICIENCY** - The City's enterprise funds' resources will be sufficient to fund operating and capital expenditures. The enterprise funds will pay (where applicable) their fair share of general and administrative expenses, in-lieu-of-property taxes and/or franchise fees. If an enterprise fund is temporarily unable to pay all expenses, then the City Council may waive general and administrative expenses, in-lieu-of-property taxes and/or franchise

fees until the fund is able to pay them. The City Council may pay out-of-pocket expenses that a fund is temporarily unable to pay with interfund loans, to be repaid at a future date.

- G. LANDFILL RESERVES** – A series of cash reserves will be funded to help ensure stable customer rates and long-term financial security for the City’s landfill. The amounts required will be reviewed no less frequently than every second year.

Liner Reserve – An amount will be set aside from operations annually so that sufficient funds have accumulated to pay for the next liner when required. The amount set aside will be based on the average annual amount actually paid for liners over the most recent three-year period, modified for known scope changes, if any, anticipated in the next liner project.

Equipment Replacement – An amount will be set aside from operations annually approximately equal to the average annual depreciation cost of all landfill equipment, based on estimated replacement cost less salvage value.

Closure/Post Closure – The reserve required according to Generally Acceptable Accounting Principles (GASB Statement No.18) will be accumulated over time through annual contributions from operations so that sufficient funds are on hand at the end of the life of the landfill to pay closure/post closure costs.

Landfill Replacement – The City’s goal will be to fund the amount estimated to be required to provide a replacement solid waste disposal facility by the end of the life of the landfill through annual contributions from operations.

Capital Projects/Emergency Reserve – An amount approximately equal to the average annual amount required for miscellaneous capital improvements at the landfill will be provided annually from operations. Additionally, approximately one year’s average annual amount will be retained in the fund to provide for miscellaneous, moderate emergencies.

- H. CEMETERY CARE AND MAINTENANCE FUND** – In accordance with Section 713.002 of the Health and Safety Code, the City shall contribute 15% of every sale of burial rights (including graves, lawn crypts, and mausoleum crypts and columbaria niches) within the cemetery to the Cemetery and Maintenance Care Fund. The principal amount contributed to the fund will be non-expendable. Interest earned on the fund balance shall be used for the care and preservation of cemetery grounds.
- I. CEMETERY PREPAID SERVICE FEE ESCROW** – The Parks and Recreation Department is authorized to collect prepaid burial service fees from patrons of the cemetery. When collected, such fees will be deposited into the Cemetery Prepaid Service Fee Escrow account and a separate record of each patron’s deposit will be maintained by the Parks and Recreation Department. Upon delivery of the burial service to the patron, the amount on deposit will be transferred into the Cemetery Fund as revenue. Any interest earned on the Prepaid Service Fee Escrow account balance will be revenue to the Cemetery Fund. In the event the burial service is not delivered, the Parks and Recreation Department may refund the original amount paid without interest.
- J. WATER/WASTEWATER RATE STABILIZATION FUND** –
A Water/Wastewater Rate Stabilization Fund shall be established by ordinance as a fund and

maintained separately from other funds. Its purpose will be to protect rate payers from excessive utility rate volatility. It may not be used for any other purpose. It will be funded with surplus revenues of the Water/Wastewater Fund and interest earnings. The City's goal will be to maintain the Fund's assets at a minimum of 7.5% of budgeted operating expenditures.

X. DEBT MANAGEMENT

- A. GENERAL** - The City's borrowing practices will be conducted in accordance with Debt Management Policies approved by the City Manager and City Council.
- B. SELF-SUPPORTING DEBT** – When appropriate, self-supporting revenues will pay debt service in lieu of property tax revenues.
- C. ANALYSIS OF FINANCING ALTERNATIVES** - The City will explore all financing alternatives in addition to long-term debt including leasing, grants and other aid, developer contributions, impact fees, and use of reserves or current monies.
- D. VOTER AUTHORIZATION** - The City shall obtain voter authorization before issuing General Obligation Bonds as required by law. Voter authorization is not required for the issuance of Revenue Bonds, Tax Notes or Certificates of Obligations. However, the City may elect to obtain voter authorization for Revenue Bonds.

XI. STAFFING AND TRAINING

- A. ADEQUATE STAFFING** - Staffing levels will be adequate for the fiscal functions of the City to function effectively. Overtime shall be used only to address temporary or seasonal demands that require excessive hours. Workload shedding alternatives will be explored before adding staff.
- B. TRAINING** - The City will support the continuing education efforts of all financial staff including the investment in time and materials for maintaining a current perspective concerning financial issues. Staff will be held accountable for communicating, teaching, and sharing with other staff members all information and training materials acquired from seminars, conferences, and related education efforts.
- C. AWARDS, CREDENTIALS** - The City will support efforts and involvements which result in meeting standards and receiving exemplary recitations on behalf of any of the City's fiscal policies, practices, processes, products, or personnel. Staff certifications may include Certified Public Accountant, Certified Management Accountant, Certified Internal Auditor, Certified Payroll Professional, Certified Government Finance Officer, Professional Public Buyer, Registered Tax Assessor/Collector, and Certified Cash Manager, and others as approved by the City Manager upon recommendation of the Chief Financial Officer.

XII. GRANTS

- A. APPLICABLE LAWS** – The City shall adhere to federal and state laws and regulations related to grants.

- (a) Federal grants are governed by and the City shall adhere to Federal Register Title 2, Subtitle A, Chapter II, Part 200 - *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance).
- (b) State grants are governed by and the City shall adhere to Local Government Code Title 7, Chapter 783 - *Uniform Grants Management Standards* issued by the Governor's Office of Budget and Planning for the State of Texas.

B. AUTHORITY – The City Council determines the goals and priorities of the City. All grant-funded activities/programs are assessed and approved by the City Council to ensure that (1) the activity/program is consistent with these goals and priorities; (2) grant financial assistance is needed; and (3) grant proposals and budgets accurately reflect these goals and needs.

While the City Council approves all grant activities/programs, the Council may delegate authority to the City Manager to accept grant awards and execute all grant-related documents.

C. INDIRECT COSTS – When allowable, indirect costs may be included when formulating budgets prior to application submission. The rates are determined by the Budget Department and approved by the City's cognizant agency and are effective for the period October 1 – September 30 of each grant year.

