

MINUTES OF THE SPECIAL WORK SESSION MEETING OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, HELD ON MAY 17, 2023 AT 5:30 P.M IN THE CIVIC CENTER MEETING ROOM, 16327 LAKEVIEW, JERSEY VILLAGE, TEXAS.

A. The meeting was called to order by Mayor Warren at 5:32 p.m. with the following present:

Mayor, Bobby Warren
Council Member, Drew Wasson
Council Member, Sheri Sheppard
Council Member, Michelle Mitcham
Council Member, James Singleton
Council Member, Jennifer McCrea

City Manager, Austin Bless
City Secretary, Lorri Coody

Staff in attendance: Robert Basford, Assistant City Manager; Mark Bitz, Fire Chief; Kirk Riggs, Chief of Police; Isabel Kato, Director of Finance; and Abram Syphrett, Director of Innovation and Technology.

B. CITIZENS' COMMENTS: Citizens who have signed a card and wish to speak to the City Council will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the comment is on the agenda, the City staff and City Council Members are prevented from discussing the subject and may respond only with statements of factual information or existing policy. Citizens are limited to five (5) minutes for their comments to the City Council.

There were no Citizen's Comments.

C. FY 2023-2024 COUNCIL/STAFF BUDGET RETREAT

1. Overview and Departmental Information presented by Austin Bless, City Manager

City Manager, Austin Bless, explained the purpose of this meeting. It is a first blush at ideas for the next budget. He began his presentation on the 2023-2024 budget overview with information on the following items:

- Financial Projections
- Unknowns
- Impacts to FY 24 Revenues
- Impacts to FY 24 Expenses

Impact of Increasing Over 65 Exemptions

1. Property Values Update March 2023
2. Over 65 Exemption Chart
3. Over 65 Comparisons with other local entities

Council engaged in discussion about the plus or minus 5% on the HCAD values. City Manager Bless explained that this references those properties in protest. The real numbers will be available in late July.

There was discussion about the over 65 exemption and how any changes will affect this portion of Jersey Village residents. Additionally, the different options of paying taxes for this age group were discussed. Inflation and increased property values were discussed. Some members wanted

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to review this topic on a regular basis and try to keep the exemption in line with the Consumer Price Index (CPI). Some members felt that increasing this exemption just transfers the burden to other taxpayers. It was pointed out that Jersey Village is ahead of other cities in terms of the over 65 tax exemption. In fact, there are only six (6) cities in our area that have an exemption greater than Jersey Village. Sales taxes for Jersey Village compared to these other six (6) cities were discussed.

Some members felt that it is possible to have a slight increase to this exemption, but would review at a later date.

Large Impacts to FY2024

Utility Rates

1. Houston water rates are up 22% from March 2020 to March 2023.
2. Houston recently announced another 15% increase.
3. Our rates historically have only gone up 3%.
4. Rate increase required to keep financial integrity of utility fund.
5. Considering moving away from sewer averaging.

Council engaged in discussion about utility rates. There was discussion about the difference between sewer and water rates and how they are calculated. City Manger Bleess stated that we would keep the option of average billing for water, but not for sewer. Irrigation systems were discussed and how this could affect sewer system usage.

The City Utility System was discussed. There will be a company coming in June to study this system. We have 48,000 feet of pipe laid in the ground in the 1970's and these pipes need to be addressed.

Salary Survey

1. Council has made it a priority to hire the best.
2. Council has committed to bi-annual salary surveys and being in the top 75%.
3. Staff did a salary survey this year in-house, saved at least \$75,000.
4. Survey Impacts
 - a. Making midpoint of every other jurisdiction as our starting point as we have done in the past will result in approximately \$750,000 impact across all three funds.
 - b. Emergency Services (Police, Fire, Dispatch) are about \$300,000.

Council engaged in discussion about these numbers. Some wanted to know if the fire fighter grant is included in these numbers. City Manager Bleess stated that it is not included, and we will not hear if the grant for firefighters is approved until September of this year.

Some members felt that the additional sales taxes we collected this year could cover salary increases.

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Retirement

1. Looking at the option of moving from a 25-year City to a 20-year City.
2. Means a person could retire after 20 years of service to the city.
3. Cost would be approximately \$37,000.

