AGENDA
WATAUGA CITY COUNCIL
REGULAR MEETING
MONDAY, JANUARY 10, 2022
CITY HALL COUNCIL CHAMBER, 7105 WHITLEY ROAD
6:30 PM

This notice is posted pursuant to the Texas Open Meetings Act. Notice is hereby given that a **Regular City Council Meeting** of the City of Watauga, Texas will be held at which time the following subjects will be discussed and may be acted upon.

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE United States and Texas Flags

ANNOUNCEMENTS

PRESENTATIONS

1. The North Central Texas Trauma Regional Advisory Council (NCTTRAC) Board of Directors has once again endorsed the City of Watauga as a Heart Safe Community. Melissa Christon of NCTTRAC will present the city with this recognition.
   Shawn Fannan, Fire Chief

PUBLIC COMMENT If speaking for an organization or group, the speaker should identify the group represented. If speaking during Public Comment (for matters not posted on that particular meeting's agenda), members of the City Council and Staff may only provide a statement of factual information in response to the inquiry or recite existing policy in response (e.g., to correct a factual misstatement made by the citizen or provide factual information requested by the citizen). Any deliberation of or decision about the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a future meeting. If necessary, the Chair will task the City Manager to respond to the citizen and report back to the City Council as soon as practicable. Such report to the-City Council shall not constitute a meeting called by the City Council nor shall it constitute deliberation or formal action. Individual citizens addressing the City Council during Public Comment shall not exceed three (3) minutes in their comments; however, the Chair may extend or reduce the speaker's allotted time in order to conduct an efficient and effective public meeting. The time allotted shall not be donated to others desiring to speak. Public Comment is not established to engage in a conversation with the Council and no formal Council action will be taken.

PUBLIC TESTIMONY FOR ACTION ITEMS Only those persons who submit a completed Request to Speak form prior to the agenda item being introduced by the Chair will be allowed to speak on agenda items set for action (this doesn't include presentations or reports). The Chair shall ask each person requesting to speak to approach the podium when called to speak. Speakers time shall generally not exceed three (3) minutes in their comments and all comments must be germane to the specific agenda item being discussed; however, the Chair may extend or reduce the speaker's allotted time. Speakers shall not be permitted to donate their time to other speakers. Members of the City Council may ask questions or discuss the item directly with the citizen during the citizen's testimony if necessary. Any discussion between a Council member and the citizen will not count toward the time limit and Council Members are encouraged not to speak until the citizen has first utilized their allocated time.

CONSENT AGENDA All of the items on the consent agenda are considered to be self-explanatory by the Council and will be enacted with one motion, one second, and one vote. There will be no separate discussion of these items.

1. Consider action to approve the meeting minutes of the December 13, 2021, City Council Workshop Meeting, and the December 13, 2021, City Council Regular Meeting.
   Linda Proskey, City Secretary

2. Consider action to approve a resolution amending Policy 13.01 Purchasing Policy and Procedures of the Personnel, Administration and Financial Policies Manual
   Deby Woodard, Assistant Director of Finance
   Sandra Gibson, Director of Finance

3. Consider action to approve the first renewal of the agreement for collection services with McCreary, Veselka, Bragg & Allen, P.C.
   Deby Woodard, Assistant Director of Finance
   Sandra Gibson, Director of Finance

4. Consider action to approve the Monthly Financial Report for the period ending November 30, 2021
   Sandra Gibson, Director of Finance

PUBLIC HEARINGS / ACTION

1. Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-05: Packaged Liquor Store with Drive-Thru for the property located along the Rufe Snow Corridor, Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace to the owner/agent of such property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

   Randy Richards, Building Official

   Paul Hackleman, Director of Public Works

ACTION ITEMS

1. Discuss and consider appointments to the Board of Directors of the Watauga Economic Development Corporation (WEDC)

   Arthur Miner, Mayor

ITEMS FOR FUTURE AGENDAS

EXECUTIVE SESSION The City Council will recess its open meeting and reconvene in executive session to discuss the following items pursuant to the below referenced section(s) of the Texas Government Code:

1.

   Pursuant to Section 551.074 of the Texas Government Code, deliberation regarding appointment or employment of a City Attorney

   Arthur Miner, Mayor

RECONVENE The City Council will return to open session in the City Council Chamber for possible discussion and action as a result of the Executive Session.

ITEMS OF EXECUTIVE SESSION DELIBERATION

1. Discuss and consider action on the appointment or employment of a City Attorney

ADJOURNMENT

<u>Meeting Notices and Reservation of Rights</u>

The City Council may retire to executive session any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code if the requisite information is otherwise posted; deliberation regarding real property pursuant to Chapter 551.072 of the Texas Government Code; deliberation regarding economic development negotiations pursuant to Chapter 551.087 of the Texas Government Code; and/or deliberation regarding the deployment, or specific occasions for implementation of security personnel or devices pursuant to Chapter 551.076 of the Texas Government Code (as applicable) when determined necessary by the to address a subject matter on the agenda. Action, if any, will be taken in open session.

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city council, boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the city council, boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that city council, body, board, commission or committee subject to the Texas Open Meetings Act.

NOTICE

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Linda Proskey, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on January 7, 2022, before 6:00 p.m., in accordance with Chapter 551 of the Texas Government Code.

Linda Proskey, City Secretary

CITY OF WATAUGA, TEXAS

AGENDA MEMORANDUM

DATE: December 12, 2021

TO: Honorable City Council Members

FROM: Shawn Fannan, Fire Chief

THROUGH: System Admin, TITLE

SUBJECT: The North Central Texas Trauma Regional Advisory Council (NCTTRAC) Board of Directors has once again endorsed the City of Watauga as a Heart Safe Community. Melissa Christon of NCTTRAC will present the city with this recognition.

BACKGROUND/INFORMATION:

The Heart Safe Community Program is designed to recognize the efforts a community makes to its citizens in protecting them from the effects of heart disease and sudden cardiac death by evaluating different aspects of the system as a whole.

Recognition requires a multi-disciplinary team approach to review and complete the components of the Heart Safe Community Program. Communities that successfully complete the application process are eligible to display the NCTTRAC Heart Safe Community street signs throughout their communities. Become recognized as a Heart Safe Community and have an impact on a program in Texas that will lead to saving lives!

FINANCIAL IMPLICATIONS:
N/A

RECOMMENDATION/ACTION DESIRED:
N/A

ATTACHMENTS/ SUPPORTING DOCUMENTATION:
None

REVIEWED BY:

Shawn Fannan, Fire Chief	Approved - 12/12/2021
Caroline Kelley, City Attorney	Approved - 12/13/2021
Robert Parker, Interim City Manager	Approved - 12/13/2021
Linda Proskey, City Secretary	Final Approval - 12/14/2021

Approved as to form for inclusion on Agenda

AGENDA MEMORANDUM

DATE: January 3, 2022

TO: Honorable City Council Members

FROM: Linda Proskey, City Secretary

THROUGH: Linda Proskey, City Secretary

SUBJECT: Consider action to approve the meeting minutes of the December 13, 2021, City Council Workshop Meeting, and the December 13, 2021, City Council Regular Meeting.

BACKGROUND/INFORMATION:

Consider action to approve the meeting minutes of the December 13, 2021, City Council Workshop Meeting, and the December 13, 2021, City Council Regular Meeting.

FINANCIAL IMPLICATIONS:

None

RECOMMENDATION/ACTION DESIRED:

Staff respectfully recommends that the City Council approve the minutes as presented.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Draft minutes for Workshop Dec. 13, 2021
2. December 13, 2021 Draft Minutes

REVIEWED BY:

Linda Proskey, City Secretary	Approved - 1/4/2022
Caroline Kelley, City Attorney	Approved - 1/4/2022
Robert Parker, Interim City Manager	Approved - 1/4/2022
Joshua Jones, City Manager	Approved - 1/4/2022
Linda Proskey, City Secretary	Final Approval - 1/4/2022

Approved as to form for inclusion on Agenda

MINUTES
WATAUGA CITY COUNCIL
WORKSHOP MEETING
CITY HALL, COUNCIL CHAMBER, 7105 WHITLEY ROAD
MONDAY, DECEMBER 13, 2021

CALL TO ORDER

The Workshop Meeting of the City Council was called to order at 5:30 p.m.

ROLL CALL

The meeting convened with the following members present:

Arthur L. Miner	Mayor
Andrew Neal	Mayor Pro Tem/Council Member Place 4
Pat Shelbourne	Council Member Place 1
Tom Snyder	Council Member Place 2 (Absent with notice)
Lovie Downey	Council Member Place 3
Vacant	Council Member Place 5
Mark Taylor	Council Member Place 6
Jan Hill	Council Member Place 7

and

Robert Parker	Interim City Manager
Linda Proskey	City Secretary
Samantha Ortega	Records Clerk
Bradley Fraley	Chief Information Officer
Caroline Kelley	City Attorney

ANNOUNCEMENTS

No announcements were made.

PRESENTATIONS

Discuss and review possible updates to Chapter 4 of the Code of Ordinances

City Attorney Caroline Kelly presented this item. She stated the council postponed this prior because of legislation passed that went into effect on September 1 and the local option election for the sale of alcoholic beverages in the November 2021 election. Ms.

Kelly presented revisions to the current ordinance, which were statutory requirements, a combined and succinct permit application for any entity being involved in the manufacturing, distribution, or sale of any alcohol, the process of the timing of renewals, and permit fees changed to conform to legislation. She talked about that within the ordinance sections; 4-12 and 4-50 contain conflicting provisions regarding the sale of beer. Also, the State law defines the hours of the sale of beer which sec., 4-12 appears to stipulate that this law is in effect. Section 4-50 changed the hours. She asked for input on whether or not the council wanted to change the hours from the State law.

Councilmember Shelbourne, Councilmember Hill, Councilmember Taylor, Mayor Pro Tem Neal, and Councilmember Downey all agreed to follow state law.

Ms. Kelly said that the provisions would be removed and allow state law to control.

Ms. Kelly asked for guidance on variance fees and asked for input on imposing a fee to compensate the city for their cost of processing.

Interim City Manager Robert Parker asked if there were current fees? Ms. Kelly stated there were not.

Councilmember Shelbourne thought the fee would be appropriate because of the effort involved.

Councilmember Hill asked if there's a fee could a 360 agreement fee be waived.

Ms. Kelly said it could be waived.

Councilmember Taylor agreed to recoup the cost but would like no fee if there is no cost.

Mayor Pro Tem Neal feels it is appropriate to have a fee because of the amount of work that needs to be performed.

Councilmember Downey concurred.

Ms. Kelly said staff would determine how many staff hours it takes to go through the process and come back with the costs. Ms. Kelly as if the city wants to regulate public consumption and open alcohol containers in public. The State law does not prohibit alcohol from being in public except under certain circumstances, typically when someone has a TABC permit in place. The penal code and criminal offenses come into play with open containers in vehicles, disorderly contact, public intoxication, DWI, and outside of this, the city can regulate this in certain parts of the city.

She asked the council for input on if they wanted to place regulations on public consumption or open containers.

Councilmember Shelbourne wanted to know about childcare facilities and schools.

Ms. Kelly stated the city was not allowed to regulate those, but any property owner can regulate.

Councilmember Taylor asked about the open container rule with Watauga Fest, Concerts in The Park, the Daiquiri Shack. Asks that open container needs to be defined.

Ms. Kelly said the State defines it as the seal being broken.

Councilmember Taylor asked how the city defines open containers, and what is allowed or not allowed. Wants to know how to apply the open container rule among the various venues.

Ms. Kelly said they have been working on Chapter 30 with parks provisions which states that alcohol is not allowed in the parks that are not a city event. They could get a permit through the city. Outside parks the city is limited.

Councilmember Taylor asked about the permitting process for BYOB and the process that will identify which event will allow for alcohol.

Ms. Kelly said, except for city events, chapter 30, prohibition, could be adopted.

Mayor Miner asked Interim City Manager Chief Parker about the parks and open containers.

Chief Parker said that open containers are not a problem at city-sponsored events in the park but are not allowed at other times. He feels that it would best serve to have no alcohol in the park except for city events.

Mayor Miner asked about BYOB, if not a city-sponsored event. Also, about neighbors going from one house to another.

Chief Parker stated no alcohol is allowed in the park, except for city-sponsored events. He also said that there had not been a problem with city-sponsored events or neighbors walking to another's house.

Mayor Miner asked Ms. Kelly if they answered her questions to make the revisions.

Ms. Kelly answered that it does. She said chapter 30 is being worked on and wanted to know if chapter 30 and chapter 4 could be worked together.

Mr. Shelbourne said he would.

Ms. Kelly had another issue about the current ordinance requires all current permit holders to send in sales receipts and affidavits monthly. Currently, staff collects them but nothing beyond the collecting. She asked for directions to eliminate or collect if requested. She suggested changing the ordinance to four years, and currently, it is one year.

Mayor Miner suggests getting away from the monthly collections.

Ms. Kelly said they are used for sales tax purposes and the percentage of food to alcohol sales. Which are covered by the State.

Mr. Shelbourne asked for clarification that we can request at any time.

Ms. Kelly said he was correct and reiterated that she would suggest changing the provision from one year to four years.

Mayor Pro Tem Neal suggest going with the staff suggestion

Councilmember Hill wanted to know if the percentage of sales is relevant monthly or is it annually as far as their permit.

Ms. Kelly said from an alcohol permitting standpoint it is annually for sales tax it might be useful on a quarterly basis. But that is not something staff investigates.

Mayor Miner ask if there were any other questions.

ADJOURNMENT

Mayor Miner adjourned the meeting at 6:08 pm

APPROVED: this _______ day of ____________, 2022.

SIGNED: this _______ day of ____________, 2022.

APPROVED:

____
Arthur L. Miner, Mayor

ATTEST:

____
Linda Proskey, City Secretary

NOTE: Original Audio and Video Recording of this meeting is preserved and maintained by the City Secretary's Office

MINUTES
WATAUGA CITY COUNCIL
REGULAR MEETING
CITY HALL COUNCIL CHAMBER, 7105 WHITLEY ROAD
MONDAY, NOVEMBER 8, 2021
6:30 PM

CALL TO ORDER

Mayor Arthur L. Miner called the meeting to order at 6:30 p.m.

ROLL CALL

The meeting convened with the following members present:

Arthur L. Miner	Mayor
Andrew Neal	Mayor Pro Tem/Council Member Place 4
Pat Shelbourne	Council Member Place 1
Tom Snyder	Council Member Place 2 (Absent with notice)
Lovie Downey	Council Member Place 3
Vacant	Council Member Place 5
Mark Taylor	Council Member Place 6
Jan Hill	Council Member Place 7

and

Robert Parker	Interim City Manager
Linda Proskey	City Secretary
Sandra Gibson	Finance Director
Bradley Fraley	Chief Information Officer
Caroline Kelley	City Attorney
Shawn Fannan	Fire Chief
Randy Richards	Building Official

INVOCATION

Senior Pastor Dennis Serratt, of the First Baptist Church of Watauga provided the invocation.

PLEDGE OF ALLEGIANCE

Mayor Miner led the pledge to the flags.

ANNOUNCEMENTS

Mayor Pro Tem Neal announced the outdoor family movie night at the library on December 20th at 5:30.

Interim City Manager announced the new Director of Human Resources, Juliet Rodriguez. Also, he thanked the council for their trust in allowing him to be the interim city manager and thanked the directors and the staff for their hard work and support.

Mayor Miner thanked Chief Parker for the time he put in and the job. He also announced the passing Lissa Sieja, who served on the WEDC and P&Z boards.

PRESENTATIONS

1. **Presentation of Service Awards for City of Watauga Employees celebrating a milestone anniversary during the month of December 2021**

   Interim City Manager Robert Parker presented a service award to Jake Galindo for five years of service and Trang Nguyen for ten years of service. Also, Municipal Court Judge Stewart Bass has been a contract employee of the City for 20 years.

PUBLIC COMMENT

Requests for public comment were not received.

PUBLIC TESTIMONY FOR ACTION ITEMS

Gary Losada 802 Dove Creek Trail, Southlake Tx. Currently serves on the Tarrant Co. Appraisal District and spoke about his time on the board and asked for the council's vote.

Mayor Miner asked the estimated number of votes to be elected. Mr. Losada said there were 5005 votes, and the five highest candidates who get the most votes are elected.

Mayor Miner asked, what do you see as the role of TAD with regards to the property tax rate? Mr. Losada said, as a board member, they're responsible for governing the Tarrant Co. Appraisal District. TAD has nothing to do with the tax rate; it is forbidden, by the property tax code, the entity council set the tax rates.