D. SOLICITATION – It is the responsibility of City Departments to locate grant sources, determine the appropriateness of the grant, prepare council communications regarding applications and/or grant offers, and draft grant applications for submission for grants which would be cost beneficial and meet the City's objectives.

E. SUPPLEMENT NOT SUPPLANT – FEDERAL GRANTS – The City has implemented guidelines to ensure compliance with federal fiscal requirement of supplement, not supplant. The purpose of the procedures is to ensure that the level of state and local support for programs remains at least constant and is not replaced by federal funds. Federal funds are used to supplement (add to, enhance, to expand, create something new, increase) the funds available from non-federal sources, and not to supplant (replace or take the place of) the existing non-federal funds.

- (a) Federal funds may be used only to provide supplemental or augment the programs generally offered with state and local funds.
- (b) Federal funds may be used only to provide supplemental services that would not have been provided had the federal funds not been available.
- (c) State and local funds which previously funded activities may not be diverted to another purpose simply because federal funds are now available to fund those activities. In other words, the use of federal funds may not result in a decrease in state and local funds for a particular activity, which, the absence of the federal funds, would have been available to conduct the activity.
- (d) Federal funds must supplement or augment that which must be provided by state law, or any activities which have been adopted as policy by the City to fund from non-federal sources.

(e) If federal funds are used to enhance or expand a state mandate or city policy, the federal supplementary activities must be separately identified and clearly distinguishable from the activities identified as necessary for implementing a state mandate or city policy as outlined in the implementation plan.

F. PROCUREMENT – In addition to City procurement policies and guidelines as outlined in the City’s Purchasing Policy, all applicable procurement requirements of federal and state grant fund regulations, other applicable laws and regulations, and Office of Management and Budget (OMB) circulars apply to the use of grant funds.

G. COMPLIANCE – The City shall comply with *specific* terms and conditions as set forth in Federal and State Grant Award Notifications (GAN). GANs may also include *general* terms and conditions. Should there be any inconsistency between the (1) *specific* terms and conditions, and (2) *general* terms and conditions, *specific* terms and conditions will govern.

If *general* or *specific* terms and conditions conflict with City policies and procedures, the most conservative rule will govern.

H. MANAGEMENT – Grant management lies within each Department of the City under the direction of Department Directors. Department Directors are accountable to the City Manager, the City Council, and to the granting agencies for the financial and regulatory administration of Federal, State and local financial assistance awarded to the City.

Grant management shall be in accordance with the City’s Grant Management Guidelines and Procedures Manual. Applications will be sent to Finance prior to submission in order to establish appropriate accounting and reporting, as well as to ensure appropriate banking information is provided to the grantor.

I. SECTION 8 OPERATING RESERVES - Section 8 reserves shall only be used for housing related expenditures in compliance with Department of Housing and Urban Development (HUD) regulations.

- b. A minimum threshold reserve of \$250,000 shall be maintained for Section 8 purposes to provide funding for future administrative and housing assistance payments in case funding from HUD is not sufficient. Such an insufficiency might become the responsibility of the City should unforeseen market or economic conditions, changes in HUD policy, or human error result in a Section 8 deficit.
- c. In addition to the minimum reserve, a contingency account of up to \$50,000 may be established annually which may, with the approval of the City Manager or, if appropriate, the City Council, be used for unforeseen, unbudgeted housing-related items.
- d. Amounts in excess of the \$250,000 minimum reserve and contingency account may be used for housing-related projects implemented by the Housing and Neighborhood Services Department (HNS) and approved by the City Council.
- e. Funds may be temporarily loaned from the \$250,000 minimum threshold reserve to finance housing-related projects if, in the judgment of the HNS Director and the City Council, the funds will not be required in the near future to cover a Section 8 deficit. At the time such

a loan is approved, a repayment plan must also be approved.

- J. CDBG PROGRAMS** - City Council approval shall be required to add any new activity after adoption of the final budget. If the project cost of the new activity will be greater than 10% of the total budget, the addition shall be submitted to HUD for approval.

XIII. ANNUAL REVIEW & REPORTING

- A.** These financial management policies will be reviewed administratively by the City Manager at least annually, prior to preparation of the operating budget and will be presented to the City Council for confirmation of any significant changes.
- B.** The Chief Financial Officer will report annually to the Finance and Government Committee on compliance with these policies.

**CITY OF GRAND PRAIRIE
FINANCIAL MANAGEMENT POLICIES
February 2nd, 2021
Prepared by the Finance Department**

FINANCIAL MANAGEMENT POLICIES

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I. PURPOSE STATEMENT

These policies are developed by the City Manager to guide the Chief Financial Officer, Audit Services Director, Budget Director, and other department staff in all financial matters. The overriding goal of the Financial Management Policies is to enable the City to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council—Manager form of government established in the City Charter. The watchwords of the City’s financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policies is to provide guidelines for the financial management staff in planning and directing the City’s day-to-day financial affairs and in developing recommendations to the City Manager. The scope of the policies spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management, expenditure control, and debt management.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **ACCOUNTING** - The City Controller is responsible for establishing the chart of accounts, and for properly recording financial transactions.
- B. **FUNDS** - Self-balancing groups of accounts are used to account for City financial transactions in accordance with generally accepted accounting principles. Each fund is created for a specific purpose except for the General Fund which is used to account for all transactions not accounted for in other funds. Funds are created and fund names are changed by City Council approval either through resolution during the year or in the City Council’s approval of the annual operating or capital budget ordinances.
- C. **EXTERNAL AUDITING** - The City will be audited annually by outside independent auditors. The auditors must be a CPA firm of national reputation and must demonstrate that they have the breadth and depth of staff to conduct the City’s audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements. The auditors’ report on the City’s financial statements including federal grants (single audit) will be completed within 180 days of the City’s fiscal year end, and the auditors’ management letter will be presented to the City staff within 180 days after the City’s fiscal year end. Staff will attempt to complete the reports prior to this, with a reach goal of 120 days. An interim management letter will be issued prior to this date if any materially significant internal control weaknesses are discovered. The City staff and auditors will jointly review the management letter with the City Council Finance and Government Committee and City Council within sixty (60) days of its receipt by the staff.
- D. **EXTERNAL AUDITORS’ RESPONSIBILITY TO CITY COUNCIL** - The external auditors are accountable to the City Council and will have access to direct communication with the City Council if the City staff is unresponsive to auditor recommendations or if the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

The City Council Finance and Government Committee will conduct at least one closed session annually with the auditors present without the presence of City staff. Such meeting shall be conducted in accordance with the Open Meetings Act.