Council engaged in discussion about the average service time of someone retiring. City Manager Bless stated that it is hard to tell or pinpoint an average age, but some retire when they reach 65. This benefit was discussed in terms of its effect, if any, on hiring new employees. This cost was discussed.

Health Insurance

1. TML Health is looking at a 16% increase on average (information received May 9).
2. Health Insurance RFP Is out – Proposals due May 30.
3. Looking at possibility of adding retiree benefits for Pre/Post 65 with no direct cost to the city.

Council engaged in discussion about these increases. They also talked about the cost for Pre/Post retiree benefits.

Capital Improvements

1. Capital Improvement costs have tripled in three years.
2. Many streets, sewer pipes, water lines, etc. are getting close to 50 years old.
3. Swimming Pool needs to be replaced in a few years with an estimated cost in today's dollars at \$6,000,000.

There was discussion about the number of years remaining for use of the City's existing swimming pool. There is concern that the pool needs to be replaced sooner rather than later. The condition of the pool was discussed. Assistant City Manager Basford explained the most prominent issues with the pool. Some wanted to know what the cost of maintenance is compared to what it would be in terms of a new pool and if any savings would offset the cost of a new pool.

The location of a new pool was discussed. It could be placed in the existing spot, but the shape of the pool may change. Most felt that the existing location is best. The Council also discussed how building this pool fits into the Park's Master Plan. The amenities of a new pool were discussed.

There was discussion about why a new pool has not been included in the Capital Improvements Plan, given its current condition. Assistant City Manager Basford explained that the recent discovery of a whole in the pool escalated this discussion.

Paying for Capital Improvements

1. Bonds – City could put a bond referendum on the ballot as soon as November.
 - a. \$25,000,000 for water/sewer/street projects

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- b. \$7,000,000 for parks project (swimming pool).
- 2. Street Assessments
 - a. A levy on the adjacent landowner of the street being redone
 - b. Can be done in conjunction with a bond
- 3. Grants
 - a. Always competitive, not a lot of grants for streets, pools, etc.

Council engaged in discussion about going out for a bond. Some members were in favor of bonding these projects. Increased interest rates were discussed. Given that we are currently experiencing 6 to 7 percent inflation, it is difficult to abide by a “pay as you go” system.

Cost of a Bond

	Estimated Annual Debt Service Requirements for \$25,000,000 Bond financed over indicated term		
	30 Years	25 Years	20 Years
Debt Service Tax Rate Required	\$ 0.05127	\$ 0.04877	\$ 0.04627
Debt Service Amount Required	\$ 1,507,194	\$ 1,617,155	\$ 1,827,259
Utility Fund Amount Required	\$ 708,381	\$ 760,063	\$ 858,812
Total Interest Paid	\$ 20,215,833	\$ 15,428,867	\$ 11,545,188

Council engaged in discussion about these costs. The pros and cons of establishing a bond committee were discussed. The process of establishing a bond committee was discussed.

Council would like to have a bond option on the November 2023 Election ballot. Given the amount of time before we must call the Election in November, perhaps a staff presentation to the public for comments and input would be more efficient. A timeline for the build was discussed. Some members felt that the Parks and Recreation Advisory Committee could accomplish what a bond committee would do. City Manager Bless stated if this is the plan, several open houses could be held at the pool in order to gain public input.

With no further discussion on the items presented thus far, City Manager Bless gave information on the various City Departments for the 2023-2024 Budget. What follows is the description of each along with any Council discussion.

Administration

- 1. Food line will need to be increased.
- 2. Adding a specific line for pre-employment screenings (background, health, etc.).
- 3. Employee engagement/recognitions – Increase of \$2,500.

Legal / Other Services

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Next Fiscal Year Projects and Requests

1. Workers Comp
 - a. Police/Fire Rate – 0% Increase
 - i. Budgeted \$99,000.00
 - ii. 23/24 Budget - \$99,000.00
 - b. Non-Sworn Personnel – 0% Increase
 - c. Parks – 5% Increase
 - i. Budgeted \$52,856.00
 - ii. 23/24 Budget - \$52,856.00
2. Property Insurance
 - a. Projecting 4.5% rate and structure increase for a \$24,000 budget increase
3. Auto Insurance
 - a. Projected 8.5% increase.
 - i. Decrease of \$6,000 from current budget.

