

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

The City Council of the City of Bedford, Texas, met in regular session at 9:00 a.m. in the Law Enforcement Training Room, 2121 L. Don Dodson, Bedford, Texas on the 8th day of August 2008 with the following members present:

Jim Story	Mayor
Roy Savage	Mayor Pro Tem
Chris Brown	Council Members
Jeff Cason	
Ray Champney	
Lori Nail	
Roy Turner	

Constituting a quorum.

Staff present included:

Beverly Queen	City Manager
Steve Johnson	Deputy City Manager
David Flory	Police Chief
James Hughes	Director of Parks and Recreation
John Kubala	Director of Public Works
Shanae Jennings	City Secretary
Jill McAdams	Director of Human Resources
Mirenda McQuagge-Walden	Communications/Special Projects Manager
Maria Redburn	Library Manager
Tom Ross	Director of Administrative Services
Bill Syblon	Development Director
James Tindell	Fire Chief

**COMPLETE COUNCIL AGENDAS AND BACKGROUND INFORMATION ARE AVAILABLE FOR REVIEW AT THE BEDFORD PUBLIC LIBRARY**

**CALL TO ORDER/GENERAL COMMENTS**

Mayor Story called the work session to order at 9:00 a.m.

**WORK SESSION**

**1. Receive and discuss FY 2008-2009 budget overview.**

City Manager Beverly indicated to the Council and staff that the budget presentation would be a little different this year than in the past years. Individual department presentations will not be held, but instead, a more generalized and summarized version of the 08/09 budget will be presented. Key focus areas, goals and critical focus areas of the Council have been tied to the budget and will be presented in

conjunction with the line items. Generally, staff will discuss budget goals and its process, financial highlights, the City's Capital Improvement Program and what the City wants to do next regarding many of these matters. Additionally, an emphasis has been placed on the three primary focus areas identified by Council, which includes Economic Development initiatives, Code Enforcement and Inspections and the budget. Issues affecting current and future budgets such as water and sewer rates, an update on the April weather events and storm related expenses that were not anticipated, fuel and utility costs and compensation adjustments would be major focus areas. Supplemental requests will focus on the Economic Development studies, Police Department Vehicle Replacement Program, Digital Video Recording System, fire truck replacement, ambulance replacement, the Trinity Railway Express and the Boys Ranch Park Master Plan.

Overall, Ms. Queen indicated that there would be both increases and decreases in various areas of the budget.

As of today, the total proposed base budget is \$53,523,058, total supplemental requests include \$1,545,125, and the total proposed budget is \$55,068,183. The proposed property tax rate is \$.446882 per \$100 valuation.

Sales tax increased 1.7% from the FY 2007/08 budget and increased 1.0% from the FY 2007/08 forecast. Currently, there is a 3.37% increase above the same time period last year; however, with the increasing fuel costs and other economic downturn concerns, staff is cautiously optimistic for future revenues.

FY 2008/09 Budget Recap and Summary:

- Maintain same tax rate;
- Maintain 25% reserve requirement;
- Increase allocation of resources to Economic Development and Code Enforcement;
- Continue to allocate funds to "pay as you go";
- Stabilize the Water and Sewer Fund to meet operational requirements; and
- Continue to retain quality employees and provide quality benefits programs.

**2. Discuss and consider future planning issues, including but not limited to the following items:**

- **Senior Citizen Center;**
- **Trinity Railway Express;**
- **Capital Equipment/Vehicle Replacement;**
- **Economic Development – retail analysis, 183 Corridor Plan, etc.**

NOTE: Handouts were provided to staff and are on file within the City Secretary's Office regarding discussion points and presentations for most of the below indicated items. If the item has an asterisk (\*) noted beside it a handout is on file with the City Secretary and was distributed at the meeting.

**ECONOMIC DEVELOPMENT:**

Development Director, Bill Syblon, presented information to Council regarding the major concerns and issues facing Economic Development within Bedford, which include the Highway 183 Corridor Expansion, a Retail Analysis and a Town Center Study.

(\*) Highway 183 Corridor Expansion

Mr. Syblon indicated some cities are focusing on the 183 Corridor Expansion while others have suggested they are not yet considering the impact because there is not yet a set date for expansion to begin. A study for the Corridor Expansion is being requested by a supplemental. Council would like to

know where the right-of-way is going to be before they begin moving forward with a study. However, while they are interested in the shelf life of a study such as this, once the right-of-way plans are in place, Council is favorable of moving forward with a study.

(\*) Retail Analysis

This is an analysis and study that matches the driving factor of retailers to trends within the community. The study conducted by Buxton selects three sites to run an analysis upon. Once the sites are established the company matches retailers appropriate for that community based on buying habits within the community. It is recommended this be funded by reserve/surplus funds, which would be a one-time expenditure and does not affect the tax rate. It was suggested that the Highway 183 and Retail Analysis studies be done sequentially instead of simultaneously.