- E. EXTERNAL AUDITOR ROTATION** - The City will not require external auditor rotation but will circulate requests for proposal for audit services periodically, normally at five-year intervals. The City will also consider periodic partner in charge rotations if continuing with existing auditors past five years.
- F. INTERNAL AUDITING** - The City Manager established an internal audit function February 1, 1989. The Audit Services Director reports to the City Manager's office. The annual work plan for internal audit includes compliance test work and performance auditing along with designated special projects. The internal audit work plan is approved annually by the City Manager's office and by the Finance and Government Committee.
- G. EXTERNAL FINANCIAL REPORTING** - The City will prepare and publish a comprehensive annual financial report (CAFR). The CAFR will be prepared in accordance with generally accepted accounting principles and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certification of Achievement for Excellence in Financial Reporting. The CAFR will be published and presented to the City Council within 180 days after the end of the fiscal year. City staffing limitations may preclude such timely reporting. In such case, the Chief Financial Officer will inform the City Manager and the City Manager will inform the City Council of the delay and the reasons therefore.
- H. INTERNAL FINANCIAL REPORTING** - The Finance and Budget departments will provide internal financial information, via online access or reports, sufficient for management to plan, monitor, and control the City's financial affairs. Internal financial reporting objectives are addressed throughout these policies.

III. INTERNAL CONTROLS

- A. WRITTEN PROCEDURES** - The Chief Financial Officer and Audit Services Director are responsible for developing City-wide written guidelines on accounting, cash handling, and other financial matters which will be approved by the City Manager and Finance and Governance (F&G) Committee. Annually, the City Manager and F&G committee will approve the Internal Audit work plan. Projects on the work plan will be reviewed quarterly by the F&G committee.

The Finance Department will assist department managers as needed in tailoring these guidelines into detailed written procedures to fit each department's requirements.

- B. INTERNAL AUDIT** – Audit Services will conduct reviews of the departments to determine if the departments are following the written guidelines as they apply to the departments. They will also review the written guidelines on accounting, cash handling, and other financial matters. Based on these reviews, Audit Services will recommend internal control improvements as needed.

- C. DEPARTMENT MANAGERS' RESPONSIBILITY** - Department Managers' responsibilities to the City Manager are to ensure that good internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented, and that all independent and internal auditor internal control recommendations are addressed.

IV. OPERATING BUDGET

- A. PREPARATION** - The City's "operating budget" is the City's annual financial operating plan. The operating budget's basis of accounting will be cash or modified accrual and reconciled to the annual audit. The budget is prepared by the Budget Office with the cooperation of all City Departments and is submitted to the City Manager who makes any necessary changes and transmits the document to the City Council. The budget should be presented to the City Council no later than six (6) weeks prior to fiscal year end and should be enacted by the City Council prior to fiscal year end.
- B. BALANCED BUDGETS** - The operating budgets will be balanced with current revenues, exclusive of beginning resources, greater than or equal to current expenditures/expenses. Funds deemed at risk will be updated either monthly or quarterly to the Finance and Government Committee.
- C. PLANNING** - The budget process will be coordinated so as to identify major policy issues for City Council consideration several months prior to the budget approval date. The Budget Office will work closely with the Finance and Government Committee in order to review all budgeted funds prior to submitting a proposed budget to the entire City Council.
- D. REPORTING** - Monthly financial reports will be prepared and made available to Department Managers for use in managing their budgets and to enable the Budget Director to monitor and control the budget as authorized by the City Manager.
- E. CONTROL** - Operating expenditure controls are addressed throughout these policies.

V. CAPITAL BUDGET AND PROGRAM

- A. PREPARATION** - The City's capital budget will include all capital project funds and all capital resources, excluding TIFs, PIDs, grants, and other unique projects. This budget will be prepared annually on a fiscal year basis and adopted by ordinance. The capital budget will be prepared by the Budget Office with the involvement of all required City departments.
- B. CONTROL** - All capital project expenditures must be appropriated in the capital budget, excluding TIFs, PIDs, grants, and other unique projects. The Budget Office must certify the availability of resources so an appropriation can be made before a capital project contract is presented by the City Manager to the City Council for approval.
- C. PROGRAM PLANNING** - The capital budget will include plans for a capital improvements program for future years. The planning time frame should be at least five years. The replacement and maintenance for capital items should also be projected for the next 5 years. Future

maintenance and operations will be fully costed, so that these costs can be considered in the operating budget.

D. ALTERNATE RESOURCES - Where applicable, assessments, impact fees, and/or other user-based fees should be used to fund capital projects which have a primary benefit to certain property owners.

E. DEBT FINANCING - Recognizing that debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire and/or construct major capital assets with expected lives equal to or exceeding the average life of the debt issue. The exceptions to this requirement are the traditional costs of marketing and issuing the debt, capitalized labor for the design and construction of capital projects, and small component parts which are attached to major equipment purchases. The City's debt policy will guide the use and extent of debt financing.

F. CAPITAL AND LENDING RESERVE FUND

The City established a Capital and Lending Reserve Fund in December, 2009 which is monitored by the Budget department and accounted for by the Finance Department separately from all other funds. There are no set funding sources; however, contributions may be added to this fund by recommendation of the City Manager's Office (CMO) and the Finance and Government Committee and must be approved by the City Council.

Expenditures and disbursements from the Capital Lending and Reserve Fund must be authorized and approved by City Council action following recommendations by the City Manager's Office and the Finance and Government Committee. A plan to replenish the fund over a reasonable time frame will be included in this authorization. There may be one-time uses that will not be repaid.

