



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
COUNCIL BRIEFING ROOM, 300 W. MAIN STREET
TUESDAY, NOVEMBER 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. Some or all of the council members may participate remotely via video conference.

CALL TO ORDER

STAFF PRESENTATIONS

- [1.](#) Insurance Fund Quarterly Review
- [2.](#) Quarterly Investment Report & Investment Policy Review
- [3.](#) Internal Audit FY2021 4th Quarter Report & FY2022 Internal Audit Work Plan

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.

- [4.](#) Minutes from the Finance and Government Committee Meeting October 5, 2021
- [5.](#) Change order #5 with Pacheco Koch Consulting Engineers, Inc. in the amount of \$25,000 to perform continued construction administration due to unforeseen requirement by Union Pacific for a custom pedestrian trail canopy structure under the existing railroad bridge at the Great Southwest Nature Park
- [6.](#) Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Amend the Interlocal Agreement with the City of Fort Worth for joint engineering design and cost estimation services of the "NorthWest" Trail Connection to CentrePort Station in the amount of \$59,412 for additional engineering services
- [7.](#) Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Purchase and installation of pool filter and related components for the Kirby Creek Natatorium from Sunbelt Pools in the amount of \$93,860 through a BuyBoard contract and include a 5% contingency in the amount of \$4,693 for a total of \$98,553
- [8.](#) An Ordinance of the City of Grand Prairie, Texas, authorizing the execution of an MOU with the Alliance For Children providing \$100,000 in America Rescue Plan Act funds for expanding the Arlington center servicing victims of criminal child abuse in Grand Prairie.

ITEMS FOR INDIVIDUAL CONSIDERATION

- [9.](#) Resolution authorizing the Chief Investment Officer to invest in a no-load money market mutual fund with Wells Fargo
- [10.](#) Resolution authorizing the City to participate in the Texas CLASS investment program
- [11.](#) Resolution approving the City's Investment Policy
- [12.](#) Contract with Magee Architects, L.P. in the amount of \$212,760 and approve a 5% contingency of \$10,638 for a total cost of \$223,398 for architectural services for the Lynn Creek Park Event Pavilion
- [13.](#) Professional services contract with The Broussard Group, dba TBG Partners (TBG) in the amount of \$176,000 and approve a 5% contingency of \$8,800, total cost of \$184,800 for Phase I Construction Documentation and Construction Administration services for Mi Familia Park
- [14.](#) Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Construction contract with A&B Construction, LLC for High School Drive Slope Failure in the total amount of \$626,947.00 for Base Bid; material testing with Alliance Geotechnical Group in the amount of \$34,760.80; in-house engineering in the amount of \$31,347.35; and 5% construction contract contingency in the amount of \$31,347.35 for a total project cost of \$724,402.50
- [15.](#) Ordinance Amending the FY 2021/2022 Capital Improvement Projects Budget; Construction contract with Excel 4, Inc. in the amount of \$1,008,700.00 for Skyway Drive and Small Street Sewer Improvements; 5% construction contingency in the amount of \$50,435.00; Materials testing with Team Consultants in the amount of \$21,717.00; in-house labor distribution in the amount of \$50,435.00 for a total of \$1,131,287
- [16.](#) Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Contract with Cole Construction in the amount of \$544,934.50; and approve a 10% contingency of \$54,493.45, total cost of \$599,428 for repairs to the Waggoner Park Pedestrian Bridge of Arbor Creek
- [17.](#) Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Change Order/Amendment No. 1 for Guaranteed Maximum Price contract with Hill & Wilkinson for construction of the Phase II PlayGrand Adventures Tranquil Adventures Project, in the amount not to exceed \$494,000 and approve a 5% construction contingency in the amount of \$26,000 for a total of \$520,000

EXECUTIVE SESSION

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

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

CITIZEN COMMENTS

Citizens may speak during Citizen Comments for up to five minutes on any item not on the agenda by completing and submitting a speaker card.

ADJOURNMENT

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

Certification

In accordance with Chapter 551, Subchapter C of the Government Code, V.T.C.A, the Finance and Government Committee agenda was prepared and posted October 29, 2021.



Gloria Colvin, Deputy City Secretary



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 11/02/2021

REQUESTER: Lisa Norris, Human Resources Director

PRESENTER: Lisa Norris, Human Resources Director

TITLE: Insurance Fund Quarterly Review

RECOMMENDED ACTION: Review Only

ANALYSIS:

The Employee Insurance Fund ended the year with a positive operating balance of \$539,821 (column 13, row 39) as of September 30, 2021. Final adjustments may occur as the fiscal year closes. As a reminder, our benefit plans run on a calendar year basis from January through December, but the October through December claims will show up in the *new* fiscal year reporting. Expenses during the final months of October, November and December are usually high since members have met their deductibles earlier in the year and are trying to complete all medical procedures during these last few months before deductibles start over in January.

Revenues (only notable items):

Revenues came in 2% over the modified budget (column 15, row 15). We received the Retiree Drug Subsidy from the federal government of \$21,345 (column 11, row 12). Originally, the federal government denied this submission, but our staff appealed it, were persistent in follow-up and follow-through, and won the appeal.

Expenses (only notable items):

1. Active claims look very low in August - only reaching \$317,006 (columns 11, row 29). This is because our former carrier, United Health Care, refunded the final balance of over \$500,000 in money set aside to pay final claims since our contract with them ended. This amount offset the claims paid in August, causing the amount to look lower than normal.
2. Active claims ended the fiscal year at \$16.3 million - about 7% over budget. This is not surprising as COVID suspended medical procedures for many months in 2020 and now people have been trying to catch up, get back to the doctor, and get the voluntary procedures that had been suspended done.
3. Retiree claims came in at \$2.97 million-32% over budget.
4. Staff, along with our benefits consultants, will continue to monitor plan costs, contributions, and benefit design to ensure we remain competitive in the market and contain costs.

FINANCIAL CONSIDERATION: None. Information only.



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 11/02/2021

REQUESTER: Brady Olsen

PRESENTER: Brady Olsen, Treasury and Debt Manager

TITLE: Quarterly Investment Report & Investment Policy Review

RECOMMENDED ACTION: None

ANALYSIS:

The attached report outlines where the City's cash and investments are held throughout the year.

In general, as market rates decrease in the short term, staff continues to build a laddered portfolio, filling in any gaps. Laddering bonds allows flexibility to invest in different credit and interest rate environments and provide regular liquidity for operating needs. Staff continues to anticipate low, but growing interest returns in the coming year as the Fed keeps a rate close to 0.

FINANCIAL CONSIDERATION:

The city budgeted \$4 million in investment returns for the FYE 2021, and the city exceeded the projection.



September 30, 2021

To The Honorable Mayor, Members of the City Council, and City Manager,
City of Grand Prairie

The attached information comprises the quarterly investment reports for the City of Grand Prairie, Texas for the period ended September 30th, 2021. The undersigned acknowledge that the City's investment portfolio has been and is in compliance with the policies and strategies as contained in the City's Investment Policy and also in compliance with the Public Funds Investment Act of the State of Texas except as noted.

A handwritten signature in black ink, appearing to read "Brady Olsen".

Brady Olsen, Treasury and Debt Manager

A handwritten signature in blue ink, appearing to read "Jacqueline Hathorn".

Jacqueline Hathorn, Senior Treasury Analyst

A handwritten signature in blue ink, appearing to read "Caryn Riggs".

Caryn Riggs, Chief Financial Officer



Investment Report For Quarter Ended September 30, 2021

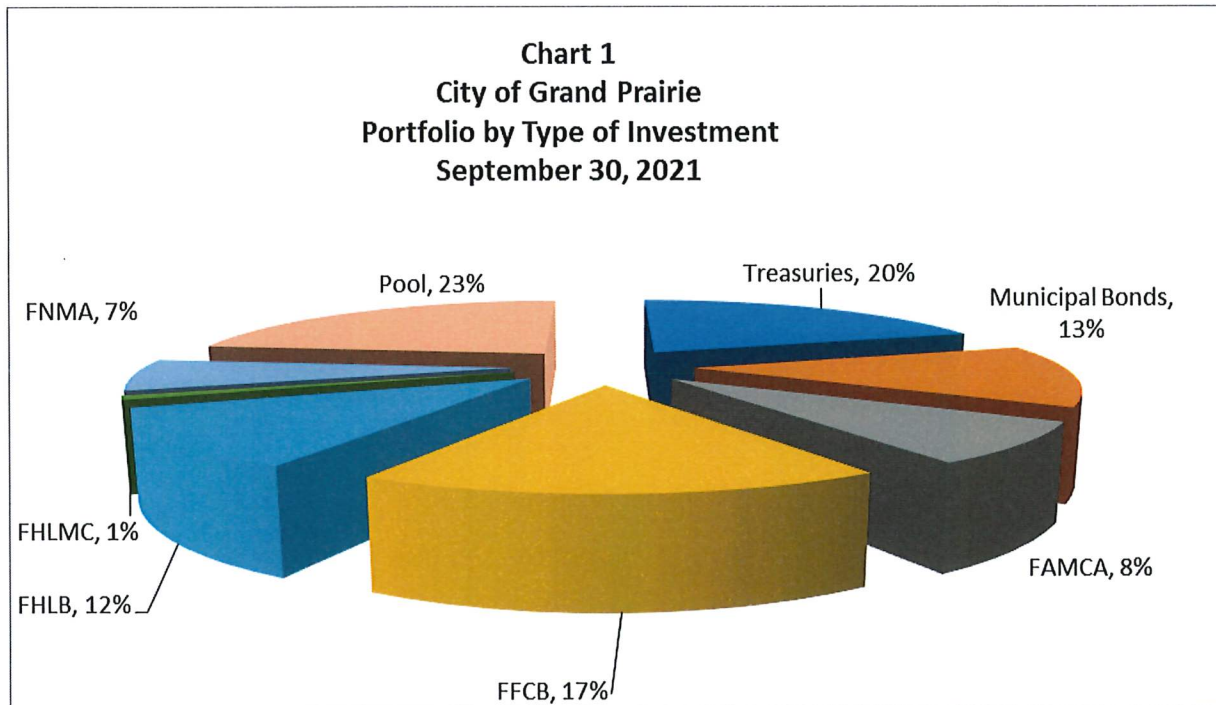
INVESTMENT RECAP

The attached investment recap summarizes all activities in the City’s investment portfolio from October 1, 2020 to September 30, 2021. The report shows a year-to-date increase of \$102,308,886, largely driven by federal funds and the recent bond issuances.

The book value and market value of each type of investment is also shown on the report. At September 30, 2021, the city had an unrealized loss (market value minus book value) of \$1,814,060 on its securities largely due inconsistent recovery of the market. Since we operate in a buy and hold model, this loss will not be realized, and is not reflected in any of the above totals.

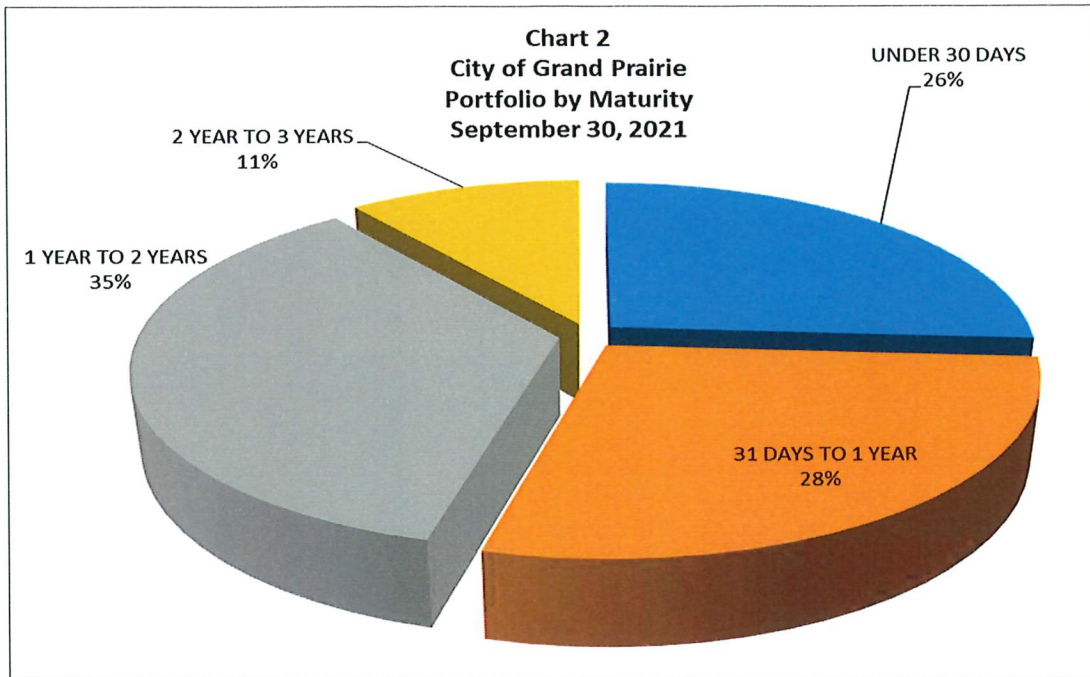
Portfolio by Type of Investment

Chart 1 presents the portfolio by type of investment. Approximately 20% of the portfolio is invested in Local Government Investment Pools; the remainder is invested in US Agencies, Treasuries or Municipal Bonds. The investment policy guidelines indicate not more than 50% invested in pools and 25% in each individual government agency. This reflects a recent general strategy of placing more investment funds in longer term instruments.



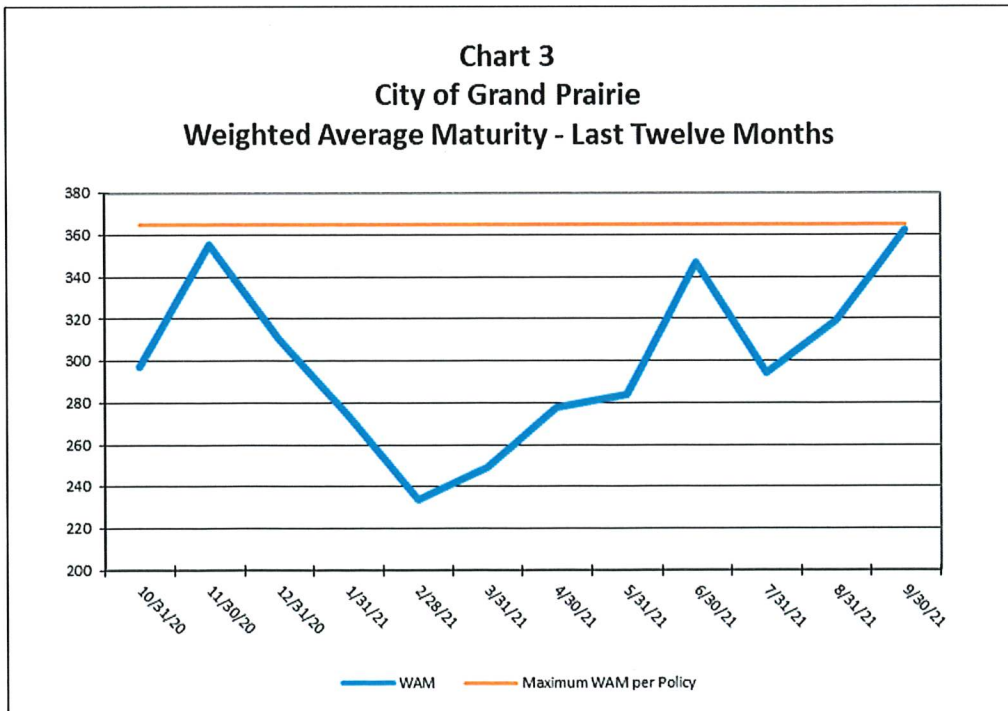
Portfolio by Maturity

Chart 2 presents the portfolio by maturity. Per policy, no investments exceed 36 months.



