

**MINUTES**  
**Irving City Council Budget and Strategic Plan Review**  
**Wednesday, May 19, 2021 at 8:00 AM and Thursday, May 20, 2021 at 8:00 AM**  
**The Westin Irving Convention Center at Las Colinas – Room - Harmony A&B**  
**400 West Las Colinas Boulevard, Irving, TX 75039**

The Irving City Council met in special session on May 19, 2021. The following members were present / absent:

Attendee Name	Organization	Title	Status	Arrived
Mayor Rick Stopfer	Irving City Council	Mayor	Present	
John C. Danish	Irving City Council	Councilman	Present	
Allan Meagher	Irving City Council	Councilman	Present	
Mark Zeske	Irving City Council	Councilman	Present	3:50 PM
Phil Riddle	Irving City Council	Councilman	Present	
J. Oscar Ward	Irving City Council	Councilman	Present	
Al Zapanta	Irving City Council	Councilman	Present	
Kyle Taylor	Irving City Council	Councilman	Present	
Dennis Webb	Irving City Council	Councilman	Present	

**Day One - Wednesday, May 19, 2021**

8:00 A.M. Breakfast

Mayor Stopfer called the meeting to order at approximately 8:39 a.m.  
Councilman Zeske arrived at approximately 3:50 p.m.

8:30 A.M Meeting

A. Citizen Comments on Items listed on the Agenda

The following individual signed up to speak at this meeting:

Jerry Wicker, 627 Hood Drive, Coppell, TX- item E2 and E3.

B. Action Items

1. Administer Statement of Elected Officer and Oath of Office to Elected Council Members Places 4, 6 and 8

Shanae Jennings, City Secretary, administered the Statement of Elected Officer and Oath of Office to Phil Riddle, re-elected council member for District 4, Al Zapanta, re-elected council member for District 6, and to Dennis Webb, newly elected council member for District 8.

2. **Ordinance ORD-2021-10443** -- Zoning Case ZC21-0021 - Considering a Zoning Change from S-P-1 (Detailed Site Plan) for R-AB (Restaurant with the Attendant Accessory Use of the Sale of Alcoholic Beverages for On-Premises Consumption), Convention Center, Retail, Entertainment, Hotel, Restaurant and Related Uses to S-P-1 (Detailed Site Plan) for R-AB (Restaurant with the Attendant Accessory Use of the Sale of Alcoholic Beverages for On-Premises Consumption), Convention Center, Retail, Entertainment, Hotel, Restaurant and Related Uses - Approximately 16.787 Acres Located North of Fuller Drive and West of Las Colinas Blvd. - the Ark Group of Irving, Inc., Applicant; City of Irving, Owner

Mayor Stopfer opened the public hearing at approximately 9:05 a.m.

Mayor Stopfer closed the public hearing at approximately 9:05 a.m.

Motioned by Councilman Ward, seconded by Councilman Taylor, to Approve Ordinance -- Zoning Case ZC21-0021 - Considering a Zoning Change from S-P-1 (Detailed Site Plan) for R-AB (Restaurant with the Attendant Accessory Use of the Sale of Alcoholic Beverages for On-Premises Consumption), Convention Center, Retail, Entertainment, Hotel, Restaurant and Related Uses to S-P-1 (Detailed Site Plan) for R-AB (Restaurant with the Attendant Accessory Use of the Sale of Alcoholic Beverages for On-Premises Consumption), Convention Center, Retail, Entertainment, Hotel, Restaurant and Related Uses - Approximately 16.787 Acres Located North of Fuller Drive and West of Las Colinas Blvd. - the Ark Group of Irving, Inc., Applicant; City of Irving, Owner.

Motion approved 7-1-0.