Mayor Pro Tem Neal asked what policy he is most proud of. Mr. Losada said he is most proud of the transparency he got implemented, and without a billing agreement, people are not paid.

Councilmember Downey commented that she has heard that TADs objectives are to take voting away from the cities and place it with the ISDs; since they receive the largest portion of the taxes. And the push through the state for cities to start relying heavily on sales tax and not the property tax. She asked if he could speak on that. Mr. Losada said that was out of his role. But went on to say, since the school district carries the most votes, most of the time, they will determine what happens. And this is why it is critical to have individuals who are accountable to many entities and not just one.

Councilmember Downey asked if he felt that the appraisal of the homes was fair. Mr. Losada said he feels the appraisals are not accurate or fair, and the software is a nightmare.

Mayor Pro Tem Neal asked if he is not elected does he see his transparency policies rolled back? Mr.Losada states that he believes there is a high probability based on the individuals nominated and looking at re-election.

Mayor Pro Tem Neal asked if this was a paid position. Mr. Losada stated that it is not it is a volunteer.

CONSENT AGENDA

Mayor Miner read the following consent addenda items:

1. **Consider action to approve the meeting minutes of the November 8, 2021, City Council**

2. **Consider action to approve the Monthly Financial Report for the period ending October 31, 2021**

3. **Consider action to approve a resolution amending the Comprehensive Financial Management Policy Statements.**

4. **Consider approval of a resolution of the City Council of the City of Watauga, Texas reestablishing energy conservation goals as required by Texas Health and Safety Code § 388.005; requiring the filing of an annual report on compliance with the City’s energy conservation goals with the State Energy Conservation Office (“SECO”) on a form provided by SECO; and providing an effective date.**

5. **Consider approval of the City Manager's contract**

Councilmember asked that item #5 be pulled from consent.
Mayor Miner pulled the item and placed it as item #1 under action items.

Councilmember Hill made a motion to approve the items on the consent agenda except for the item pulled. Councilmember Shelbourne second the motion. Hearing no further discussion, Mayor Miner called for a vote.
Motion carried 5-0-0-1.

Ayes: Shelbourne, Downey, Neal, Taylor, Hill
Nays: None
Abstain: None
Absent: Snyder

PUBLIC HEARING/ACTION

1. **Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-01: Massage Establishment for the property described as Greenfield Village Addition, Block 23R, and addressed as 6700 Denton Highway, Suite H to the owner/agent of such property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owner, INVMax LLC. Applicant/agent, Josephine Bacon. (SUP.21-01).**

    Building Official Randy Richards gave the presentation. The applicant is requesting a specific use permit for a reflexology massage establishment in a commercial C district.

    Mayor Miner opened the public hearing at 6:59 pm. No speakers were present. Mayor Miner closed the public hearing at 6:59 pm.

    Mayor Pro Tem Neil made motion, to approve the item as presented. Councilmember Downey second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

    Ayes: Shelbourne, Downey, Neal, Taylor, Hill
    Nays: None
    Abstain: None
    Absent: Snyder

2. **Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the**

City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-02: Light Manufacturing with Retail Sales for the property described as the Schellinger Addition, Lot 4 Block 6, and addressed as 5725 Watauga Road to the owners/agent of property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owners, Mike Brown and Donna Wagner. Applicant/agent, Jarah (Jay) Abulaila. (SUP.21-02) (Previously agenda item #2)

Building Official Randy Richards gave the presentation. The applicant is requesting a specific use permit for the sale of utility trailers in a commercial C district. Light manufacturing is the installation of accessories items to be added to the trailers when purchased.

Councilmember Hill asked, what does changing the SUP allow for under light manufacturing and could this be used by a future tenant or owner. Mr. Richards stated that the SUP only stays with the business and not on the property. So, if the business leaves, then the SUP goes away.

Councilmember Hill asked how much manufacturing would be allowed if the applicant decided to do something else? Mr. Richards stated that the applicant would need to come back to the city if they wanted any changes. Mr. Richards defined light manufacturing as a facility used for subassembly or assembly of a subassembly for industrial purposes which may conduct manufacturing that does not admit noise, odors, dust, or other hazards.

Mayor Pro Tem Neal asked if would be any welding or torching operations? Mr. Richards said he was advised that they would not be conducting these operations. Mr. Neal asked if they would be doing any repairs on trailers or will it be light repairs. Mr. Richards said this is mainly a sales facility, but there may be some maintenance on items they sold. The units are already together when they come to his property.

Mayor Miner opened the public hearing at 7:06 pm. No speakers were present. Mayor Miner closed the public hearing at 7:06 pm.

Councilmember Hill made motion, to approve the item as presented. Councilmember Downey second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

Ayes: Shelbourne, Downey, Neal, Taylor, Hill
Nays: None
Abstain: None
Absent: Snyder

3. **Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the**

City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-03: Auto Repair for the property described as Watauga Heights East Addition, Lot B2A Block 12 and addressed as 6735 Rufe Snow Drive to the owner/agent of such property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owner, NextOne LLC. Applicant/agent, Mohammed (Monty) Osman. (SUP.21-03) (Previously agenda item #3)

Building Official Randy Richards gave the presentation. The applicant is applying for a SUP for an automobile repair garage in the general business zoning district. This location is where a previous auto repair location was. They have done some revitalization of the property. The applicant was present.

Mayor Miner opened the public hearing at 7:10 pm. No speakers were present. Mayor Miner closed the public hearing at 7:10 pm.

Councilmember Shelbourne made motion, to approve the item as presented. Councilmember Hill second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

Ayes: Shelbourne, Downey, Neal, Taylor, Hill
Nays: None
Abstain: None
Absent: Snyder

4. **Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-04: Packaged Liquor Store with Drive-Thru for the property described as Watauga Addition, Lot AR1 Block 7 and addressed as 5932 Denton Highway to the owner/agent of such property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owner, RaceTrac Petroleum, Trey Spivey, Executive Director. Applicant/agent, Blazing Hospitality, Smit Shah. (SUP.21-04)** (Previously agenda item #4)

Building Official Randy Richards presented the item. This SUP allows for a package liquor store with a drive-thru in a general business zoning district and meets all the distance requirements. The applicants were present.

Mayor Pro Tem Neal asked what the grayed-out item was on the site plan, north of the retail store. Mr. Richards stated these are dumpsters. Mr. Neal asked if there was a screening material blocking the dumpsters. Mr. Richard said yes, there is.

Mayor Miner opened the public hearing at 7:14 pm. No speakers were present. Mayor Miner closed the public hearing at 7:14 pm.

Mayor Pro Tem Neil made motion, to approve the item as presented. Councilmember Downey second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

Ayes: Shelbourne, Downey, Neal, Taylor, Hill
Nays: None
Abstain: None
Absent: Snyder

5. **Conduct a public hearing and consider action on a final report regarding an Ordinance of the City Council of the City of Watauga, Texas; amending section 115-114 of the Zoning Chapter of the City of Watauga Code of Ordinances; providing rules and regulations for off-street parking and loading regulations; providing for repeal; providing for severability; providing a penalty; and providing an effective date** (Previously agenda item #5)

   Building Official Randy Richards presented the item. A member council had asked him if there be a reduction in required parking spaces to increase the options to promote commercial development. He thanked Mayor Pro Tem Neal for meeting with staff and going over the items. The staff proposed text amendments to allow for changes in the parking requirements in other areas of the ordinance.

   Councilmember Shelbourne pointed out that the parking on the streets is getting worse and is an ongoing problem. But he is grateful that we are trying to improve the capabilities of people getting stuff off the streets.

   Mayor Pro Tem Neal thanked city staff for their work on this.

   Mayor Miner opened the public hearing at 7:20 pm. No speakers were present. Mayor Miner closed the public hearing at 7:20 pm.

   Councilmember Hill made motion, to approve the item as presented. Mayor Pro Neal second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

   Ayes: Shelbourne, Downey, Neal, Taylor, Hill
   Nays: None
   Abstain: None
   Absent: Snyder

6. **Conduct a Public Hearing to consider action on an Ordinance of the City Council of the City of Watauga, Texas granting an alcohol spacing variance for the**

property described as Watauga Heights East Addition, Lot B6R, Block 12 and addressed as 6751 Rufe Snow Drive Suite 350; providing for repeal; providing for severability; and providing an effective date.The subject property is located west of Rufe Snow Drive, south of Harrison Way and north of Oaklawn Drive. Owner, My Enterprises, Inc., Alamin Hemani. Applicant/agent, El Mariachi Tacos and Beer Restaurant, Aristeo Garcia and Crystal Garcia (Previously agenda item #6)

Building Official Randy Richards presented the item. The restaurant went into a shopping center with a church in it. The church provided a letter stating that they do not have an issue with the variance. The applicant was in attendance.

Councilmember Hill asked does the variance stay with the proprietor and if another restaurant comes in, do they need to reply, or would it remain with the land. City Attorney Caroline Kelley stated they will vest with that.

Mayor Miner asked if the convenience store is also in the shopping center and is within 300 ft of the church. Mr. Richards said that it is. Mayor Miner stated that the convenience store was there before the church and was the old campfire grill location. Mr. Richards said it was.

Councilmember Downey asked what the hours of operation were. Crystal Garcia stated the hours are Monday to Thursday 11-8, Friday and Saturday 11-9, and Sunday 11-6.

Mayor Miner opened the public hearing at 7:26 pm. No speakers were present. Mayor Miner closed the public hearing at 7:26 pm.

Councilmember Hill made motion, to approve the item as presented. Mayor Pro Tem Neal second the motion. Hearing no further discussion Mayor Miner called for a vote. *Motion carried 5-0-0-1.*

Ayes: Shelbourne, Downey, Neal, Taylor, Hill
Nays: None
Abstain: None
Absent: Snyder

ACTION ITEMS

1. **Consider approval of the City Manager's contract (previously Consent item #5).**

   Councilmember Taylor stated he pulled the item because of the provision in section 11 about vacation and sick leave. Where there is an advancment of what is the equivalent of 8365 dollars in vacation and sick time accrual.

That it wasn't done with the last city manager or any other new employee, so he does not feel it appropriate and is not in favor of the contract. He does believe that Mr. Jones is a fit for the city and believes he is a good candidate, he just has an issue with that provision.

Mayor Miner called for a Motion. Councilmember Shelbourne made a motion to approve the item as presented. Mayor Pro Tem Neal. second the motion.

Councilmember Downey stated she agrees with Councilmember Taylor and that the new City Manager needs to go through the probationary period before the privileges are given.

Hearing no further discussion, Mayor Miner called for a vote.

Motion carried 3-2-0-1.

Ayes: Shelbourne, Neal, Hill
Nays: Downey, Taylor
Abstain: None
Absent: Snyder

2. **Discuss and consider action to adopt a Resolution of the City Council of the City of Watauga, Texas, voting on nominees for appointment to the Board of Directors of the Tarrant Appraisal District for the 2022-2023 term (previously agenda item #1).**

   Interim City Manager Chief Parker stated that last meeting he was directed to do research the candidates. Based off the history of making changes in TAD changes in transparency and the work that was done to improve TAD staff recommends Gary Losada.

   Mayor Miner called for a Motion. Councilmember Taylor made motion, to move forward with the recommendation of staff and cast the vote for Gary Losada. Councilmember Shelbourne second the motion. Hearing no further discussion Mayor Miner called for a vote. Motion carried 5-0-0-1.

   Ayes: Shelbourne, Downey, Neal, Taylor, Hill
   Nays: None
   Abstain: None
   Absent: Snyder

   Mayor Pro Tem Neal thanked Mr. Losada for his service to the appraisal district for the last two years, Mr. Losada approached and stated that the resolution needs to be turned in tomorrow for the city not to lose its votes. Mayor Miner stated that he will sign it tonight and it will be turned into tomorrow.

3. **Discuss and consider the appointment of a Primary Council Liaison to the Library Board (previously agenda item #2).**

   Mayor Miner stated that the next 3 items are changes into the council liaisons due to the vacancy of place 5. He stated that the easiest thing to do was to move himself into the positions.

   Mayor Miner called for a Motion. Councilmember Taylor made motion, to approve the recommendation of primary council liaison to the library board. Councilmember Downey second the motion. Hearing no further discussion Mayor Miner called for a vote. Motion carried 5-0-0-1.

   Ayes: Shelbourne, Downey, Neal, Taylor, Hill
   Nays: None
   Abstain: None
   Absent: Snyder

4. **Discuss and consider the appointment of an Alternate Council Liaison to the Animal Services Advisory Committee (previously agenda item #3).**

   Mayor Miner called for a Motion. Councilmember Hill made motion, to approve as presented. Mayor Pro Tem Neal second the motion. Hearing no further discussion Mayor Miner called for a vote. Motion carried 5-0-0-1.

   Ayes: Shelbourne, Downey, Neal, Taylor, Hill
   Nays: None
   Abstain: None
   Absent: Snyder

5. **Discuss and consider the appointment of a Primary Council Liaison to the Watauga Economic Development Corporation (WEDC) (previously agenda item #4).**

   Mayor Miner called for a Motion. Councilmember Downey made motion, to approve the item as presented. Councilmember Shelbourne second the motion. Hearing no further discussion Mayor Miner called for a vote. Motion carried 5-0-0-1.

   Ayes: Shelbourne, Downey, Neal, Taylor, Hill
   Nays: None
   Abstain: None
   Absent: Snyder

ITEMS FOR FUTURE AGENDAS

Mayor Miner requested a workshop to discuss what can be done to expedite issues such as bulk, parking, etc.

EXECUTIVE SESSION

Council did not go into executive session

RECONVENE

N/A

ITEMS OF EXECUTIVE SESSION DELIBERATION

N/A

ADJOURNMENT

Mayor Arthur Miner adjourned the meeting at 7:40 p.m.

APPROVED: this _______ day of ____________, 2022.

SIGNED: this _______ day of ____________, 2022.

APPROVED:

____

Arthur L. Miner, Mayor

ATTEST:

____

Linda Proskey, City Secretary

WATAUGA
TEXAS
"A GREAT PLACE TO LIVE"

AGENDA MEMORANDUM

DATE: December 9, 2021

TO: Honorable City Council Members

FROM: Deby Woodard, Assistant Director of Finance
Sandra Gibson, Director of Finance

THROUGH: Robert Parker, Interim City Manager

SUBJECT: Consider action to approve a resolution amending Policy 13.01 Purchasing Policy and Procedures of the Personnel, Administration and Financial Policies Manual

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BACKGROUND/INFORMATION:

Article IX, Section 9.08 Purchasing of the Home Rule Charter of the City of Watauga, Texas (hereinafter "the City") provides that the City Council shall approve by resolution a written purchasing policy applicable to all contracts, purchases, and expenditures for goods and services in the City. The current Purchasing Policy and Procedures was last updated in 2018. Staff recommends the revision of the policy in order to include a more detailed policy statement and to provide expanded guidelines in regard to purchasing procedures.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council review Policy 13.01 Purchasing Policy and Procedures and approve the Resolution to amend Policy 13.01 Purchasing Policy and Procedures of the Personnel, Administration and Financial Policies and Procedures Manual

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. RESOLUTION - PURCHASING POLICY & PROCEDURES
2. 13.01 Purchasing Policy and Procedures

REVIEWED BY:

Sandra Gibson, Director of Finance	Approved - 12/29/2021
Caroline Kelley, City Attorney	Approved - 1/5/2022
Joshua Jones, City Manager	Approved - 1/5/2022
Linda Proskey, City Secretary	Final Approval - 1/5/2022

Approved as to form for inclusion on Agenda

CITY OF WATAUGA, TEXAS
RESOLUTION NO. ___________

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AMENDING POLICY 13.01 PURCHASING POLICY AND PROCEDURES OF THE PERSONNEL, ADMINISTRATION AND FINANCIAL POLICIES AND PROCEDURES MANUAL; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Article IX, Section 9.08 Purchasing of the Home Rule Charter of the City of Watauga, Texas (hereinafter "the City") provides that the City Council shall approve by resolution a written purchasing policy applicable to all contracts, purchases, and expenditures for goods and services in the City; and

WHEREAS, the City wishes to revise the current Policy 13.01 Purchasing Policy and Procedures to update and better define the City purchasing policy and procedures; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS AS FOLLOWS:

I.

The City Council of the City of Watauga hereby finds that the statements set forth in the recitals of this Resolution are true and correct and hereby incorporates such recitals as a part of this Resolution.

II.

Policy 13.01 Purchasing Policy and Procedures of the City's Personnel, Administration and Financial Policies and Procedures Manual as set forth in Exhibit "A" attached hereto and incorporated by reference, is hereby adopted.

III.