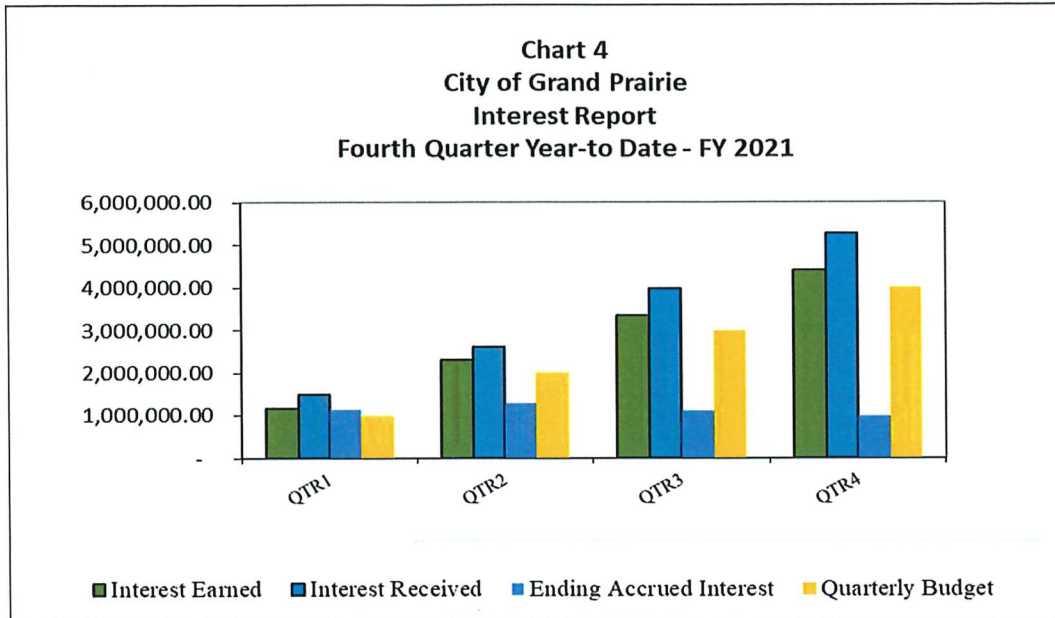
Weighted Average Maturity

Chart 3 shows the weighted average maturity (WAM) for the last twelve months. As of September 30th, the WAM was 362 days. The goal is to keep the WAM close to, but under 365 days.



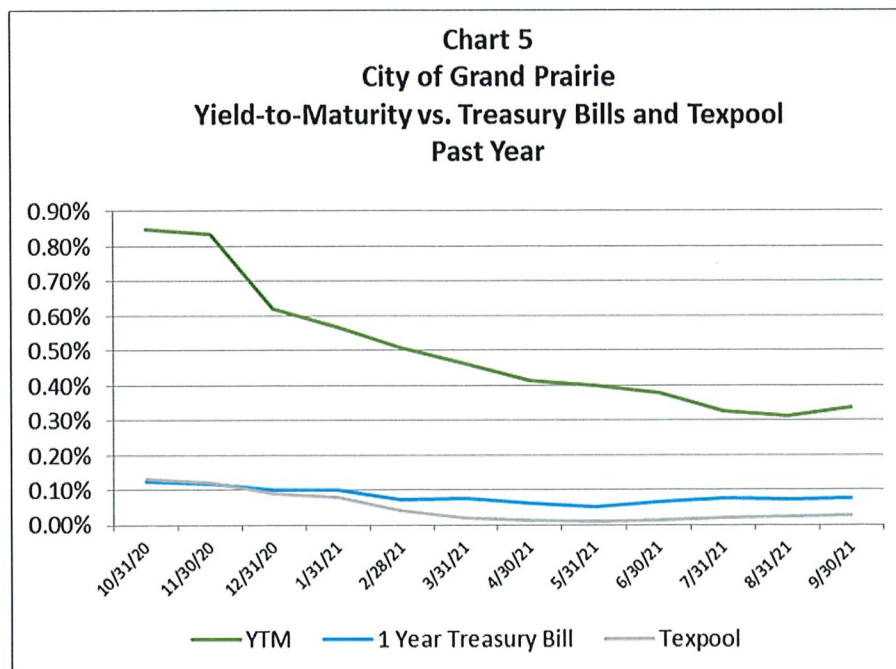
Interest Report

Chart 4 compares the interest income budget, interest received, and ending accrued interest. The primary difference in this amount is due to the timing of when interest is received and reported. Interest received is on a cash basis, as is the budgeted amount. Interest earnings and accrued interest are on an accrual basis.



Yield Compared to U.S. Treasury and Texpool

A metric more indicative of the portfolio performance is the overall expected yield-to-maturity, as shown in Chart 5. This metric is benchmarked against average monthly yield of the one year U.S. Treasury Bill and the average monthly yield on Texpool accounts. Since the strategy at the City is a buy and hold to maturity, the yield-to-maturity rate represents the final expected results. This yield can vary if a bond gets called early; therefore, we have a cap on callable securities at no more than 50%. As the market recovers, we may be able to increase our spread over the next year.



INVESTMENT ACTIVITY & PROSPECTIVE STRATEGY

As shown on the attached schedule, it was once again an active quarter with approximately \$74 million in purchases made and \$51 million maturing this quarter, excluding pool transactions. Yields for new purchases remain unattractive, yet higher than the pool returns.

In the upcoming quarter (October 2021-December 2021), holdings with par value of \$28 million are maturing. The yields on those holdings have a median larger than the current market, so we may expect continued diminished returns in the coming year. We begin to receive property tax revenue this quarter, which could push our portfolio over \$500 million.

In general, as market rates decrease in the short term, staff continues to build a laddered portfolio, filling in any gaps. Laddering bonds allows flexibility to invest in different credit and interest rate environments and provide regular liquidity for operating needs. We continue to anticipate low interest returns in the coming year as the Fed keeps a rate close to 0. We may be at the beginning of an interest rate recovery driven by inflation, as October has seen larger return.

CITY OF GRAND PRAIRIE
INVESTMENT RECAP
September 30, 2021

YEAR TO DATE	Beg. Balance 10/1/2020	Additions	Retirements	Book Value 9/30/2021	Market Value 9/30/2021	Unrealized Gains/Losses
11140 Treasuries	\$ 5,056,250	\$ 96,775,163	\$ (10,129,123)	\$ 91,702,289	\$ 91,487,917	\$ (214,373)
Municipal Bonds	\$ 51,473,735	\$ 25,962,675	\$ (18,384,883)	\$ 59,051,527	\$ 58,486,298	\$ (565,229)
11079 FAMCA	31,073,063	\$ 20,616,386	\$ (15,000,000)	\$ 36,689,448	36,701,519	12,070
11040 FFCB	60,548,062	\$ 65,608,522	\$ (50,089,412)	\$ 76,067,172	76,116,433	49,261
11010 FHLB	53,727,766	\$ 45,551,027	\$ (46,423,237)	\$ 52,855,556	52,067,938	(787,617)
11080 FHLMC	8,942,232	\$ 18,540,548	\$ (23,586,344)	\$ 3,896,436	3,856,093	(40,343)
11070 FNMA	16,237,593	\$ 20,933,208	\$ (7,017,150)	\$ 30,153,651	29,885,821	(267,830)
Pool	125,641,657	\$ 396,998,644	\$ (418,047,137)	\$ 104,593,164	104,593,164	-
TOTAL	\$ 352,700,357	\$ 690,986,173	\$ (588,677,287)	\$ 455,009,243	\$ 453,195,183	\$ (1,814,060)

YEAR TO DATE NET CHANGE IN INVESTMENTS **102,308,886**

Current Quarter	Beg. Balance 6/30/2021	Additions	Retirements	Total Cost 9/30/2021	Asset Mix Allowed	Actual Asset Mix
Treasuries	\$ 55,449,768	\$ 41,351,849	\$ (5,099,328)	\$ 91,702,289	100%	20%
Municipal Bonds	\$ 45,061,835	\$ 18,989,692	\$ (5,000,000)	\$ 59,051,527	25%	13%
FAMCA	\$ 46,689,448		(10,000,000)	\$ 36,689,448	25%	8%
FFCB	\$ 76,067,172			\$ 76,067,172	25%	17%
FHLB	\$ 49,973,854	13,164,775	(10,283,073)	\$ 52,855,556	25%	12%
FHLMC	\$ 24,473,870		(20,577,434)	\$ 3,896,436	25%	1%
FNMA	\$ 30,153,651			\$ 30,153,651	25%	7%
Pool	\$ 79,442,759	144,457,553	(119,307,147)	\$ 104,593,164	50%	23%
	\$ 407,312,357	\$ 217,963,868	\$ (170,266,982)	\$ 455,009,243		100%

CURRENT PERIOD NET CHANGE IN INVESTMENTS **47,696,886**

MATURITY SCHEDULE	Balance 09/30/21	% of Portfolio
UNDER 30 DAYS	\$ 118,793,243	26%
31 DAYS TO 1 YEAR	\$ 127,101,000	28%
1 YEAR TO 2 YEARS	\$ 161,410,000	35%
2 YEAR TO 3 YEARS	\$ 47,705,000	10%
TOTAL	\$ 455,009,243	100.0%

**Pooled Investment Fund
 Portfolio Management
 Portfolio Summary
 September 30, 2021**

City of Grand Prairie
 326 W Main
 Grand Prairie, Grand Prairi
 (972)237-8089

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Pools	104,593,164.11	104,593,164.11	104,593,164.11	22.99	1	1	0.023	0.024
Municipal Bonds	57,785,000.00	58,486,296.10	59,051,526.70	12.98	662	333	0.735	0.745
Federal Agency Coupon Securities	196,622,000.00	198,627,804.42	199,662,263.12	43.88	743	448	0.389	0.394
Treasury Coupon Securities	91,000,000.00	91,487,916.60	91,702,289.48	20.15	726	603	0.291	0.295
Investments	450,000,164.11	453,195,181.23	455,009,243.41	100.00%	558	362	0.330	0.335

Cash and Accrued Interest								
Accrued Interest at Purchase		95,666.39	95,666.39					
Subtotal		95,666.39	95,666.39					
Total Cash and Investments	450,000,164.11	453,290,847.62	455,104,909.80		558	362	0.330	0.335

Total Earnings	September 30	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	135,891.81		3,302,813.50	3,302,813.50
Average Daily Balance	458,822,337.22		404,542,184.41	
Effective Rate of Return	0.36%		0.82%	

Jacqueline Hathorn, Treasury Analyst

Brady Olsen, Treasury and Debt Manager

Reporting period 09/01/2021-09/30/2021

Run Date: 10/21/2021 - 13:09



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 11/02/2021

REQUESTER: Cathy Patrick

PRESENTER: Cathy Patrick, Management Services Director

TITLE: Internal Audit FY2021 4th Quarter Report & FY2022 Internal Audit Work Plan

RECOMMENDED ACTION: None

AUDIT SERVICES DEPARTMENT
Fiscal Year 2021
4th Quarter

COMPLETED REPORTS	DEPARTMENT	FIELD WORK COMPLETE	REPORT DATE	HOURS TO DATE	IMPLEMENTATION PLAN	IMPLEMENTATION COMPLETE	FOLLOW-UP REVIEW
Firehouse Gastro Contract Compliance	CMO	9/22/2021	9/23/2021	51	NA	NA	NA
Streets Inventory July Follow-Up	Public Works	9/13/2021	9/14/2021	85	Yes	NA	Yes
Work In Progress							
EnerGov Software Implementation	487						
City Wide Petty Cash & Change Funds	71						
Capital Assets Reconciliation	23						
ERP Software Replacement	10						
Miscellaneous Projects							
Finance Assistance	372	Complete					
Procurement Card Review	45	Continual					
Finance Investment Reconciliations	30	Continual					
Housing Promissory Notes & Portability Checks	24	Continual					
Budget Assistance	23	Complete					
Economic PIR 380 Agreements	13	Complete					
American Rescue Plan Grant	13	Continual					
Police Quarterly Seizure Review	11	Continual					

**CITY OF GRAND PRAIRIE
CALENDAR YEAR 2022
AUDIT SERVICES WORK PLAN**



Compliance Audits

- Epic Waters Contract Compliance (125 hours) – review American Resort Management compliance with City contract and accuracy of financial transactions, statements, and reports.
- Lynn Creek Marina Lease Contract Compliance (125 hours) – review Marina’s compliance with the City contract and accuracy of financial transactions, statements, and reports.
- Lone Star Park Contract Compliance (125 hours) – review LSP’s compliance with the City contract and accuracy of financial transactions, statements, and reports.
- Resturant Lease Contract Compliance (125 hours) – review FHGP, Eddlemon’s and Radial Cafe’s compliance with the City contract and accuracy of financial transactions, statements, and reports.

Internal Control

- Budget Payroll (25 hours) – review payroll internal controls and compliance with City policies and procedures.
- Fire EMS Revenue (300 hours) – review revenue internal controls and compliance with City policies and procedures.
- Library Payroll (80 hours) - review payroll internal controls and compliance with City policies and procedures.
- Parks Payroll (350 hours) - review payroll internal controls and compliance with City policies and procedures for Cemetery, Lynn Creek, Maintenance, Charley Taylor, Epic Rec, Summit, RJC, and Uptown.
- Parks Revenue (500 hours) – review Epic Rec and Summit, Dalworth, Shotwell, Prairie Lakes, and Athletics revenue internal controls and compliance with City policies and procedures.
- Municipal Court Revenue (125 hours) – review revenue internal controls and compliance with City policies and procedures.
- Police Detention Phone Card Inventory (60 hours) - review inventory controls and compliance with City policies and procedures.
- Police Property Room Deposits and Inventory (150 hours) – Review inventory procedures and funds deposits, internal controls and compliance with City policies and procedures.

CALENDAR YEAR 2022 AUDITS

- Departmental Policies and Procedures (150 hours) – review all City departmental policies and procedures to determine if current and adequate internal controls are documented.
- Petty Cash and Change Fund Audits (80 hours) – surprise counts of City cash funds to verify compliance with City policies and procedures.

Performance/Other Projects

- Capital Assets (900 hours) – conduct process improvement of capital asset tracking process and reconcile all capital assets in City to Finance Department Fixed Assets and Legal’s TML insured assets.
- Lawson and HTE Software Replacement (1,500 hours) – solicit bids, award project, and project management of implementation.
- Capital Assets (1,000 hours) – verify departmental assets are properly recorded in Lawson and insured with TML.

Follow-up Audits

- Water Warehouse Inventory (100 hours) – review inventory for proper internal controls, accuracy, and implementation of prior audit recommendations.