IT Department

23/24 Software Maintenance

1. Expecting 5% increase on all services and renewals not contractually set: \$15,000 increase.
2. Additional Microsoft licensing for additional staff and device management:
 - a. 35 Intune licenses - \$40 each/yr. or \$1,400/yr.
 - b. 20 additional 0365 licenses to cover staff growth - \$205 each or \$4,100/yr.
3. Replacing Adobe Acrobat 16 Licenses with Acrobat DC licenses:
 - a. each license - \$200 each/yr.
 - b. adding 10-15 new licenses next year with new hardware - \$3,000/yr.
4. Mygov business module:
 - a. Automation of permit desk renewals and notices - \$6,700/yr.
5. Gallagher Door Access user maintenance:
 - a. Mobile Door Access licenses - \$1,200/yr.
6. Vendor Access Portal:
 - a. 3rd party access contributes to approximately 50% of all data breaches
 - b. A vendor access portal gives us control over 3rd party access and limits them to only necessary functions
 - c. Quoted at \$11,000/yr.
7. Tokens and Credits for web services:
 - a. tokens for utilization with Microsoft Virtual Agents and Power Automate - \$2,500/yr.
 - b. Credits for ArcGIS for publishing/hosting shape files - \$2,500/yr.

23/24 Expected Increases

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1. Salary and associated benefit increases in line with new job descriptions and the salary survey:
 - a. Decreasing Consultant services \$45,000 to help offset the impact
2. Employee incentive Program
 - a. Pending adoption, budgeting \$7,200
3. Updating Computer Replacement plan:
 - a. Adjusting prices for Tech inflation due to the chip shortage – some prices have increased as much as 300%
 - b. Aiming for desktop/laptop specifications that fit Windows 11 system requirements
 - c. Adding/removing items so the plan is up-to-date and replaces all endpoint and infrastructure equipment
 - d. The updated plan still does not include mobile phones, cradle points, or cameras
 - e. annual contributions to the plan across all departments going up by \$72,000

23/24 Projects and Requests

1. Mobility and redundancy means increased communication costs:
 - a. an increase in mobile devices yields increased productivity, but impacts communication costs: +\$2,400/yr.
 - b. Adding a 2nd internet source will provide redundancy in case of an outage: +\$1,000/month
 - c. Adding 10 camera pods next year at \$44/month each for wireless service: +\$5,300/yr.
2. System auditing and Maintenance:
 - a. Establish policies and processes
 - b. evaluate vendors for PEN testing, tabletop exercises, and audits to make sure we're using best in class
 - c. Currently spending \$17,000 annually on Pen Testing and SECURITY services
 - d. Currently spending \$20,000 annually on Infrastructure audits and Professional services
 - e. Looking to maintain an extra \$18,000 for increasing the above services or for other Professional service needs
 - f. \$45,000 less than budgeted last year

Council engaged in discussion about the 0365 license costs. Adobe Pro was also discussed.

Police Department

23/24 Projects

1. Become a TPCA Accredited Agency
2. Implement a Property Identification Program
3. Executive Leadership Training for Supervisors

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23/24 Requests

1. Supplies - Radio and Radar Equipment - \$10,000
2. Tools/Equipment – Tasers \$1,700
3. Training – Police Executive Research Forum - \$12,000
4. Office Equipment – Access Control Card Readers - \$28,000
5. Special Equipment – Surveillance Cameras - \$120,000
6. Police Vehicles – 9 Total at \$532,500 – Will Sell 9 as well to off-set this cost

Council engaged in discussion about tasers. The surveillance cameras were also discussed in terms of the number to purchase and where the new cameras will be located. Chief Riggs explained that these cameras will be located where there are areas with increased criminal activity.

The price of vehicles was discussed. City Manager Bleess stated that the biggest problem with vehicles is getting them as the supply is not meeting the demand.