This Resolution shall be and is hereby cumulative of all other Resolutions of the City of Watauga, Texas, and this Resolution shall not operate to repeal or affect any such other Resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Resolution, in which event, such conflicting provisions, if any, in such other Resolutions are hereby repealed.

IV.

If any section, sub-section, sentence, clause, or phrase of this Resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of the Resolution.

V.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Section 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 10th day of January, 2022.

APPROVED:

____
ARTHUR L. MINER, Mayor

ATTEST:

____
LINDA PROSKEY, City Secretary

APPROVED AS TO FORM AND LEGALITY:

____
City Attorney

POLICY TITLE	**Purchasing Policy and Procedures**
INITIAL EFFECTIVE DATE	**December 13, 2021**
LAST REVISION DATE	**Replaces *Section 23.1, 23.2, 23.3. 23.4, 23.5, 23.6, 23.7, 23.8, 23.9, 23.10. 23.11 and 23.12* of the Personnel, Administration and Financial Policies and Procedures Manual approved on February 24, 2014, and last updated June, 2018.**
POLICY NUMBER	**13.01**

OBJECTIVE: This policy sets forth measures to effectively manage purchasing by City employees using City funds.

PURPOSE: The purpose of this Purchasing Policy is to ensure accountable, efficient, transparent, and ethical practices are used to acquire products and services. The policy is intended to promote the best interest of the citizens of the City and compliance with State purchasing statutes.

SCOPE: This policy applies to all purchasing activities of the City. Adherence to the Purchasing Policy and Procedures is an individual and departmental responsibility. A breach of this policy or unauthorized departure from the procedures derived from this policy may result in removal from the procurement process; discipline in accordance with City policy including termination and possible criminal penalties as outlined in Subchapter D of the Local Government Code Chapter 252.

PROCUREMENT REQUIREMENTS AND LEGAL CONSIDERATIONS:

All purchases shall be in accordance with the laws of the State of Texas, including, but not limited to, Chapters 252 and 271 of the Texas Local Government Code, compliance with federal grant regulations, and the City of Watauga Charter, as applicable. All City purchases shall adhere to sound purchasing practices to ensure that Watauga taxpayers receive the best value for products and services procured with tax dollars.

Section 9.08 of the Home Rule Charter states that all contracts, purchases, and expenditures exceeding the maximum amount permitted by state law in effect at the time of the expenditure without requiring competitive bidding or proposals, must be expressly approved in advance by the City Council and be subject to competitive bidding or competitive sealed proposals and shall be let to the bidder who is the most responsive to the needs of the City after consideration of all facts and circumstances surround the bid, including, but not limited to, the lowest price. The City Council retains the right to reject all bids.

The exceptions to bidding requirements as stated in Local Government Code, Section 252.022, as now or hereafter amended, shall constitute exceptions to this provision. Procurements necessitated because of a public calamity, as authorized by law and as set forth in the Local Government Code, as now or hereafter amended, may be negotiated by the City Council or the City Manager, if granted authority by the City Council, without the necessity of competitive bidding. Such public calamity shall be declared by the City Manager and approved by City Council or may be simply declared by the City Council. All expenditures must be supported by documentation justifying such expenditures.

GENERAL:

Purchasing is a function of each department. The Purchasing division in Finance shall provide guidance and assistance to departmental personnel regarding purchasing and shall monitor compliance with purchasing laws, City policies, and procedures.

PURCHASING POLICY:

The following are the policies and procedures for procurement activities by the City of Watauga. All procurement activities for the City shall be administered in accordance with the provisions of this policy, State and local laws and regulations, and City Charter and ordinances. Its purpose is to provide guidance and instruction to all employees for the procurement process. It is the intention to promote open and fair conduct in all aspects of the procurement process.

Departments shall ensure adherence to this policy. Directors shall determine and assign the appropriate approvers within their department. Approvers are responsible for ensuring that departmental purchases adhere to this policy and all budgetary requirements.

- All purchases shall be in accordance with the laws of the State of Texas including, but not limited to, Chapters 252 and 271 of the Texas Local Government Code, federal grant requirements, and the City of Watauga City Charter
- All purchasing shall adhere to sound purchasing practices to ensure the Watauga taxpayers receive the best value for city purchases
- Purchasing activities will be managed with proper controls, and all requisitions will be processed in a timely manner to ensure efficient practices
- When required or preferred, a competitive bidding process will be utilized to obtain purchases at the lowest possible cost, and to provide for an open and process for all interested vendors

Purchases of supplies and services per commodity must comply with the applicable state laws and must have prior approval by City Council when applicable. When purchasing these items each department shall provide enough lead time to allow for the appropriate solicitation and City Council approval when required.

Items or services on an existing contract with a vendor should not be procured from any other vendor. To do so may constitute a breach of contract and may result in violations of the competitive bidding statutes.

It is the purpose of this policy and procedures to establish uniform guidelines for procurement of supplies, materials, and services for the City. The policy and procedures are designed to:

- Ensure compliance with state and local laws pertaining to municipal purchasing
- Ensure compliance with federal grant requirements, as applicable
- Meet the operational needs of the City
- Provide a timely and cost effective method for acquiring goods and services
- Provide reasonable and efficient internal controls
- Assist in prevention of any unauthorized purchases by the City and collusion by vendors
- Provide the citizens and taxpayers of the City assurance that the best use of the available resources of the City are being realized

- Promote competition among bidders and vendors interested in providing products or services to the City

Finance is responsible for ensuring that the City complies with federal, state, and local statutes regulating the public procurement process and should be included in all stages of acquisition - planning, requisition, ordering, and receiving. Finance will monitor compliance with purchasing laws, City policies and procedures. Finance is responsible for issuing purchase orders and bids and negotiating and executing contracts to deliver goods and services. This is to ensure compliance with State of Texas purchasing statutes and the City's policies.

Bidding Parameters

Purchases less than $50,000 are not subject to competitive bidding, as defined by the Texas Local Government Code. It is the policy of the City, however, that all purchasers seek to acquire goods and services in a competitive environment. Departments may authorize purchases less than $50,000 as stated below:

1. **Purchases less than the HUB requirements:**
   Texas Local Government Code 252.0215 or its successor statute sets the Historically Underutilized Business (HUB) requirements. No quotes are required but are recommended when possible. Only departmental approval as determined by the Director is required. These are purchases of $3,000 or less. Individual Directors may exercise discretion regarding the procurement of these purchases.

2. **Purchases within the HUB requirement range:**
   At least two (2) of the contacts must be to vendors on the State's current certified HUB list per Local Government Code 252.0215. The code states: a municipality, in making an expenditure of more than $3,000 but less than $50,000, shall contact at least two HUBs on a rotating basis. If the list fails to identify a HUB in the county in which the City is situated, the City is exempt from this requirement.

   - P**urchases of $3,000 and less than $10,000:**
     These purchases require at least three (3) informal written quotes/bids and must be obtained in writing, completed by the user department and submitted to Finance through the electronic requisition. The Department is responsible for the selection of the vendor and compliance with HUB requirements.

     The written quotations must be retained in the requisition documents for auditing purposes.

     The Department attaches the following to the requisitions:

       - HUB search results
       - If HUBS exist, documentation that the Department contacted HUB vendors
       - All written quotes
       - Other documentation that supports the purchase if applicable

   - **Purchases of $10,000 and less than $25,000:**

The purchases require a minimum of three (3) quotes/bids utilizing the Informal Quote Form and Finance assistance as needed. The quote form and all backup support shall be submitted to Finance through the electronic requisition.

The Department attaches the following to the requisitions:

- HUB search results
- If HUBS exist, documentation that the Department contacted HUB vendors
- All written quotes
- Completed Informal Quote Form, including reason/justification why the Department selected the vendor
- Other documentation that supports the purchase if applicable

- **Purchases of $25,000 and less than $50,000:**
  An annual estimated spend with a vendor of $25,000 to $50,000 requires formal Quote and is subject to HUB requirements. The process consists of the following steps:
  - Department creates and submits to Finance the specifications of the product/scope of services sought.
  - Finance reviews the specifications, creates the Request, including the Best Value criteria, if applicable and returns the draft to Department for review.
  - Department and Finance work on revisions and determine how long to leave the Request open based on the complexity of the requirements.
  - Finance posts the final Request on the City's electronic bidding platform, which vendors access from the City's website. Finance sends a notification of the Request to required HUB vendors. The platform automatically notifies applicable vendors registered.
  - Department and Finance select the evaluation committee and Finance coordinates the evaluations as applicable.
  - Finance determines if the submission followed the required elements stated in the specifications. If a submission does not, Finance disqualifies the submission and there is no determination of the submission.
  - Assigned evaluators score the submissions based on pre-established best value criteria in the Request, if applicable.
  - Once scoring is complete and evaluation by Finance, Finance reviews the results with the Department for final approval.
  - Once approved, the Department proceeds with the PO process attaching the following to the requisition:
    - ➢ Vendor request response
    - ➢ Vendor agreement/contract as applicable
    - ➢ Other supporting documentation referencing the Request

3. **Purchases Governed by the Competitive Purchasing Requirement (purchases $50,000 and greater)**:
   Under State law, before the City plans to make purchases of more than $50,000 with a vendor, the City must meet the competitive purchasing requirements. Texas Local Government Code 252 or its successor statute sets competitive purchasing requirements. The City may use either

Competitive Sealed Bids or Competitive Sealed Proposals for expenditures or purchases subject to competitive purchasing requirements. Contracts required to be procured by competitive purchasing are awarded or rejected by City Council.

- City employees are prohibited from making "separate, sequential, or component" purchases to avoid the competitive bidding requirements
- City Council approval is required for the purchases of goods and services $50,000 and greater, unless an exception applies
- A Form 1295 Certificate of Interested Parties must be acquired by vendor through the Texas Ethics Commission website. This requires registration, generation of Form 1295 with a unique Certificate Number and filing date, printing the form, notarizing and submitting the form to Finance for all items presented to City Council for approval.

The process begins when the Department and Finance determine the best way to purchase the product/services is through a formal bid/proposal process. The timing of the process, including the final award by City Council, depends on the complexity of the service/product sought and the response rate of both the Department and Finance throughout the process. Departments should plan on the process taking 2-3 months, consisting of the following steps:

- Department creates and submits to Finance the specifications of the product/scope of services sought.
- Finance reviews the product specifications/scope of services, creates the Request draft, including all required criteria and returns the draft to Department for review.
- Department and Finance work on revisions and determine how long to leave the Request open based on the complexity of the bid/proposal requirements.
- Department and Finance set the evaluation committee as needed, consisting of a minimum of three people.
- Finance posts the final Request on the City's electronic bidding platform, which vendors access from the City's website. The platform automatically notifies applicable vendors registered.
- Finance creates the required newspaper advertisement and sends to the City Secretary Office for publication (see notice requirements section for more details).
- As part of the competitive purchasing requirements, the City advertises a formal request for bid/proposal for a minimum of 14 days before the opening date. The City normally leaves the Request open for a minimum of 21 days to allow vendors to ask questions and create quality submissions. Vendors shall direct all questions to Finance, if a Department is contacted directly by a vendor, the Department must direct them to the appropriate Finance contact as identified in the specifications.
- Finance opens the bids in the bidding platform and reads aloud the vendor's name and bid amounts for Request for Bids at the time and place published in the notice. Finance reads aloud only the vendor names for Request for Proposals.

a) ***Competitive Sealed Bids*:** A purchasing method by which a governmental entity will indicate specific requirements and specifications for its purchasing need and then posts a notice inviting vendors to submit bids with offered pricing.

Formal sealed bids are required. Notice to vendors must be publicly advertised in the newspaper for two consecutive weeks, with the first publication being before the 14th day before the date of the opening of the bids. All bids must be sealed and submitted to the Finance Department prior to the due date. Finance will conduct a public bid opening and tabulate the bids received. Contracts procured by competitive bids are awarded by the City Council.

The City will indicate in the bid specifications that the contract may be awarded by either to the lowest responsible bidder or to the bidder who provides goods and services at the best value to the City. The City will further indicate in the bid specifications that it reserves the right to reject any or all bids and reopen the bidding process if it is in the best interest of the City.

In determining the "best value" for the City, the City may consider:

- Purchase price
- Reputation of the bidder and the bidder's goods and services
- Quality of the bidder's goods or services
- Extent to which the goods or services meets the City's needs
- Bidder's past relationship with the City
- Impact on the ability of the City to comply with laws and rules relating to contracting with historically underutilized businesses and non-profit organizations employing persons with disabilities
- Total long-term cost to the City to acquire the bidder's goods or services
- Any other relevant criteria specifically listed in the request for bids

b) ***Competitive Sealed Proposals*:** A purchasing method by which a governmental entity may request proposals and pricing information based on the scope of work provided, rank the offers, negotiate a contract, and then award to the vendor that offers the best value and most advantageous proposal.

Request for Proposals must solicit quotations and must specify the relative importance of price and other evaluation factors. Discussions in accordance with the terms of a request for proposal may be conducted with vendors who submit proposals and are determined to be qualified for the award. Offerors shall be treated fairly and equally with respect to any opportunity for discussion and revisions of proposals. To obtain the best final offers, revisions may be permitted after submissions and before award.

Formal sealed proposals are required. Notice of the Request for Proposals must be publicly advertised in the newspaper for two consecutive weeks, with the first publication before the 14th day before the date of the opening of the proposals. All proposals must be sealed and submitted to the Finance Department prior to the due date.

All proposals are opened by Finance so as to avoid disclosure of the contents of proposals to competing proposers until after award of the contract. Contracts awarded by competitive sealed proposals are awarded by City Council.

Specifications:

The purpose of any specification is to provide personnel with clear guides to finance, and to provide vendors with firm criteria of minimum product or service acceptability. A good specification has four characteristics:

1. It sets a minimum acceptability of the goods or services. The Term “minimum acceptability” is key since the vendor must know the minimum standards to determine what to provide. A standard too high means tax dollars will be wasted. A standard too low means the goods or services will not meet the expectations of the user department.

2. It should promote competitive bidding. The maximum number of vendors should be able to bid the specification. Restrictive specifications decrease competition.

3. It should contain provisions for reasonable tests and inspections for acceptability of the goods or services. The methods and timing of testing and inspection should be indicated in the specifications. Tests should refer to nationally recognized practices and standards, whenever possible.

4. It should provide for an equitable award to the lowest responsible bidder or to the bidder who provides goods and services at the best value to the City, as applicable. The buyer obtains goods or services that will perform to expectations, and the vendor is able to provide the goods or services at an agreeable price.

Preparing Specifications:
Specifications may be prepared by Finance, the user department, or by a professional consultant hired by the City. The ultimate responsibility for accurate and comprehensive specifications rests with the requesting department. For more information or assistance on writing proper specifications, please contact Finance.

Responsibilities:
Departments are responsible for submitting requests for bids and proposals to Finance in sufficient time for the necessary advertisements prior to opening dates. Finance will coordinate with the City Secretary’s Office for placing the advertisements as required. Finance is responsible for preparing the requests and ensure each firm known to be interested in bidding on the goods or services receives notification.

Notice Requirements:
Section 252.041 of the Local Government Code specifies the notice requirements for municipalities and states: if the notice applies to competitive bidding the notice of time and place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publication must be before the 14^{th} day before the date set to publicly open the bids.

If the notice applies to competitive proposals, notice of the request must be given in the same manner as above.

If the notice applies to the purchase of machinery for the construction or maintenance of roads or streets, the notice for bids and the order for purchase must include a general specification of the machinery desired.

Pre-Bid Conference:
A pre-bid conference, coordinated by Finance and Department, may be held prior to opening of bids to allow vendors the opportunity to voice any concerns in relation to, or ask any clarifications of, the specifications. Pre-bid conferences are not mandatory, however, a site visit prior to submission of bids may be required as part of the specifications.

Opening of Bids:
All bids are opened by Finance at the time and location designated in the notice. Finance opens the bids in the bidding platform and reads aloud the vendor's name and bid amounts for Request for Bids. Finance reads aloud only the vendor names for Request for Proposals.

Evaluation of Responses:
It is the responsibility of Finance, with technical assistance and input from the initiating Department, to evaluate all responses to bids/proposals. State law mandates that bids are awarded to the "lowest responsible bidder" or to the bidder who provides goods and services at the best value to the City. If the recommended bidder is not the lowest bidder or the bidder who provides goods and services at the best value to the City, the Department must outline specifically how the bid does not meet specifications.

Pre-Award Meeting:
Prior to the Council agenda item being prepared, a meeting will be held with the apparent successful bidder, if applicable. The meeting, coordinated by Finance and the Department will be to go over the bid response to ensure interpretation of the specifications by the bidder was correct and all items/services are being furnished as specified.