Required Audits

- Pool Investment Fund (100 hours) - monthly audit of all investment accounts to verify accuracy of all investment activities.
- Certified Telephone Providers (100 hours) - quarterly review of payments received from CTP’s to verify accuracy of line counts reported to the PUC and determine compliance with PUC reporting regulations.
- Procurement Cards (250 hours) - bi-monthly detailed review of all credit card transactions to verify compliance with City policies and procedures.
- Tax Abatement & 380 Agreements (50 hours) - annual review of abatement agreements to verify compliance.
- SEMAP (30 hours) - annual self-assessment review of Section 8 per HUD requirements.
- Seizure Fund (80 hours) - annual review of State and Federal Seizure fund revenue and expenditure transactions to verify compliance with State regulations.
- Housing Promissory Notes & Portability Payments (100 hours) – reconcile promissory notes and deposit portability payments.

CALENDAR YEAR 2022 AUDITS

- Review of hotel/motels room tax (350 hours) - verify the accuracy of occupancy tax payments made to the city.

General Audits/Projects (1,000 hours) – hours dedicated to unplanned audits and special projects needed during the year.



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: November 2, 2021

REQUESTER: Sheryl Osborn

PRESENTER: Jeff Copeland, Chairperson

TITLE: Minutes from the Finance and Government Committee Meeting
October 5, 2021

RECOMMENDED ACTION: Approve



**CITY OF GRAND PRAIRIE
FINANCE AND GOVERNMENT COMMITTEE
COUNCIL BRIEFING ROOM, 300 W. MAIN STREET
TUESDAY, OCTOBER 05, 2021 AT 2:30 PM**

MINUTES

CALL TO ORDER

Councilperson Cole Humphreys called to order the City of Grand Prairie Finance and Government Committee convened at 2:30 p.m. on Tuesday, October 5, 2021, in the City Council Briefing Room, 300 West Main Street, Grand Prairie, Texas. The following persons were in attendance:

MEMBERS PRESENT

Cole Humphreys, City Councilperson
Kurt Johnson, City Councilperson

MEMBERS ABSENT

Jeff Copeland, Chairperson

GUESTS IN ATTENDANCE

No Guests were recognized as being in attendance.

STAFF PRESENTATIONS

1. Hotel Occupancy Tax, HTMT Reporting update
Tourism Supervisor, Sara Dedeluk, stated that Tourism is 100% funded by hotel occupancy tax. She also reviewed the funding usage. Grand Prairie now has 36 hotels/motels, with 3066 rooms, and two new hotels opening soon will add 375 rooms. Ms. Dedeluk reviewed the Tourism budget history, including 2015-2016 and 2017-2018 which were negatively impacted due to construction delays, and 2020 which was affected by COVID during the last two quarters. 2018-2019 was used for budgeting. Construction delays may occur this year, but tourism should still do well. Additional discussion took place regarding the rationale for budget values and revenue seasonal trends. Ms. Dedeluk also presented information on short-term rentals, which are becoming popular in Grand Prairie. Ms. Dedeluk offered additional information on a new service they are using offered by STR, Inc. (not short-term rental). The company provides hotel market data for Grand Prairie, as well as information on other Metroplex hotels for comparisons. Some smaller and/or independently owned hotels do not report data to STR. Ms. Dedeluk also noted that hotel rooms can be booked directly from the tourism site, visitgrandprairietx.com.

2. Investment Presentation
Treasury and Debt Manager, Brady Olsen, presented information on the City's cash and investments, the various roles people play, and the investment framework the City uses, which is under state regulation. He discussed the different levels of regulation, reporting requirements, and allowable investments. The City Council decides on the options and communicates those decisions to staff. The City also has an Investment Committee. The Treasury team makes the day-to-day investments under leadership's guidance. Mr. Olsen also discussed the Public Funds Investment Act. He noted that the City does not invest in some options for various reasons, including a potentially higher risk. Mr. Olsen additionally discussed the City's investment strategy, which includes safety (low risk investments, diversity in investments), liquidity (access to cash), and

investment yield. He stated that US Treasury Bills and Notes are very safe. Approximately 1% of our total cash is in our checking account at any given time. Approximately 20% of our cash is in the investment pools. The City can have access to that cash within a day or so. The City also has cash in treasuries, agencies, and municipal bonds. Mr. Olsen noted that the City can fund between four and eight million dollars worth of additional projects each year because of investments. The investment policy must be approved every year. The policy will be presented to Council in November.

CONSENT AGENDA

3. Minutes from the Finance and Government Committee Meeting September 7, 2021
4. Ordinance amending the FY 2021/2022 Capital Lending Reserve Fund; to remodel the Main Library Archive Room using an established price agreement with Home Depot (\$54,072.72)
5. Purchase of lighting system for Friendship Park from Musco Lighting at a cost of \$94,211 through a cooperative agreement with BuyBoard
6. A resolution of the City of Grand Prairie, hereinafter “Applicant,” designating certain officials as being responsible for, acting for, and on behalf of the Applicant in dealing with the Texas Parks & Wildlife Department, hereinafter referred to as the “Department,” for the purpose of participating in the Local Park Grant Program, hereinafter referred to as the “Program,”; certifying that the Applicant is eligible to receive program assistance; and dedicating the proposed site for permanent public park and recreational uses (known as Tyre Park Improvements).
7. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Professional engineering services contract with Plummer Associates, Inc. in the maximum amount of \$58,800 for the 2021 Annual Study for Outfall Rehabilitation
8. An ordinance amending the FY2021/2022 Capital Improvement Budget; contract with Parkhill/Shrickel Rollins, Inc. in the amount of \$67,500 and approve a 5% contingency of \$3,375, for a total cost of \$70,875 for architectural services for Tyre Park Development Plan
9. Ordinance Amending the FY2021/2022 Capital Improvement Projects Budget; Amendment No. 1 with Halff Associates, Inc. for additional engineering and survey service for Palace Pkwy and IH30 in the amount of \$19,500

Councilperson Kurt Johnson moved to approve the Consent Agenda, with an adjustment in the September 7, 2021 minutes changing the words “Members not in Attendance” to “Guests in Attendance.” Councilperson Cole Humphreys seconded the motion. The motion passed 2-0.

Ayes: Humphreys, Johnson

Nays: None

Abstentions: None

Absent: Copeland

ITEMS FOR INDIVIDUAL CONSIDERATION

10. 2022 Finance and Government Committee Meeting Dates

Councilperson Cole Humphreys stated that Item 10 would be pulled from this Agenda and would be discussed when the full Finance and Government Committee was present.

11. Professional Services Contract with Teague, Nall & Perkins, Inc. in the amount of \$381,040.21 to provide engineering of intersection improvements at Avenue K and SH 360, Belt Line Road and Marshall Drive, and Belt Line Road and Skyline Road (South)

Transportation Director, Walter Shumac, presented information on item 11. Mr. Shumac discussed issues at the listed locations. Mr. Shumac also explained why an outside engineering firm is needed for the design work.

Councilperson Kurt Johnson moved to approve Item 11, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 2-0.

Ayes: Humphreys, Johnson

Nays: None

Abstentions: None

Absent: Copeland

12. Change Order/Amendment No. 2 with Hill & Wilkinson General Contractors in the amount of \$111,953.02 for added scope of work requested by the City of Grand Prairie for emergency generator coordination and new waterproofing installation required as it relates to Phase 3 Construction of the City Hall Municipal Campus

Mr. Andy Henning, Engineering, presented information for Items 12, with contributing comments from Facility Services Manager, Ray Riedinger. The recommendation was made to add a permanent generator for both Housing and Courts, which will require a redesign of the landscape. Additionally, the floor-line in Courts is below grade, and in addressing that issue, asbestos was discovered in the current water-proofing system. The funding source for this change is from the Housing budget and the Courts budget. It is not associated with the funding for the City Hall project.

Councilperson Kurt Johnson moved to approve Item 12, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 2-0.

Ayes: Humphreys, Johnson

Nays: None

Abstentions: None

Absent: Copeland

13. Agreement with Dallas Area Agency on Aging for a total budget of \$257,847 (less Program Reimbursements of \$183,348) for Congregate Meals, Home Delivered Meals and Transportation Program

Parks, Arts, and Recreation Director, Mr. Duane Strawn, presented information for Items 13. Mr. Strawn also noted that Grand Connection, which Mr. Walter Shumac oversees, is a significant part of the program's success.

See Item 15 regarding motion and decision for this Item.

14. Purchase an irrigation controller system for Prairie Lakes from Longhorn, Inc in the amount of \$162,285.31, through a national cooperative agreement with BuyBoard and include a 5% contingency in the amount of \$8,115 for a total of \$170,400.31

Mr. Duane Strawn presented information for Items 14, regarding replacement of an outdated irrigation system. The labor will be in house and begin with the weather is cooler.

See Item 15 regarding motion and decision for this Item.

15. Contract with The Home Depot in the amount of \$138,916.57 for painting interior of the Ruthe Jackson Center through a cooperative agreement with BuyBoard; contract with Shaw Integrated Solutions in the amount of \$148,690.73 for facility improvements and carpet for Ruthe Jackson Center through a cooperative agreement with BuyBoard and include a 4% contingency in the amount of \$10,000 for a total of \$297,607.30.

Mr. Duane Strawn presented information for Items 15 regarding a design refresh. A discussion took place about the proposed updates and the timeline.

Councilperson Kurt Johnson moved to approve Items 13 through 15, as presented.

Councilperson Cole Humphreys seconded the motion. The motion passed 2-0.

Ayes: Humphreys, Johnson

Nays: None

Abstentions: None

Absent: Copeland

16. Resolution authorizing the filing of an application for financial assistance from the state infrastructure bank of \$13 million; authorizing the City Manager to act on behalf of the City of Grand Prairie in all matters relating to the application

Mr. Brady Olsen presented information for Item 16. Mr. Olsen stated that the State created low interest loans for transportation projects throughout the state, but the program is not being used to its full potential. The City has a turnback project, and the State loans may be at a lower interest rate than issuing bonds. He also noted that Mr. Walter Shumac and the Transportation team were responsible for finding out about the low interest loan program.

Councilperson Kurt Johnson moved to approve the Item 16, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 2-0.

Ayes: Humphreys, Johnson

Nays: None

Abstentions: None

Absent: Copeland

EXECUTIVE SESSION

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

- (1) *Section 551.071 "Consultation with Attorney"*
- (2) *Section 551.072 "Deliberation Regarding Real Property"*
- (3) *Section 551.074 "Personnel Matters"*

(4) *Section 551.087 “Deliberations Regarding Economic Development Negotiations.”*
No Executive Session was held.

CITIZEN COMMENTS

No citizen comments were made.

ADJOURNMENT

There being no further business, the Finance and Government Committee meeting adjourned at 3:34 p.m.

Chairperson, Jeff Copeland
Finance and Government Committee

Date



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 11/02/2021

REQUESTER: Steve Plumer, Sr. Parks Project Manager

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

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

RECOMMENDED ACTION: Approve

ANALYSIS:

On November 30, 2018, the City Council awarded a Professional Services contract to Pacheco Koch Consulting Engineers, Inc. for Professional Engineering Design Services for Phase I of the Great Southwest Nature Park for \$89,750.00.

Change Order No. 1 in the amount of \$6,000 was approved by the City Manager on June 14, 2019 for TP&W Grant Amendment, TP&W Grant Administration, ONCOR Coordination, and Interpretive Signage Design for The Great Southwest Nature Park Phase I.

Change Order No. 2 in the amount of \$8,500 was approved by the City Manager on October 31, 2019 for design and coordination with ONCOR Easement Documents and ONCOR Easement Release Documents.

Change Order No. 3 in the amount of \$17,185.00 was approved by City Council on October 13, 2020, for the design and coordination with Union Pacific Railroad for a pedestrian trail canopy under the existing railroad bridge.

Change Order No. 4 in the amount of \$27,000 was approved by City Council on April 6, 2021, for the engineering to perform a hydraulic analysis of Johnson Creek for the proposed piers supporting the trail canopy awning and coordination with Union Pacific Railroad requirements for a pedestrian trail canopy under existing railroad bridge for the Great Southwest Nature Park.

Change Order No 5 in the amount of \$25,000 is for the consultant to continue construction administration due to unforeseen requirements by Union Pacific Railroad, and the manufacturers delay and long lead time times for the required pedestrian trail canopy for the Great Southwest Nature Park.

All items will be incorporated into the current Pacheco Koch Consulting Engineers, Inc. contract for a revised total contract amount of \$173,435. With approval of this agenda item, the original contract value will have been increased by 93% in total.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for Change Order No 5 with Pacheco Koch Consulting Engineers, Inc. in the amount of \$25,000 is available in the Grant Fund (300592), WO #15018019 (Great Southwest Nature Park).

**CITY OF GRAND PRAIRIE
CAPITAL PROJECTS BUDGET SUMMARY**

Fund/Activity Account: 300592 - 15018019
 Project Title: Great Southwest Nature Park
 Current Request: \$0.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
Legal Services (61360)	\$7,471	\$1,763	\$0	\$1,763	\$7,471
Surveys/Studies (61405)	\$8,410	\$235		\$235	\$8,410
Land (68090)	\$515,500	\$515,500		\$515,500	\$515,500
Construction (68540)	\$946,994	\$30,329		\$30,329	\$946,994
Design (68550)	\$215,935	\$25,000		\$25,000	\$215,935
Eng/Consult/Geotech (68560)	\$12,887	\$0		\$0	\$12,887
Contingency (68570)	\$368,422	\$368,422		\$368,422	\$368,422
Equip/Hardware (68640)	\$39,881	\$39,881		\$39,881	\$39,881
TOTAL	\$2,115,500	\$981,130	\$0	\$981,130	\$2,115,500



**CITY OF GRAND PRAIRIE
ORDINANCE**

MEETING DATE: 11/02/2021

REQUESTER: Brett Huntsman, AICP

PRESENTER: Walter Shumac III, Director of Transportation Services

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

RECOMMENDED ACTION: Approve

ANALYSIS:

The City of Grand Prairie has been a partner with other cities, through the North Texas Council of Governments, in the development of the Regional VeloWeb trail system within the Trinity River corridor. This long-range plan is to provide an interconnected trail system for recreational and non-motorized access from Fort Worth through Dallas and extensions beyond to suburban communities. The Lone Star and Good Link trails are links to this regional trail in Grand Prairie.

On February 20, 2018, the City of Grand Prairie Council approved an interlocal agreement with the City of Fort Worth for the preliminary design of a multi-use trail extending from Mike Lewis Park along Roy Orr to Trinity Blvd and then westward to the Fort Worth city boundary. The City of Fort Worth had received a Texas Department of Transportation (TxDOT) grant for design and development of their portion of the trail project. The City of Grand Prairie partnered with Fort Worth for preliminary design and specifications to a 90% level for the Grand Prairie portion of the trail project. The cost of Grand Prairie’s portion of the work was \$90,000.

After an alignment and feasibility study was conducted as part of the preliminary design, it was discovered that additional technical work was needed for both the Grand Prairie and Fort Worth sections of the trail. The work included supplemental trail alignment studies, geotechnical services, environmental clearance, and hydrologic analyses. The cost of this additional work exceeds the total amount granted by TxDOT by an amount of \$59,412. The City of Grand Prairie’s portion of the additional work is \$59,412.

This item is reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

This additional expense is above the current grant allocation for engineering in the NorthWest Trail TIPS work order so additional funding must be added from another source.