<b>RESULT:</b>	<b>ADOPTED [7 TO 1]</b>
<b>MOVER:</b>	J. Oscar Ward, Councilman
<b>SECONDER:</b>	Kyle Taylor, Councilman
<b>AYES:</b>	Stopfer, Danish, Riddle, Ward, Zapanta, Taylor, Webb
<b>NAYS:</b>	Allan Meagher
<b>ABSENT:</b>	Mark Zeske

C. Current Fiscal Year for General Fund and Enterprise Funds

1. Revenues
2. Expenditures
3. Anticipated Service Levels

Shannon Phillips, Budget Manager, provided an update on the current fiscal year revenues and expenditures. She noted property value growth remains strong, but staff expect values to be reduced due to protests and lawsuits with Dallas Central Appraisal District. Sales tax revenue is below prior years but above budget projections. She noted the rate of recovery is dependent on social distancing restrictions, activity levels and the public's confidence. She described the use of held vacancies to manage expenses to revenues and confirmed the current year's budget has remained balanced.

D. Capital Improvement Program Plan, Bond Election, and Interest & Sinking Rate

1. 2021 General Obligation Bond Sale Projects

Pat Lamers, Capital Improvement Program Director, reviewed the FY20-21 General Obligation bond sale projects for street improvements, park improvements, and city building improvements.

2. 2021 Municipal Drainage Utility Certificates of Obligation Bond Sale Projects

Pat Lamers, Capital Improvement Program Director, outlined the major projects to be funding by the FY20-21 MDU Certificates of Obligation.

3. 2021 Water & Sewer Bond Sale Projects

Todd Reck, Water Utilities Director, described the FY20-21 water and wastewater projects supported by the revenue bond sale and pay-go system fund. He noted the department's focus is on infrastructure investment with no major operational issues.

4. 2021 Bond Election Results, Bond Capacity, and Capital Plan

Jeff Litchfield, Chief Financial Officer, provided an overview of the 2021 bond election results and the associated projects, the bond capacity, and the debt service fund.

Pat Lamers, Capital Improvement Program Director, outlined the capital plan for authorized projects based on a 13-cent debt service tax rate starting FY 21-22, achieved without increasing the total tax rate. Mr. Lamers also described the CIP five-year plan.

Council recessed at approximately 11:09 a.m.

Council reconvened at approximately 11:23 a.m.

E. Firemen's Relief and Retirement Fund

1. Tier II Comparison

David Florance, Vice President of the Fireman's Relief and Retirement Fund, compared the Irving Firemen's Relief and Retirement Fund (IFRRF) Tier II plan to the TMRS + SBP Tier II plan, as well as the IFRRF Tier I plan.

2. Texas Municipal Retirement System and Supplemental Benefit Plan Analysis

Jeff Litchfield, Chief Financial Officer, detailed the Texas Municipal Retirement System and Supplemental Benefit Plan analysis if the city was to add new firemen into TMRS. The results indicate that adding new firemen into the TMRS plan is not financially viable with increasing the tax rate.

Lewis Ward with GRS Consulting provided additional information on the TMRS plan.

3. Pension Obligation Bonds

Jeff Litchfield, Chief Financial Officer, outlined the option of issuing pension obligation bonds (POBs) for the Irving Firemen's Relief and Retirement Fund. He noted the City Manager's recommendation is to move forward with pension obligation bonds and use

a portion of the savings to fund a defined contribution plan for the IFRRF Tier II members.

David Florance approached the microphone and fielded questions from Council regarding the POBs.

Council recessed for lunch at approximately 12:31 p.m.

Council reconvened from lunch at approximately 1:30 p.m.

#### F. Federal Funds Discussion

##### 1. Coronavirus Aid, Relief, and Economic Security (CARES) Act Update

Tony Cao, Assistant to the City Manager, presented an update on the Coronavirus Aid, Relief, and Economic Security (CARES) Act funds received by the City and their utilization.

##### 2. COVID-19 Emergency Solutions Grant (ESG-CV) and Community Development Block Grant (CDBG-CV) Update

Kyle Taylor abstained from this item and filed an abstention affidavit with the CSO.

DeLiza Gierling, Community Development Manager, provided an overview of the COVID-19 Emergency Solutions Grant (ESG-CV) and Community Development Block Grant (CDBG-CV) funds received by the City. She described the funds expended so far, how the City has reached out to the public to inform them of these programs and anticipated future federal funds.

##### 3. Emergency Rental Assistance Program and Texas Emergency Rental Assistance Program

DeLiza Gierling, Community Development Manager, presented an update on the Emergency Rental Assistance Program and Texas Emergency Rental Assistance Program.

