

MINUTES
Irving City Council Special Meeting
Wednesday, August 18, 2021 at 8:00 AM
City Hall, First Floor, Council Conference Room
825 West Irving Boulevard, Irving, TX 75060

The Irving City Council met in special session on August 18, 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	10:45 AM
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	

8:00 AM

Breakfast

8:30 AM

Mayor Stopfer called the meeting to order at approximately 8:30 a.m.

Councilman Zeske arrived at approximately 10:45 a.m.

Meeting

A. Citizen Comments on Items listed on the Agenda

Sharon Barbosa Crain, 2608 Alan-a-Dale, Irving, TX- Item J

Michael McPhail, 805 Dixon, Irving, TX- Item J

Budget Overview

1. Five Year Future in Focus

Chris Hillman, City Manager, presented the five-year future in focus. His presentation outlined the additional operating needs across the General Fund and Enterprise departments. He also detailed the five-year tax rate strategy. Mr. Hillman and Council discussed moving one cent from Maintenance and Operations to Interest and Sinking Funds, making it 13 cents, in order to complete more capital projects in the next fiscal year.

2. Base Budget and Operating Costs

Shannon Phillips, Budget Manager, provided a budget update on property value growth, sales tax projections, projected revenues, and projected expenditures. She also outlined the FY21-22 budget overview of proposed revenues from property taxes, sales taxes, and other revenues. Ms.

Phillips also described the expected General Fund expenditures.

Council recessed at approximately 10:20 p.m.

Council reconvened at approximately 10:35 p.m.

3. American Rescue Plan Act (ARPA) and One-Time Funding
Tony Cao, Assistant to the City Manager, detailed the American Rescue Plan Act (ARPA) funding information, the eligible and ineligible uses, and the City Manager's recommended allocation of the funds.

Bret Starr, Finance Director, provided an overview of Non-Bond CIP and one-time funding from excess General Fund balance, use of TIF No. 1 ratchet down, Pioneer abatement reserve, and use of ARPA funds.

4. Tax Rate Discussion
Bret Starr, Finance Director, discussed the various tax rate terms, certified values, and calculated tax rates. He also detailed the proposed tax rate, consequences of lowering the rate below the proposed rate, and reviewed the five-year tax rate strategy.
5. Compensation
 - i. Compensation and Classification Study
 - ii. Health Care and Benefit Changes
 - iii. Change in Firefighter structure, eliminating bottom step
 - iv. Implementation of Civil Service Market Adjustment and General Government Cost of Living Adjustment (COLA) and Merit Increases

Jill McAdams, Human Resources Director, presented the results of the compensation and classification study and how the proposed changes will be implemented for civil service and general government employees. She reviewed the health insurance plans and other employee benefits.

She described the pay structure changes for firefighters confirmed that the Civil Service Market Adjustment and General Government Cost of Living Adjustment (COLA) are budgeted for January 2022 and all merit increases have been budgeted as well.

C. Cost of Municipal Service Benchmarks

Ebony Roundtree, Budget Coordinator, outlined the benchmarking results from various cities related to the cost of municipal service.

Council recessed at approximately 12:12 p.m.

Council reconvened at approximately 1:15 p.m.

Councilman Webb left the meeting at this time.

D. Utility Funds Overview

1. Water and Sewer

Todd Reck, Water Utilities Director, provided an overview of the Water Utilities FY22 operating budget, expenses and projected revenues, planning infrastructure improvements, the proposed five-year rate plan, and the rate impacts of the proposed overall residential increase of 3.5%.

2. Solid Waste Services

Travis Switzer, Solid Waste Services Director, presented information on the landfill master planning, and the proposed five-year rate structure. He also reviewed the recommendations for rate changes, approval of the five-year rate plan, implementing a commercial opt-in service, and revising the solid waste ordinance.

Dave Yanke, President of NewGen Strategies and Solutions, LLC, presented the solid waste cost of service study.

3. Municipal Drainage Utility (MDU)

Walt Thomas, City Engineer, described the active MDU major projects, the MDU capital five-year plan, and the proposed FY22 budget.

Council recessed at approximately 3:20 p.m.

Council reconvened at approximately 3:43 p.m.

Councilman Webb arrived at 3:35 p.m.