Fire & Communication Departments

23/24 Fire CIP

1. Shower/Restroom Remodel upstairs \$220,000 estimate
2. Replacement of Upstairs A/C / Heating / Duct Work - \$100,000
3. Covered Parking \$60,000
4. Fencing and gates around city buildings - \$120,000

23/24 Line-Item Increases

Fire

1. Incentives – Paramedics X9 - \$64,800
2. Medical Supplies - \$10,000
3. Wearing Apparel - \$50,000
4. Collection Agency Fees - +\$42,000 (Medicare \$300,000)
5. Memberships - +\$4,000
6. Medical Physicals \$30,000
7. 7-72-6581 Tyler Maintenance - \$50-60K TBD

Communication

1. Overtime Line Will need to be adjusted

23/24 Requests

Fire

1. Second set Fire Gear for fire department staff members (Cancer Prevention Initiative)
2. Assistant Chief Position (Internal Position change)
3. Upgrade command vehicle to 1 ton pickup
4. 3 new firefighters (9 with Grant- No cost to city for 3 years if grant approved)

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5. Equipment for fire truck and tower truck (\$200,000.) (10% increase 2024)
6. Add Driver Operator Rank Position
7. Connex Boxes for training

Communications

1. Two full-time dispatchers for peak times and to assist with coverage.

Public Works Department

23/24 Projects and Requests – Public Works

1. Street Rehab with Water and Wastewater:
 - a. Discussed previously
2. Street Panel Repairs: \$125,000
3. Sidewalk Repairs: \$100,000
4. Equador Pedestrian Bridge Design: \$240,000
 - a. Construction Estimated 2.4 million in FY25
5. Stormwater Rehab: \$200,000
6. Decorative Street Lights: \$300,000

23/24 Projects and Requests – Utilities

1. Preventative Maintenance Supplemental (pumps, motors, electrical panel, cleanout, etc.) \$38,000 total
 - a. Lift Stations (18,000line-item increase)/ Water Treatment Plants (\$5,000 line-item increase)/ Wastewater Treatment Plants (\$15,000 line-item increase)
2. SCADA install at all facilities \$44,590 each total \$178,360.
 - a. Hillcrest LS, Jones LS, West Water Plant, Village Water Plant
3. Transducers for groundwater storage tanks (Connects GST's to SCADA) \$48,000
 - a. Seattle WTP, West WTP, and Village WTP.
 - b. We climb them at least twice a month
4. Philippine LS Rehab: \$1,400,000
5. West Water Plant Generator ATS Switch: \$30,000
6. Water Valve Repair: \$200,000
7. Lead and Copper Survey: \$40,000
8. White Oak Bayou Treatment Plant Cash Call For Headworks and Non-POT project: \$490,000
9. Sanitary sewer Inspection and Repair: up to \$500,000 carrying Remaining balance(s) over from this FY and supplementing the difference.
10. 290 Lift Station Road: \$65,000
 - a. We access from private property

Council engaged in discussion about the lift stations and the wastewater treatment plants. The utility costs were also discussed.

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Community Development

23/24 Projects and Requests

1. Business module for MyGov permitting. Easier tracking for sign permits, Short term rentals, and others. \$5,000 (Discussed in IT)

Mayor Warren recessed the meeting at 6:42 pm in order to attend the Regular Session City Council Meeting at 7 PM in the Council Chamber.

Mayor Warren reconvened the Work Session Agenda in the Municipal Meeting Room at 10:49 PM with a quorum present.

Parks and Recreation

23/24 Projects and Requests

1. Creation of the Parks and Recreation Manager Position:
 - a. Additional programing, New Clubhouse will be included
 - b. Events will need to Maintain their momentum
 - c. Establishes a developmental career path for young professionals
2. Changing Facilities manager into a Facilities Technician Position
 - a. room set up & Custodial Staff (including clubhouse)
 - b. AC, Plumbing, Preventative Maintenance and In house minor repairs and projects
 - c. Facility Workorder Assistance
 - d. Routine contract monitoring
3. Move from two PT to One Full time Building Custodian
4. Adding \$10,000 to professional services for fireworks and moving the sponsorship revenue to a revenue line item.
5. Shade for Carol Fox Sand: \$50,000
6. PMP JMNT Decorative Lighting: \$180,000
7. SIDEWALK AT CLARK HENRY PARK From pavilion to Rockwall: \$40,000
8. Access Control: \$25,000 additional to Facilities Improvement CIP line item :
 - a. More intuitive system with upgraded door locks:
 - i. New locks for Golf (~15), PD exterior, FD, and CH
 - ii. PD Interior funded with Seized funds.