##### 4. American Rescue Plan Funds and Potential Uses

Jeff Litchfield, Chief Financial Officer, outlined the American Rescue Plan Act for state and local fiscal recovery. He described the potential uses of the funds, noting that deposits to pension funds, payments to rainy day funds, or payments made on outstanding debt are not eligible expenditures for these funds.

#### G. Future in Focus Presentations

##### a. Water & Sewer System Fund

Todd Reck, Water Utilities Director, presented the Water Department's current budget, services, and a five-year outlook for the department related to personnel, service enhancements, 5-year Future in Focus and budgetary needs.

Steve Petit, Assistant Water Utilities Director, presented an update on the planning,

engineering services and pumping and the 5-year Future in Focus needs.

Donna Starling, Water Programs Manager, presented an update on the utility billing department and their 5-year Future in Focus needs.

Council recessed at approximately 3:07 p.m.

Council reconvened at approximately 3:17 p.m.

Councilman Zeske arrived at approximately 3:50 p.m.

b. Solid Waste Services Fund

Travis Switzer, Solid Waste Services Director, presented the Solid Waste Department's current budget, services, and a five-year outlook for the department related to personnel, service enhancements, 5-year Future in Focus and budgetary needs.

There was a significant amount of discussion amongst council regarding whether or not to add some sort of automated system to assist solid waste staff and lack of employees in the field.

c. Municipal Drainage Utility Fund

Pat Lamers, Capital Improvement Program Director, presented the Municipal Drainage Utility (MDU) current budget, services, and a five-year outlook for the department related to personnel, service enhancements, 5-year Future in Focus and budgetary needs.

Council recessed the meeting for the evening at approximately 4:58 p.m.

d. Irving Convention and Visitor's Bureau

Maura Gast, Executive Director of the Irving Convention and Visitor's Bureau (ICVB), presented the ICVB's current budget, services, and a five-year outlook for the department related to personnel, service enhancements, 5-year Future in Focus and budgetary needs.

e. Arts and Culture

Todd Hawkins, Executive Director of Arts and Culture, presented the Arts and Culture Department's current budget, services, and a five-year outlook for the department related to personnel, service enhancements, 5-year Future in Focus and budgetary needs.

**Day Two – Thursday, May 20, 2021**

8:00 A.M. Breakfast

Mayor Stopfer called the meeting to order at approximately 8:40 a.m.

Councilman Zeske arrived at approximately 3:33 p.m..

8:30 A.M Meeting

#### H. Compensation and Class Study Results

Matt Weatherly, President Public Sector Personnel Consultants, presented his market study and classification and compensation study that he conducted for the City of Irving and fielded questions from Council.

James Childers, Assistant City Manager, presented the finding of the Compensation and Class Study. The presentation included information on specific positions related to salary, as well as benefits comparisons.

It was the consensus of the Council to have City Manager Chris Hillman move forward with his staff and come to a consensus regarding the compensation structure.

Council recessed at approximately 10:30 a.m.

Council reconvened at approximately 10:50 a.m.

#### I. Five-Year General Fund Revenue and Expenditure Outlook

Bret Starr, Finance Director, presented the five-year General Fund revenue and expenditure outlook. He noted that staff expects revenues to be flat for FY21-22, will budget conservatively for sales tax revenue and budget cost of services based on normal activity. Related to expenditures, it was noted that there were no market adjustments or cost of living adjustments for salaries in FY20-21 but will continue to fund step and merit increases; there is a projected 2% increase in premiums for FY21-22 with a new provider. Mr. Starr also outlined the revenue and expenditure projections for FY2022-2026 with expected property taxes to increase more than 3% each year, a 1% increase in sales tax in 2022, then 2% increases in the future. The City expects salary growth of 3% and benefit growth of 2% and a projected 2% increase in operating expenditures in the future years.

Chris Hillman, City Manager, detailed the City's recommended tax rate strategy for each fiscal year through FY 25-26.

Council recessed at approximately 11:39 a.m.

Council reconvened at approximately 1:30 p.m.