All multi-year agreements must have a non-appropriation provision in the contract that gives the City the right to terminate the agreement without penalty in the event the City does not appropriate funding in any year of the contract or in any renewal year.

The type of approval should be limited to contract with a total collective term (initial and renewals) of 5 years.

If the award is a multi-year contract award totaling $50,000 or more for the duration of the contract, the contract must be approved by City Council.

Construction Projects:
Construction project bids/proposals are coordinated through Public Works Administration and follow a different process, that follows state purchasing laws for construction contracts. Architects and engineers create the documents with the Public Works Department. Finance and Public Works oversee the document-creation process and Finance administers the procurement process.

Exceptions to Competitive Purchasing Requirements:
Texas Local Government Code Section 252.022 or its successor statute outlines exemptions from the Competitive Purchasing requirements, including public calamities. Except for those contracts and/or bids which have been awarded by other local governmental entities with which the City has an existing interlocal or cooperative purchasing agreement, purchases in excess of $50,000 shall be competitively procured, unless an exception to the competitive bidding statute applies. All purchases in excess of $50,000 shall be awarded by the City Council.

Any questions regarding these exemptions or their application should be directed to Finance.

Vendor Contract Covered by an Interlocal Agreement:
Governmental entities in Texas are allowed by the Interlocal Cooperation Act, Texas Government Code, Chapter 791, to contract with other local governments, including local government corporations, to perform governmental "functions and services." These functions and services include routine operations of government.

“Governmental functions” are those functions that are enjoined on a city by law, and are exercised and provided by a city in the interest of the general public, including but not limited to:

- Police protection and detention services
- Fire protection
- Street, roads and drainage
- Public health and welfare
- Parks and recreation
- Library and museum services
- Records center services
- Waste disposal
- Planning
- Engineering
- Administrative functions
- Public funds investment
- Comprehensive health care and hospital services
- Other governmental functions in which the contracting parties are mutually interested

Whenever it is determined to be advantageous to the City, Interlocal Agreement purchasing with other local government entities may be used. If all the following requirements are met, the State’s competitive purchasing requirements are also met through a vendor contract covered by an Interlocal Agreement:

- Another government entity has a contract with a vendor that was procured in compliance with the State’s competitive purchasing requirements for the service/product sought
- The City has an interlocal purchasing agreement with the governmental entity
- The vendor honors the same pricing and terms in the other governmental entity’s contract with the City

Verify that the City has a current Interlocal Agreement with the governmental entity by checking with Finance. If the City does not have a current Interlocal Agreement with the governmental entity, Finance can determine if the City can enter into an Interlocal Agreement with the entity.

In the Notes tab of the requisition, the Department will reference that competitive requirements were met through the Interlocal Agreement with the name of the entity and the entity’s bid number being utilized. Department attaches the following to the requisition:

- Signed vendor contract/bid with the other governmental entity
- Vendor quote referencing that the prices and terms are based on the other governmental entity’s contract/bid, including the contract/bid number
- Other documentation that supports the purchase such as City Council agenda as applicable

Vendor Contract Covered by a Cooperative Purchasing Agreement:
In addition to City contracts, the State law allows the City to purchase goods or services through other State approved purchasing programs if the City has established a cooperative purchasing agreement with the approved organization. Cooperative purchasing agreements are approved by City Council and allow the City to utilize a contract that would benefit the City in the daily function of procuring goods and services in the most cost effective manner.

Whenever it is determined to be advantageous to the City, cooperative purchasing with purchasing organizations may be used. If all the following requirements are met, The State's competitive purchasing requirements are also met through a vendor contract covered by a cooperative purchasing agreement:

- The City has an agreement or membership with the cooperative purchasing organization
- The cooperative purchasing organization has a contract with a vendor that was procured in compliance with State's competitive purchasing requirements for the service/product sought

Examples of cooperative purchasing programs include, but not limited to:

- DIR
- TXMAS
- TX SmartBuy
- Buyboard
- TCPN
- National IPA
- Choice Partners
- HGACBuy
- TIPS
- Tarrant County

Verify the City has a current agreement with the cooperative purchasing organization by checking with Finance. If the City does not have a current cooperative agreement with the organization, Finance can determine if the City can enter into an agreement.

In the Notes tab of the requisition, Department references that competitive requirements were met through the Cooperative Agreement with the name of the organization and the number being utilized. Department attaches the following to the requisition:

- Vendor quote with the Cooperative Agreement number on it
- Current cooperative contract summary page
- Other documentation that supports the purchase such as City Council agenda as applicable

New Construction or Repair of Public Structures or Roads:
Currently, for expenditures greater than $50,000 the City must follow one of the three basic procurement methods:

- Competitive sealed bid or proposal
- Reverse auction procedure
- An alternative procurement method
  - Design-build
  - Construction management
  - Job order contracting
  - Construction manager at risk

Alternative delivery methods for construction of structures:
Texas Government Code Chapter 2267 provides the authority to use alternative delivery systems, including best value competitive bidding, competitive proposals, design-build, and construction management, construction manager at risk and job order contracting to Texas cities. If the City considers an alternative delivery method it must be designated and approved by City Council before notice is given to bidders.

Procurement of Professional Services:
Contracts for professional services shall comply with Section 2254 of the Government Code. The City Council shall authorize any professional services contract/agreement which will exceed $50,000 during a fiscal year period, as outlined in Chapter 2254 of the Government Code.

In professional work, experience has demonstrated that the public is best served by requiring "professional" practitioners to be judged upon responsiveness of their proposed service, and the competitive bidding based on the price only is not in the best interest of the public.

Texas Government Code Chapter 2254 Professional Service Procurement Act states that a governmental entity may not select a provider of professional services, or a group or association of providers or award a contract for the services on the basis of competitive bids submitted for the contract or the services, but shall make the selection and award on:

- The basis of demonstrated competence and qualifications to perform the services
- For a fair and reasonable price

As defined by Texas Government Code Chapter 2254 Professional Services Procurement Act, "means services within the scope of the practice, as defined by state law, of accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, professional nursing, or forensic science, or provided in connection with the professional employment or practice of a person who is licensed or registered as a certified public accountant, architect, landscape architect, land surveyor, physician including a surgeon, optometrist, professional engineer, state certified or state licensed real estate appraiser, a registered nurse or forensic analyst or forensic science expert, or provided by a person lawfully engaged in interior design.

Contracts for professional services shall comply with Section 2254 of the Government Code. The Department adds a note to the requisition stating that the purchase falls under the professional services exemption to competitive procurement and under the Professional Service Procurement Act, along with support for same. The City may use Request for Qualifications to solicit the services. The following guidelines shall apply to procurement of professional services:

- Professional services may not be awarded on the basis of competitive bids
- Professional services must be awarded on the basis of demonstrated competence and qualifications
- The City Manager may authorize and approve professional services contracts less than $50,000 during a fiscal year period, without specific City Council approval, provided funds are within the current budget
- The City Council shall authorize any professional services contract which exceeds $50,000 during a fiscal year period, on the basis of the above criteria

If this exemption is applicable, the Department makes note that it is exempt under professional services in the "notes" tab of the requisition and attaches the following to the requisition:

- Vendor quote/contract
- Other documentation that supports the purchase as applicable

Procurement of Services from a Professional:
Fees that do not exceed $50,000
When procuring services from a professional the initiating department shall use a two-step process.

The City's Finance staff and/or initiating department shall solicit qualifications from a qualified professional and the director of the initiating department will select the individual or firm capable of performing the service, on the basis of demonstrated competence and qualifications.

The department director will enter into negotiations with the selected individual/firm and follow the procedures established by the Professional Services Procurement Act. The department shall enter into negotiations on a contract at a fair and reasonable cost.

If the department is unable to negotiate a satisfactory contract with the most highly qualified individual or firm, it shall formally end negotiations with that person/firm and then proceed to the next most highly qualified and repeat the process. Negotiations are carried on in this sequence until a contract is made.
If any agreement or contract is entered into with one of the above mentioned professionals on the basis of a competitive bid, it is contrary to public policy and is void.

Fees estimated to be more than $50,000
The Request for Qualifications (RFQ) shall be prepared by Finance with technical assistance from initiating department.

- The RFQ shall contain sufficient information to inform a potential professional as to the type of project, scope of services to be performed, and the selection criteria to be used.
- The RFQ will give the relative importance, or weighting, assigned to each of the criteria to be used in the selection process. The following criteria shall be used, but the RFQ is not limited to these criteria:
- The Professional's experience in successfully performing similar assignments, scope, and size, for other governmental entities
- The Professional's current staff, both size and related experience, is qualified to provide the desired services
- Sufficient finances and other resources available to accomplish the assignment, within the time allowed by the City and the firm will be able to provide continuing service
- Previous clients, for similar projects, express satisfaction with the firm's work
- The Professional's response, as perceived by City staff, is complete and of acceptable quality
- The Professional may be selected after the evaluation of the RFQ responses, or it may be necessary to interview several of the firms and further evaluate them on the basis of the interview or a presentation, narrowing the field until one firm is selected for negotiation
- When negotiations are successfully concluded, a recommendation will be made to City Council that a contract is awarded to the chosen firm.
- A modified process incorporating any of the steps outlined may be utilized when the qualified firm is identified on the basis of a continuing phase of a project, partnership with a private sector or a partnership with another governmental entity. In these situations where a provider of services is already working on an earlier project and has superior knowledge of the area, partners, and the project, the formal process would be ineffective use of the City's or other service providers' resources.

The City's Finance staff and/or initiating department shall solicit qualifications from a qualified professional and the director of the initiating department will select the individual or firm capable of performing the service, on the basis of demonstrated competence and qualifications.

The department director will enter into negotiations with the selected individual/firm and follow the procedures established by the Professional Services Procurement Act.

HUB Requirements – Purchases Between $3,000 and $50,000
Under State law, before the City plans to make purchases between $3,000 and $50,000 with a vendor in a fiscal year, the City must meet the Historically Underutilized Business (HUB) purchasing requirements. The City must contact at least two historically underutilized businesses from the State's current certified HUB list, on a rotating basis, based on information provided by the Texas Comptroller pursuant to Chapter

2161 of the Texas Government Code. If the list fails to identify a historically underutilized business in the county in which the City is situated, the City is exempt from this requirement.

If HUB vendors are unresponsive, the Department has met the HUB requirement by notifying them and giving them the opportunity to submit. All correspondence with HUB vendors must be submitted with the quotes backup to Finance and should be identified as such.

- Departments should contact Finance for assistance with this compliance

Some exceptions to the HUB purchasing requirements include the following:

- Vendor contract covered by interlocal agreement
- Vendor contract covered by a cooperative agreement
- Formal competitive sealed bid/proposal resulting in a City contract
- Professional services exemption
- Sole source exemption
- Public calamity purchase exemption
- Other exemptions as defined in State law

If the purchase is procured under competitive purchasing requirements, the HUB purchasing requirements are not applicable to the purchase.

Criminal Penalties:
A City officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements of Texas Local Government Code Section 252.021 (Competitive Requirements for Purchases) or any other requirement of Chapter 252 of the Code.

Surplus Property:
The City shall dispose of a surplus property item with an estimated net auction value greater than $500 through public auction or internet sale to the highest bidder. For heavily damaged or items with an estimated net auction value less than $500, the City may declare a public purpose and donate the item, recycle, or dispose of the item. The cost of storage of these items and personnel time required to manage the auction items, including meeting the highest bidder is significantly more than the net proceeds and therefore, not cost effective.

When a Department identifies an item for disposal, they complete the disposal form as directed by Public Works Building Division. If no other Department can use the item, Public Works Building Division works with Finance to determine the estimated net auction value. If the estimated net auction value is less than $500, Finance determines the disposal method for the item.

Acceptance of Bids:
Department Directors and Finance have the discretion to select which vendor/bid acceptance to purchase from on purchases up to $50,000. On purchases $50,000 and more, the City Council will make the final award.

Sole Source Exemption Purchases:
Under State law, a purchase of a service/product that is available from only one source due to patents, copyrights, secret processes, natural monopolies, or captive replacement parts or components for equipment, is exempt from competitive purchasing requirements.

A product is eligible for sole source purchase only when there is a significant functional difference between the product and other similar products on the market, and when the item is available from only one vendor. The following are not sufficient justifications for a sole source purchase:

- Product is made by only one manufacturer, if products from other manufacturers are available that perform a similar function
- A particular name brand of product is preferred over other brands
- Other vendors who offer the product can meet the City's needs

Sole source purchases in excess of $50,000 will be approved by the City Manager and the City Council prior to the purchase. When City Council approval is necessary, a detailed explanation of the sole source basis for the purchase will be included by the Department on the agenda request.

If the exemption is applicable, the Department attaches the following to the requisition:

- A signed and dated sole source letter from the vendor stating it is the only vendor which can provide the service/product to the City and why. The City must obtain this letter annually as circumstances may change and the service/product may no longer qualify under a Sole Source Exemption. There are a few circumstances where a letter can be non-expiring as determined by Finance.
- A completed and signed Sole Source Justification Form.
- Vendor quote
- Other documentation that supports the purchase as applicable

Other Exemptions as Defined in State Law:
Under State law, there are other less common exemptions to the competitive purchasing requirements. If the department is struggling to determine the best way to meet the competitive purchasing requirements, it should contact Finance to discuss. Finance shall consider if any less common exemption may apply. If a less common exemption is applicable, Finance instructs the Department on how to document the exemption.

The following is an inclusive list of exemptions from statutory bidding requirements (Local Government Code 252.022):

- A procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the City's residents or to preserve the property of the City
- Procurement necessary to preserve or protect the public health or safety of the City's residents
- Procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- Procurement for personal, professional, or planning services
- Procurement for work that is performed and paid for by the day as the work progresses
- Purchase of land or a right of way
- Procurement of items that are available from only one source including:
    - i. Items that are available from only one source because of patents, copyrights, secret processes, or monopolies
    - ii. Films, manuscripts, or books
    - iii. Gas, water, or other utility services
    - iv. Captive replacement parts or components for equipment
    - v. Books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the material
    - vi. Management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits

- Purchase of rare books, papers, and other library materials for a public library
- Paving, drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid through special assessments levied on property that will benefit from the improvements
- Public improvement project, already in progress, authorized by the voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by voters
- Payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212, Local Government Code
- Personal property sold:
    i. At an auction by a state licensed auctioneer
    ii. At a going out of business sale held in compliance with Subchapter F, Chapter 17, Business and Commerce Code
    iii. By a political subdivision of this state, a state agency of this state, or an entity of the federal government
    iv. Under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391
- Services performed by blind or severely disabled persons
- Goods purchased by a municipality for subsequent retail sale by the municipality
- Electricity
- Advertising, other than legal notices

This section only exempts items that fall under subsection C.iii. from the requirement to competitively bid the item. If a purchase is for $50,000 or more, it still requires City Council approval, even if it is exempt from competitive bidding requirements.

Contract Amendment:
Annual contracts are contracts which set pricing as well as terms and conditions for a set period, usually one year with up to 4 one-year renewals (total of 5 years). A contract amendment is required to add additional, similar items to a current annual contract. Under State law, contract amendments shall not increase the original contract amount by more than 25% without additional bidding processes nor reduce the original contract amount by more than 25% without vendor approval.

The Department works with Finance to obtain pricing for any additional items requested. This is reviewed to determine if a contract amendment is appropriate or if the additional services/products are subject to separate bidding requirements.

If a contract amendment is appropriate, Finance drafts the contract amendment and sends to vendor for signature. Once the signed amendment is received back from the vendor, Finance attaches to the current contract information and forwards to the City Manager for execution and to the City Secretary Office for record. City Council approval is only required for contracts exceeding the $50,000 requirement.

Authorization and Approval of Change Orders:
The City Council hereby authorizes the City Manager or their appointed designee to approve any and all individual or cumulative change orders which involve a decrease or an increase of $50,000 or less, provided the total contract expenditures do not exceed the budgeted amount. Individual or cumulative change orders involving a decrease or an increase in excess of $50,000 will require approval of the City Council, in accordance with Local Government Code, Section 252.048 Change Orders. Individual or cumulative change orders may not increase more than 25% of the original contract price or decrease the original contract by more than 25%. Any individual or cumulative change greater than 25% will require a new solicitation (or a finding by the City Council than an exception to bidding, such as “health and safety” is applicable to the additional amount).