Council engaged in discussion about Founders Day and expenses related to this event in an effort to improve events of this type. Feedback from the event included approval of having good rides, fireworks, and concerts.

There was discussion about the lighting at Clark Henry Park and the cost for same. City Manager Bleess stated many of these items can be included in the bond election.

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Council discussed the decorative lighting around the detention pond. Some were not supportive of this expenditure.

Capital Improvements Plan

	Dept	Projects by Type	Proposed FY24
SANITARY SEWER TREATMENT/COLLECTION IMPROVEMENTS			
		Sanitary Sewer Lines Inspections	250,000
		Rehabilitation/Repair Sanitary Sewer Lines	250,000
		Lift Station Rehabilitation/Repair	1,900,000
		Repairs for Lift Station Road	65,000
		SCADA System Upgrades	90,000
		White Oak Bayou Treatment Plant (40.63% City Share)	490,000
		Total for Sanitary Sewer Improvements	\$ 3,045,000
WATER PRODUCTION/DISTRIBUTION IMPROVEMENTS			
		Water Valve, Exercise, repair	200,000
		SCADA System Upgrades	90,000
		West Water Plant - Generator Repair	30,000
		Transducers for Groundwater Storage Tank	50,000
		Total for Water Improvements	\$ 370,000
		Total Utility Fund Improvements	\$ 3,415,000
STREET AND DRAINAGE IMPROVEMENTS			
	FL	E127 Improvements	300,000
	FL	Elevations FY21 Grant	500,000
	PW	Street Panels Replacement	125,000
	PW	Side walk replacements and additions	100,000
		Total for Street Improvements	\$ 1,025,000
GENERAL COMMUNITY IMPROVEMENTS			
	FD	Covered Parking area for high water truck, boat, trailers	\$ 50,000
	FD	FD Upstairs Restroom Shower Remodel	\$ 60,000
	FD	Replace Upstairs A/C & heating System	\$ 100,000
	FD/PD	Fence/Gates around buildings	\$ 100,000
	Gen	New City Hall	\$ 11,000,000
	Gen	Facility Improvements	\$ 75,000
	PR	Park Improvements	\$ 50,000
	PR	PMP JM Nature Trail Site Furnishings & Water Fount	\$ 125,000
	PR	PMP Clark Henry Baseball field	\$ 180,000
	PR	PMP Clark Henry Open Field Improvements	\$ 75,000
	PR	New Playground Structure for Carol Fox Park	\$ 150,000
	PR	PMP Jersey Meadow Nature Trail Exterior Lighting	\$ 180,000
	PR	Carol Fox Park Sandbox Renovation (shade)	\$ 50,000
	PW	Decorative Street Lights	\$ 300,000
	PW	Rehabilitation/Repair Storm Water Lines	200,000
	PW	Equador Pedestrian Bridge Design	240,000
		Total General Community Improvements	\$ 12,935,000
		Total General Fund Costs	\$ 13,960,000
Golf Course CIP			
	1 GC	Golf Course Convention Center	2,700,000
		Total Gofl Course Fund Improvements	\$ 2,700,000

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Council engaged in discussion about the separation of the concrete panels at Senate and US HWY 290, stating that this issue needs to be addressed.

Budget Meetings

1. When would council like to do budget meetings?
2. Historically it's been July
3. State law changes a few years ago require tax rate notices to be out earlier
4. Could do budget meetings in early August when we know values
 - a. Several staff members, and councilors, take vacations after July budget meetings and before school starts

Council engaged in discussion about dates for the budget meetings in July/August. Some felt it would be best to conduct these meetings July 17, July 18, and July 19. However, in order to find a date suitable to all who need to attend, City Secretary Coody was asked to look into a meeting set during working hours that is agreeable with everyone.

ADJOURN

With no further discussion, the meeting was adjourned at 11:14 p.m.

Lorri Coody, City Secretary