Funding for the additional design in connection with the CentrePort Phase II project in the amount of \$59,412 is available by approving an ordinance transferring and appropriating \$59,412 from the unobligated fund balance in the Parks Capital Project Fund (317193) to W.O. #15019020 (NorthWest Trail TIPS)

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$59,412 FROM THE UNOBLIGATED FUND BALANCE IN PARKS CAPITAL PROJECTS FUND (317193) TO GRANT W.O. #15019020 (NORTHWEST TRAIL TIPS)

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

SECTION 1. THAT THE FY 2021/2022 Capital Improvement Projects Budget be amended by transferring and appropriating \$59,412 from the Parks Capital Projects Fund (317193) to Grant W.O.#15019020 (NorthWest Trail TIPS)

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, NOVEMBER 16, 2021.

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 300596 / 15019020
 Project Title: NorthWest Trail TIPS
 Current Request: \$59,412.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
61600 Advertising	\$25,000	\$0	\$0	\$0	\$25,000
68540 Construction	\$4,598,581	\$4,598,581	\$0	\$4,598,581	\$4,598,581
68560 Eng/Con/Geo	\$303,135	\$1,419	\$59,412	\$60,831	\$362,547
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$4,926,716	\$4,600,000	\$59,412	\$4,659,412	\$4,986,128



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 11/2/2021

REQUESTER: Chris Ginapp, Senior Recreation Superintendent

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

TITLE: Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Purchase and installation of pool filter and related components for the Kirby Creek Natatorium from Sunbelt Pools in the amount of \$93,860 through a BuyBoard contract and include a 5% contingency in the amount of \$4,693 for a total of \$98,553

RECOMMENDED ACTION: Approve

ANALYSIS:

The current filter at the Kirby Creek Natatorium is estimated to be at least 30+ years old and needs to be replaced as it has reached its useful life. Staff received a proposal from Sunbelt Pools in the amount of \$93,860 for demolition and disposal of the existing filter system, installation of a new Neptune Benson stacked sand filter system and other related compatibility components through their BuyBoard contract #613-20.

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

The BuyBoard is able to save money by pooling the impressive purchasing power of their members, which include hundreds of school districts, municipalities, counties, other local governments, and nonprofits across Texas. They use the power of numbers as leverage to get better prices with the same vendors we use now.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for the purchase of a pool filter for the Kirby Creek Natatorium in the amount of \$93,860 with a 5% contingency of \$4,693 for a total of \$98,553 is available as follows:

1. Funding the amount of \$65,000 is available in the Park Capital Projects Fund (317193), WO #02203203 (Kirby Creek Pool Filter).
2. Funding for remaining amount of \$33,553 is available by approving an ordinance transferring and appropriating \$33,553 from the unobligated fund balance in the Parks Capital Project Fund (317193) to WO #02203203.

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$33,553 FROM THE UNOBLIGATED FUND BALANCE IN THE PARKS CAPITAL PROJECTS FUND (317193) TO WO #02203203 (Kirby Creek Pool Filter).

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

SECTION 1. THAT the FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET be amended by transferring and appropriating \$33,553 from the unobligated fund balance in the Parks Capital Projects Fund (317193) to WO #02203203 (Kirby Creek Pool Filter).

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, November 16, 2021.

**CITY OF GRAND PRAIRIE
CAPITAL PROJECTS BUDGET SUMMARY**

Fund/Activity Account: 317193 - 02203203
 Project Title: Kirby Creek Pool Filter
 Current Request: \$33,553.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
Equip/Hardware (68640)	\$65,000	\$65,000	\$33,553	\$98,553	\$98,553 \$0
TOTAL	\$65,000	\$65,000	\$33,553	\$98,553	\$98,553



**CITY OF GRAND PRAIRIE
ORDINANCE**

MEETING DATE: 11/02/2021

REQUESTER: Cathy Patrick

PRESENTER: Cheryl Deleon, Deputy City Manager

TITLE: An Ordinance of the City of Grand Prairie, Texas, authorizing the execution of an MOU with the Alliance For Children providing \$100,000 in America Rescue Plan Act funds for expanding the Arlington center servicing victims of criminal child abuse in Grand Prairie.

RECOMMENDED ACTION: Approve

ANALYSIS:

The Alliance For Children provides services to children and families living within the City of Grand Prairie who are victims of criminal child abuse. They offer a safe, child-friendly environment to protect, seek justice, and provide healing for children and families facing severe and life-threatening child abuse cases. Due to the growing demand for services, the Alliance for Children is adding 24,000 square feet to the existing Arlington center. The expansion will increase the capacity for mental health services and evidence-based practices for child abuse victims in a dedicated space. The expansion budget is currently \$6.3 million.

FINANCIAL CONSIDERATION:

The City of Grand Prairie will provide the Alliance For Children \$100,000 in American Rescue Plan Act funding from accounting unit 300594 for the Arlington center expansion per the executed Memorandum of Understanding.

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH THE ALLIANCE FOR CHILDREN PROVIDING \$100,000 IN AMERICAN RESCUE FUNDS FOR THE ARLINGTON CENTER EXPANSION.

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

SECTION 1. THAT \$100,000 of American Rescue Funds are authorized to be used on the Alliance for Children Center Expansion and a contract to effectuate the expenditure is approved.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, November 16, 2021.



September 15, 2021

Steve Dye
 City Manager
 City of Grand Prairie
 317 W. College St.
 Grand Prairie, TX 75053

Alliance For Children is proud to partner with the Grand Prairie Police Department in service to alleged victims of criminal child abuse within Tarrant County. Together, we work to create a safe, child-friendly environment to protect, seek justice and provide healing for children and families. Due to the growing demand for our services, Alliance For Children has embarked on a capital campaign to expand the existing Arlington center. Within our Arlington center, Alliance For Children provides services to children and families living within the City of Grand Prairie. In partnership with your dedicated detectives, we coordinate serious, life-threatening cases of child abuse.

The Arlington expansion budget of \$6.3 million will add 24,000 square feet to our existing center. Existing vital operations and services will continue in the new center with the addition of increased capacity for mental health services and evidence-based practices for child abuse victims. We presently employ sixteen full-time mental health clinicians and contract with an additional twenty. Our current lack of space requires us to lease two other buildings in order to meet clinical needs in the Fort Worth and Arlington communities. Bringing the clinical services into the expanded buildings will allow mental health services to have dedicated space in each center creating the continuum of care, which is how the children's advocacy center model was originally designed. The Arlington location will have individual and group counseling rooms, areas for art therapy, and space to grow the mental health team to prevent a waiting list.

Effective teamwork is vital to the success of our work to protect children, to hold perpetrators accountable, and create healing for families. Due to the complexity of child abuse cases, our partnerships have grown, in particular with the Department of Family and Protective Services, the myriad of police jurisdictions we work with, and the Tarrant County Criminal District Attorney's Office. As a result, it is critical that space for the growing number of investigators and detectives be added for current and future workloads.

Technology is playing a larger role in our cases and adding to their complexity. Therefore, we will improve our data collection methods to create stronger cases leading to more successful prosecutions. This will be accomplished with efficient sound-protected interview rooms, updated recording technology to collect victims' outcries and perpetrators' statements. Heightened safety threats exist to our children and team at large that require safety measures



Arlington
 1320 West Abram Street
 Arlington, Texas 76013

Arlington Clinical
 501 E Border Street Suite 100
 Arlington, Texas 76010

Fort Worth
 908 Southland Avenue
 Fort Worth, Texas 76104

Fort Worth Clinical
 600 North Main
 Fort Worth, Texas 76164

Northeast
 625 Grapevine Hwy
 Hurst, Texas 76054

Northwest
 8401 Jacksboro Hwy Suite 750
 Lakeside, Texas 76135



AllianceForChildren.org

that supersede our existing center structure. The new space will add new safety measures such as key card access and video monitoring in all lobbies, along with private entries and dedicated interrogation rooms for suspect interviews and data collection.

From October 2020-August 2021, Alliance For Children coordinated 245 child abuse investigations leading to services to 128 Grand Prairie children. An additional 19 children were served by Alliance For Children where Grand Prairie Police Department was the investigating agency, but now call another city home. Services provided to these children and families include forensic interviews, case staffing, medical exam, family advocacy services and/or counseling services. This is 13% of the total number of children served at the Arlington center. Alliance For Children respectfully requests your consideration of funding to support the expansion and renovation of this center. We are honored to partner with you in this vital service to our community. Should you have any questions, please do not hesitate to reach out to me directly.

Kindest regards,

Julie Evans

Julie Evans
Chief Executive Officer



Arlington
1320 West Abram Street
Arlington, Texas 76013

Arlington Clinical
501 E Border Street Suite 100
Arlington, Texas 76010

Fort Worth
908 Southland Avenue
Fort Worth, Texas 76104

Fort Worth Clinical
600 North Main
Fort Worth, Texas 76164

Northeast
625 Grapevine Hwy
Hurst, Texas 76054

Northwest
8401 Jacksboro Hwy Suite 750
Lakeside, Texas 76135



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children's advocacy
center® of Texas

AllianceForChildren.org



**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 11/02/21

REQUESTER: Brady Olsen

PRESENTER: Brady Olsen, Treasury & Debt Manager

TITLE: Resolution authorizing the Chief Investment Officer to invest in a no-load money market mutual fund with Wells Fargo

RECOMMENDED ACTION: Approve

ANALYSIS:

Per the City's investment policy and the State's Public Funds Investment Act, the City is authorized to invest in an SEC-registered, no-load money market mutual fund approved (by resolution) by the City Council with a dollar-weighted average portfolio maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. By state law the City is not authorized to invest in the aggregate more than 80 percent of its monthly average fund balance, excluding bond proceeds, in money market mutual funds described in this subsection or to invest its funds or funds under its control, excluding bond proceeds, in any one money market mutual fund in an amount that exceeds 10 percent of the total assets of the money market mutual fund.

To date, we have not used this investment tool in the city. This is a tool typically used to earn interest on money we'd like near-immediate access to. Historically, we have used the pools (Texpool and Texstar) to achieve this goal. Within the last year, money market funds have had higher earnings than the pool while carrying similar low-risk thresholds. We would like the ability to further diversify our portfolio and earn additional interest through the money market tool. Wells Fargo offers this tool while allowing us to meet the collateral requirements more easily as our depository. The investment committee approved this recommendation on June 7th, 2021. This item was presented to the Finance and Government Committee on November 2, 2021, for their review and recommendation to City Council for approval.

FINANCIAL CONSIDERATION:

We believe we could find higher interest earnings at a similar risk threshold with this tool. It would also allow further diversification of the city's assets.

BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, AUTHORIZING THE CHIEF INVESTMENT OFFICER TO INVEST IN A NO-LOAD MONEY MARKET MUTUAL FUND WITH WELLS FARGO

WHEREAS SEC-registered no-load money market mutual funds are an allowable investment by the City's investment policy as well as the States' Public Funds Investment Act

WHEREAS the City deems it proper and in the best interest of the City to use this tool for the investment and diversification of short-term cash assets; and

WHEREAS the Wells Fargo serves as the City's depository and offers this investment tool;

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

Section 1. That the City Council believes that it is in the best interest of the City to invest a portion of short-term cash assets in money market mutual funds.

Section 2. That the City Council hereby authorizes the Chief Investment Officer to enter into an agreement with Wells Fargo for the use of money market mutual funds.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 2ND DAY OF NOVEMBER 2021.



**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 11/02/21

REQUESTER: Brady Olsen

PRESENTER: Brady Olsen, Treasury & Debt Manager

TITLE: Resolution authorizing the City to participate in the Texas CLASS investment program

RECOMMENDED ACTION: Approve

ANALYSIS:

Per the City's investment policy and the State's Public Funds Investment Act, the City is authorized to invest in a Public Funds Investment Pool with a weighted average maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. An investment pool shall invest funds in authorized investments permitted by the Public Funds Investment Act. The pool must enter into a contract approved (by resolution) by the Grand Prairie City Council to provide investment services to the City or by the Sports Corporation Board to provide services to the Sports Corp

To date, we have not used this investment tool in the city. This is a tool typically used to earn interest on money we'd like near-immediate access to. Historically, we have used the pools (Texpool and Texstar) to achieve this goal. Within the last year, Texas CLASS has had higher earnings than other pools while carrying similar low-risk thresholds. We would like the ability to further diversify our portfolio and earn additional interest through this program. The investment committee approved this recommendation on June 7th, 2021; and this item was presented on November 2, 2021, to the Finance and Government Committee for their review and recommendation to Council for approval.

FINANCIAL CONSIDERATION:

We believe we could find higher interest earnings at a similar risk threshold with this tool. It would also allow further diversification of the city's assets.

BODY

A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, AUTHORIZING THE CITY TO PARTICIPATE IN THE TEXAS CLASS PROGRAM

WHEREAS, the Public Funds Investment Act, Texas Government Code, Section 2256.001 et seq. (the Act) requires the governing body of each local government in this state to adopt investment policies in accordance with the terms of the Act; and

WHEREAS, pursuant to the requirements of the Act, the City Council of the City of Grand Prairie has previously reviewed and adopted an investment policy (the Policy) that provides in part that the funds of the local government will be invested in investments permitted by the Act in order to: (i) invest only in investments legally permitted under Texas law; (ii) minimize risk by managing portfolio investments so as to preserve principal and maintain a stable asset value; (iii) manage portfolio investments to ensure that cash will be available as required to finance operations; and (iv) maximize current income to the degree consistent with legality, safety, and liquidity; and

WHEREAS, pursuant to the Policy and the Act, the City has appointed the Chief Financial Officer to act as the investment officer of the City; and

WHEREAS, the Act provides that funds under the control of a City may be invested through investment pools meeting the standards of Section 2256.016 of the Act; and

WHEREAS, the City has received and reviewed the Information Statement, dated December 2016 (the Information Statement), of Texas Cooperative Liquid Assets Securities System, an investment pool administered by Public Trust Advisors, LLC (the Program) which sets forth the information required by Section 2256.016(b) of the Act; and

WHEREAS, the City has determined that the investments proposed to be acquired by the Program are of a type that are permitted by the Act and are consistent with the Policy; and

WHEREAS, the City has determined that an investment in the Program will assist the City in achieving the goals set forth in the Policy and will tend to preclude imprudent investment activities arising out of investment transactions conducted between the City and the Program; and

WHEREAS, the City understands that the Program operates through the Seventh Amended and Restated Trust Agreement dated as of August 5, 2016 (the Trust Agreement), which provides the terms on which the Program will operate and the rights of the participants in the Program and sets forth the responsibilities of Public Trust Advisors, LLC as the administrator of the Program (the Administrator), and of Wells Fargo Bank as custodian (the Custodian);

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

Section 1. The form, terms, and provisions of the Trust Agreement, a draft of which was presented and reviewed at this meeting, providing for the creation of the Program and for the rights of the Program participants and the duties and responsibilities of the Administrator, be and the same are hereby approved and adopted; and that the Investment Officer be and he or she is hereby authorized and directed to execute and deliver to the Administrator and the Custodian in the name and on behalf of the City, a participation certificate evidencing the agreement of the City to be bound by the Trust Agreement substantially in the form of the Trust Agreement reviewed and

approved at this meeting, together with such changes therein as may be approved by the said officer, such approval to be conclusively evidenced by the execution thereof; and be it further

Section 2. Resolved that the investment program established by the Trust Agreement is hereby found and determined to be consistent with the Policy and to preclude imprudent investment activities arising out of investment transactions conducted between the City and the Program; and be it further

Section 3. Resolved that the City Council hereby officially finds and determines that the facts and recitations contained in the preamble of this Resolution are true and correct; and be it further

Section 4. Resolved that the City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this Resolution was adopted was posted for the time required by law preceding this meeting and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof were discussed, considered, and formally acted upon all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and the Act; and be it further

Section 5. Resolved that the officers of the City, and each of them, shall be and each is expressly authorized, empowered, and directed from time to time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all certificates, instruments, and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Trust Agreement hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument or other paper; and be it further

Section 6. Resolved that this Resolution shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 2ND OF NOVEMBER 2021.