Emergency Purchases:
Emergency purchases must meet one of the qualifications for exempt purchases in Local Government Code Section 252.022. Emergency purchases are extremely unique and must be considered on a case-by-case basis. An employee who is making a purchase that falls under one of the categories below is not required to comply with the competitive bidding process but shall still comply with the general purchasing procedure. The three basic categories per the Local Government Code include:

- A purchase made because of a public calamity and the prompt purchase of items is required to provide for the needs of the public or to preserve the property of the City
- The item is necessary to preserve or protect the public health or safety of the residents of the City
- The item is made necessary by unforeseen damage to public machinery, equipment, or other property

Purchases made in an emergency situation are generally more costly than routine purchases. Therefore, they must be kept to a minimum. Poor planning, overlooked requirement, or negligence are not true emergencies.

Process of emergency purchases (see normal business hours and outside of business hours for specific direction):

- The user department must obtain approval from the City Manager or their designed for all emergency purchases
- The department should coordinate with Finance to ensure funds are available
- User department should communicate with the vendor(s) and Finance in order to complete the request
- User department will submit a purchase requisition within 48 hours after the issuance of an emergency order

When an emergency purchase occurs during normal business hours, the Department immediately notifies Finance to assist in locating and arranging delivery of the product/services required. The Department creates a requisition as normal to authorize the payment but can proceed with the emergency purchase before the requisition is processed and approved.

When an emergency purchase occurs outside of business hours, the authorized Department official may take necessary steps to procure required supplies, services, or equipment to relieve the emergency. If possible, the Department should only procure those products/services requires during the evening, weekend, or holiday. On the next business day, the Department Director or designee certifies, in writing, that the emergency purchase was necessary because of one of the three reasons listed above. The Department also creates a requisition as normal to authorize the payment.

If this exemption is applicable, the Department attaches the following to the requisition:

- Emergency purchase memo explaining the circumstances requiring the purchase
- If available, vendor quote
- Other documentation that supports the purchase
- Minutes or agenda from City Council meeting approving the emergency purchase demonstrating the City Council has ratified the expenditure as required by state law procurement. This documentation may be added to the purchase order when available.

If an emergency purchase is $50,000 or more, the Department Director or designee will prepare the documentation to have the expenditure ratified by City Council at the next available Council meeting.

Petty Cash:
Expenditures for purchases and reimbursements made from petty cash are not to exceed $75 without Finance Director approval.

Procurement Ethics:
Procurement ethics are established to provide ethical standards to be used by City employees and officials regardless of department, position, or procurement activity. Public employment is a public trust. Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible vendors and contractors. Moreover, employees should conduct themselves in such a manner as to foster public confidence in the integrity of the procurement process while avoiding the perception of immoral, illegal, or unethical behavior. When in doubt, it is best to avoid any situation which might influence or appear to influence purchasing decisions. At all times, City officials and employees shall:

- Comply with all State and local regulations governing conflicts of interest, including Texas Local Government Code Chapter 171
- Not knowingly use confidential information for actual or anticipated personal gain
- With the exception of the Finance staff, not communicate with vendors during the solicitation process which can lead to vendor disqualification

Employee responsibility to the City:

- Follow the policies and lawful instructions of the City
- Understand the purchasing authority granted to the employee by the City
- Avoid activities that would compromise or give the perception of compromising the best interest of the City
- Reduce the potential for any charges of preferential treatment by actively promoting the concept of competition

Principles and Standards:

- Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.
- Demonstrate loyalty to the City by diligently following the lawful instructions of the City, using reasonable care, and only granted authority.
- Refrain from soliciting or accepting moneys, loans, credits, or prejudicial discounts and the acceptance of a gift, entertainment, favors or services from present or potential suppliers that might influence, or appear to influence, procurement decisions.
- Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
- Refrain from agreements that restrain competition.
- Know and obey the spirit and letter of the laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
- Encourage all segments of society to participate by demonstrating support for small, minority and women owned businesses.
- Never discriminate unfairly by dispensing of special favors or privileges to anyone, whether as payment for services or not; and never accept for themselves or for family members, favors or benefits under circumstance which might be construed by reasonable persons as influencing the performance of governmental duties.
- Handle confidential or proprietary information belonging to employer or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations.
- Never use any information gained confidentially in the performance of governmental duties as a means of making private profit.

Conflict of Interest:
Conflicts of interest arise when personal involvement and/or gain in a decision could lead to prejudice, or the appearance of prejudice in that decision. All employees shall comply with the conflicts of interest provisions of the Texas Local Government Code.

Employees Relations with Businesses or People Doing Business with the City:
It cannot be overstated that Watauga's values can be greatly compromised by the improper acceptance of gifts. Even the appearance of accepting gifts can be damaging.

No City employee shall accept any gift that might reasonably tend to influence the employee in the discharge of their official duties, or grant any improper favor, service, or thing of value. Neither shall any employee use their official position to secure special privileges or exemptions for themselves or others.

Bidding and contracting can bring great discredit upon the City if it is not conducted in a legal and appropriate manner. Any private gain by employees of the City or any gain beyond reasonable compensation for the contractor is prohibited.

No gift, reward, favor, or any other considerations shall be accepted or retained for services rendered by the employee. The employee shall notify their supervisor of any such offer and the employee's refusal. Gifts, rewards, favors or any other considerations which are given to an employee under circumstances which do not permit the employee's immediate refusal shall be reported and given to the employee's department director immediately. The department director shall return the gift with a proper letter expressing an explanation to the person giving the gift. A copy of the letter will be sent to the City Secretary's Office.

When a gift, reward, favor, or any other consideration cannot be returned it will be used for the benefit of all employees in the department involved or otherwise disposed of so no individual gains from the gift. The manner of disposal of the gift shall be reported in writing to the City Secretary's Office. Small items such as cakes, cookies and candy may be accepted if used for the entire department. Large gifts or donations of gratitude to benefit the employee of a department are not permitted. Any such individual or group wishing to express their gratitude may contribute to a charitable organization in the name of that department.

Any service rendered by an employee is considered part of the employee's job, and since the employee is paid, no special gratitude is necessary.

Debarment:
The City of Watauga may suspend or debar vendors from the consideration of award of contracts. Grounds for suspension or debarment include, but are not limited to:

- If the vendor misrepresents its qualifications, experience or provides false information on a bid, proposal, or quote response
- If the vendor is indicted at the time of submitting a bid, proposal, or quote response for or otherwise criminally or civilly charged by a governmental entity with commission of other misrepresentation or fraud
- If the vendor, within a three year period preceding the bid, proposal or quote due date, had one or more public transactions terminated for cause or default
- If the vendor violates any federal, state, and local governmental laws, rules, and regulations relating to its responsibilities, as set forth in the documents or agreement

Order Processing:
Purchase Requisition is an internal electronic form that is part of the City's Tyler Technology Incode Financial software system. It is used to inform Finance of the needs of a department and to identify the

goods or services requested for purchase. All purchase requisitions are entered into the automated procurement system. Requisitions should be prepared far enough in advance so as not to create an emergency situation. This allows Finance adequate time to ensure compliance with policies, laws, and bids, obtain quotes or bids as needed, and ensure reasonable delivery by the vendor.

All requisitions must be approved by the Department Director prior to submitting to Finance for assignment of a purchase order. Requisitions numbers are not the same as purchase order numbers. REQUISITION NUMBERS MAY NOT BE USED AS PURCHASE ORDERS. The end result of a requisition is the purchase order.

Requisitions in the system that do not have the necessary information will not be approved until all requested information is received by Finance.

Once a requisition is approved, the funds for that purchase are "encumbered" or reduced from your available budget.

Purchase Orders are prepared in Finance by converting the information on the purchase requisition into a purchase order. A purchase order is the vendor's authorization to ship materials or provide services as specified. It acts as a contract between the City and the vendor. No orders are to be placed with vendors except through the issuance of a purchase order by Finance.

Finance will approve packets daily to ensure a timely ordering process. All purchase orders will be processed with vendors (unless otherwise indicated by end user) by Finance upon approval.

Separate and Sequential purchases are prohibited by Texas Local Government Code.

- Separate purchases are purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase
- Sequential purchases are purchases made over a period, of items that in normal purchasing practices would be purchased in one purchase

Exceptions:
Emergencies do occur. There may be purchasing requirements that are an emergency or of an immediate need in nature. In these instances, contact Finance and an appropriate procedure will be worked out so that your department needs are met within a timely manner.

Blanket Purchase Orders:
Blanket purchase orders may be created for repetitively ordered supplies or services. These are created as a convenience and should be limited to small, repetitive items. Such orders are appropriate when they will reduce the number of purchase orders, administrative costs, and paperwork. Rather than issue a separate purchase order for each purchase, one purchase order is issued in advance to cover all purchases made during a specified time period.

The Finance Department shall provide the vendor with the names of City employees authorized to make a purchase under each blanket purchase order.

Canceling Purchase Orders:
Finance may cancel a purchase order upon written request from the User Department. Upon cancellation of the purchase order, all encumbered funds are released.

Receiving:

Department inspects the product received for damage, defect, and whether the product received is the product ordered, and verifies the quantity received or the service provided is per the agreement and any deliverables are received.

It is the Department's responsibility to ensure that the order is complete and inspected for quality and quantity and to report any discrepancies to the vendor. There should be an actual inventory of the goods at the time of delivery. If the shipment is complete and undamaged, then the packing slip, and/or delivery ticket along with the authorized receiving purchase order should be sent to Finance. The signed authorized receiving purchase order is to be sent to Finance as authorization and verification that the products and services have been received and are complete and ready for payment. The Department Director, or appointed designee, should sign these purchase orders.

No invoice, with exception of blanket purchase orders, will be sent to the Department from Finance. If there is a discrepancy in the invoice amount and the purchase order, the User Department will be notified prior to any payment.

Should the Department receive only a partial shipment or return part of a shipment due to damage or the wrong item delivered, this must be noted on the packing slip, delivery ticket or receiving purchase order before sending to Finance.

If the Department receives an invoice with the shipment, it should be sent immediately to Finance for payment processing.

If the service/product is damaged, defective, or not per specifications outlined, the Department works with the vendor to correct. The Department documents any issues with a vendor. If the Department has issues with a vendor which are not resolved promptly after contacting the vendor, the Department contacts Finance for assistance and begins the invoice dispute process.

State statute requires the City to make prompt payment to vendors no later than the 30th calendar day following the day on which the City received supplies, materials, or equipment, or the day on which performance of services was completed, or the day, on which the City received an invoice, whichever is later. It is very important that the Department promptly process the receiving documents once the products have been received or the services have been completed.

Payment is not required by these deadlines if there is a bona fide dispute over the invoice and/or delivery or service.

If payments are to be made in multiple payments, make copies of the purchase order for each payment, mark through the total amount, write "partial payment" and write the amount to be paid with this payment.

Returns:
When the materials received are not the same as ordered on the purchase order, contact Finance and the vendor immediately. The Department should notify the vendor as to the discrepancy and arrange exchange, return, or cancellation of the materials. Finance should be made aware of all correspondence with vendors. A detailed account should be recorded and forwarded to Finance.

Canceling or Changing Orders:
The information on a purchase order may need to be altered for several reasons, which may include incorrect pricing, substitute item, etc., or canceled altogether. In the event any changes are needed, the Department should notify Finance immediately. The purchase order will be revised as needed by Finance and the revised purchase order will be sent to the vendor and copied to the Department. The distribution of the revised purchase order will be the same.

In the event an order is to be canceled, the Department is to notify Finance immediately. Finance will notify vendor that the order is being canceled, followed by confirmation to the Department that the order has been canceled. The receiving purchase order should be sent to Finance with "CANCELED" indicated and Finance will then void the order from the system.

Payment Authorization:
Finance shall review all purchases prior to issuing payments. Payment authorizations must be properly completed with all necessary signatures. Authorization signatures verify that all products have been received or services rendered in compliance with the order.

An invoice is an itemized statement of products and/or services provided by the vendor. Vendors shall submit invoices directly to Finance either by mail or email. Vendors should not mail AND email an invoice.

Accounts Payable Discrepancies:
Before Accounts Payable (AP) can pay an invoice, there must be a 3-way match of the purchase order. Payment to vendor is based on three documents:

- Purchase order – authorizes the purchase and receiving record showing the quantity/amount the City received from the order.
- Appropriately authorized and signed receiving purchase order from department indicating receipt of product or services.
- Invoice.

Payment will not be made without these three documents. If the invoice matches both the PO and the quantity/amount received by the Department, AP is authorized to pay the invoice. If they do not match, no payment is authorized, and AP will contact the Department for further information.

Invoice Dispute Process:
State law requires the City to pay for goods and services received within 30 days after the latter of the delivery of the product/service or the invoice date; otherwise, the City is required to pay the vendor interest. Therefore, it is important for Departments to submit payment authorization to Finance as soon as products/services are complete.

An invoice may need to be disputed for such reasons as product not received, product damaged, services not received, and invoice amount incorrect. Under state law, the City is required to notify the vendor of a disputed invoice before the 21st day after the invoice is received. Therefore, a Department shall work with Finance and the vendor to resolve the issue.

General Steps In Procurement Process:

- Department identifies purchase need
- Department generates purchase requisition
- Department Director approves purchase requisition
- Finance ensures compliance in procurement and converts requisition to purchase order
- Purchase order is sent to vendor and User Department as requested by User
- Department receives products or services
- When order is complete, the Director, or authorized designee, signs copy of the receiving purchase order as complete and authorization for payment and sends it along with shipping documents to Finance
- Finance matches invoice(s) to purchase order and receiving documents and if all match, payment is made. If there is a discrepancy, Finance will notify the User Department and appropriate action will be taken

General Provisions:
The following are general provisions to be followed with regard to the bid or proposal procedures and projects:

- As bids and proposals are received by the City, they shall be recorded with the date and time of receipt and remain unopened.
- On the date and time of bid opening as designated in the published notice, Finance or other persons as designated open the bids at a public meeting. Upon request, bidders should be provided a tabulation of the bids/proposals received and should be informed of the process and schedule to be observed in awarding the contract.
- If the contract is for construction of public works, the successful bidder must provide a bond for the faithful performance for the full amount of the contract.
- Consistent with the Watauga City Charter, the City Manager must execute all contracts for procurement and related instruments, and the City Council must approve any contract, purchase or expenditure that exceeds the maximum amount permitted by state law at the time of the expenditure subject to competitive bidding or sealed proposals including utilization of purchasing agreements with other entities.
- It shall not be permissible to make several purchases of the same or similar items for the purpose of circumventing the competitive bidding or proposal requirement.
- Watauga Economic Development Corporation Board and the Watauga Crime Control and Prevention District Board may impose more stringent requirements concerning purchasing and payment authorization requirements.
- Per Government Code Sec. 2252.202. Uniform Purchasing Condition; Rules. (a) Except as provided by Sec 2252.203, the uniform general conditions for a project in which steel products will be used require that the bid documents provided to all bidders and the contract include a requirement that any iron or steel products produced through a manufacturing process and used in the project be produced in the United States. (b) A governmental entity subject to the requirements for a project described by Subsection (a) shall adopt rules to promote compliance with this section.

GENERAL PURCHASING INFORMATION:
Departments shall make purchases using a purchase order (PO) or utilizing a purchasing card (p-card). Departments shall only utilize purchasing cards for training, travel, and small purchases upon prior approval by Finance. Departments shall make all purchases according to the City's Purchasing Policy regardless of the payment method.

Sales Tax:
As a municipality, the City is exempt from paying sales tax on all purchases. The only exception would be travel related expenses. The City's tax exemption certificate is available on the City's intranet or in the City information folder.

Freight and Shipping:
The preferred method for shipping items to the City is FOB (Free on Board) Destination, which makes the vendor responsible for the shipment until the City inspects and accepts it. The vendor selects the shipper and is responsible for the risk of transportation, including filing for losses or damages.

Recycled Materials:
Preference shall be given in purchasing of products made of recycled materials if the product meets applicable specifications as to quantity and quality and the average price of the product is not more than 10% greater than the price of comparable nonrecycled products. Preferences will be applied in accordance with state procurement statutes and rules.