G. STREET MAINTENANCE - The City recognizes that deferred street maintenance increases future capital costs by an estimated 5 to 10 times. In 2017, the city voted ¼ cent of its sales tax and dedicated those revenues to street maintenance. Additionally, the city devotes PILOT and franchise fee revenue to street maintenance. A street maintenance paving assessment is done annually. The city reserves 10% of sales tax revenues for this purpose.

H. WATER/WASTEWATER MAIN REHABILITATION AND REPLACEMENT - The City recognizes that deferred water/wastewater main rehabilitation and replacement increases future costs due to loss of potable water from water mains and inflow and infiltration into wastewater mains. Therefore, to ensure that the rehabilitation and replacement program is adequately funded, the City's will annually appropriate cash as available.

I. GENERAL GOVERNMENT CAPITAL RESERVE - A reserve will be maintained for general governmental capital projects. The reserve will be funded with General Fund operating surpluses. The reserve will be used for, for major capital outlay, and for unplanned projects. As soon as practicable after each fiscal year end when annual operating results are known, any General Fund operating surplus in excess of budget which is not required to meet ending resources requirements may be transferred to the reserve with the approval of the City Council.

- J. REPORTING** - Monthly financial information will be available to enable Department Managers to manage their capital budgets and to enable the Budget Office to monitor the capital budget as authorized by the City Manager.

VI. REVENUE MANAGEMENT

- A. SIMPLICITY** - The City will strive to keep the revenue system simple which will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.
- B. CERTAINTY** - An understanding of the revenue source increases the reliability of the revenue system. The City will try to understand its revenue sources and enact consistent collection policies so that assurances can be provided that the revenue base will materialize according to budgets and plans.
- C. EQUITY** - The City will strive to maintain equity in the revenue system structure. That is, the City will seek to minimize or eliminate all forms for subsidization between entities, funds, services, utilities, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances, e.g., senior citizen property tax exemptions or partial property tax abatement.
- D. ADMINISTRATION** - The benefits of revenue will exceed the cost of producing the revenue. The cost of collection will be reviewed for cost effectiveness as a part of the indirect cost and cost of services analysis. Where appropriate, the City will use the administrative processes of State or Federal collection agencies in order to reduce administrative costs.
- E. REVENUE ADEQUACY** - The City will require that there be a balance in the revenue system. That is, the revenue base will have the characteristic of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
- F. COST/BENEFIT OF ABATEMENT AND REINVESTMENT ZONES** - The City will use due caution in the analysis of any tax, fee, or water and wastewater incentives that are used to encourage development. Ideally, a cost/benefit (fiscal impact) analysis will be performed as a part of such analysis. Annually, the City will also assess the current boundaries, revenues, and participation levels of the tax increment reinvestment zones and determine their ongoing viability. The City will include administrative costs in the use of TIRZ revenues. The City will follow an overall economic development program as authorized by the City Manager.
- G. DIVERSIFICATION AND STABILITY** - In order to protect the government from fluctuations in a revenue source due to fluctuations in the economy, and variations in weather, (in the case of water and wastewater), a diversified revenue system will be maintained across the organization.
- H. NON-RECURRING REVENUES** - One-time revenues will not be used for ongoing operations. Non-recurring revenues will be used only for non-recurring expenditures. Care will be taken not to use these revenues for budget balancing purposes.

- I. PROPERTY TAX REVENUES** - Property shall be assessed at 100% of the taxable value as appraised by the Dallas Central, Ellis, and Tarrant Appraisal Districts. Reappraisals and reassessments shall be completed as required by State law. A 99.5% collection rate will serve as a target budget for tax collections with a delinquency rate of 1% or less barring extraordinary circumstances. The 99.5% rate is calculated by dividing total current year tax collections for a fiscal year by the total tax levy for the fiscal year. All delinquent taxes will be aggressively pursued. Delinquencies greater than 150 days will be turned over to the City Attorney or a private attorney, and a penalty assessed to compensate the attorney as allowed by state law and in accordance with the attorney's contract. Annual performance criteria will be developed for the attorney.
- J. PARKS AND RECREATION VENUE SALES TAX REVENUE** – Parks and Recreation Venue sales tax revenue shall supplement, but not supplant, the funding for the Parks and Recreation System which was in place prior to 2000. No more than 49.99% of Parks and Recreation Venue sales tax revenue may be used for operations. At least 50.01% of the revenue will be dedicated to capital expenditures and debt service for Parks and Recreation System improvements and for associated reserves.
- K. EMPLOYEE INSURANCE FUND** – Since a portion of the revenue in the Employee Insurance Fund is deducted from employee paychecks for the specific purpose of providing health and life insurance coverage, no funds shall ever be transferred out of this fund to be used for any other purpose. Any additional contingency will be budgeted in the Risk Fund for added flexibility. The Finance and Government Committee will review the status of the fund no less than quarterly.
- L. USER-BASED FEES** - For services associated with a user fee or charge, the direct and indirect costs of that service will be offset by a fee where possible. There will be a review of fees and charges to ensure that fees provide adequate coverage of costs of services. User charges may be classified as “full cost recovery”, “partial cost recovery”, and “minimal cost recovery”, based upon City Council policy.
- M. IMPACT FEES** - Impact fees will be imposed for water and wastewater, in accordance with the requirements of state law. The staff working with the Impact Fee Advisory Committee (Planning and Zoning Commission) shall prepare a semi-annual report on the capital improvement plans and fees. Additionally, the impact fees will be re-evaluated at least every five years as required by law.
- N. IN-LIEU-OF PROPERTY TAX** - The in-lieu-of-property-tax paid by the Water/Wastewater and Solid Waste funds will be dedicated solely to street maintenance and improvements.
- O. GENERAL AND ADMINISTRATIVE CHARGES** - A method will be maintained whereby the General Fund can impose a charge to the enterprise funds for general and administrative services (indirect costs) performed on the enterprise funds' behalf. The details will be documented in the annual indirect cost study or staff analysis. This process may also apply to TIRZ/TIF funds and other support to special districts, as directed by the City Manager.
- P. UTILITY RATES** - The City will review utility rates annually, and if necessary, adopt new rates that will generate revenues required to fully cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital

needs. This policy does not preclude drawing down cash balance to finance current operations. However, it is best that any extra cash balance be used instead to finance capital projects.