**CITY OF GRAND PRAIRIE
RESOLUTION**

MEETING DATE: 11/02/2021

REQUESTER: Brady Olsen

PRESENTER: Brady Olsen, Treasury & Debt Manager

TITLE: Resolution approving the City's Investment Policy

RECOMMENDED ACTION: Approve

ANALYSIS:

The City's Investment Policy is reviewed at least annually in accordance with State Law, Public Funds Investment Act of Texas (PFIA), or as deemed appropriate through other circumstances.

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

FINANCIAL CONSIDERATION:

There is no financial impact.

BODY

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

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

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

WHEREAS, the City is required by State Law to review, revise if necessary, and adopt the City Investment Policy on an annual basis.

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

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

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE,
TEXAS, NOVEMBER 16, 2021**

CITY OF GRAND PRAIRIE

INVESTMENT POLICIES

November 16, 2021

Prepared by the Finance Department

Approved by the City Manager
(Originally approved March, 1986)
Adopted by the City Council November 16th 2021

INVESTMENT POLICIES
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CITY OF GRAND PRAIRIE
INVESTMENT POLICIES
MARCH 1, 1986
 As Revised December 15, 2020

I. Introduction and Scope

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

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

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

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

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

II. Responsibility

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

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

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

III. Investment Committee

An Investment Committee consisting of the Treasury Analyst, Treasury and Debt Manager, Assistant Finance Director, Chief Financial Officer, and Deputy City Manager shall meet as frequently as necessary to review the City's investment portfolio. The committee shall also meet as necessary to add or delete a financial institution or broker/dealer from the list of institutions with whom the City may do business or to conduct other business. The committee shall also meet to review prospectuses, financial statements and other performance data on Money Market Mutual Funds and shall formulate recommendations on the advisability of investing in specific funds for the consideration of the City Council.

Any three of the five investment committee members constitute a quorum. The Treasury and Debt Manager shall serve as chairman of the committee, and maintain written record of investment committee meetings.

IV. Authorized Investments

The City and Sports Corp may only invest in:

1. Obligations of the United States or its agencies and instrumentalities (except for derivatives and mortgage pass-through securities).
2. Municipal Securities (State, City, County, school or road district general obligation or revenue bonds) with a remaining maturity of three years or less which have received a rating by at least two nationally recognized credit rating agencies of at least A or its equivalent.
3. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that is rated at least A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies or by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof. The Sports Corp only allows this quality of commercial paper if managed through a local government investment pool.
4. Public Funds Investment Pool with a weighted average maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. An investment pool shall invest funds in authorized investments permitted by the Public Funds Investment Act. The pool must enter into a contract approved (by resolution) by the Grand Prairie City Council to provide investment services to the City or by the Sports Corporation Board to provide services to the Sports Corp

The pool must provide investment transaction confirmations and monthly reports that contain:

- the types and percentage breakdown of securities in which the pool is invested;
- the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
- the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
- the book value versus the market value of the pool's portfolio, using amortized cost valuation;

- the size of the pool;
 - the number of participants in the pool;
 - the custodian bank that is safekeeping the assets of the pool;
 - a listing of daily transaction activity of the entity participating in the pool;
 - the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
 - the portfolio managers of the pool; and
 - any changes or addenda to the offering circular.
- a. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool that uses amortize cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool that uses amortized cost shall report yield to its investors in accordance with regulations if the federal Securities and Exchange Commission applicable to reporting by money market funds.
- b. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed;
1. equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or
 2. of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
- c. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
- d. To maintain eligibility to receive funds from and invest funds on behalf of the entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.
5. An SEC-registered, no-load money market mutual fund approved (by resolution) by the City Council with a dollar-weighted average portfolio maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. By state law the City is not authorized to invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, in money market mutual funds described in this subsection or to invest its funds or funds under its control, including bond proceeds and reserve and other funds held for debt service, in any one money market mutual fund in an amount that exceeds 10 percent of the total assets of the money market mutual fund.

6. Collateralized or insured certificates of deposit and other evidences of deposit at federally insured banks, fully guaranteed or insured by the FDIC (Federal Deposit Insurance Corporation) in the State of Texas.

V. Prohibited Investments

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

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

VI. Diversification

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

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

	% City Max	% Sports Corp Max
U.S. Treasury Bills and Notes	100	100
U.S. Agency or Instrumentality Obligations (each type)	25 (a)	40
Repurchase Agreements (except for Bond Proceeds)	20	20
Municipal Securities (total)	40	40
Municipal Securities (out-of-state)	40	40
Certificates of Deposit (per institution)	20	20
Money Market Mutual Fund	50 (b)	50 (b)
Public Funds Investment Pool	50	100

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

(b) State law allows up to 80% of monthly average fund balance, excluding bond proceeds. The City and Sports Corp limit exposure to 50% to reduce risk.

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

VII. Qualifying Institutions

Financial institutions (Federally insured banks) with and through whom the City invests in Certificate of Deposits shall be located in the State of Texas. Broker/dealers through whom the City purchases U. S. Government securities may include those dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York, also known as the "primary government securities dealers" and Hilltop Securities except that repurchase agreements shall not be executed through Hilltop Securities. In addition, other regional broker/dealers may be considered by the Investment Committee.

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

The investment committee shall review the information and decide on the soundness of a financial institution or broker/dealer before adding the institution to the list of those with whom the City does business. The list of approved brokers/dealers shall be annually adopted by the Investment Committee. An institution must be approved by the investment committee and added to the approved list before any business can be transacted with the City.

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

suitable for a particular customer based on that customer's investment profile."

VIII. Safekeeping

Investments in U. S. Treasury agency and instrumentality obligations purchased by the city and securities pledged as collateral for certificates of deposit or other evidences of deposit and for repurchase agreements shall be retained in safekeeping in a third party safekeeping bank or in the Federal Reserve Bank in the City's name. The city, financial institution, and the safekeeping bank(s) shall operate in accordance with a master safekeeping agreement signed by all three parties.

Securities owned by the City and collateral securities pledged to the City which must be maintained in safekeeping must be maintained at a bank other than the bank through which the specific owned security is purchased or from which the specific collateral security is pledged.

IX. Collateral Securities for Certificates of Deposit and Demand Accounts

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

- FDIC coverage
- Obligations of the United States or its agencies and instrumentalities (except for derivatives and mortgage pass-through securities)
- State, city, county, school, or road district general obligation or revenue bonds*, except that out-of-state bonds shall be limited to general obligation bonds
- City of Grand Prairie revenue bonds or general obligation bonds, time warrants, tax notes and certificates of obligation
- A Letter of Credit issued by a Federal Home Loan Bank

* The securities must be rated at least A by at least one of the nationally recognized rating services. Collateral consisting of out-of-state bonds shall be limited to fifty percent (50%) of the total collateral pledged by a financial institution.

The securities shall be marked-to-market no less frequently than monthly, and the ratio of collateral market value to amount invested plus accrued interest shall be no less than 105%.

The above constitutes the only acceptable means of collateralizing the City's deposits. Collateral securities must be owned outright by the pledging financial institution. The collateral securities must be held in safekeeping by a third-party custodian designated by the entity and in the City's name pursuant to a safekeeping agreement signed by the financial institution and the City. The pledging financial institution may substitute collateral securities with securities of acceptable quality upon authorization from the City. Collateral shall be audited at least annually by the City's independent auditors and may be audited by the City at any time during normal business hours of the safekeeping bank.

The financial institutions with which the City invests and/or maintains other deposits shall provide monthly, and as requested by the City, a listing of the City's certificates of deposit and other deposits at the institution and a listing of the collateral pledged to the City marked to current market prices. The listing shall include total pledged securities itemized by:

Name
 Type/description
 Par value
 Current market value
 Maturity date
 Nationally recognized credit rating agency rating (if available)

The City and the financial institutions shall assume responsibility for ensuring that collateral is sufficient and may stipulate seasonal adjustments to accommodate higher cash volume.

X. Investment Practice - General

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

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

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

Competitive quotations shall always be taken for certificates of deposit and shall be taken for U.S. Treasury security investments as considered prudent by the investment committee.

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

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

XI. Reporting

The City Manager shall report quarterly to the City Council and Sports Corp on their investments. The report must:

- describe in detail the investment position of the entity on the date of the report;
- be prepared jointly by all investment officers of the City;
- be signed by each investment officer of the City;
- contain a summary statement of each pooled fund group that states the:
 - beginning market value for the reporting period;

- additions and changes to the market value during the period;
- ending market value for the period; and
- fully accrued interest for the reporting period;
- state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- state the maturity date of each separately invested asset that has a maturity date;
- state the account or fund or pooled group fund in the city for which each individual investment was acquired; and
- state the compliance of the investment portfolio of the City as it relates to:
 - the investment strategy expressed in the City's investment policy; and
 - relevant provisions of the public funds investment act.

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

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

XII. Training

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

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

XIII. Strategy

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

The investment maturity schedule shall correspond with the City's projected cash flow needs. Remaining maturities on individual investments purchased shall be no longer than 3 years, except exempt funds which would be subject to a maximum security of 5 years. Exempt funds would include long-term required reserves such as the Cemetery Perpetual Care Fund or bond reserve funds. An average remaining maturity of 365 days or less shall be maintained on bond proceeds, subject to arbitrage rebate restriction, and the total portfolio average remaining maturity shall not exceed one year.

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

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

XIV. Indemnity

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

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

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

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

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

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

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

XV. Policy Revisions

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

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

XVI. Glossary of Terms

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable sized can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the

Federal Reserve's most important and most flexible monetary policy tool.

NATIONAL CREDIT UNION SHARE INSURANCE FUND: The federal fund to insure member's deposits in federally insured credit unions. Administered by the National Credit Union Administration, and is backed by the "full faith and credit" of the U.S. Government.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a

fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

TREASURY BILLS: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: A medium-term coupon-bearing U.S. Treasury securities issued as direct obligation of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

CITY OF GRAND PRAIRIE
INVESTMENT POLICIES

~~December 15th 2020~~November 16th 2021

Prepared by the Finance Department

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

Adopted by the City Council ~~December 15th 2020~~November 16th 2021

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**CITY OF GRAND PRAIRIE
INVESTMENT POLICIES
MARCH 1, 1986**

As Revised ~~December 17, 2019~~[December 15, 2020](#)

I. Introduction and Scope

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

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

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

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

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

II. Responsibility

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

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

The City Manager designates the Chief Financial Officer as the City's chief investment officer. The Treasury and Debt Manager, ~~Assistant Finance Director~~ [Controller](#), and Treasury Analyst are designated as additional investment officers. The Chief Financial Officer is responsible for the City's comprehensive cash management program, including the administration of the Investment Policies. The Chief Financial Officer is responsible for considering the quality and capability of staff involved in investment management and procedures. The Chief Financial Officer shall be responsible for authorizing investments and the Treasury and Debt Manager shall account for investments and pledged collateral in order to maintain appropriate internal controls. The ~~Controller-Assistant Finance Director~~ shall be responsible for [ensuring the investments are recorded](#) ~~reecording investments~~ in the City's ~~books of aeeounts~~ [financial system](#). The Internal Audit staff shall audit records monthly and the external auditors will review for management controls on investments and adherence to policy as required by law.

III. Investment Committee

An Investment Committee consisting of the Treasury Analyst, Treasury and Debt Manager, ~~Controller/Assistant Finance Director~~, Chief Financial Officer, and Deputy City Manager shall meet as frequently as necessary to review the City's investment portfolio. The committee shall also meet as necessary to add or delete a financial institution or broker/dealer from the list of institutions with whom the City may do business or to conduct other business. The committee shall also meet to review prospectuses, financial statements and other performance data on Money Market Mutual Funds and shall formulate recommendations on the advisability of investing in specific funds for the consideration of the City Council.

Any three of the five investment committee members constitute a quorum. The Treasury and Debt Manager shall serve as chairman of the committee, and maintain written record of investment committee meetings.

IV. Authorized Investments

The City and Sports Corp may only invest in:

1. Obligations of the United States or its agencies and instrumentalities (except for derivatives and mortgage pass-through securities).
2. Municipal Securities (State, City, County, school or road district general obligation or revenue bonds) with a remaining maturity of three years or less which have received a rating by at least two nationally recognized credit rating agencies of at least A or its equivalent.
3. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that is rated at least A-1, P-1, or the equivalent by at least [two nationally recognized credit rating agencies](#) ~~or by one nationally recognized credit rating agency~~ and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof. The Sports Corp only allows this quality of commercial paper if managed through a local government investment pool.
4. Public Funds Investment Pool with a weighted average maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. An investment pool shall invest funds in authorized investments permitted by the Public Funds Investment Act. The pool must enter into a contract approved (by resolution) by the Grand Prairie City Council to provide investment services to the City or by the Sports Corporation Board to provide services to the Sports Corp

~~The pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.~~ The pool must provide [investment transaction confirmations and](#) monthly reports that contain:

- the types and percentage breakdown of securities in which the pool is invested;
- the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

- the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - the size of the pool;
 - the number of participants in the pool;
 - the custodian bank that is safekeeping the assets of the pool;
 - a listing of daily transaction activity of the entity participating in the pool;
 - the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
 - the portfolio managers of the pool; and
 - any changes or addenda to the offering circular.
- a. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool that uses amortize cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool that uses amortized cost shall report yield to its investors in accordance with regulations if the federal Securities and Exchange Commission applicable to reporting by money market funds.
- b. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed;
1. equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or
 2. of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.
- c. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
- d. To maintain eligibility to receive funds from and invest funds on behalf of the entity under this chapter, an investment pool must make available to the entity an annual audited
- e. financial statement of the investment pool in which the entity has funds invested.
5. An SEC-registered, no-load money market mutual fund approved (by resolution) by the City Council with a dollar-weighted average portfolio maturity of 90 days or less whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. By state law the City is not authorized to invest in the aggregate more than ~~80-15~~ percent of its monthly average fund balance, excluding bond proceeds, in money market mutual funds described in this

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subsection or to invest its funds or funds under its control, ~~excluding-including~~ bond proceeds and reserve and other funds held for debt service, in any one money market mutual fund in an amount that exceeds 10 percent of the total assets of the money market mutual fund.

6. Collateralized or insured certificates of deposit and other evidences of deposit at federally insured banks, fully guaranteed or insured by the FDIC (Federal Deposit Insurance Corporation) in the State of Texas.

V. Prohibited Investments

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

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

VI. Diversification

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

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

	% City Max	% Sports Corp Max
U.S. Treasury Bills and Notes	100	100
U.S. Agency or Instrumentality Obligations (each type)	25 (a)	40
Repurchase Agreements (except for Bond Proceeds)	20	20
Municipal Securities (total)	40	40
Municipal Securities (out-of-state)	40	40
Certificates of Deposit (per institution)	20	20
Money Market Mutual Fund	50 (b)	50 (b)
Public Funds Investment Pool	50	100

- (a) Total agency investments limited to no more than 100% of the total portfolio.
(b) State law allows up to 80% of monthly average fund balance, excluding bond proceeds. The City and Sports Corp limit exposure to 50% to reduce risk.

