



**MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, AUGUST 5, 2021**

The regular meeting of the Benbrook City Council was held on August 5, 2021 at 7:30 p.m. in the Council Chambers with the following Council members present:

Jerry Dittrich, Mayor
Renee Franklin
Larry Marshall
Dustin Phillips
Alfredo Valverde
Laura Mackey
Jason Ward

Also Present:

Andy Wayman, City Manager
Jim Hinderaker, Assistant City Manager
Joanna King, City Secretary
Beth Fischer, Deputy City Secretary
Rick Overgaard, Finance Director
Bennett Howell, Public Service Director

Others:

Boyd London, Hilltop Securities
Jeff Gulbas, McCall, Parkhurst & Horton
Mary Louise Nicholson, Tarrant County Clerk
Norma Gorena, Executive Assistant to County Clerk
Charles Esterlein
Josh Harville
Phyllis Harkins
And 7 other citizens

I. CALL TO ORDER

Meeting called to order at 7:30 p. m. by Mayor Dittrich.

II. INVOCATION/PLEDGE OF ALEGIANCE

Invocation was given by Dr. Larry Marshall

The Pledge of Allegiance was recited.

III. CITIZEN COMMENTS ON ANY AGENDA ITEM

None

IV. MINUTES

1. Approve minutes of the regular meeting held July 15, 2021

Motion by Dr. Marshall, seconded by Mr. Valverde to approve the minutes of the regular meeting held July 15, 2021.

Vote on the Motion

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

V. CITIZEN PRESENTATIONS

1. Mary Louise Nicholson, Tarrant County Clerk – Presentation of Tarrant County 2020 Coronavirus Pandemic Historical Book

Mary Louise Nicholson, Tarrant County Clerk stated that the year 2020 changed the everyday lives on how we interacted with our families, friends and co-workers as we continued with our everyday business.

Ms. Nicholson stated that as “Keeper of the Records” for Tarrant County, it was realized how important it was to capture this historical event in time for our future generations. With a small and focused team the Tarrant County 2020 Coronavirus Pandemic Historical Book was created.

Ms. Nicholson presented the publication to Mayor Dittrich to be housed in the Benbrook Library.

2. Charles Esterlein – Property Erosion

Charles Esterlein stated he is in attendance with some of his neighbors requesting assistance with storm drainage eroding the land behind their properties. He presented history of drainage issues that have occurred in the Mont Del Area due to construction of City View in Fort Worth. Mr. Esterlein also presented a slide show showing the continued erosion due the water flow from the detention pond.

**VI. REPORTS FROM CITY MANAGER
A. GENERAL**

G-2523 Accept Finance Report for period ending June 30, 2021

Rick Overgaard gave the following report: General Fund revenues for the month of June were \$649,834. Major revenues collected for the month include Property taxes of \$175,368, Franchise taxes of \$10,311, Permits of \$30,755, Fines and Forfeitures of \$62,357, Other Agency of \$25,000, and Charges for Services of \$88,309. Sales tax collected and recognized as revenue in June was \$245,557. Fiscal year to date sales tax is \$2,484,557, a decrease of 1.09% over last year at this time. General Fund revenues collected through the end of June were \$19,892,900 and 93.5% of the budget.

General Fund expenditures for the month of June were \$1,295,330. Fiscal year to date expenditures were \$14,392,067 and 67.7% of the adopted budget.

Total General Fund revenues of \$19,892,900 were more than General Fund expenditures of \$14,392,067 by \$5,500,833.

Debt Service revenues for the month of June totaled \$6,123 and were all from property tax. There were no expenditures in June. The next debt service payments are due August 1, 2021.

EDC revenues through June 30, 2021, were \$1,276,971. EDC expenditures through the end of June were \$799,516. Total revenues exceeded total expenditures by \$477,455.

Total revenues received through June 30, 2021, were \$2,451,497 from stormwater utility fees, mineral lease revenue, and interest earnings. Total expenditures for the Capital Projects Fund were \$2,430,535 through the end of June. June expenditures included the Clearfork Emergency Access Bridge. Total revenues exceeded total expenditures by \$20,962. Sufficient funds are available in the current fund balances of the Capital Projects Fund and are earmarked for the City's capital projects. This fund operates on a project basis rather than a specific fiscal year.

On June 30, 2021, the City had \$23,029,379 invested at varying interest rates; the EDC had \$5,232,900 available.