- Q. INTEREST INCOME** - Interest earned from investment of available monies will accumulate in a Pooled Investment Fund to use for special projects as approved by the City Manager and City Council. In specific instances or where required by law (such as forfeiture funds), interest may be assigned to a particular fund or account. The activity in the pooled investment fund will be reported in accordance with city investment policies as reviewed and adopted annually by City Council.
- R. REVENUE MONITORING** - Revenues actually received will be regularly compared to budgeted revenues, and variances will be investigated. This process will be summarized in the appropriate budget report.
- S. SALES TAX REVENUE** – The State Comptrollers’ Office collects, administers, and disburses this revenue each month. The Budget Office monitors and reports this activity reflecting any Economic Development Agreements, state audit adjustments, and refunds made to the gross collections. These adjustments are prorated back to other sales taxing entities (Crime Control & Prevention District, Park Venue, Streets, and Epic) that currently exist and have not been dissolved. The General fund may absorb any adjustment variances among the sales tax entities that may result due to dissolutions.

VII. EXPENDITURE CONTROL

- A. APPROPRIATIONS** – Appropriations are budgeted at the fund level. If budget amendments (increase in appropriations) are necessary, they must be approved by the City Council. Budget adjustments (transfers between line items within the same fund) are allowed as long as the adjustments do not exceed the total budgeted appropriations for that fund.
- B. VACANCY SAVINGS AND CONTINGENCY ACCOUNT** - The General Fund Contingency Account will be budgeted at a minimal amount (\$50,000). The contingency account balance for expenditures will be increased monthly by the amount of available salary vacancy savings.
- C. CONTINGENCY ACCOUNT EXPENDITURES** - The City Council must approve all contingency account expenditures of \$50,000 or more, as discussed under Purchasing. While no approval is required, the City Council will be informed of General Fund contingency account expenditures of \$5,000 or more by memorandum in the monthly reports. The Budget Office is responsible for submitting this memorandum to the City Manager based on information submitted by the spending department.
- D. CENTRAL CONTROL** - Significant vacancy (salary) and capital budgetary savings in any department will be centrally controlled; and, may not be spent by the department without City Manager authorization.
- E. PURCHASING** – All purchases shall be in accordance with the City’s purchasing policies as defined in the Purchasing Policy. City procurements are governed by state and federal law, as well as the city Code of Ordinances. The primary Texas Statutes that pertain to Purchasing are:

- TEX. LOC. GOV'T CODE:
 - § 176 Disclosure of Certain Relationships with Local Government Officers; Providing Public Access to Certain Information
 - § 252 Purchasing and Contracting Authority of Municipalities
 - § 271 Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments
 - § 302 Energy Saving Performance Contracts for Local Governments
- TEX. GOV'T CODE:
 - § 791 Interlocal Cooperation Contracts
 - § 2155 Purchasing: General Rules and Procedures
 - § 2156 Purchasing Methods
 - § 2158 Purchasing: Miscellaneous Provisions for Purchase of Certain Goods & Services
 - § 2161 Historically Underutilized Businesses
 - § 2252 Contracts with Governmental Entity
 - § 2253 Public Work Performance and Payment Bonds
 - § 2254 Professional and Consulting Services
 - § 2258 Prevailing Wage Rates
 - § 2267 Public and Private Facilities and Infrastructure
 - § 2269 Contracting and Delivery Procedures for Construction Projects

Strong ethical standards are required at all levels of the purchasing function. Purchasing personnel and City departmental staff face the challenging task of developing good vendor relations and encouraging vendor competition while avoiding even the appearance of favoritism or other ethical misconduct.

Criminal penalties are associated with attempts to avoid compliance with the state procurement laws, as detailed below.

Local Government Code Section 252

Sec. 252.062. CRIMINAL PENALTIES

- (a) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential or component purchases to avoid the competitive bidding requirements of Section 252.021. An offense under this subsection is a Class B misdemeanor.
- (b) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates Section 252.021, other than by conduct described by Subsection (a). An offense under this subsection is a Class B misdemeanor.

CLASS B MISDEMEANOR. An individual adjudged guilty of a Class B misdemeanor shall be punished by:

- (1) a fine not to exceed \$2,000;**
- (2) confinement in jail for a term not to exceed 180 days; or**
- (3) both such fine and confinement**

- (c) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates this chapter, other than by conduct described by Subsection (a) or (b). An offense under this subsection is a Class C misdemeanor.

CLASS C MISDEMEANOR. An individual adjudged guilty of a Class C misdemeanor shall be punished by a fine not to exceed \$500.

Sec. 252.063. REMOVAL; INELIGIBILITY.

- (a) The final conviction of a municipal officer or employee for an offense under Section 252.062(a) or (b) results in the immediate removal from office or employment of that person.
- (b) For four years after the date of the final conviction, the removed officer or employee is ineligible:
- (1) To be a candidate for or to be appointed or elected to a public office in this state;
 - (2) To be employed by the municipality with which the person served when the offense occurred; and
 - (3) To receive any compensation through a contract with that municipality.
- (c) This section does not prohibit the payment of retirement or workers' compensation benefits to the removed officer or employee.

Several purchasing practices may appear as attempts to avoid compliance with procurement laws. They are making *component, separate* or *sequential purchases* and are explained below.

“Component purchases” usually is an attempt to circumvent bid or proposal laws or other requirements by buying items or services through the issuance of multiple purchase orders for the component parts or services of the item versus issuing a single purchase order for the entire item or service. Repeated purchases of additional optional equipment or parts after an initial purchase may create the perception of component purchasing. An example of “Component purchasing” for an item would be to place an order for a mower under one Purchase Order and then place an order for an attachment for the mower under a different Purchase Order. An example of “Component purchases” for a service would be to place an order to have the grass mowed and place another order to have the weeds pulled, and another separate order to have the area edged.

“Separate purchases” are very similar to “component purchases” but are usually less likely to be a direct attempt to circumvent bid or proposal laws or other statutory/policy requirements. Items or services that are purchased under separate orders that should be ordered under a single purchase order or contract could be considered “separate purchases”. An example of “separate purchases” would be to place an order with one vendor to perform construction framing services; place a separate order with another vendor to install sheet rock; place a separate order with another vendor to paint; and etc. Another example of “separate purchases” would be to place an order with a vendor to document management system for department “A” and then place a separate order for document management system for another department.