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

VII. Qualifying Institutions

Financial institutions (Federally insured banks) with and through whom the City invests in Certificate of Deposits shall be located in the State of Texas. Broker/dealers through whom the City purchases U. S. Government securities may include those dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York, also known as the "primary government securities dealers" and Hilltop Securities except that repurchase agreements shall not be executed through Hilltop Securities. In addition, other regional broker/dealers may be considered by the Investment Committee.

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

The investment committee shall review the information and decide on the soundness of a financial institution or broker/dealer before adding the institution to the list of those with whom the City does business. The list of approved brokers/dealers shall be annually adopted by the Investment Committee. An institution must be approved by the investment committee and added to the approved list before any business can be transacted with the City.

The City will send the Investment Policy to all approved financial institutions and broker/dealers (approved organizations) annually with a statement that that the City is providing the investment policy to aid in meeting its duties under Financial Industry Regulatory Authority (FINRA) Rule 2111, relating to "knowing your customer." The City deems that by providing the investment policy to approved organizations, the approved organization has reviewed the City's investment policy in satisfaction of the duties under FINRA Rule 2111,

which states that organizations are required to “have a reasonable basis to believe that a recommendation is suitable for a particular customer based on that customer’s investment profile.”

VIII. Safekeeping

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

Securities owned by the City and collateral securities pledged to the City which must be maintained in safekeeping must be maintained at a bank other than the bank through which the specific owned security is purchased or from which the specific collateral security is pledged.

IX. Collateral Securities for Certificates of Deposit and Demand Accounts

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

- FDIC coverage
- Obligations of the United States or its agencies and instrumentalities (except for derivatives and mortgage pass-through securities)
- State, city, county, school, or road district general obligation or revenue bonds*, except that out-of-state bonds shall be limited to general obligation bonds
- City of Grand Prairie revenue bonds or general obligation bonds, time warrants, tax notes and certificates of obligation
- A Letter of Credit issued by a Federal Home Loan Bank

* The securities must be rated at least A by at least one of the nationally recognized rating services. Collateral consisting of out-of-state bonds shall be limited to fifty percent (50%) of the total collateral pledged by a financial institution.

The securities shall be marked-to-market no less frequently than monthly, and the ratio of collateral market value to amount invested plus accrued interest shall be no less than 105%.

The above constitutes the only acceptable means of collateralizing the City's deposits. Collateral securities must be owned outright by the pledging financial institution. The collateral securities must be held in safekeeping by a third-party custodian designated by the entity and in the City’s name pursuant to a safekeeping agreement signed by the financial institution and the City. The pledging financial institution may substitute collateral securities with securities of acceptable quality upon authorization from the City. Collateral shall be audited at least annually by the City's independent auditors and may be audited by the City at any time during normal business hours of the safekeeping bank.

The financial institutions with which the City invests and/or maintains other deposits shall provide monthly, and as requested by the City, a listing of the City's certificates of deposit and other deposits at the institution and a listing of the collateral pledged to the City marked to current market prices. The listing shall include total pledged securities itemized by:

- Name
- Type/description
- Par value
- Current market value
- Maturity date
- Nationally recognized credit rating agency rating (if available)

The City and the financial institutions shall assume responsibility for ensuring that collateral is sufficient and may stipulate seasonal adjustments to accommodate higher cash volume.

X. Investment Practice - General

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

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

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

Competitive quotations shall always be taken for certificates of deposit and shall be taken for U.S. Treasury security investments as considered prudent by the investment committee.

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

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

XI. Reporting

The City Manager shall report quarterly to the City Council and Sports Corp on their investments. The report

must:

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

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

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

XII. Training

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

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

XIII. Strategy

City Funds: The City accounts for investments in one main portfolio and ~~is~~ primarily managed through the Pooled Investment Fund. The City may, from time to time, specially designate funds to isolate and distribute interest, such as Epic CIP, TxDot Grants, and TWDB Escrow. In those instances, interest will be distributed

to the fund designated; otherwise, investment earnings will be pooled and distributed according to city policy and management or council direction. Sports Corp will be kept separate.

The investment maturity schedule shall correspond with the City's projected cash flow needs. Remaining maturities on individual investments purchased shall be no longer than 3 years, except exempt funds which would be subject to a maximum maturity of 5 years. Exempt funds would include long-term required reserves such as the Cemetery Perpetual Care Fund or bond reserve funds. An average remaining maturity of 365 days or less shall be maintained on bond proceeds, subject to arbitrage rebate restriction, and the total portfolio average remaining maturity shall not exceed one year.

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

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

XIV. Indemnity

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

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

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

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

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

The standard of prudence to be used by the investment officers shall be the “Prudent Person Rule” as set forth in Tex. Gov’t. Code Ann. Sec. 2256.006 and will be applied in the context of managing an overall portfolio: “Investments shall be made with judgment and care under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibilities for an individual security’s credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

XV. Policy Revisions

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

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

XVI. Glossary of Terms

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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FEDERAL NATIONAL MORTGAGE

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

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

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

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

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

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

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable sized can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the

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Federal Reserve's most important and most flexible monetary policy tool.

NATIONAL CREDIT UNION SHARE INSURANCE FUND: The federal fund to insure member's deposits in federally insured credit unions. Administered by the National Credit Union Administration, and is backed by the "full faith and credit" of the U.S. Government.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a

fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

TREASURY BILLS: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: A medium-term coupon-bearing U.S. Treasury securities issued as direct obligation of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

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YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 11/2/2021

REQUESTER: Steve Plumer, Sr. Parks Project Manager

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

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

RECOMMENDED ACTION: Approve

ANALYSIS:

The Purchasing Department sent out a Request for Qualification Proposal advertisement (RFQ 21164) for architectural design services in connection with the development of the Lynn Creek Park Event Pavilion project. On August 18, 2021, the Purchasing Department received a total of five submittals in response to this RFQ. A committee of Parks, Arts and Recreation staff evaluated the submittals and selected the consulting firm of Magee Architects L.P. as the finalist for the project. Magee Architects has successfully completed several projects for the City of Grand Prairie Parks, Arts and Recreation Department, including the renovations to the Dalworth and Charley Taylor Recreation Centers and The Tony Shotwell Life Center.

The firm will evaluate the existing site conditions, coordinate site engineering, architectural design, bidding and negotiations, construction administration and project close-out. The consultant has submitted a fee of \$212,760 for the project.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for the consultant contract in the amount of \$212,760 and a 5% contingency of \$10,638 for a total cost of \$223,398 is available in Grant Fund – ARPA (300594), WO #68122015 (Lynn Creek Pavilion).

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 300594 - 68122015
 Project Title: Lynn Creek Pavilion
 Current Request: \$0.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
Construction (68540)	\$176,602	\$176,602	\$0	\$176,602	\$176,602
Eng/Design (68450)	\$223,398	\$223,398		\$223,398	\$223,398
TOTAL	\$400,000	\$400,000	\$0	\$400,000	\$400,000



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 11/2/2021

REQUESTER: Steve Plumer, Sr. Parks Project Manager

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

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

RECOMMENDED ACTION: Approve

ANALYSIS:

On June 2, 2020, Council approved a professional services contract with The Broussard Group, dba TBG Partners for Master Planning services for the redevelopment of Mi Familia Park. TBG has successfully completed several projects for the City of Grand Prairie including PlayGrand Adventures in 2019. During the Mi Familia Park Master Plan project, the firm evaluated the existing conditions of the park, managed the public input process, developed a long-range master redevelopment plan, and cost phasing estimation of improvements for the park.

The firm will provide professional design services including Phase I plan development, site engineering, bidding and negotiations, construction administration and project close-out. The consultant has submitted a fee of \$176,000 for the project.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for the consultant contract in the amount of \$176,000 and a 5% contingency of \$8,800 for a total cost of \$184,800 is available in Grant Fund – ARPA (300594), WO #68122016 (Mi Familia Park).

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 300594 - 68122016
 Project Title: Mi Familia Park
 Current Request: \$0.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
Construction (68540)	\$815,200	\$815,200	\$0	\$815,200	\$815,200
Eng/Design (68450)	\$184,800	\$184,800		\$184,800	\$184,800
TOTAL	\$1,000,000	\$1,000,000	\$0	\$1,000,000	\$1,000,000



**CITY OF GRAND PRAIRIE
ORDINANCE**

MEETING DATE: 11/02/2021

REQUESTER: Chris Agnew

PRESENTER: Gabe Johnson, Director of Public Works and Romin Khavari, City Engineer

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

RECOMMENDED ACTION: Approve

ANALYSIS:

On Tuesday, October 05, 2021, the City of Grand Prairie opened bids for High School Drive Slope Failure (W.O. #620.57). The low bidder is A & B Construction, LLC in the total amount of \$626,947.00 for the Base Bid.

This project was identified as part of the FY21 Capital Projects Budget and Capital Projects Plan for Proposed Storm Drainage Projects. The High School Drive Slope Failure (W.O. #620.57) project provides for replacement of a failed public storm drain system and the associated repair resulting from slope failure on private properties.

The High School Drive Slope Failure project will be staged and constructed on the private property of Bible Believers Assembly and will address slope failure conditions affecting the properties at 409 High school Drive, 429 High School Drive, 529 NE 5th Street, 523 NE 5th Street, 519 NE 5th Street, 515 NE 5th Street and 511 NE 5th Street.

This project provides for replacement of failed residential fences along the backyards of the properties, 345 linear feet of failed church concrete curb and gutter, 270 linear feet of failed church retaining wall, 1683 square yards of failed church asphalt parking lot, 1500 cubic yards of failed church earth slope, 254 linear feet of failed public storm drain conduit and 255 linear feet of failed church wastewater service lateral conduit. This project also provides for installation of 520 vertical linear feet of 30-inch diameter reinforced concrete drill shafts, 256 linear feet of 4-foot-wide concrete drainage flume and other items of work necessary to complete the project in accordance with the plans and specifications. The church will provide the City with a drainage easement to cover the installed drill shafts on their property.

This item is reviewed by the Finance and Government Committee for recommendation to Council for approval.

<u>Company</u>	<u>Base Bid</u>	<u>Total Bid</u>
A&B Construction, LLC	\$626,947.00	\$626,947.00
Texas Standard Construction, Ltd.	\$690,458.50	\$690,458.50
Rebcon, Inc.	\$716,263.00	\$716,263.00
IBCTX, LLC	\$720,149.00	\$720,149.00
Humphrey & Morton Construction Company, Inc.	\$769,293.00	\$769,293.00
McMahon Contracting LP	\$787,287.30	\$787,287.30
Green Dream International	\$799,180.90	\$799,180.90

Construction of this project is scheduled to begin around the first week of January 2022 with projected completion in June 2022.

FINANCIAL CONSIDERATION:

Funding in the total amount of \$724,403 is available as follows:

1. \$454,732.00 is available in Storm Drainage Capital Projects Fund (401592) W.O. 02103403 (High School Drive Erosion Repairs)
2. \$269,671 is available by approving an ordinance transferring and appropriating from the unobligated fund balance in the Storm Drainage Capital Projects Fund (401592) to W.O. 02103403 (High School Drive Erosion Repairs).

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$269,671 FROM THE UNOBLIGATED FUND BALANCE IN THE STORM DRAINAGE CAPITAL PROJECTS FUND (401592) W.O. 02103403 (HIGH SCHOOL DRIVE EROSION REPAIRS)

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

SECTION 1. THAT THE FY 2021/2022 Capital Improvement Projects Budget be amended by transferring and appropriating \$269,671 from the unobligated fund balance in the Storm Drainage Capital Projects Fund (401592) to W.O. 02103403 (High School Drive Erosion Repairs)

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, NOVEMBER 16TH, 2021.

**CITY OF GRAND PRAIRIE
CAPITAL PROJECTS BUDGET SUMMARY**

Fund/Activity Account: 401592 / 02103403
 Project Title: High School Drive Erosion Repairs
 Current Request: \$269,671.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
68540 Construction	\$389,036	\$389,036	\$269,671	\$658,707	\$658,707
68560 Eng/Con/Geo	\$79,616	\$49,348	\$0	\$49,348	\$79,616
68999 Labor	\$31,348	\$31,348	\$0	\$31,348	\$31,348
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$500,000	\$469,732	\$269,671	\$739,403	\$769,671

October 13, 2021

Mr. Romin A. Khavari, P.E., CFM
 City Engineer
 City of Grand Prairie
 Public Works Department
 206 West Church Street
 Grand Prairie, Texas 75050

RE: W.O. # 620.57 – High School Drive Slope Failure
 Recommendation of Award of Contract

Dear Mr. Khavari,

Sealed bids were received and opened by the City of Grand Prairie (City) for the above referenced project on Tuesday, October 5, 2021 at 3:00 pm. A total of seven (7) bids were received. All bids conformed to the bidding criteria. Below is a summary of the bid tabulation from low to high.

Contractor	Total Bid
A & B Construction, LLC	\$626,947.00
Texas Standard Construction, Ltd.	\$690,458.50
Rebcon, Inc.	\$716,263.00
IBCTX, LLC	\$720,149.00
Humphrey & Morton Construction Company, Inc.	\$769,293.00
McMahon Contracting LP	\$787,287.30
Green Dream International LLC	\$799,180.90

The apparent low bid was submitted by A & B Construction (A & B). Based on the evaluation of their bid and checking of their references, A & B is considered capable of performing the proposed work in the contract documents. References indicated A & B's quality of work was good, projects were within budget and schedule, and are willing to work with them again. The City has also reviewed A & B's financial statements for 2020 and 2021.

Therefore, based on our review of the bids, CobbFendley recommends A & B for an award in the amount of \$626,947.00 for the High School Drive Slope Failure Project, W.O. # 620.57.

The Contractor will commence work after execution of all contract and bond forms, receipt of insurance certificates and issuance of a Notice to Proceed. A preconstruction conference will be conducted with the Contractor, City of Grand Prairie, and CobbFendley personnel. The Contractor has committed to complete this project in 150 calendar days after the issuance of a Notice to Proceed.

Thank you for this opportunity to serve and work with the City of Grand Prairie on these critical improvement efforts. As we move to the construction phase, we look forward to the continued success on this project.

Sincerely,

COBB, FENDLEY & ASSOCIATES, INC.

Priya Mistry, P.E.