Motion by Ms. Mackey, seconded by Ms. Franklin to accept the finance report for the period ending June 30, 2021.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

G-2524 Approve Quarterly Investment Report for period ending June 30, 2021

Rick Overgaard gave the following report: The Public Funds Investment Act (PFIA), Texas Government Code and the City's Investment Policy require that an Investment Report be presented to City Council.

The Investment Committee met on July 15, 2021, to review the report and ensure compliance with the City's investment policy. A copy of the Investment Report is attached and highlights are presented below.

- The total portfolio for the City and EDC on June 30, 2021 is \$28,262,279, with 81% or \$23,029,379 belonging to the City, and 19% or \$5,232,900 to the EDC.
- 58% of the combined portfolio is in bank accounts, with 20% in local government investment pools, 20% in certificates of deposit, and 2% in agency notes.
- The weighted average maturity on the combined portfolio is 169 days with a .23% average yield to maturity.

The average yield to maturity still remains low because of continued low market interest rates, decreased yield in our local government investment pools, and previously owned higher yielding CD's that have matured.

Motion by Dr. Marshall, seconded by Mr. Phillips to accept the Investment Report for the quarter ending June 30, 2021.

Vote on the Motion:

Ayes: Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward, Mr. Ward, Ms. Franklin

Noes: None

Motion carried unanimously.

G-2525 Accept 2021 Certified Appraisal Roll, set Anticipated Collection Rate, appoint an officer to calculate the No-New-Revenue Tax Rate, Voter-Approval Tax Rate, and enter tax rate in www.tarranttaxinfo.com portal

Rick Overgaard gave the following report: Staff has received the 2021 Certified Appraisal Roll from the Tarrant Appraisal District (TAD). The report "Information on the 2021 Appraisal Roll" contains the State-mandated information on appraised value, adjustments, exemptions, and the taxable value of property.

To comply with "Truth-in-Taxation" (TNT) requirements of Texas law, the City Council must accept the Certified Appraisal Roll as presented by TAD, set the anticipated collection rate for FY 2021-22, and appoint an officer to (1) calculate/publish the No-

New-Revenue and Voter-Approval Tax Rates, and (2) enter the City's tax data in the www.tarranttaxinfo.com portal.

The "Information on the 2021 Certified Appraisal Roll" indicates that the City of Benbrook will realize an overall increase in the maintenance and operations (M&O) property tax revenues of 2.53 percent or approximately \$361,912.

The no-new-revenue tax rate is used to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.

This year the City's No-New-Revenue Tax Rate is \$0.610617.

The voter-approval tax rate is a calculated maximum tax rate allowed by law without voter approval. The voter-approval tax rate allows cities to capture up to 3.5% in valuation growth from existing property for maintenance and operations.

This year, the Voter-Approval Tax Rate is \$0.660771. The City Budget is preliminarily proposing a tax rate of \$0.6175, compared to the current property tax rate of \$0.6225. This is a 1/2 cent decrease from the current rate.

For this year, the Benbrook City Council will be required to take a roll call vote to increase property tax revenue. As a reminder, Texas law requires municipalities to conduct a vote "to raise taxes" even if the City Council lowers the tax rate or if revenue on existing property increases by any amount.

Texas law focuses only on property taxes and does not take into consideration any other revenue sources. In addition, State law does not recognize the intricacies of the property tax roll. For this year, the 2021 Appraisal Roll Information Valuation Summary includes \$107,260,576 for properties under protest. Section 25.01 (c) of the State Property Tax Code directs the Chief Appraiser to prepare a list of all properties under protest with the Appraisal Review Board and pending disposition at the time of value roll certification. The estimated minimum taxable value for these properties is \$73,593,312.

Staff recommends that the City Council set the initial property tax rate at the current tax rate of \$0.6225. The final adopted property tax rate may be lower, but not higher, than the preliminary property tax rate approved on August 5, 2021. The proposed budget is predicated on a tax rate of \$0.6175, which is lower than the current tax rate. The public vote, as well as the additional advertisements and notices, does not mean that the City of Benbrook will increase the property tax rate. As mandated by the City Charter, the final property tax rate will be approved by the City Council during the budget process and adopted by an ordinance.

Motion by Mr. Valverde, seconded by Ms. Franklin to:

1. Accept the 2021 Certified Appraisal Roll as presented;
2. Set 100.00 percent as the anticipated property tax collection rate for FY 2021-22;

3. Appoint the Finance Director to calculate and to publish the No-New-Revenue Tax Rate and the Voter-Approval Tax Rate, and enter the tax data in the www.tarranttaxinfo.com portal;
4. Set the maximum property tax rate for FY 2021-22 at the current rate of \$0.6225 (may be lowered when final budget is adopted); and,
5. Take a roll call vote to increase property tax revenue.