“Sequential purchases” of like items or services over the course of a consecutive 365 day period may exceed the state competitive procurement requirements. In some cases sequential purchasing is unintentional. It may result from needs that could not be anticipated. It may also result from lack of centralization of the purchasing function as one department may not know that another department is purchasing the same goods or services. However, some sequential purchasing is intentional, and must be avoided at all costs. A good example of “Sequential purchasing” would be office supplies. Many departments do not individually purchase office supplies in values that exceed the limits of competitive procurement requirements. However, the value of office supplies purchased by all City departments far exceeds the limits at which competitive bidding is required. This is one reason that the Purchasing Division solicits bids and awards annual price agreement contracts for items and services. Operating departments are encouraged to bring to the attention of Purchasing any items or services that are not on a price agreement contract and for which the anticipated usage will be near or exceed the \$50,000 threshold.

- F. PROFESSIONAL SERVICES** - Professional Services Contracts consist of the following services: Certified Public Accountant, Architect, Physician, Optometrist, Surgeon, Surveyor, Professional Engineer, Interior Designer, Insurance, Real Estate Appraisers, Professional services will generally be processed through a request for qualifications or proposals process, except for smaller contracts. The City Manager may execute any professional services contract except for insurance less than \$50,000 provided there is an appropriation for such contract. While City Council approval of other contracts less than \$50,000 is not required, the Budget Office will inform the City Manager and the City Council whenever a professional services contract of \$5,000 or more is approved.
- G. PROMPT PAYMENT** - All invoices will be paid within 30 days of receipt in accordance with the prompt payment requirements of State law. Procedures will be used to take advantage of all purchase discounts where considered cost effective. However, payments will also be reasonably delayed in order to maximize the City’s investable cash, where such delay does not violate the agreed upon payment terms.
- H. EQUIPMENT FINANCING** - Equipment may be financed when the unit purchase price is \$10,000 or more and the useful life is at least two years. General Fund equipment financing and equipment for the Parks and Recreation programs that were funded in the General Fund prior to fiscal year 2000 will be accounted for in the Equipment Acquisition Fund, along with related professional services costs including long range plans and studies.
- I. INFORMATION TECHNOLOGY –**
 Certain information technology acquisitions will be centrally funded from the Information Technology (I/T) Capital Project Fund. Acquisitions from this fund may include all related professional services costs for researching and/or implementing an information technology project. Lease cost is also an eligible expense; lease agreements must be pre-approved by Finance Department.

Items to be paid for in other funds include: The cost of repair and maintenance, supplies and replacement parts; acquisition of radios, telephones, computer equipment and mobile devices; on-going personnel costs; and, items acquired for a new position which will be budgeted with the position.

Annual funding of between \$250,000 and \$500,000 for replacements and between \$250,000 and \$500,000 for new technology will be provided through transfers from the General Fund and Water Wastewater Fund based on the relative amount of their budgeted ending resources.

Additional funding above the base amount may be provided for major projects with available one-time sources including debt proceeds.

VIII. ASSET MANAGEMENT

- A. **INVESTMENTS** - The City's investment practices will be conducted in accordance with the City Council approved Investment Policies.
- B. **CASH MANAGEMENT** - The City's cash flow will be managed to ensure all expenses can be paid with cash on hand.
- C. **INVESTMENT PERFORMANCE** - A quarterly report on investment performance will be provided by the Chief Financial Officer to the City Manager for submission to the City Council.
- D. **FIXED ASSETS AND INVENTORY** - These assets will be reasonably safeguarded and properly accounted for, and prudently insured.

IX. FINANCIAL CONDITION AND RESERVES

- A. **NO OPERATING DEFICITS** - Current expenditures will be paid with current revenues. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies or non-recurring expenditures, except when balances can be reduced because their levels exceed guideline minimums.
- B. **INTERFUND LOANS** - Non-routine interfund loans shall be made only in emergencies when other temporary sources of working capital are not available and with the approval of the City Council. At the time an interfund loan is considered, a repayment plan prior to fiscal year end shall also be considered. A fund will only lend money that it will not need to spend for the next 365 days. A loan may be made from a fund only if the fund has ending resources in excess of the minimum requirement for the fund. Loans will not be made from the City's enterprise funds (Water/Wastewater, Solid Waste, etc.) except for projects related to the purpose of the fund. Total interfund loans outstanding from a fund shall not exceed 15% of the target fund balance for the fund. If any interfund loan is to be repaid from the proceeds of a future debt issue, a proper reimbursement resolution will be approved at the time the loan is authorized.
- C. **OPERATING RESERVES** - A key element of the financial stability of the City is to establish guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures and similar circumstances. Fund balance also provides cash flow liquidity for the City's general questions.

Definitions:

Fund Equity is generally the difference between its assets and liabilities. Fund Balance is an accounting distinction made between the portions of fund equity that are spendable and non-spendable. These are broken up into five categories:

- (1) Non-spendable includes amounts that are not in a spendable form or required to be maintained intact (i.e., Inventory, prepaid assets, permanent funds, etc.).
- (2) Restricted includes amounts that can be spent only for specific purposes either constitutionally or through enabling legislation (e.g., grants and child safety fees).
- (3) Committed includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

The City Council is the highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

- (4) Assigned comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds (other than the General Fund), assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund.

The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by the fund balance policy.

- (5) Unassigned is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Failure to meet the minimum unassigned fund balance will be disclosed to the City Council as soon as the situation is recognized, and a plan to replenish the ending resources over a reasonable time frame shall be adopted.

- The General Fund available fund balance will be maintained at a level of at least 50 days expenditures.
- The combined ending resources of the Water/Wastewater shall be maintained at a level at least 80 days expenditures. The annual budget shall target rating agency standards.
- The ending resources of the Parks and Recreation Venue Fund will be maintained at a level at least 80 days of budgeted Parks and Recreation Venue Sales Tax revenue. EPIC Surplus Operating Reserve Fund - \$1,000,000 will be maintained during the term of

the outstanding debt schedule for EPIC. This amount is funded by surplus sales tax collections.