Responsibilities in the Purchasing Process:

Finance is responsible for the procurement management of all items or services obtained by the City, including:

- Ensuring statutory compliance by the City with all applicable laws and regulations pertaining to purchasing activity
- Working with Departments to ensure prompt delivery of goods and services as requested
- Developing and maintaining reliable alternate sources of supply and a competitive atmosphere in pricing and performance by vendors
- Selecting sources of supply from which to secure prices, obtaining quotes, and documenting reasons for the selection of a given vendor
- Contacting a vendor in regard to poor performance. Unsatisfactory product quality or service performance can be a factor in subsequent award determination; continued poor performance may be a cause for removal from the vendor list
- Where possible and practical, combining purchases of similar items to allow for better pricing and establish a more competitive atmosphere
- Coordinating, organizing, and assisting departments in the specification writing process for procurement
- Ensuring specifications written are not proprietary, and if bid response is anticipated to be very narrow, ensuring proper documentation exists as to reasoning of narrow specifications
- Verifying the System for Award Management (SAM) for vendor debarments on all federal and state grant purchases. Vendors not in SAM must register to be eligible to use for purchases
- Conducting periodic purchasing training for all employees who process requisitions, payment authorizations, blanket purchase orders, and who receive orders and write or develop any specifications. The training class is required for all employees who are authorized to purchase for their department. End users who make purchases on behalf of departments must complete the training.
- Conducting departmental audits and issuing any subsequent reports to ensure that all employees and potential vendors adhere to the applicable statutes, policies, and procedures.
- Coordinating the solicitation of all bids and posting all legal advertisements and contact with vendors.
- Responding to questions pertaining to bids, coordinating communications between departments and bidders, receiving and opening bids at the indicated times, and tabulating results

Requesting/Initiating Departments:

- Working with and submitting specifications to Finance far enough in advance to allow for specification coordination, development, and the bid process. Departments should allow for the typical time frame of 2-3 months to process a bid through City Council approval and purchase order.
- Advising Finance in writing and providing evidence when unsatisfactory performance from a vendor is experienced at the time the deficiency takes place
- Assisting Finance in accomplishing the combining of purchases of similar items to allow for better pricing and establishment of a more competitive atmosphere
- Adhering to this policy and federal, state, and local statutes for procurement
- Verifying that all required forms are signed and complete prior to submission to Finance
- Assisting Finance with specifications that require a technical background or specific knowledge and expertise
- Evaluating bids and proposals for compliance with specifications, evaluating bids based on the criteria defined in the specifications and making recommendations for award
- Receiving and inspecting purchased goods and services

Compliance with House Bill 1295:
Prior to obtaining City Council approval, all contracts that require City Council approval, must comply with House Bill 1295 as described below. Information regarding how to use the filing application may be found at https://www.ethics.state.tx.us/whatsnew/elfinfoform1295.htm

In 2015, Texas Legislature adopted House Bill 1295, which added Section 2252.908 of the Government Code. The City may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the City at the time the business submits the signed contract to the City.

The law applies (with few exceptions) only to a contract between a business entity and the City that (1) requires an action or vote of the City Council before the contract may be signed, (2) has a value of at least $1 million; or (3) is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission has adopted rules necessary to implement the law, prescribed the disclosure of interested parties form, and posted a copy of the form on the commission's website.

A Form 1295 is not required for:

- A sponsored research contract of an institution of higher education
- An interagency contract of a state agency or an institution of higher education
- A contract related to health and human services if:
  - i. The value of the contract cannot be determined at the time the contract is executed; and
  - ii. Any qualified vendor is eligible for the contract
- A contract with a publicly traded business, including a wholly owned subsidiary of the business
- A contract with an electric utility, as that term is defined by Section 31.002, Utilities Code
- A contract with a gas utility, as that term is defined by Section 121.001, Utilities Code

Filing Process
The commission has made available on its website a filing application that must be used to file Form 1295. A business entity must:

- Use the application to enter the required information on Form 1295
- Print a copy of the completed form, which will include a certification of filing that will contain a unique certification number
- Contract number should be the bid/proposal number and bid title
- Sign the printed copy of the form (an authorized agent of the business must sign)
- Either include your personal information or have the form notarized
- File the completed Form 1295 with the certification of filing with the City which the business is entering into a contract

The person filing a Form 1295 needs to complete an "unsworn declaration." The City must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after City receives the Form 1295. The commission will post the completed Form 1295 to its website within seven business days after receiving notice from the City.

Procurement of Automated Information Systems and Service:

Through the State of Texas Information Purchasing Program (DIR)
This program provides a standardized procedure for the procurement of automated information systems and services through the state DIR purchasing program. The DIR allows local government entities that qualify for cooperative purchasing under Section 271.082 and 271.083 under the Local Government Code

to purchase products and services under this program. Furthermore, the DIR program allows user entities to negotiate additional terms and conditions, and any other details of an offer for a product or service.

Procurement of High Technology Items not Purchased Through DIR
A Request For Proposal may be used when purchasing services of a highly technical nature such as the following:

- Data processing equipment and software
- Telecommunications equipment, radio, and microwave systems
- Electronic distributed control systems such as building energy management systems

Specifications are written as a Request for Proposal instead of a Request for Bid. All evaluation criteria must be defined. The contract is not awarded to the lowest response, but instead to the response who provides the products/services at the best value for the City.

Computer Software/Hardware Procurement:
Purchasing computer software/hardware and services are to be coordinated with the Information Technology (IT) department to ensure capability with existing systems.

Software/hardware vendors will not be allowed access to the City computer systems unless authorized and in the presence of IT personnel. All computer software/hardware demonstrations must be approved in advance by IT and an appropriate IT employee will attend each demonstration.

It will be the responsibility of the individual departments to obtain written approval from IT before a request is submitted to Finance. Requisitions submitted without prior approval by IT will not be approved.

Fleet Equipment and Vehicle Procurement:
Before any mobile equipment/vehicle to be maintained by Fleet Services is purchased, it must be reviewed and approved by Fleet Services to verify it will be supported and/or maintained, to ensure capability with existing City equipment, and is eligible for replacement if applicable. These purchases must be made from an authorized vendor, have warranty and support Fleet Services standards.

Purchasing Procedure Violations:
The Department Director is responsible for ensuring that employees comply with the policies and procedures outlined in this manual. Department personnel will be held accountable for the proper use and administration of the purchasing process.

Violation # 1: Finance will notify the employee of the department and the department director of the first error on an informal basis, continued failure to correct procedural errors will result in a violation notification being issued.

Violation # 2: written notification of the violation shall be sent to the employee, supervisor, and department director, stating that the next violation may result in the employee's suspension from the purchasing process for their department.

Violation # 3: a third violation may result in all purchasing privileges being suspended from the employee. Notification of suspension will be sent to the department director, and the City Manager and/or designee, for further review.

Violations of purchasing policy and procedures may result in disciplinary action, up to and including termination.

Supply Contracts:

A contract is a binding agreement between the City and a vendor for the supply of goods or services at a fixed price for a certain length of time.

Annual supply contracts for goods or services shall be obtained when such contracts appear to be in the best interest of the City. Finance will attempt to combine bulk purchases for materials by means of annual contracts when it is possible to realize financial and time savings by doing so.

Supply contracts may be initiated by either Finance or a department. If the department is repeatedly purchasing the same type of item over a short period of time, they should work with Finance to establish a supply contract to provide ease of purchasing and assure a certain pricing structure.

Following the award of a supply contract to a vendor, the department will submit a requisition for the products. If a contract is of the ongoing maintenance or service variety and the exact cost is known, funds should be encumbered by utilizing a blanket purchase order.

Since the award of a supply contract went through a competitive procedure, departments are not required to receive quotes for any work performed under $50,000. If any purchases require an expenditure of $50,000 or more the competitive sealed bid process must be followed.

Employees making purchases against orders placed on blanket purchase orders must be approved by their department director and must reference the purchase order number.

Contested Bids/Protest:
If a department is made aware of or is contacted by a vendor regarding a project relating to advertising of sealed bid notices deadlines, bid opening, or any other related procedures under the Local Government Code, as well as any protest relating to alleged improprieties or ambiguities in the specifications, the department should either contact Finance or instruct the vendor to contact Finance.

Finance will attempt to determine the reasons behind the potential protest, and failing to satisfy the vendor, will instruct the vendor to prepare a written protest.

The written protest should:

- Include both the name and address of the protestor, as well as the vendor they represent, if different
- Identify the bid number and item
- Contain a statement of the grounds for the protest and any supporting documentation
- Be submitted within 5 business days of the instruction to submit a protest
- A decision and response to the protest will be prepared by Finance, in consultation with the initiating department within 10 days of receipt of the protest. The response to the protest may include information regarding staff's position and its recommendation of award.

Appeal of Award Decision
Appeal award of less than $50,000
Appeal of a decision for award of a contract in an amount less than $50,000 may be appealed in writing to the City Manager within 10 days prior to the award date. The City Manager shall provide a written response to the vendor within 15 days of receipt of the appeal. The City Manager's decision is final.

Appeal award $50,000 or more
Appeal of a decision for award of a contract $50,000 or more shall be filed with the City Secretary and a copy to the City Manager and City Attorney.

The appeal filed shall:

- Include both the name and address of the protestor, as well as the vendor they represent, if different

- Identify the bid number and item
- Contain a statement of the grounds for the protest and any supporting documentation
- Be submitted within 5 business days prior to the bid award date

The City Manager, after consultation with the City Attorney, shall provide a written response to the vendor within 10 business days of receipt of the appeal. If the vendor does not agree with the decision of the City Manager, the vendor may request consideration of the matter by City Council.

Bonds:
Bid, performance and payment bonds will be required for building construction and public works projects. The purpose of 3 types of bonds are as follows:

Bid Bond: a bid bond is required of a contractor to ensure that the contractor will enter into the contract for which they have submitted a formal written bid and/or proposal.

Performance Bond: required by state statute Government Code Chapter 2253 for all construction or public work projects exceeding $100,000; obtained from an insurance company and must be equal to 100% of the contractor's total bid price; written to protect the City in the event the contractor fails to complete the project; contractor submits with signed contract.

City policy for projects up to $100,000: Payment will be due upon completion and acceptance of work performed by the contractor. If the contractor desires payment in stages as the work progresses, the contractor shall furnish a performance bond in an amount equal to at least 100% of the contract price as security for the faithful performance of a contract.

Payment Bond: required by state statute Government Code Chapter 2253 for projects exceeding $50,000; obtained from an insurance company and must be equal to 100% of the contractor's total bid price; written to protect laborers, mechanics, and subcontractors in the event the contractor fails to pay them; contractor submits with signed contract.

Rejection of Bids:
Receiving less than 3 bids or proposals:
If the City receives less than 3 bids or proposals in response to its request, the City will determine the need to either accept, reject, or reschedule the bid opening. Once bids are opened the City may accept the bids or proposals received, reject the bids or proposals, and re-advertise, or reject the bids or proposals and decide not to undertake the project.

Rejecting all bids:
Once Finance staff opens the bids or proposals and if no bid is found to be acceptable, all bids will be rejected, and the bidding process repeated.

A written memo outlining the specific reason why bids should be rejected from the department and Finance will be required.

The Director of Finance has the authority to reject all bids submitted that are less than $50,000 in value. All bids $50,000 or more must be submitted to City Council for approval to reject.

Low bidder:
When a bid is rejected there must be reasonable grounds that the bidder could not fulfill the contract. Disqualifying or rejecting a bidder should not be done lightly. If a bidder has had past unsatisfactory contracts with the City, the experiences should be thoroughly documented in order to support any later

disqualifications.

Request to Withdraw a Bid After Bid Closing:
No bid may be withdrawn after bid closing without acceptable reason given in writing and with the approval of Finance. The vendor must show that:

- A calculable damage of a significant nature will result if they are required to abide by the bid
- An error occurred from preliminary paperwork in preparing the bid
- An obvious error is noticeable when comparing the bid to other bids or the real value of the item

Vendor Performance Review:
It is an essential function of the contract administration process to review a vendor's performance. This information assists Finance in review of the vendor, the service or supply being provided and the effectiveness of the contract or bid specifications.

Departments should notify Finance immediately of any problems or issues with vendors in the performance of service or the supply of products. These issues should never go unreported.

WATAUGA
TEXAS
"A GREAT PLACE TO LIVE"

AGENDA MEMORANDUM

DATE: December 28, 2021

TO: Honorable City Council Members

FROM: Deby Woodard, Assistant Director of Finance
Sandra Gibson, Director of Finance

THROUGH: Robert Parker, Interim City Manager

SUBJECT: Consider action to approve the first renewal of the agreement for collection services with McCreary, Veselka, Bragg & Allen, P.C.

BACKGROUND/INFORMATION:

In January 2019, Council approved bid # 19-003 Collection Agency Services to McCreary, Veselka, Bragg & Allen. The services provide delinquent collection services for Municipal Court, Utility Billing, Emergency Medical Services, and other receivables as needed. The agreement was for a three-year term with options to renew for three additional one-year terms, upon agreement of the firm and approved by Council.

McCreary, Veselka, Bragg & Allen has agreed to the first renewal option with no price increase. Staff has been pleased with the services provided by McCreary, Veselka, Bragg & Allen and request approval of the first renewal option which would extend the agreement through January, 2023.

FINANCIAL IMPLICATIONS:

Funds are budgeted and available

RECOMMENDATION/ACTION DESIRED:

Respectfully request approval of the first renewal option which would extend the agreement through January, 2023.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. BID # 19-003 COLLECTION AGENCY SERVICES 1ST RENEWAL
2. 1295 - MCCREARY VESELKA (BID 19-003 1ST RENEWAL)

REVIEWED BY:

Sandra Gibson, Director of Finance	Approved - 12/29/2021
Caroline Kelley, City Attorney	Approved - 1/3/2022
Robert Parker, Interim City Manager	Approved - 1/3/2022
Linda Proskey, City Secretary	Final Approval - 1/3/2022

"A Great Place to Live"

AGENDA MEMORANDUM

Approved as to form for inclusion on Agenda

WATAUGA
TEXAS

December 13, 2021

McCreary, Veselka, Bragg and Allen, P.C.
Attn: Harvey M. Allen
P.O. Box 1310
Round Rock, Texas 78680-1310

Subject: Notification of Contract Renewal for Collection Agency Services for City of Watauga RFP No. 19-003.

Dear Mr. Allen,

The City of Watauga is providing notification of contract renewal, pending City Council approval, for "Collection Agency Services for City of Watauga RFP No. 19-003". This renewal shall become effective January 14, 2021, pending City Council approval (CC Award date_______). Your company has not requested an increase in contract rates at this renewal. Therefore, all pricing, terms and conditions shall remain in effect per the original award and 1st renewal.

The terms and conditions proposed and accepted in the renewal agreement are as follows:

Payment Terms:	Net 30 days (Unless otherwise noted – such as pre- and/or partial payment)
Method of Payment:	Shall be made by purchasing card or purchase order.
Term of Contract:	Shall be effective for twelve months from date of renewal
City Contact:	Jennifer Walls
Send all billing to:	City of Watauga Accounts Payable 7105 Whitley Rd. Watauga, TX 76148
Other Charges:	The City of Watauga is a tax exempt municipal corporation and is exempt from all federal, state, and local sales taxes.

All other specifications, terms and conditions shall be provided in the original procurement documents. No other attachments to or in response to this agreement will be accepted unless approved in writing by the Purchasing Agent or an authorized representative of the City of Watauga.

Thank you for participating in our procurement process. Please call 817-514-5733 with any questions.

Sincerely,

Jennifer Walls
Finance
City of Watauga
7105 Whitley Rd.
Watauga, TX 76148
jwalls@wataugatx.org

Contract Renewal Accepted:

Signed: ____________ Date: 12-27-21

Andrea Gardner
City of Watauga

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2021-832103

Date Filed:
12/13/2021

Date Acknowledged:
12-27-21

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

McCreary, Veselka, Bragg & Allen, P.C.
Round Rock, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Watauga, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

No.19-003 1st one year renewal
Collection Agency Services

4

Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party. [X]

6 UNSWORN DECLARATION

My name is Steven Whigham, and my date of birth is 05/24/1956.

My address is 700 Jeffrey Way, Suite 100 (street), Round Rock (city), TX (state), 78665 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Williamson County, State of Texas, on the 13th day of December (month), 20 21 (year).

Steven W. Whigham

Signature of authorized agent of contracting business entity
(Declarant)

AGENDA MEMORANDUM

DATE: December 29, 2021

TO: Honorable City Council Members

FROM: Sandra Gibson, Director of Finance

THROUGH: Joshua Jones, City Manager

SUBJECT: Consider action to approve the Monthly Financial Report for the period ending November 30, 2021

BACKGROUND/INFORMATION:

The monthly financial report for the period ending November 30, 2021 is attached for Council review and approval.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends that Council review and approve the Monthly Financial Report for the period ending November 30, 2021.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Council Report - November 2021 to Council January 10, 2022

REVIEWED BY:

Sandra Gibson, Director of Finance	Approved - 1/4/2022
Caroline Kelley, City Attorney	Approved - 1/4/2022
Joshua Jones, City Manager	Approved - 1/5/2022
Linda Proskey, City Secretary	Final Approval - 1/5/2022

Approved as to form for inclusion on Agenda

Monthly Financial Report Fiscal 2021-2022
For the period ending November 30, 2021

Sales Tax

The City's sales tax receipts from the State Comptroller received in the month of December 2021 (reflecting October 2021 sales receipts) increased by 14.11%, or $53,098.67 from the same time last year. This amount includes prior period adjustments, future period adjustments and audit collections. Sales tax receipts for October 2021 include the quarter cent increase in sales tax for the General Fund approved by voters in May 2021. The quarter cent sales tax was previously dedicated to street maintenance until abolished in November, 2020 (effective January 1, 2021).