Vote on the Motion by Roll Call:

Ayes: Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall

Noes: None

Motion carried unanimously.

G-2526 Consider and act on an Ordinance authorizing the issuance and sale of City of Benbrook, Teas, General Obligation Bonds, Series 2021; levying an annual ad valorem tax and providing for the security for and payment of the bonds; approving an official statement; providing an effective date; and enacting other provisions relating to the subject.

In May 2021, voters authorized the sale of \$22,000,000 of General Obligation Bonds for the public purpose of constructing, improving and equipping a new municipal building for the police department, senior citizen center, municipal court, and city administration offices, and necessary demolition of existing facilities. The funding for the payment of principal and interest of these bonds will be through the annual levy of ad valorem tax.

Boyd London with Hilltop Securities, the City's Bond Advisor made the following presentation:

An Official Statement, Notice of Sale, and Bidding Instructions were issued to potential buyers the week of July 26, 2021. The competitive bids from buyers were received Thursday, August 5, 2021, at 10:00 AM, CDT, and then the bonds were priced. FHN Financial Capital Markets was awarded the bid at 1.988777.

In July, the City was evaluated by two credit rating firms, Standard & Poor's and Moody's, and received a very high credit rating of AA+ and Aa2, respectively.

Motion by Mr. Phillips, seconded by Ms. Mackey to adopt Ordinance No. 1470, an Ordinance authorizing the issuance and sale of City of Benbrook, Teas, General Obligation Bonds, Series 2021; levying an annual ad valorem tax and providing for the security for and payment of the bonds; approving an official statement; providing an effective date; and enacting other provisions relating to the subject.

Vote on the Motion by Roll Call:

Ayes: Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips

Noes: None

Motion carried unanimously.

Ordinance No. 1470 being "AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BENBROOK, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2021; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMNT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT; PROVIDING AN EFFECTIVE DATE; AND ENACTIN OTHER PROVISIONS RELATING TO THE SUBJECT"

B. CONTRACT

C-342 Award Owner's Representative Contract to Broaddus & Associates to assist with New Municipal Complex

Bennett Howell gave the following report: In May 2021, voters authorized the sale of \$22,000,000 of General Obligation Bonds for the public purpose of constructing, improving and equipping a new municipal building for the police department, senior citizen center, municipal court, and city administration offices, and necessary demolition of existing facilities. The City issued a Request for Qualifications (RFQ) for an Owner's Representative to assist with cost control strategies, space optimization planning, selection of a qualified Design-Build firm to design and construct the project, assistance in contract negotiations and performance of quality control reviews during the construction phase of the project.

Forty-five firms requested the RFQ package and seven (7) firms submitted the Statement of Qualifications (SOQ) package for an opportunity to serve as the Owner's Representative for the City. City staff reviewed and ranked the submittals and selected three (3) firms to interview for the project. After interviews, City staff selected Broaddus & Associates.

Broaddus & Associates has excellent references and very significant municipal and private sector experience. Broaddus & Associates has previously assisted with similar projects for Texas cities including Georgetown, Lakeway, Highland Village, Buda, Fort Worth, Rockport, Austin and Bridgeport; Texas counties including Dallas, Tarrant, Rockwall, Bastrop and Travis; and DFW International Airport.

The Owner's Representative contract will be funded through the municipal bonds issued for this project.

Motion by Mr. Ward, seconded by Dr. Marshall to approve the Owner's Representative contract with Broaddus & Associates for \$356,991.

Vote on the Motion by Roll Call:

Ayes: Mr. Valverde, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich

Noes: None

Motion carried unanimously.

VII. INFORMAL CITIZEN COMMENTS

VIII. COUNCIL MEMBER AND STAFF COMMENTS

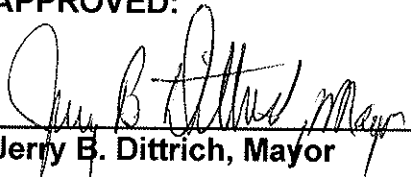
Councilmember Franklin expressed appreciation to residents that supported the recent Artisan Farmers Market.

IX. ADJOURNMENT

Meeting adjourned at 8:22 p.m. followed by a Worksession:


1. FY 2021-22 Annual Budget presentation

APPROVED:



Jerry B. Dittrich, Mayor

ATTEST:



Joanna King, City Secretary