- The Pooled Investment Fund resources balance should be maintained at a level equal to .50% times the value of the investment portfolio.
- All other enterprise funds, including the Risk Management Fund and Employee Insurance Fund, should be maintained at a level equivalent to a minimum of 45 days expenditures.

Order of Expenditure of Funds – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

D. RISK MANAGEMENT RESERVES - The City will aggressively pursue every opportunity to provide for the public's and City employees' safety and to manage its risks.

Property, Liability, Workers Comp Reserves – Cash Reserves of no less than 85% of the actuarially determined incurred but not reported (IBNR) costs shall be maintained in the Risk Management Fund.

Employee Insurance Reserves – Cash Reserves of no less than 100% of actuarially determined incurred but not reported (IBNR) costs shall be maintained in the Employee Insurance Fund.

Employee Insurance Stop Loss Reserves – The City will self-fund its employee health insurance stop loss. A cash reserve will be established to fund the stop loss reserve. The City's goal will be a \$2,000,000 stop loss reserve. This goal will be reviewed on an annual basis during the budget preparation process to evaluate the funding level adequacy.

Contingency Reserves – The City will self-fund a reserve in the employee insurance fund, of at least \$2,000,000 to help offset claim years that result in higher than expected losses in order to preserve stability in the fund. This reserve is not actuarially required, but has been determined a sound process by actuaries reviewing the insurance fund due to volatility of claims that can occur. This reserve will be rebuilt, in whole or part, as funding is available, up to the minimum of \$2,000,000, during each budget year. The City may fund more in this reserve as needed or desired for financial stability.

E. LOSS FINANCING - All reasonable options will be investigated to finance losses. Such options may include risk transfer, insurance, and risk retention. Where risk is retained, reserves will be established based on a calculation of incurred but not reported (IBNR) claims and actuarial determinations. Such reserves will not be used for any purpose other than for financing losses.

F. ENTERPRISE FUND SELF-SUFFICIENCY - The City's enterprise funds' resources will be sufficient to fund operating and capital expenditures. The enterprise funds will pay (where applicable) their fair share of general and administrative expenses, in-lieu-of-property taxes and/or franchise fees. If an enterprise fund is temporarily unable to pay all expenses, then the City Council may waive general and administrative expenses, in-lieu-of-property taxes and/or franchise

fees until the fund is able to pay them. The City Council may pay out-of-pocket expenses that a fund is temporarily unable to pay with interfund loans, to be repaid at a future date.

- G. LANDFILL RESERVES** – A series of cash reserves will be funded to help ensure stable customer rates and long-term financial security for the City’s landfill. The amounts required will be reviewed no less frequently than every second year.

Liner Reserve – An amount will be set aside from operations annually so that sufficient funds have accumulated to pay for the next liner when required. The amount set aside will be based on the average annual amount actually paid for liners over the most recent three-year period, modified for known scope changes, if any, anticipated in the next liner project.

Equipment Replacement – An amount will be set aside from operations annually approximately equal to the average annual depreciation cost of all landfill equipment, based on estimated replacement cost less salvage value.

Closure/Post Closure – The reserve required according to Generally Acceptable Accounting Principles (GASB Statement No.18) will be accumulated over time through annual contributions from operations so that sufficient funds are on hand at the end of the life of the landfill to pay closure/post closure costs.

Landfill Replacement – The City’s goal will be to fund the amount estimated to be required to provide a replacement solid waste disposal facility by the end of the life of the landfill through annual contributions from operations.

Capital Projects/Emergency Reserve – An amount approximately equal to the average annual amount required for miscellaneous capital improvements at the landfill will be provided annually from operations. Additionally, approximately one year’s average annual amount will be retained in the fund to provide for miscellaneous, moderate emergencies.

- H. CEMETERY CARE AND MAINTENANCE FUND** – In accordance with Section 713.002 of the Health and Safety Code, the City shall contribute 15% of every sale of burial rights (including graves, lawn crypts, and mausoleum crypts and columbaria niches) within the cemetery to the Cemetery and Maintenance Care Fund. The principal amount contributed to the fund will be non-expendable. Interest earned on the fund balance shall be used for the care and preservation of cemetery grounds.
- I. CEMETERY PREPAID SERVICE FEE ESCROW** – The Parks and Recreation Department is authorized to collect prepaid burial service fees from patrons of the cemetery. When collected, such fees will be deposited into the Cemetery Prepaid Service Fee Escrow account and a separate record of each patron’s deposit will be maintained by the Parks and Recreation Department. Upon delivery of the burial service to the patron, the amount on deposit will be transferred into the Cemetery Fund as revenue. Any interest earned on the Prepaid Service Fee Escrow account balance will be revenue to the Cemetery Fund. In the event the burial service is not delivered, the Parks and Recreation Department may refund the original amount paid without interest.
- J. WATER/WASTEWATER RATE STABILIZATION FUND** –
A Water/Wastewater Rate Stabilization Fund shall be established by ordinance as a fund and

maintained separately from other funds. Its purpose will be to protect rate payers from excessive utility rate volatility. It may not be used for any other purpose. It will be funded with surplus revenues of the Water/Wastewater Fund and interest earnings. The City's goal will be to maintain the Fund's assets at a minimum of 7.5% of budgeted operating expenditures.

X. DEBT MANAGEMENT

- A. GENERAL** - The City's borrowing practices will be conducted in accordance with Debt Management Policies approved by the City Manager and City Council.
- B. SELF-SUPPORTING DEBT** – When appropriate, self-supporting revenues will pay debt service in lieu of property tax revenues.
- C. ANALYSIS OF FINANCING ALTERNATIVES** - The City will explore all financing alternatives in addition to long-term debt including leasing, grants and other aid, developer contributions, impact fees, and use of reserves or current monies.
- D. VOTER AUTHORIZATION** - The City shall obtain voter authorization before issuing General Obligation Bonds as required by law. Voter authorization is not required for the issuance of Revenue Bonds, Tax Notes or Certificates of Obligations. However, the City may elect to obtain voter authorization for Revenue Bonds.