A comparison of October 2021 sales tax receipts for Watauga and surrounding cities are shown below:

SALES TAX RECEIPTS COMPARISONS OCTOBER 2020 vs. OCTOBER 2021
RECEIVED FROM COMPTROLLER - DECEMBER
FISCAL YEAR 2021-2022

	Sales Tax Receipts for the Month:						
City		OCTOBER 2021 Sales		OCTOBER 2020 Sales		$ Change	% Change
Grapevine	$	4,315,971.57	$	3,032,185.05	$	1,283,786.52	42.34%
Southlake	$	3,044,179.69	$	2,452,030.46	$	592,149.23	24.15%
Bedford	$	1,146,245.33	$	948,099.02	$	198,146.31	20.90%
Saginaw	$	554,661.03	$	463,235.18	$	91,425.85	19.74%
Colleyville	$	590,867.62	$	496,784.68	$	94,082.94	18.94%
Fort Worth	$	16,196,843.01	$	13,723,846.74	$	2,472,996.27	18.02%
Keller	$	1,197,824.80	$	1,016,888.49	$	180,936.31	17.79%
Hurst	$	1,385,266.86	$	1,185,239.95	$	200,026.91	16.88%
Watauga	$	429,442.70	$	376,344.03	$	53,098.67	14.11%
Roanoke	$	2,273,519.01	$	1,998,989.11	$	274,529.90	13.73%
Haltom City	$	1,246,642.58	$	1,103,293.12	$	143,349.46	12.99%
N. Richland Hills	$	1,489,687.13	$	1,369,719.05	$	119,968.08	8.76%
Euless	$	1,604,870.32	$	1,536,390.70	$	68,479.62	4.46%
Richland Hills	$	490,304.72	$	471,851.30	$	18,453.42	3.91%

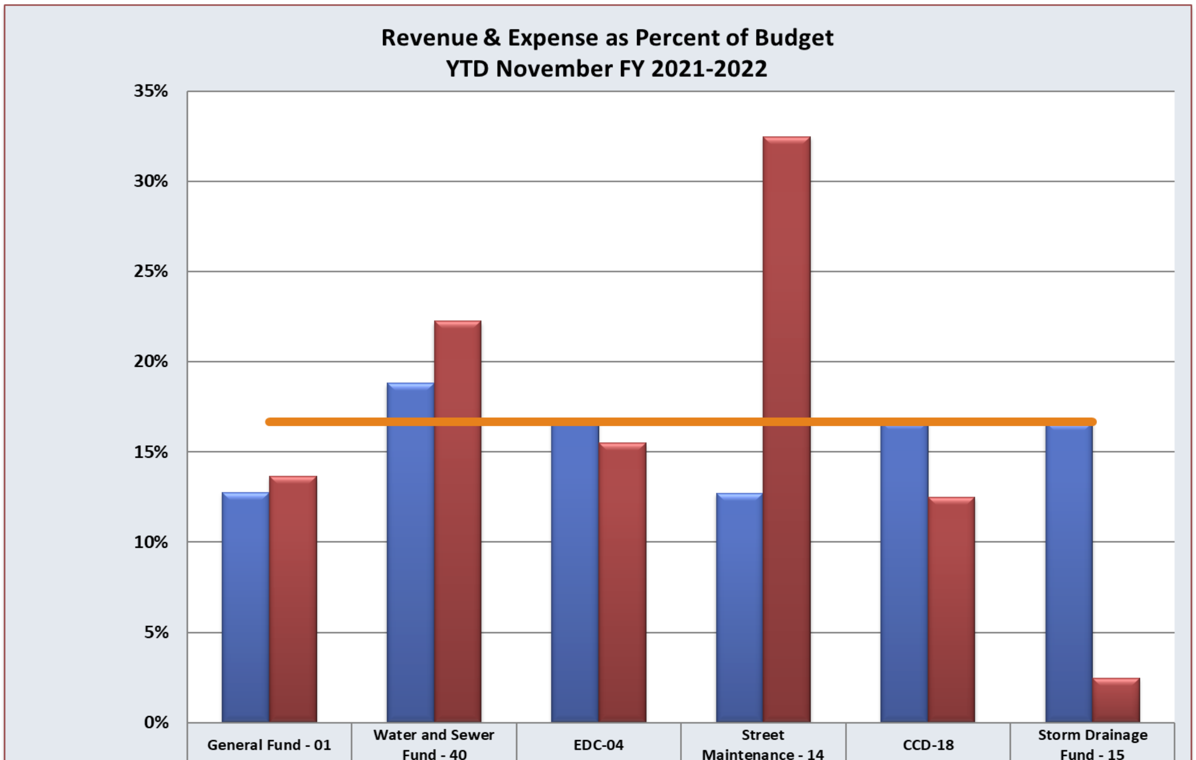
Source: State Comptroller

City Collections only - not Special Purpose Districts or Transit

The City will receive the distribution for November 2021 sales tax receipts on January 8, 2022. Sales tax revenues have been estimated for the November reporting period.

Financial Highlights

The City is 16.7% through the fiscal year 2021-2022. Revenue and expenses are reflected in the chart below and details of each fund's revenues and expenditures are attached. Also attached is a Departmental Consolidated Budget Report that shows expenditures for departments across all funds. For example, the Police Department budget and expenditures are combined for two funds in which expenditures are reported (General Fund and Crime Control). The Consolidated Departmental Budget Report does not include capital outlay or debt service expenditures.



	General Fund - 01	Water and Sewer Fund - 40	EDC-04	Street Maintenance - 14	CCD-18	Storm Drainage Fund - 15
Revenues	12.76%	18.80%	16.89%	12.72%	16.69%	16.65%
Expenses	13.64%	22.25%	15.50%	32.48%	12.51%	2.48%
Percent of Year	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%

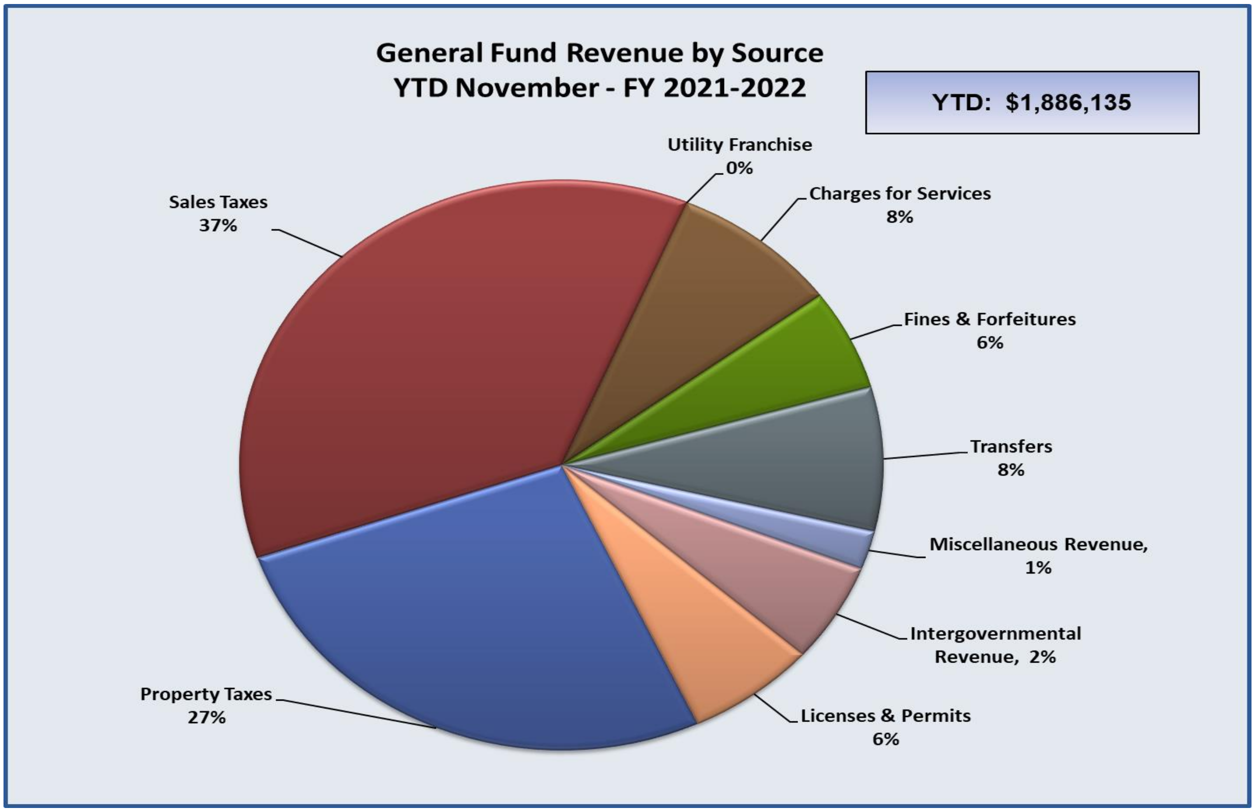
General Fund

Revenues – Year-to-date revenues represent 12.8% of budget collected, or $1,886,135.

Property Tax – As of November 30, 2021, the City has received 7.7% of budgeted property taxes. The majority of property tax revenues are received in December and January.

Utility Franchise Revenue - The majority of franchise receipts are received on a quarterly basis. The City has received only a few receipts for budgeted franchise fee revenues through November 2021. First quarter receipts are usually received in February.

Licenses and Permits - License and permit fees are at 21.6% of budget collected; an increase of $32,847 over prior year.



Charges for Services - Charges for Services revenues are at 20.6% of budget collected. Charges for services include recreation fees, ambulance services, garbage collection fees and animal adoption fees. Through the month of November, this revenue category is up $12,445 or 20.2% in comparison to the same period of prior year.

Fines and Forfeitures - Fines and Forfeitures are at 19% of budget which is $20,662 or 62.7% higher in comparison to the same period last year.

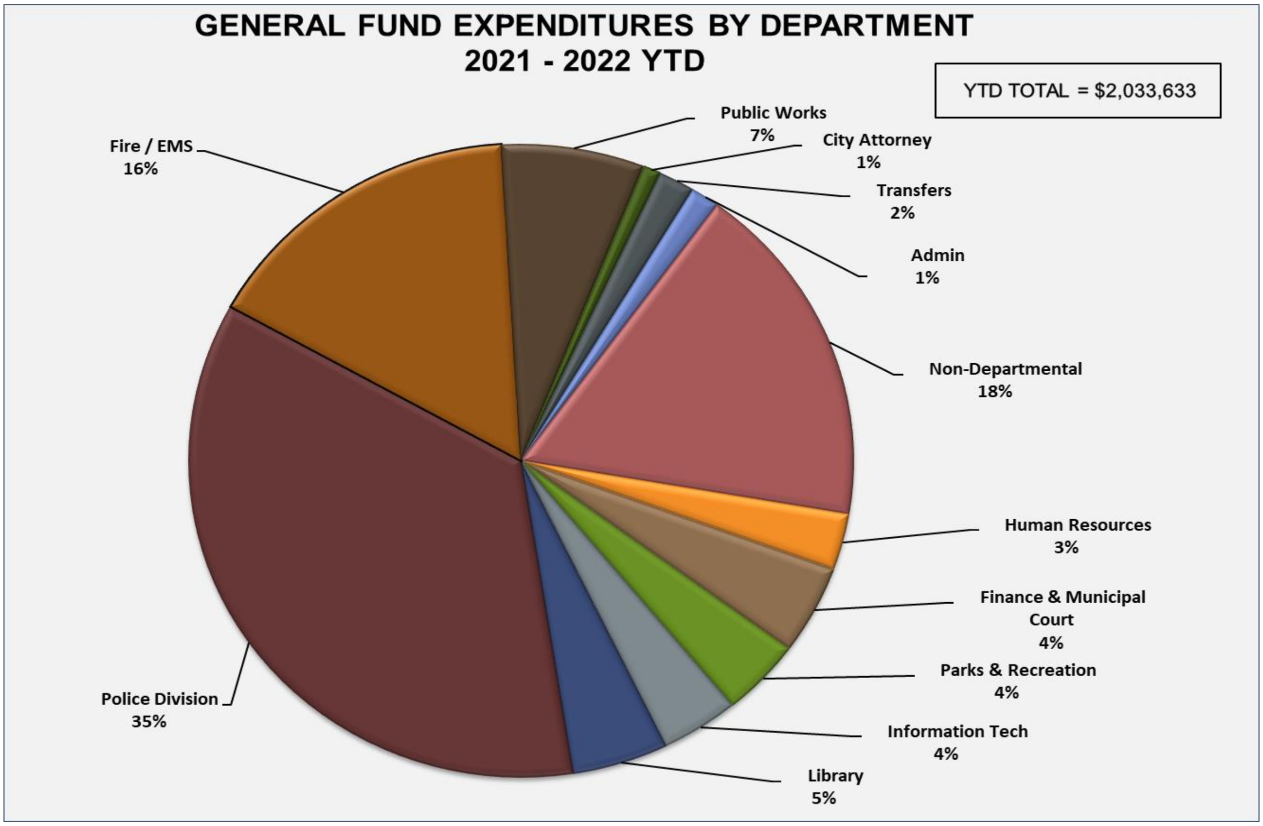
Miscellaneous Revenue - Miscellaneous revenues include interest earnings, rental of recreational facilities, bingo, and other revenue. These receipts total $41,179 which is 13.7% of budgeted revenues.

Intergovernmental Revenue and Transfers - Intergovernmental Revenue include transfers from other funds for services the general fund provides and payments in lieu of taxes from the enterprise funds. This revenue is 21.1% of budget. Transfers are at 19.6% of budget.

Expenses - General fund expenses are at 13.6% of budget expended and total $2,033,633. Expenditures are 24.9% higher in comparison to the prior year. This is attributable to the following:

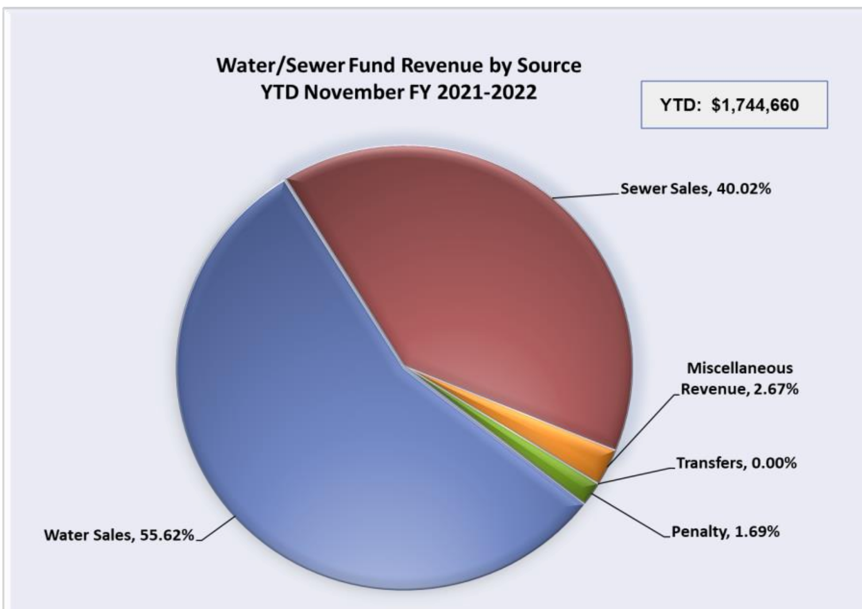
- CARES grant funding was in place last year (through December, 2020) that provided relief to the General Fund for COVID-19 emergency response. The grant allowed the City to allocate certain personnel expenses to the grant fund.

- In FY2021-2022, it was necessary to move traffic safety personnel and expenditures from the Traffic Safety Fund to the General Fund due to the discontinuation of the Red Light Camera program.
- Several positions previously unfunded due to expense control measures were restored this fiscal year, resulting in increased personnel expenses compared to prior year.