(\*) Town Center Study

This ranks lower on the priority list at this time than the Highway 183 and Retail Analysis Study; however, this firm would come into Bedford and select a location to assist making Bedford a destination city with a central location for focus that would be known as a "town center."

**CODE ENFORCEMENT:**

Russell Hines, Building Official, presented information to Council regarding the ability to make Bedford's Code Enforcement more thorough and field driven through providing appropriate software to officers, which would accomplish this. The software being proposed is Development Enterprise Software.

Development Enterprise Software

These systems provide automation from the field to the office so that workers can basically enter violations into handheld equipment and paperwork and programming are automatically generated into their office PC's as a result. Code Enforcement is in need of a permit technician that is not being funded within this fiscal year budget; therefore, it is the hope that the ability to have these software sources funded would decrease walk-in traffic and negate the need for the technician.

Aperture Card Conversions

These cards and the information contained within these cards are permanent records by state of Texas retention laws. Contractors could use these cards to view maps, locations, etc. and there would also be a safely stored off-site card. Currently, this information is on expiring Fuji cards and it would be a one-time cost to transfer the information to the Aperture Cards.

**WATER AND SEWER RATES/ FUEL AND UTILITY:**

Tom Ross, Administrative Services Director, presented information to Council about the water and sewer fund and a proposed water rate increase.

(\*) Water and Sewer Fund Increase Proposal

The last rate increase for the per thousand gallon flow rate occurred on October 1, 1999. An increase in the water rate is being considered this year as a result of the following: 1) increases in the raw water cost to the City which we have been absorbing since 1999; 2) increases in water system debt service costs resulting from the issuance of Certificates of Obligation for the Cummings water line replacement this year; 3) general increases in basic operating costs such as fuel, electricity and personnel that have simply been affected by normal inflationary pressures since 1999; 4) increases in the water utility system infrastructure maintenance costs; and 5) our inability with current rates and associated costs to generate sufficient operating revenue to meet our Revenue Bond covenants, which in turn jeopardizes our ability to issue future debt for needed water/sewer capital improvement projects.

The Revenue Budget for water sales in this FY budget requires an increase of 15.65% on the base water rate and an increase of 10.14% on the flow/1000 gals rate. Raw water rates have increased by 31.2%

since 1999 without us increasing the rate to our water customers. Even with an increase, water customers will still be paying among the lowest in the area.

Fuel and Utility Costs

No one has been able to clearly ascertain the costs for future fuel; therefore, there is an increase being proposed as a result of increasing fuel costs and trends. The range for the recommendation is broad and staff would like direction on these costs. Electricity rates are also increasing as a result of the cost of natural gas increases. Staff is proposing a middle ground increase in the range of \$22,000 bringing the total to \$561,000 with plans to address any additional necessary increases throughout the year, if it becomes necessary.

**WEATHER AND STORM RELATED EXPENSES:**

(\*) James Hughes, Parks and Recreation Director, provided Council with an overview of storm damage and cost estimates as a result of storm damage that occurred in April. During the aftermath of this storm there were 127 calls received by 9-1-1, 111 received by non-emergency, 62 fire calls and 4 EMS non-storm related injuries, 123 fire calls over the first 3 days, and damage caused to public parking lots, facilities, parks and many non-owned City facilities. As a result of the storm damage, there is a need to repave Meadowpark parking lot.

**COMPENSATION ADJUSTMENTS:**

Tom Ross, Administrative Services Director, indicated that administration is recommending a 3% cost of living adjustment to employees, which is fairly consistent with surrounding cities in the area.

**POLICE DEPARTMENT:**

David Flory, Police Chief, is requesting two items for his department for cost savings and safety issues.

(\*) Fleet Vehicle Replacement Program

Chief Flory is proposing that the Police Department move to an all SUV fleet control unit for patrol. This will actually save money in the long run, help the City go green, increase safety and increase long-range usability of the vehicle. The recommendation is to move from a Crown Victoria fleet to a Tahoe fleet.

Over seven years the City will save \$126,660.00 by purchasing the Tahoe's instead of Crown Victoria's. In a ten year plan the savings would be \$482,000.00.

(\*) In-Car Video Systems

Chief Flory indicated that car cameras and dash cameras are not required in the State of Texas; however, they are invaluable for safety of the citizen and officer. He is requesting that the PD be allowed to replace outdated analog in-car video systems and move to digital systems. The analog system lacks pre-event recordings, has video and audio tracking problems (clarity), no longer is being manufactured, there is a loss of time in copying and erasing tapes and a loss of time in researching incidents, particularly when the District Attorney's Office asks for copies of a tape or researched information. The digital systems have pre-event recordings for court testimony and IAD complaints, automated downloading of files to the server and search and retrieve features for incident reviewing.

**FIRE DEPARTMENT:**

James Tindell, Fire Chief, presented information for a request for a Fire Truck replacement (Quint), Ambulance replacement and Portable Trunk Radios.