XI. STAFFING AND TRAINING

- A. ADEQUATE STAFFING** - Staffing levels will be adequate for the fiscal functions of the City to function effectively. Overtime shall be used only to address temporary or seasonal demands that require excessive hours. Workload shedding alternatives will be explored before adding staff.
- B. TRAINING** - The City will support the continuing education efforts of all financial staff including the investment in time and materials for maintaining a current perspective concerning financial issues. Staff will be held accountable for communicating, teaching, and sharing with other staff members all information and training materials acquired from seminars, conferences, and related education efforts.
- C. AWARDS, CREDENTIALS** - The City will support efforts and involvements which result in meeting standards and receiving exemplary recitations on behalf of any of the City's fiscal policies, practices, processes, products, or personnel. Staff certifications may include Certified Public Accountant, Certified Management Accountant, Certified Internal Auditor, Certified Payroll Professional, Certified Government Finance Officer, Professional Public Buyer, Registered Tax Assessor/Collector, and Certified Cash Manager, and others as approved by the City Manager upon recommendation of the Chief Financial Officer.

XII. GRANTS

- A. APPLICABLE LAWS** – The City shall adhere to federal and state laws and regulations related to grants.

- (a) Federal grants are governed by and the City shall adhere to Federal Register Title 2, Subtitle A, Chapter II, Part 200 - *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance).
- (b) State grants are governed by and the City shall adhere to Local Government Code Title 7, Chapter 783 - *Uniform Grants Management Standards* issued by the Governor's Office of Budget and Planning for the State of Texas.

B. AUTHORITY – The City Council determines the goals and priorities of the City. All grant-funded activities/programs are assessed and approved by the City Council to ensure that (1) the activity/program is consistent with these goals and priorities; (2) grant financial assistance is needed; and (3) grant proposals and budgets accurately reflect these goals and needs.

While the City Council approves all grant activities/programs, the Council may delegate authority to the City Manager to accept grant awards and execute all grant-related documents.

C. INDIRECT COSTS – When allowable, indirect costs may be included when formulating budgets prior to application submission. The rates are determined by the Budget Department and approved by the City's cognizant agency and are effective for the period October 1 – September 30 of each grant year.

D. SOLICITATION – It is the responsibility of City Departments to locate grant sources, determine the appropriateness of the grant, prepare council communications regarding applications and/or grant offers, and draft grant applications for submission for grants which would be cost beneficial and meet the City's objectives.

E. SUPPLEMENT NOT SUPPLANT – FEDERAL GRANTS – The City has implemented guidelines to ensure compliance with federal fiscal requirement of supplement, not supplant. The purpose of the procedures is to ensure that the level of state and local support for programs remains at least constant and is not replaced by federal funds. Federal funds are used to supplement (add to, enhance, to expand, create something new, increase) the funds available from non-federal sources, and not to supplant (replace or take the place of) the existing non-federal funds.

- (a) Federal funds may be used only to provide supplemental or augment the programs generally offered with state and local funds.
- (b) Federal funds may be used only to provide supplemental services that would not have been provided had the federal funds not been available.
- (c) State and local funds which previously funded activities may not be diverted to another purpose simply because federal funds are now available to fund those activities. In other words, the use of federal funds may not result in a decrease in state and local funds for a particular activity, which, the absence of the federal funds, would have been available to conduct the activity.
- (d) Federal funds must supplement or augment that which must be provided by state law, or any activities which have been adopted as policy by the City to fund from non-federal sources.

(e) If federal funds are used to enhance or expand a state mandate or city policy, the federal supplementary activities must be separately identified and clearly distinguishable from the activities identified as necessary for implementing a state mandate or city policy as outlined in the implementation plan.

F. PROCUREMENT – In addition to City procurement policies and guidelines as outlined in the City’s Purchasing Policy, all applicable procurement requirements of federal and state grant fund regulations, other applicable laws and regulations, and Office of Management and Budget (OMB) circulars apply to the use of grant funds.

G. COMPLIANCE – The City shall comply with *specific* terms and conditions as set forth in Federal and State Grant Award Notifications (GAN). GANs may also include *general* terms and conditions. Should there be any inconsistency between the (1) *specific* terms and conditions, and (2) *general* terms and conditions, *specific* terms and conditions will govern.

If *general* or *specific* terms and conditions conflict with City policies and procedures, the most conservative rule will govern.

H. MANAGEMENT – Grant management lies within each Department of the City under the direction of Department Directors. Department Directors are accountable to the City Manager, the City Council, and to the granting agencies for the financial and regulatory administration of Federal, State and local financial assistance awarded to the City.

Grant management shall be in accordance with the City’s Grant Management Guidelines and Procedures Manual. Applications will be sent to Finance prior to submission in order to establish appropriate accounting and reporting, as well as to ensure appropriate banking information is provided to the grantor.

I. SECTION 8 OPERATING RESERVES - Section 8 reserves shall only be used for housing related expenditures in compliance with Department of Housing and Urban Development (HUD) regulations.

- b. A minimum threshold reserve of \$250,000 shall be maintained for Section 8 purposes to provide funding for future administrative and housing assistance payments in case funding from HUD is not sufficient. Such an insufficiency might become the responsibility of the City should unforeseen market or economic conditions, changes in HUD policy, or human error result in a Section 8 deficit.
- c. In addition to the minimum reserve, a contingency account of up to \$50,000 may be established annually which may, with the approval of the City Manager or, if appropriate, the City Council, be used for unforeseen, unbudgeted housing-related items.
- d. Amounts in excess of the \$250,000 minimum reserve and contingency account may be used for housing-related projects implemented by the Housing and Neighborhood Services Department (HNS) and approved by the City Council.
- e. Funds may be temporarily loaned from the \$250,000 minimum threshold reserve to finance housing-related projects if, in the judgment of the HNS Director and the City Council, the funds will not be required in the near future to cover a Section 8 deficit. At the time such

a loan is approved, a repayment plan must also be approved.

- J. CDBG PROGRAMS** - City Council approval shall be required to add any new activity after adoption of the final budget. If the project cost of the new activity will be greater than 10% of the total budget, the addition shall be submitted to HUD for approval.

XIII. ANNUAL REVIEW & REPORTING

- A.** These financial management policies will be reviewed administratively by the City Manager at least annually, prior to preparation of the operating budget and will be presented to the City Council for confirmation of any significant changes.
- B.** The Chief Financial Officer will report annually to the Finance and Government Committee on compliance with these policies.