E. Capital Improvement Program

Pat Lamers, Capital Improvement Program Director, reviewed the current fiscal year's bond sale and outlined the FY22 proposed projects for streets, park development and city facility improvements.

F. Debt Service

Bret Starr, Finance Director, presented information on the general debt service based on 13 cent allocation of the tax rate.

G. Economic Development (ED) and ED Incentive Agreement Funds

1. Entertainment Venue Operating Budget and Work Plan

Jennifer Ramirez, Economic Development Project Administrator, presented the Entertainment Venue operating budget and work plan based on the Brimer Hotel Occupancy Tax and Admission tax.

2. TIF Districts

Bret Starr, Finance Director, outlined the impact of tax rates on TIF revenues, and the TIF #1 ratchet down allocations.

3. Public Improvement Districts

Jeff Litchfield, Chief Financial Officer, provided information on the residential Public Improvement Districts (PIDs), the PID debt, budgets and assessments.

4. Economic Development Incentive and Grant Funds

Bryan Haywood, Economic Development Project Manager, described the Economic Development Incentive Fund used to fund incentive and grant agreements and the Economic Development Fund used for chamber contracts, and downtown incentive programs.

Council discussed the Hispanic Chamber of Commerce funding.

Council and staff discussed future use of the 2nd floor of the Jack Huffman building.

Todd Hawkins, Executive Director of Arts and Culture, confirmed that a grand opening is scheduled for November for the museum.

H. Pension Discussion

1. Texas Municipal Retirement System
2. Supplemental Benefit Plan
3. Firemen's Relief and Retirement Fund
4. Pension Obligation Bonds

Jeff Litchfield, Chief Financial Officer, provided an overview of the various employee pension plans and the planned use of

pension obligation bonds.

- I. COVID-19 Grant Funding
 - 1. Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding update
 - 2. Baylor Scott & White Medical Center - Irving Funding Request

Tony Cao, Assistant to the City Manager, presented an update on the Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding.

Chris Hillman, City Manager, discussed his recommendation for use of the remaining \$2 million in CARES Act Funds and the funding request from the Baylor Scott & White Medical Center.

It was the consensus of the Council to move forward with assisting Baylor Scott & White with \$1 million of the remaining CARES Act Funds.

- J. Community Budget Input

Jacob Jimenez, Senior Budget Analyst, reviewed the community input received.
- K. Charter Organizations Budgets (presented by Charter Orgs)
 - 1. Irving Convention and Visitors Bureau (ICVB)

Maura Gast, Executive Director of the ICVB, presented the department's FY22 budget. Her presentation included visitor growth, COVID impacts to hotel bookings and events at the Irving Convention Center. She also outlined the priorities of the ICVB, revenue sources, relief resources, and highlighted the administration, sales, and marketing divisions.
 - 2. Arts and Culture

Todd Hawkins, Executive Director of Arts and Culture, presented budget information on the Arts Center and the museum and heritage fund. His presentation included outlining the Arts Center's funds and proposed FY21-22 budget changes. Mr. Hawkins also provided information on revenues and expenditures for the Heritage and Museum Fund and summarized the use of the Preservation Fund.
- L. Council Priorities and Projects
 - 1. Financial Sustainability
 - 2. Systematic Infrastructure Investment
 - 3. Vibrant Economy
 - 4. Service Excellence

- 5. Inclusive and Collaborative Governance
- 6. Talented and Energized Workforce

This item was not discussed at this meeting.

M. Council Action

If the City Council determines an increase in revenue is necessary by adopting a tax rate that is above the no new revenue tax rate, this action is needed to comply with state law.

1 Resolution RES-2021-282 -- Expressing Intent to Consider Adopting the Proposed Tax Rate

Motioned by Councilman Danish, seconded by Councilman Taylor to express the intent to consider adopting a tax rate that will not exceed \$0.5941.

Motion approved 8-1.

RESULT:	ADOPTED [8 TO 1]
MOVER:	John C. Danish, Councilman
SECONDER:	Kyle Taylor, Councilman
AYES:	Stopfer, Danish, Meagher, Zeske, Ward, Zapanta, Taylor, Webb
NAYS:	Phil Riddle

The meeting was adjourned at approximately 5:57 p.m.

Richard H. Stopfer, Mayor

ATTEST:

Shanae Jennings, TRMC
City Secretary