(\*) Fire Truck Replacement (Quint)

The current unit (unit #360) has reached 140 points on a decision tree, has numerous mechanical problems, does not meet NFPA 1901 which is the standard for fire apparatus, leaves firefighters exposed to temperature extremes, rain and weather, has environmental concerns, does not meet clean fleet policy for the City and is unreliable. The cost to replace this truck is \$700,000.00 and will alleviate all of

the above listed concerns and problems. The purchase of the Quint will also help the department potentially reach the highest ISO rating, which in turn can decrease insurance costs to residents.

(\*) Ambulance (Medic) Replacement

The current unit (unit #60) has reached 119 points on the decision tree, is expected to have increased maintenance costs in the immediate future, has poor suspension, lends to bad environmental conditions which include being too hot when in transport and not providing an adequate room temperature for medications and has a substandard electrical system. The cost to replace the ambulance is \$166,500.00 and will alleviate the above listed concerns and problems.

(\*) Portable Trunk Radios

A decision is not necessary for this item at this time, but it is something on the radar for consideration in the future. Current Trunk Radios were purchased in 1994. Effective June 2011 the radios will no longer be supported by the manufacturer and the current radios will not migrate to the new digital spectrum system that is coming into place in the near future (which is similar to the television digital scenario everyone is facing for next year). The cost to replace these will be \$485,000.000 for a total of 199 radios.

**TRINITY RAILWAY EXPRESS (TRE):**

Deputy City Manager Steve Johnson discussed the proposal for continued participation within the Trinity Railway Express in conjunction with the cities of Arlington, Colleyville, Euless, Grand Prairie, Grapevine, Haltom City, Hurst and North Richland Hills. The negotiated agreement between each city was based upon participation within the TRE regarding specific ridership data as well as the Consumer Price Index. Each city's annual allocation was adjusted by 10 percent, which would result in an annual allocation of \$104,488.00 for FY 2008, 2009 and 2010 for the City of Bedford. Staff would like to receive input on the Council's desire or lack thereof to participate in the TRE.

Council indicated they would like more information before they agree to participate and are interested in the cost on investment related to the TRE.

(\*) **BOYS RANCH PARK MASTER PLAN**

James Hughes, Parks and Recreation Director, presented information to Council about a Re-Master Plan. He indicated that doing this would improve functionality of the park, improve usability of the park amenities, provide additional space for recreational activities and provide linkage via trails and other means from key city facilities to the Boys Ranch. There are three separate tasks for the Re-Master Plan: 1) project coordination, 2) development of initial concepts and 3) finalization of the master plan. The cost of the plan would be \$21,500.

**LIBRARY UPDATE:**

Maria Redburn, Library Director, indicated they are currently in negotiations with the Construction Manager at Risk and will be making a decision soon.

**REVIEW OF 5-YEAR CIP PLAN:**

John Kubala, Director of Public Works, spoke about various projects on the horizon for the 5 year CIP plan, which includes wastewater and water plans, sanitary sewer improvements, water improvements, drainage CIP, storm sewer improvements, traffic CIP, traffic improvements, the Street Improvement Economic Development Corporation, crack sealing project and micro-surfacing, asphalt overlay and reconstruction. Mr. Kubala indicated that where the Capital Improvements Plan is concerned, a plan needs to be developed and financing mechanisms to fit the plan need to be developed, such as bonds (revenue, tax, C.O.s, fees), water and sewer rates and storm water fees.

**SENIOR CENTER:**

(\*) Shanae Jennings, City Secretary, presented information to Council regarding the anticipated timeline for the opening of the Hurst Senior Center, contract buy-out terms for the current Bedford/Hurst Senior Center and potential costs associated with those terms to the City, and survey results based on a survey that was provided to the senior's regarding their desire to close or keep open the Bedford/Hurst Center.

**GASB 45:**

Tom Ross, Administrative Services Director, provided information to Council on the GASB 45 which stands for "Governmental Accounting Standards Board" and the OPEB, which stands for the "Other Post Employment Benefit." The GASB 45 is the accounting and financial reporting for post employment benefits and it requires that governmental entities reflect the future cost of those benefits in their financial statements. The OPEB's are any form of benefits earned by employees while actively employed but paid after the employee retires. For Bedford, the present value of future benefits (PVB) came out to \$20,069,309, which means the City would have to show approximately \$1,151,326 in Annual Required Contributions (ARC) in order to be compliant with the GASB 45. The City needs to consider how we can demonstrate an effort to fund some portion of the ARC so that our bond rating agencies continue to look favorably upon Bedford.

**3. Discuss recommended fee changes.**

This item was discussed above.

**4. Discuss Capital Projects Program.**

This item was discussed above.

**5. Discuss wrap-up of any other budget related items.**

**ADJOURNMENT**

Mayor Story adjourned the meeting at 5:09 p.m.

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Jim Story, Mayor

ATTEST:

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Shanae Jennings, City Secretary