#### J. Future in Focus General Fund Prioritization and Discussion

Melissa Majors with Education Service Growth and Optimization Innovation/Inclusion facilitated the Council's discussion of their priorities based on each department's five-year outlook.

Mayor Stopfer noted his priorities include the landfill and making sure staff can continue to develop and learn. He asked each department to evaluate where they are at and tell Council what they need to prioritize; noting that people are the key priority. Mayor Stopfer also identified the following priorities: ensure financial security and healthcare

plans; continue to ensure employees are heard; expand Irving 360 Civic Academy program; look at everything for modification, if you can add services that will streamline things then do it; and bring utility providers together.

Councilman Danish noted his priorities are: fully operational swimming pools, festivities again (4<sup>th</sup> of July, Christmas celebration, etc); select an architect for central fire station; basic services provided prior to the epidemic.

Councilman Meagher was absent during this part of the meeting.

Councilman Zeske was absent during this part of the meeting.

Councilman Riddle noted his priorities are: central fire station; relocation of fire station 8 – it needs to be accessible to the public; drainage; roll savings from healthcare back into healthcare for the employees.

Councilman Ward noted his priorities are: solid waste, wants to see ROI from City manager and finance director; 30-year landfill build out, HOT taxes from Home Away; improve ICTN revenues (running business ads); provide lost time safety report annually; maintain road to the future; have the CAO look at changing the charter for a charter election in November or May; property management - small lots in the city; engage with the school districts; trade education at school district; better understanding of the operations of the performance office; consider changing food to beverage ratio; and solid waste is a major focus.

Councilman Zapanta noted his priorities are: balanced budgets for the next five years and five years beyond that (10-year strategy); focus on PUD 6 and economic development; central fire station but not as much of a focus on moving fire station 8; solid waste and alternate plans for them; focus on infrastructure; network of integration for ransomware; international trade; look at cutting out any inefficiencies to delivering services; cut the redundancies of 911; stop the back and forth discrepancy discussions between north and south.

Councilman Taylor noted his priorities are: continuing to look at compensation and benefits; look at the “value” departments such as libraries, parks, arts, and what do those experts say; how the city provides services and what is the value of those departments (library, housing, workforce development); first responders – continue to improve mental health aspect both for fire and police, they need someone who can understand what they go through; infrastructure; looking at performance team surveys and data; general operating funds going into housing and human services dept., improving efficiencies in operations of departments. He noted there are no services he would like to dissolve. Councilman Taylor also discussed the need to improve development standards; take a long hard look at Arts and ICVB so they can get back to where they were.

Councilman Webb was absent during this part of the meeting.

Chris Hillman, City Manager, indicated he believes attention needs to continue to be focused on public safety, central fire station, additional public safety, and continue to focus on parks and recreation resources. With the addition of capital projects, Irving will need to continue to keep up with Information Technology resources, people, and infrastructure. Our recreation service is exceptional, but Irving needs to make efficiency changes in those services – it needs to be better balanced. Roads will continue to be a focus. Solid waste must be addressed, it is an unsustainable model how it is right now.

He noted that related to the Development Code redo, there is always a big push and pull between multi-family and single family.

Council recessed at approximately 3:00 p.m.

Council reconvened at approximately 3:10 p.m.

Ms. Majors then had council prioritize their operational priorities for the next five years based on a number of things, and this is what came out as their priorities in order of first to last:

- 1) Solid Waste: Remedy Landfill Space Issue
- 2) Fire: Central Fire Station and Staffing
- 3) Compensation and Class: Optimize for all Employees
- 4) Focus on Infrastructure Improvements
- 5) Balanced Budget: Build out 10-year plan
- 6) Parks and Rec: Aquatic Facility Staffing and Availability
- 7) Streamline and Optimize Department Operations
- 8) Revamp Recreational Center Model
- 9) Parks and Rec: Mustang Rec Center Expansion and Staffing

Council returned the last two future in focus presentations which are ICVB and Arts.

Council adjourned the meeting at approximately 5:04 p.m.

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Richard H. Stopfer, Mayor

ATTEST:

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Shanae Jennings, TRMC  
City Secretary