Attachments: Bid Tabulation
 Contractor Reference Questionnaire (3)

Item	Description	Unit	Quantity	A&B CONSTRUCTION LLC	Total	Texas Standard Construction, Ltd.	Total	Rebcon, Inc	Total	IBCTX, LLC	Total	Humphrey & Morton Construction Company, Inc	Total	McMahon Contracting LP	Total	Green Dream International	Total	
Base Bid																		
General																		
100	General Site Preparation (Including Tree Removal & Temporary Construction Fence), including clearing and grubbing and temporary construction fence, work fully performed as per specifications.	LS	1	\$5,000.00	\$5,000.00	\$29,050.00	\$29,050.00	\$100,000.00	\$100,000.00	\$50,000.00	\$50,000.00	\$117,153.00	\$117,153.00	\$38,738.68	\$38,738.68	\$11,800.00	\$11,800.00	
101	Traffic Control, including design and implementation, complete in place.	LS	1	\$3,000.00	\$3,000.00	\$8,309.00	\$8,309.00	\$3,000.00	\$3,000.00	\$9,000.00	\$9,000.00	\$3,817.00	\$3,817.00	\$2,729.84	\$2,729.84	\$2,950.00	\$2,950.00	
102	Erosion Control (Including Tree Protection), including design, implementation, maintenance, compliance, and removal. Complete in place.	LS	1	\$4,000.00	\$4,000.00	\$9,925.00	\$9,925.00	\$11,000.00	\$11,000.00	\$18,000.00	\$18,000.00	\$7,847.00	\$7,847.00	\$6,983.24	\$6,983.24	\$5,900.00	\$5,900.00	
103	Allowance to Remove, Cap and Replace Existing Irrigation System Lines, work fully performed, as per specifications.	LS	1	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	
104	Construction Staking, work fully performed as per specifications, complete in place	LS	1	\$8,000.00	\$8,000.00	\$1,450.00	\$1,450.00	\$10,000.00	\$10,000.00	\$50,000.00	\$50,000.00	\$7,778.00	\$7,778.00	\$11,210.00	\$11,210.00	\$11,180.00	\$11,180.00	
Sub Totals					\$23,000.00	\$51,734.00	\$127,000.00	\$130,000.00	\$139,595.00	\$62,661.76	\$34,830.00							
Removals																		
200	Sawcut, Remove, & Dispose of Existing Concrete Curb & Gutter, work fully performed, per plans and specifications.	LF	345	\$10.00	\$3,450.00	\$9.90	\$3,415.50	\$3.00	\$1,035.00	\$15.00	\$5,175.00	\$6.00	\$2,070.00	\$5.36	\$1,849.20	\$14.16	\$4,885.20	
201	Sawcut, Remove, & Dispose of Existing Asphalt Pavement (All Depths, All Types), work fully performed, per plans and specifications.	SY	1683	\$15.00	\$25,245.00	\$9.25	\$15,567.75	\$7.00	\$11,781.00	\$6.00	\$10,098.00	\$14.00	\$23,562.00	\$10.22	\$17,200.26	\$9.44	\$15,887.52	
202	Sawcut, Remove, & Dispose of Existing Concrete Cantilever Wall, work fully performed, per plans and specifications.	LF	270	\$35.00	\$9,450.00	\$95.00	\$25,650.00	\$55.00	\$14,850.00	\$100.00	\$27,000.00	\$54.00	\$14,580.00	\$58.47	\$15,786.90	\$30.68	\$8,283.60	
203	Unclassified Slope Excavation, including on-site stockpile, work fully performed, per plans and specifications.	CY	1500	\$35.00	\$52,500.00	\$20.35	\$30,525.00	\$9.00	\$13,500.00	\$6.00	\$9,000.00	\$11.00	\$16,500.00	\$13.22	\$19,830.00	\$25.96	\$38,940.00	
204	Remove & Dispose Existing Storm Sewer Pipe, work fully performed, per plans and specifications.	LF	254	\$10.00	\$2,540.00	\$9.25	\$2,349.50	\$27.00	\$6,858.00	\$28.00	\$7,112.00	\$24.00	\$6,096.00	\$15.82	\$4,018.28	\$11.80	\$2,997.20	
205	Remove & Dispose Existing Sanitary Sewer Pipe, Including Cleanout, work fully performed, per plans and specifications.	LF	255	\$15.00	\$3,825.00	\$6.15	\$1,568.25	\$20.00	\$5,100.00	\$23.00	\$5,865.00	\$24.00	\$6,120.00	\$20.28	\$5,171.40	\$11.80	\$3,009.00	
Sub Totals					\$97,010.00	\$79,076.00	\$53,124.00	\$64,250.00	\$68,928.00	\$63,856.04	\$74,002.52							
Paving																		
300	6" Monolithic Concrete Curb & Gutter, furnish and install complete in place, per plans and specifications.	LF	345	\$45.00	\$15,525.00	\$42.65	\$14,714.25	\$50.00	\$17,250.00	\$38.00	\$13,110.00	\$59.00	\$20,355.00	\$54.28	\$18,726.60	\$40.12	\$13,841.40	
301	3" Asphalt Parking Lot Pavement (148 PCF), furnish and install complete in place, per plans and specifications.	SY	1683	\$45.00	\$75,735.00	\$32.20	\$54,192.60	\$22.00	\$37,026.00	\$32.00	\$53,856.00	\$22.00	\$37,026.00	\$37.78	\$63,583.74	\$80.24	\$135,043.92	
Sub Totals					\$91,260.00	\$68,906.85	\$54,276.00	\$66,966.00	\$57,381.00	\$82,310.34	\$148,885.32							
Structural																		
400	Reinforced Concrete Cantilever Wall (270 LF), furnish and install complete in place, per plans and specifications.	SF	1755	\$60.00	\$105,300.00	\$89.00	\$156,195.00	\$91.00	\$159,705.00	\$70.00	\$122,850.00	\$86.00	\$150,930.00	\$113.42	\$199,052.10	\$68.44	\$120,112.20	
401	30" Reinforced Drilled Shaft Wall to 20' Depth at 8' on Center (26 Total), furnish and install complete in place, per plans and specifications.	VF	520	\$250.00	\$130,000.00	\$192.00	\$99,840.00	\$165.00	\$85,800.00	\$225.00	\$117,000.00	\$255.00	\$132,600.00	\$324.79	\$168,890.80	\$253.70	\$131,924.00	
402	30" Reinforced Drilled Shaft Wall (Additional VF), furnish and install complete in place, per plans and specifications.	VF	130	\$250.00	\$32,500.00	\$149.00	\$19,370.00	\$165.00	\$21,450.00	\$160.00	\$20,800.00	\$199.00	\$25,870.00	\$265.79	\$34,552.70	\$253.70	\$32,981.00	
403	Temporary Shoring, furnish and install complete in place, per plans and specifications.	LS	1	\$5,000.00	\$5,000.00	\$55,609.00	\$55,609.00	\$50,000.00	\$50,000.00	\$30,000.00	\$30,000.00	\$36,011.00	\$36,011.00	\$38,247.93	\$38,247.93	\$68,440.00	\$68,440.00	
404	Metal Handrail Type J, furnish and install complete in place, per plans and specifications	LF	270	\$95.00	\$25,650.00	\$137.10	\$37,017.00	\$165.00	\$44,550.00	\$170.00	\$45,900.00	\$114.00	\$30,780.00	\$124.25	\$33,547.50	\$165.20	\$44,604.00	
Sub Totals					\$298,450.00	\$368,031.00	\$361,505.00	\$336,550.00	\$376,191.00	\$474,291.03	\$398,061.20							
Slope																		
500	Compacted Earth Slope Fill, place and compact on-site excavated soil complete in place, per plans and specifications	CY	1500	\$30.00	\$45,000.00	\$27.85	\$41,775.00	\$20.00	\$30,000.00	\$15.00	\$22,500.00	\$23.00	\$34,500.00	\$15.78	\$23,670.00	\$41.30	\$61,950.00	
501	Solid Sod, furnish and install complete in place, per plans and specifications.	SY	1821	\$7.00	\$12,747.00	\$4.10	\$7,466.10	\$8.00	\$14,568.00	\$8.00	\$14,568.00	\$8.00	\$14,568.00	\$6.08	\$11,071.68	\$5.90	\$10,743.90	
502	Chain Link Fence, complete in place, per plans and specifications.	LF	285	\$50.00	\$14,250.00	\$64.15	\$18,282.75	\$60.00	\$17,100.00	\$75.00	\$21,375.00	\$44.00	\$12,540.00	\$47.20	\$13,452.00	\$41.30	\$11,770.50	
Sub Totals					\$71,997.00	\$67,523.85	\$61,668.00	\$58,443.00	\$61,608.00	\$48,193.68	\$84,464.40							
Drainage																		
600	12" SDR 35 PVC Storm Sewer Pipe, furnish and install complete in place, including embedment, , per plans and specifications.	LF	20	\$200.00	\$4,000.00	\$209.00	\$4,180.00	\$55.00	\$1,100.00	\$200.00	\$4,000.00	\$117.00	\$2,340.00	\$108.45	\$2,169.00	\$123.90	\$2,478.00	
601	4' x 4' Special Type Y Inlet (5' x 5' Exterior Dimension), furnish and install complete in place, per plans and specifications.	EA	1	\$6,500.00	\$6,500.00	\$6,945.00	\$6,945.00	\$7,000.00	\$7,000.00	\$5,250.00	\$5,250.00	\$3,999.00	\$3,999.00	\$5,664.00	\$5,664.00	\$7,316.00	\$7,316.00	
602	4' Concrete Flume with 6" Monolithic Curb (5' Exterior Dimension), furnish and install complete in place, per plans and specifications.	LF	256	\$50.00	\$12,800.00	\$89.60	\$22,937.60	\$100.00	\$25,600.00	\$120.00	\$30,720.00	\$91.00	\$23,296.00	\$86.70	\$22,195.20	\$96.76	\$24,770.56	
Sub Totals					\$23,300.00	\$34,062.60	\$33,700.00	\$39,970.00	\$29,635.00	\$30,028.20	\$34,564.56							
Sanitary																		
700	6" SDR 35 PVC Private Sanitary Sewer Service Lateral, Including Cleanout, furnish and install new complete in place, including embedment, reconnection to existing pipe and cleanout, per plans and specifications.	LF	255	\$85.00	\$21,675.00	\$79.85	\$20,361.75	\$88.00	\$22,440.00	\$90.00	\$22,950.00	\$139.00	\$35,445.00	\$90.92	\$23,184.60	\$94.40	\$24,072.00	
701	Trench Safety, furnish and install, complete in place, including sheeting, shoring and bracing where required by OSHA Standards that are in effect at the time of bid opening.	LF	255	\$1.00	\$255.00	\$2.99	\$762.45	\$10.00	\$2,550.00	\$4.00	\$1,020.00	\$2.00	\$510.00	\$10.83	\$2,761.65	\$1.18	\$300.90	
Sub Totals					\$21,930.00	\$21,124.20	\$24,990.00	\$23,970.00	\$35,955.00	\$25,946.25	\$24,372.90							
Grand Total					\$626,947.00	\$690,458.50	\$716,263.00	\$720,149.00	\$769,293.00	\$787,287.30	\$799,180.90							

CONTRACTOR REFERENCE QUESTIONNAIRE

Owner: City of Grand Prairie
 Project: High School Drive Slope Failure
 Bid No: WO# 620.57

Contractor: A & B Construction, LLC
 Reference: James Palmer – City of Rockwall
 Date: October 12, 2021
 Time: 9:41 AM

1. What type of work has the Contractor performed for you?
First project with Contractor – bridge repair for structural damage. City reached out to City of Garland since A&B has done a lot of work for them; Garland has not had a problem.
2. Were you satisfied with the quality of the Contractor’s work?
Doing a great job thus far; owner seems competent.
3. Did the Contractor implement measures to maintain jobsite safety?
No complaints. Had a good washout area for concrete.
4. Was the Contractor effective in implementing traffic control?
Project required major traffic control. Contractor did real well; maintained and made adjustments as needed. A temporary asphalt crossover was critical; Contractor placed and maintained it at their own expense.
5. Were projects completed on time? If not, why?
Ahead of schedule; almost complete with job.
6. Was the Contractor consistently present on the job (i.e. did they disappear on the job) and did they provide adequate resources and manpower to complete the job?
~125 employees; same people on the project the whole time. People seem competent.
7. Were projects completed on budget? If not, why?
Outside of the City initiated change order, yes.
8. Did the Contractor work well with the City Inspector on field modifications (i.e. was there give and take or were they constantly requesting change)?
No complaints; Contractor requested to use flowable fill in lieu of backfill and ate the cost.
9. How did the Contractor handle change orders?
Only change was initiated by the City to replace recessed inlet with curb inlet; Contractor was fair in pricing.
10. Would you hire this Contractor again? If not, was there something particular about the Contractor or their crew that you did not like?
Yes.

CONTRACTOR REFERENCE QUESTIONNAIRE

Owner: City of Grand Prairie
Project: High School Drive Slope Failure
Bid No: WO# 620.57

Contractor: A & B Construction, LLC
Reference: John Mears – City of Mesquite
Date: October 12, 2021
Time: 9:40 AM (VM); 10:05 AM

1. What type of work has the Contractor performed for you?
Sewer projects, primarily pipe bursting with some open cut near sewer outfalls. Contractor was a subcontractor to a prime. However, they did almost all the work on one of the projects.
2. Were you satisfied with the quality of the Contractor's work?
Yes
3. Did the Contractor implement measures to maintain jobsite safety?
No complaints.
4. Was the Contractor effective in implementing traffic control?
No complaints; other than occasional crossings, no real traffic control required.
5. Were projects completed on time? If not, why?
Yes.
6. Was the Contractor consistently present on the job (i.e. did they disappear on the job) and did they provide adequate resources and manpower to complete the job?
Yes; once they had the green light, Contractor seemed to be on top of it.
7. Were projects completed on budget? If not, why?
Yes.
8. Did the Contractor work well with the City Inspector on field modifications (i.e. was there give and take or were they constantly requesting change)?
No complaints.
9. How did the Contractor handle change orders?
No complaints.
10. Would you hire this Contractor again? If not, was there something particular about the Contractor or their crew that you did not like?
Yes.

CONTRACTOR REFERENCE QUESTIONNAIRE

Owner: City of Grand Prairie
 Project: High School Drive Slope Failure
 Bid No: WO# 620.57

Contractor: A & B Construction, LLC
 Reference: Will Janney – City of Frisco
 Date: October 8, 2021; October 12, 2021
 Time: 3:50 PM (VM); 3:48 PM

1. What type of work has the Contractor performed for you?
Stream bank stabilization, sewer, and hike and bike trail; project was bid with requiring qualifications – Contractor met all qualifications.
2. Were you satisfied with the quality of the Contractor’s work?
Yes.
3. Did the Contractor implement measures to maintain jobsite safety?
No complaints.
4. Was the Contractor effective in implementing traffic control?
No construction within roadway but impacting hike and bike trail; traffic control provided to close a section off and provide a detour.
5. Were projects completed on time? If not, why?
On time thus far; project is 30% complete.
6. Was the Contractor consistently present on the job (i.e. did they disappear on the job) and did they provide adequate resources and manpower to complete the job?
No complaints.
7. Were projects completed on budget? If not, why?
On budget thus far; project is 30% complete.
8. Did the Contractor work well with the City Inspector on field modifications (i.e. was there give and take or were they constantly requesting change)?
Yes, Contractor works well to adjust; no major changes thus far. Sewer line was bored instead of installed by open cut and Contractor did not request a change order.
9. How did the Contractor handle change orders?
Haven’t had one.
10. Would you hire this Contractor again? If not, was there something particular about the Contractor or their crew that you did not like?
Yes; qualified to do the job and reliable.



**CITY OF GRAND PRAIRIE
ORDINANCE**

MEETING DATE: 11/02/2021

REQUESTER: George Fanous, P.E.

PRESENTER: Gabe Johnson, Director of Public Works and Romin Khavari, City Engineer

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

RECOMMENDED ACTION: Approve

ANALYSIS:

This project provides for the Installation of approximately 2900 linear feet of 8", 12" and 21" wastewater pipe in Skyway, Arkansas and Astar lanes and 1017 linear feet of 12" wastewater pipe in Small street from Beltline road to N.E 11th Street. Pipe construction will utilize open-cut and trenchless methods.

The City of Grand Prairie advertised and received Three (3) bids for this project on Tuesday October 5, 2021, as follows:

Contractor	Total amount of Bid
EXCEL 4 Construction	\$1,008,700.00
FM Utilities LLC	\$1,222,886.55
A&B Construction LLC	\$1,692,449.00

City staff and consultants recommend this contract be awarded to Excel 4 LLC in the amount of \$1,131,287 for a construction period of one hundred eighty (180) calendar days.

Construction of this project is anticipated to start in November 2021 with a scheduled completion in May 2022.

FINANCIAL CONSIDERATION:

Funding in the total amount of \$1,131,287 is available as follows:

1. \$565,644 is available in Wastewater Capital Projects Fund (500692) W.O. #02011601 (3-3 12-inch gravity line Small)
2. \$462,000 is available in Wastewater Capital Projects Fund (500692) W.O. #02011801 (3-4 12-inch gravity line Skyway)
3. \$103,643 is available by approving an ordinance transferring and appropriating from the unobligated fund balance in the Wastewater Capital Projects Fund (500692) to W.O. #02011801 (3-4 12-inch gravity line Skyway)

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$103,643 FROM THE UNOBLIGATED FUND BALANCE IN THE WASTEWATER CAPITAL PROJECTS FUND (500692) W.O. #02011801 (3-4 12-INCH GRAVITY LINE SKYWAY)

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

SECTION 1. THAT THE FY 2021/2022 Capital Improvement Projects Budget be amended by transferring and appropriating \$103,643 from the unobligated fund balance in the Wastewater Capital Projects Fund (500692) W.O. #02011801 (3-2 12-inch Gravity Line Skyway)

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, NOVEMBER 16TH, 2021.

**CITY OF GRAND PRAIRIE
CAPITAL PROJECTS BUDGET SUMMARY**

Fund/Activity Account: 500692 / 02011601
 Project Title: Gravity Line - Small Street
 Current Request: \$0.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
61041 Prof Engineering	\$100,000	\$17,874	\$0	\$17,874	\$100,000
68540 Construction	\$565,923	\$565,923	\$0	\$565,923	\$565,923
68560 Eng/Con/Geo	\$10,859	\$10,859	\$0	\$10,859	\$10,859
68999 Labor	\$25,218	\$25,218		\$25,218	\$25,218
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$702,000	\$619,874	\$0	\$619,874	\$702,000

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 500692 / 02011801
 Project Title: Gravity Line - Skyway
 Current Request: \$103,643.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
61041 Prof Engineering	\$80,000	\$10,026	\$0	\$10,026	\$80,000
68540 Construction	\$425,923	\$425,923	\$103,643	\$529,566	\$529,566
68560 Eng/Con/Geo	\$10,859	\$10,859	\$0	\$10,859	\$10,859
68999 Labor	\$25,218	\$25,218		\$25,218	\$25,218
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$542,000	\$472,026	\$103,643	\$575,669	\$645,643

Romin Khavari, PE City
Engineer City of Grand
Prairie
300 W. Main Street
Grand Prairie, Texas 75050

Re: Recommendation of Award for Skyway Drive and Small Street Sewer Improvements & WO #620.114

Dear Romin:

Bids for the referenced project were received and opened publicly on Tuesday, October 5th, virtually via TEAMS meeting. A total of three (3) bids were received. Below is a summary of the detailed bid tabulation:

CONTRACTOR	TOTAL BID
Excel 4 Construction	\$1,008,700.00
FM Utilities LLC	\$1,222,886.55
A&B Construction LLC	\$1,692,449.00

The total Engineer's opinion of probable construction cost was \$810,000.00. Excel 4 Construction was the lowest of the four bidders with a total bid of \$1,008,700.00. We checked the bids for errors and omissions and found one unit price error on FM Utilities' submittal (highlighted on the bid tab), but totals were all correct with 0 errors for all submission totals.

We have reviewed Excel 4 Construction's qualifications including their list of similar work, company profile information and construction claims information. We also contacted the list of references listed below. The consensus was that Excel 4 Construction, including the listed superintendent and backup, did excellent work, kept the project managers and inspectors well informed, were very responsive when issues arose and worked quickly and efficiently when there were change orders. The references all stated that they were great to work with.

Jim Juneau – Project Manager with the City of Hurst (817)-788-7000
Brad Hill – Capital Development Manager with the Benbrook Water Authority (817)-443-3128
Brad Hearne – CDBG Program Manager with Tarrant County (817)-850-7940
Caroline Waggoner – Public Works Director with North Richland Hills (817)-427-6406

Based on our evaluation, we have found nothing significant to warrant the disqualification of Excel 4 Construction and therefore recommend that the project consisting of the construction of Skyway Drive and Small Street Sewer Improvements & WO #620.114, be awarded to Excel 4 Construction. The award should be contingent on procurement of insurance and bonds by Excel 4 Construction.

Skyway Drive and Small Street Sewer Improvements & WO #620.114

Attachments: Bid Tabulation, Bidder's Statement of Qualifications

Sincerely, Pacheco Koch Civil Engineers

By 

Dean Vrla
Project Manager

cc: Gabe Johnson, Director of Public Works
George Fanous, City Engineer
Robert Barron, Chief Engineering Inspector
Mario Tobias, Engineering inspector
Maxine Snow, Administrative Supervisor



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 11-2-2021

REQUESTER: Duane Strawn, Director of Parks, Arts & Recreation Department

PRESENTER: Duane Strawn, Director of Parks, Arts & Recreation Department

TITLE: Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Contract with Cole Construction in the amount of \$544,934.50; and approve a 10% contingency of \$54,493.45, total cost of \$599,428 for repairs to the Waggoner Park Pedestrian Bridge of Arbor Creek

RECOMMENDED ACTION: Approve

ANALYSIS:

Significant erosion from storm water run-off has caused the support structures for the pedestrian bridge at Waggoner Park to require immediate attention to avoid compromising structural components. The scope of the proposed repairs for the Waggoner Park pedestrian bridge includes support pier repairs, reconstruction/construction of concrete flume(s), and construction of concrete slope protection / grouted rock riprap along the creek banks. Additionally, as part of the bridge repair, all surface areas disturbed by construction will be sodded. Three Add Alternates were shown in the project plans that addressed armoring a portion of the creek adjacent to the parking lot to mitigate further erosion. City Staff recommends Add Alternate 2 (Grouted Rock Riprap) as the preferred alternative for these repairs.

Notice of bid #21125 was advertised in the Fort Worth Star Telegram and Public Purchase; it was distributed to 13 vendors; no Grand Prairie vendors; 4 HUBs. The bid submitted by Cole Construction, Inc. of Fort Worth, Texas in the amount of \$544,934.50 for the Base Bid and Add Alternate 2 (Grouted Rock Riprap) meets specifications and is recommended for award.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for the contract with Cole Construction in the amount of \$544,934.50 and a 10% contingency of \$54,493.45 for a total of \$599,428 is available as follows:

1. Funding in the amount of \$248,450 is available in the Park Capital Projects Fund (317193), WO #02003503 (Waggoner Bridge Stabilization).

2. Funding is available by approving an ordinance transferring and appropriating \$350,978 from the unobligated fund balance in the Parks Capital Project Fund (317193) to WO #02003503 (Waggoner Park Stabilization).

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$350,978 FROM THE UNOBLIGATED FUND BALANCE IN THE PARKS CAPITAL PROJECTS FUND (317193) TO WO #02003503 (WAGGONER BRIDGE STABILIZATION).

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

SECTION 1. THAT the FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET be amended by transferring and appropriating \$350,978 from the unobligated fund balance in the Parks Capital Projects Fund (317193) to WO #02003503 (Waggoner Bridge Stabilization).


PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, November 16, 2021.

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 317193 - 02003503
 Project Title: Waggoner Bride Stabilization
 Current Request: \$350,978.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
68450 Eng/Design	\$75,000	\$23,450		\$23,450	\$75,000
68540 Construction	\$225,000	\$225,000	\$350,978	\$575,978	\$575,978
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$300,000	\$248,450	\$350,978	\$599,428	\$650,978

WAGGONER PARK PEDESTRIAN BRIDGE REPAIR
RFB #21125
TABULATION

BID TABULATION SUMMARY					
CITY OF GRAND PRAIRIE					
21125 - REPAIR: WAGGONER PARK PEDESTRIAN BRIDGE OVER ARBOR CREEK					
Bid Opening					
S. CARRIER BOX CULVERT (BASE BID)				COLE CONSTRUCTION	
NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
WP. 1	SITE PREPARATION	1	LS	\$ 89,600.00	\$ 89,600.00
WP. 2	JOINT SWPPP AND SPECIFICATIONS	1	LS	\$ 4,800.00	\$ 4,800.00
WP. 3	BARRICADING AND TRAFFIC CONTROL	1	LS	\$ 2,000.00	\$ 2,000.00
WP. 4	UNCLASSIFIED SLOPE EXCAVATION	1033	CY	\$ 36.00	\$ 37,188.00
WP. 5	INSTALL 4" REINFORCED CONCRETE SIDEWALK	807	SF	\$ 5.50	\$ 4,438.50
WP. 6	INSTALL 6" THICK, 12" WIDE REINFORCED CONCRETE MOW STRIP	156	SF	\$ 12.00	\$ 1,872.00
WP. 7	INSTALL TXDOT REINFORCED CONCRETE WALLS (RW1(L)C)	177	CY	\$ 550.00	\$ 97,350.00
WP. 8	INSTALL METAL HANDRAIL TYPE J	144	LF	\$ 88.00	\$ 12,672.00
WP. 9	INSTALL COMPACTED EARTH SLOPE FILL	1033	CY	\$ 44.00	\$ 45,452.00
WP. 10	INSTALL FLOWABLE BACKFILL	503	CY	\$ 160.00	\$ 80,480.00
WP. 11	INSTALL LARGE (18 FOOT WIDE) REINFORCED CONCRETE FLUME	16	SY	\$ 432.00	\$ 6,912.00
WP. 12	INSTALL SMALL (7 FOOT WIDE) REINFORCED CONCRETE FLUME WITH 6" INTEGRAL CURB	103	SY	\$ 432.00	\$ 44,496.00
WP. 13	INSTALL 6" THICK CONCRETE RIPRAP	353	SY	\$ 65.00	\$ 22,945.00
WP. 14	INSTALL TWELVE INCH (12") STONE TYPE 'B', CLASS 'B' GROUTED RIPRAP, 24" TOTAL LAYER THICKNESS	179	SY	\$ 364.00	\$ 65,156.00
WP. 15	DIVERT CREEK WATER FLOW AROUND PROJECT SITE	1	LS	\$ 6,600.00	\$ 6,600.00
WP. 16	INSTALL SOLID BLOCK BERMUDA SOD FOR DISTURBED AREAS	17838	SF	\$ 0.50	\$ 8,918.00
WP. 17 - ADD ALT 1	INSTALL 6" THICK CONCRETE RIPRAP ALONG EAST BANK ADJACENT TO PARKING LOT	1	LS	\$ 21,390.00	\$ 21,390.00
WP. 18 - ADD ALT 2	INSTALL TWELVE INCH (12") STONE TYPE 'B', CLASS 'B' GROUTED RIPRAP, 24" TOTAL LAYER THICKNESS ALONG EAST BANK ADJACENT TO PARKING LOT	1	LS	\$ 14,055.00	\$ 14,055.00
WP. 19 - ADD ALT 3	DESIGN AND INSTALL 9' AVERAGE HEIGHT GABION BASKET RETAINING WALL, INCLUDING FOUNDATION, GEOTEXTILE FABRIC, EXCAVATION AND EMBANKMENT ALONG EAST BANK ADJACENT TO PARKING LOT	1	LS	\$ 27,393.00	\$ 27,393.00
Total Base Bid Amount				TOTAL	\$ 530,879.50
Total Base Bid Amount + Add Alt 1				TOTAL	\$ 552,269.50
Total Base Bid Amount + Add Alt 2				TOTAL	\$ 544,934.50
Total Base Bid Amount + Add Alt 3				TOTAL	\$ 558,272.50



**CITY OF GRAND PRAIRIE
COMMUNICATION**

MEETING DATE: 11/2/2021

REQUESTER: Steve Plumer, Sr. Parks Project Manager

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

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

RECOMMENDED ACTION: Approve

ANALYSIS:

On July 13, 2021, City Council approved a Construction Manager at Risk (CMAR) contract with Hill & Wilkinson for pre-construction services for Phase II construction of Playgrand Adventures - Tranquil Adventures in the amount of \$0 and approved a construction services fee of 5.0%.

This award provided for CMAR services including development of project estimates, preliminary construction schedules, value engineering proposals and constructability review during the Design Phase.

On July 13, 2021, City Council approved contracts with Whirlix, Inc. playground manufacturer in the amount of \$132,306 for the purchase of playground equipment, and Site Source, Inc. in the amount of \$45,151 for the purchase of shade and amenities for Phase II Tranquil Adventures to expedite the production and delivery of the playground equipment, as several custom components require extended production time.

The current Change Order/Amendment No. 1, in the amount not to exceed \$494,000, represents the Guaranteed Maximum Price (GMP) for the scope of work currently defined in the TBG Partners Construction Documents package as competitively bid by subcontractors to Hill & Wilkinson Contractors.

This item was reviewed by the Finance and Government Committee for recommendation to Council for approval.

FINANCIAL CONSIDERATION:

Funding for construction contract with Hill & Wilkinson for PlayGrand Adventures – Tranquil Adventures Project is available by approving an ordinance transferring and appropriating \$520,000 from the unobligated fund balance in the EPIC Capital Project Fund (3208), WO #02112803 (PlayGrand – Tranquil Adventures).

BODY

AN ORDINANCE OF THE CITY OF GRAND PRAIRIE, TEXAS, AMENDING THE FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET BY TRANSFERRING AND APPROPRIATING \$520,000 FROM THE UNOBLIGATED FUND BALANCE IN THE EPIC CAPITAL PROJECT FUND (3208), WO #02112803 (PLAYGRAND – TRANQUIL ADVENTURES).

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

SECTION 1. THAT the FY 2021/2022 CAPITAL IMPROVEMENT PROJECTS BUDGET be amended by transferring and appropriating \$520,000 from the unobligated fund balance in the EPIC Capital Project Fund (3208), WO #02112803 (PlayGrand – Tranquil Adventures).

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 2ND DAY OF NOVEMBER 2021.

CITY OF GRAND PRAIRIE CAPITAL PROJECTS BUDGET SUMMARY

Fund/Activity Account: 320893 - 02112803
 Project Title: PlayGrand - Tranquil Adventures
 Current Request: \$520,000.00

ACCOUNT DESCRIPTION	1 CURRENT BUDGET	2 AVAILABLE BALANCE	3 CURRENT REQUEST	2+3 REVISED BALANCE	1+3 AMENDED BUDGET
Small Tool/Equip (60510)	\$18,836	0			
Eng/Design (68450)	\$51,975	\$0		\$0	\$51,975
Construction (68540)	\$0	\$0	\$520,000	\$520,000	\$520,000
Equip/Hardware (68640)	\$158,621	\$0		\$0	\$158,621
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0
TOTAL	\$229,432	\$0	\$520,000	\$520,000	\$730,596