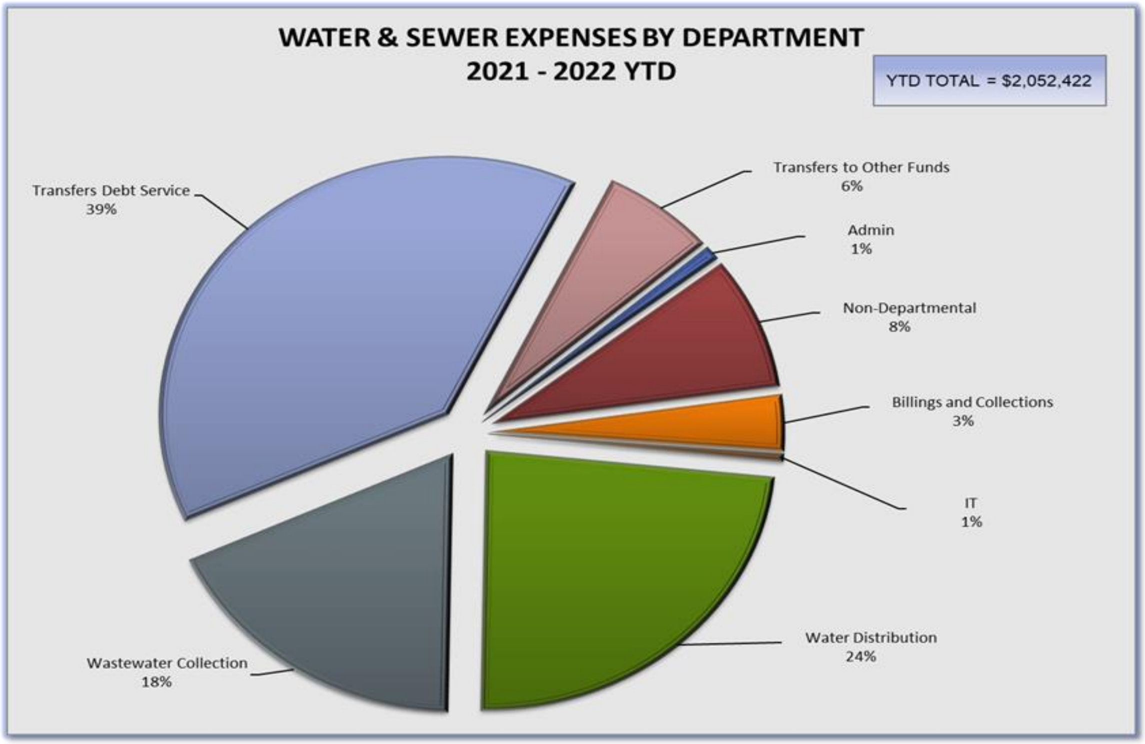
Water and Sewer Fund

Water and sewer revenues are currently at 18.8% of budgeted revenues through November 2021. Water sales are at 19.9% of budgeted revenues and Sewer revenues are at 17.6% of budget. Water consumption varies due to seasonal fluctuations. Revenues are $180,492 higher than prior year through November 2021. Water consumption compared to prior year increased 13%.



Miscellaneous Sales - Miscellaneous sales include penalty revenue, EPA revenue, service charges, returned check fees, and damaged/ tampering fees. This category of revenue is at 17.6% of budget collected.

Expenses – Year-to-date expenses in the Water/Sewer fund are currently at 22.3% of budget. Transfers to debt service are at 39% of budget due to payments scheduled for February 1, 2022 which make up a significant portion of expenses. The breakdown of expenses by department is shown as follows:



Storm Drain Fund – Revenues represent 16.6% of budget collected. Expenses are at 2.5% of budget in this fund through November 2021. Capital projects budgeted in FY2021-2022 include Whitley Road and other storm drain improvements.

Special Revenue Funds

- **Street Maintenance Fund** expenses are at 32.5% of budget. Projects are being funded using reserves. Various street projects from the 2020-2021 Tarrant County Overlay were completed in 2021-2022 and are reflected in this year's expenditures.
- **Crime Control and Prevention District** revenues collected are 16.7% of budget and expenditures are at 12.5% of budget.
- **Economic Development Corporation Fund** has collected 17% of sales tax revenues and is at 15.5% of budget expended through November 2021.

YEAR-END AUDIT

The Finance staff has been preparing the year-end audit. This process includes review of financials, journal entries and preparation of various schedules and reports. The City's external auditor, Weaver, completed field audit on December 22nd. The final report for Fiscal Year ending September 30, 2021, will be available and presented at the March Council meeting.

Fund Detail Report

NOVEMBER 2021

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

GENERAL FUND - 01

REVENUE:	ORIGINAL BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
TAXES							
AD VALOREM	6,292,000	484,929	7.71%	92.29%	430,024	54,905	12.77%
Delinquent	35,000	12,752	36.43%	63.57%	8,218	4,534	55.17%
Penalty & Interest	37,500	5,208	13.89%	86.11%	2,381	2,827	118.76%
SALES TAX	4,118,000	691,174	16.78%	83.22%	502,835	188,339	37.46%
UTILITY FRANCHISE	797,000	86	0.01%	99.99%	76	10	12.96%
LICENSES & PERMITS	569,000	122,797	21.58%	78.42%	89,950	32,847	36.52%
INTERGOVERNMENTAL REVENUE	502,600	106,071	21.10%	78.90%	89,778	16,293	18.15%
CHARGES FOR SERVICES	776,000	159,978	20.62%	79.38%	132,995	26,983	20.29%
FINES & FORFEITURES	564,900	107,837	19.09%	80.91%	73,970	33,867	45.78%
MISCELLANEOUS INCOME	301,650	41,179	13.65%	86.35%	108,474	(67,295)	-62.04%
OPERATING TRANSFERS IN	788,300	154,125	19.55%	80.45%	133,274	20,850	15.64%
TOTAL REVENUE	**$14,781,950**	**$1,886,135**	**12.76%**	**87.24%**	**$1,571,975**	**$314,159**	**19.99%**
ADMINISTRATION	422,625	28,960	6.85%	93.15%	57,936	(28,976)	-50.01%
HUMAN RESOURCES	222,980	58,461	26.22%	73.78%	23,248	35,213	151.47%
BUILDINGS - PW	834,540	50,148	6.01%	93.99%	57,531	(7,383)	-12.83%
FINANCE	552,420	50,696	9.18%	90.82%	39,713	10,983	27.65%
MUNICIPAL COURT - FIN	399,255	41,195	10.32%	89.68%	45,611	(4,416)	-9.68%
DEVELOPMENTAL SERVICES - PW	200,120	20,652	10.32%	89.68%	34,835	(14,183)	-40.72%
LIBRARY	946,500	94,891	10.03%	89.97%	106,199	(11,308)	-10.65%
PARKS AND RECREATION	1,055,060	79,948	7.58%	92.42%	88,323	(8,374)	-9.48%
POLICE	4,629,780	723,695	15.63%	84.37%	432,971	290,724	67.15%
FIRE/EMS	3,138,330	324,797	10.35%	89.65%	176,769	148,028	83.74%
PUBLIC WORKS - STREETS	534,590	44,760	8.37%	91.63%	58,481	(13,722)	-23.46%
FLEET MANAGEMENT - PW	224,070	25,303	11.29%	88.71%	23,930	1,373	5.74%
NON-DEPARTMENTAL	733,615	359,260	48.97%	51.03%	355,098	4,162	1.17%
INFORMATION TECHNOLOGY	548,590	77,280	14.09%	85.91%	111,423	(34,143)	-30.64%
ECONOMIC DEVELOPMENT	-	-	0.00%	0.00%	-	0	0.00%
CITY ATTORNEY	250,000	17,753	7.10%	92.90%	-	17,753	-
TRANSFERS TO OTHER FUNDS	215,000	35,833	16.67%	83.33%	16,667	19,167	115.00%
TOTAL EXPENDITURES	**14,907,475**	**2,033,633**	**13.64%**	**86.36%**	**1,628,736**	**$404,897**	**24.86%**
EXCESS REVENUE OVER (UNDER) EXPENDITURES	**($125,525)**	**($147,498)**			**($56,760)**	**($90,738)**	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

DEBT SERVICE FUND - 03

REVENUE:	CURRENT BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
TAXES							
AD VALOREM	2,946,000	226,808	7.70%	92.30%	192,861	$33,947	17.60%
Delinquent	11,000	5,719	51.99%	48.01%	3,535	$2,184	61.76%
Penalty & Interest	10,000	2,237	22.37%	77.63%	900	$1,337	148.62%
INTEREST EARNINGS	1,000	132	13.19%	86.81%	308	($176)	-57.21%
OTHER FINANCING SOURCES	-	0	-	-	0	$0	-
OPERATING TRANSFERS IN	147,078	24,513	16.67%	83.33%	26,251	($1,738)	-6.62%
TOTAL REVENUE	**$3,115,078**	**$259,409**	**8.33%**	**91.67%**	**$223,855**	$35,553	**15.88%**
Contractual & Sundry	3,143,658	-	0.00%	100.00%	-	$0	0.00%
TOTAL EXPENDITURES	**3,143,658**	**-**	**0.00%**	**100.00%**	**-**	**$0**	0.00%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	**($28,580)**	**$259,409**			**$223,855**	**$35,553**	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

WATER & SEWER - 40

REVENUE:	CURRENT BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
WATER SALES	4,864,898	970,381	19.95%	80.05%	857,577	112,804	13.15%
SEWER SALES	3,975,000	698,138	17.56%	82.44%	627,526	70,613	11.25%
MISCELLANEOUS	260,000	45,829	17.63%	82.37%	42,980	2,849	6.63%
PENALTY	175,000	29,477	16.84%	83.16%	24,000	5,478	22.82%
INTEREST	5,000	834	16.67%	83.33%	1,084	(251)	-23.12%
TRANSFERS	-	-	0.00%	0.00%	10,701	(10,701)	0.00%
TAP FEES	-	-	-	-	300	(300)	0.00%
SALE OF ASSETS	-	-	-	-	-	-	-
TOTAL REVENUE	$9,279,898	$1,744,660	18.80%	81.20%	$1,564,168	$180,492	11.54%
ADMINISTRATIVE	157,800	17,391	11.02%	88.98%	21,262	(3,871)	-18.21%
NON-DEPARTMENTAL	702,180	169,454	24.13%	75.87%	156,728	12,726	8.12%
BILLING & COLLECTIONS	535,160	70,959	13.26%	86.74%	61,209	9,750	15.93%
MGT. INFO SYSTEMS	106,190	9,582	9.02%	90.98%	10,628	(1,046)	-9.84%
WATER DISTRIBUTION	2,812,415	485,121	17.25%	82.75%	393,657	91,464	23.23%
WASTEWATER COLLECTION	2,439,135	368,827	15.12%	84.88%	227,289	141,538	62.27%
TRANSFERS	2,470,000	931,089	37.70%	62.30%	739,593	191,495	25.89%
TOTAL EXPENDITURES	9,222,880	2,052,422	22.25%	77.75%	1,610,366	$442,056	27.45%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	$57,018	($307,762)			($46,199)	($261,564)	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

STORM DRAIN FUND - 15

REVENUE:	CURRENT BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
USERS FEE	1,480,000	246,135	16.63%	83.37%	245,612	523	0.21%
OTHER REVENUE	-	-	-	-	-	-	-
INTEREST INCOME	2,000	548	27.38%	72.62%	1,587	(1,039)	-65.49%
			-	-		-	-
TOTAL REVENUE	$1,482,000	$246,682	16.65%	83.35%	$247,199	($517)	-0.21%
PERSONNEL	444,300	49,675	11.18%	88.82%	$83,971	(34,295)	-40.84%
SUPPLIES	30,200	2,029	6.72%	93.28%	$864	1,165	134.86%
MAINTENANCE	36,500	(275)	-0.75%	100.75%	$197	(473)	0.00%
CONTRACTUAL & SUNDRY	179,375	27,898	15.55%	84.45%	$28,539	(641)	-2.25%
CAPITAL	2,937,111	-	0.00%	100.00%	$57,970	(57,970)	0.00%
TRANSFERS TO OTHER FUNDS	73,500	12,307	16.74%	83.26%	$12,280	27	0.22%
TOTAL EXPENDITURES	3,700,986	91,634	2.48%	97.52%	$183,821	($92,187)	-50.15%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	($2,218,986)	$155,049			$63,378	$91,671	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

CRIME CONTROL DISTRICT - 18

REVENUE:	ORIGINAL BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
SALES TAX	1,610,000	279,338	17.35%	82.65%	248,158	31,179	12.56%
INTEREST EARNING/OTHER	66,000	313	0.47%	99.53%	329	(16)	-4.96%
TRANSFERS	-		-	-		-	-
TOTAL REVENUE	**$1,676,000**	**$279,651**	**16.69%**	**83.31%**	**$248,488**	**$31,163**	**12.54%**
PERSONNEL SERVICES	1,029,000	131,841	12.81%	87.19%	$143,472	(11,630)	-8.11%
SUPPLIES	143,500	20,795	14.49%	85.51%	$9,598	11,197	116.66%
MAINTENANCE	225,500	4,103	1.82%	98.18%	$35,401	(31,298)	-88.41%
CONTRACTUAL & SUNDRY	192,000	40,267	20.97%	79.03%	$30,858	9,409	30.49%
TRANSFERS	30,000	5,587	18.62%	81.38%	$4,866	721	14.82%
CAPITAL OUTLAY	-	-	0.00%	0.00%	$0	-	0.00%
TOTAL EXPENDITURES	**1,620,000**	**202,593**	**12.51%**	**87.49%**	**$224,195**	**($21,602)**	**-9.64%**
EXCESS REVENUE OVER (UNDER) EXPENDITURES	**$56,000**	**$77,058**			**$ 24,293**	**$52,765**	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending November 30, 2021 (1st FY Qtr.)

STREET MAINTENANCE FUND - 14

REVENUE:	ORIGINAL BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
SALES TAX	-	-	0.00%	100.00%	125,709	(125,709)	-100.0%
INTEREST EARNINGS	2,000	254	0.00%	100.00%	600	(345)	-57.6%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	-	-	-	-	-	-	-
TOTAL REVENUE	$ 2,000	$254	0.00%	200.00%	126,308	($126,054)	-99.80%
MAINTENANCE	100,000	846	0.85%	99.15%	1,792	(946)	0.0%
CONTRACTUAL & SUNDRY	8,000	705	8.81%	91.19%	50	655	0.0%
CAPITAL OUTLAY	800,000	293,373	36.67%	63.33%	62,405	-	0.0%
TOTAL EXPENDITURES	908,000	294,924	32.48%	67.52%	64,247	$230,677	359.0%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	($906,000)	-$294,669			$62,062	($356,731)	

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending: November 30, 2021 (1st FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

REVENUE:	CURRENT BUDGET	11/30/2021 YTD ACTUAL	% USED	% REMAINING	11/30/2020 YTD ACTUAL	$ CHG 22 vs 21	% CHG 22 vs 21
SALES TAX	814,000	138,391	17.00%	83.00%	125,709	12,682	10.09%
INTEREST EARNINGS	2,000	273	13.67%	86.33%	361	(88)	-24.25%
INTEREST/ESCROW	-	-	-	-	-	0	-
CONTRIBUTIONS/OTHER	5,000	-	-	-	-	0	-
TOTAL REVENUE	**$821,000**	**$138,664**	**16.89%**	**83.11%**	**$126,070**	12,594	**9.99%**
PERSONNEL SERVICES	-	-	0.00%	0.00%	-	-	0.00%
NON-DEPARTMENTAL	-	-	0.00%	0.00%	-	-	0.00%
SUPPLIES	1,100	(13)	-1.14%	101.14%	-	(13)	#DIV/0!
MAINTENANCE	900	-	0.00%	0.00%	-	-	0.00%
CONTRACTUAL & SUNDRY	141,690	18,152	12.81%	87.19%	30,392	(12,239)	-40.27%
TRANSFERS	401,878	66,980	16.67%	83.33%	64,881	2,099	3.24%
CAPITAL OUTLAY	3,700	-	0.00%	100.00%	-	-	0.00%
TOTAL EXPENDITURES	**549,268**	**85,119**	**15.50%**	**84.50%**	**$ 95,272**	**(10,153)**	**-10.66%**
EXCESS REVENUE OVER (UNDER) EXPENDITURES	**$271,733**	**$53,545**			**$30,798**	**$22,747**	

DEPARTMENTAL CONSOLIDATED REPORT

NOVEMBER 2021

Group Summary

Department	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
010 - CITY SECRETARY OFFICE	333505.00	333,505.00	26,787.90	45,485.29	-2,983.25	291,002.96	87.26 %
011 - HUMAN RESOURCES	222980.00	222,980.00	52,420.84	58,461.07	23,476.72	141,042.21	63.25 %
013 - DEVELOPMENT SERVICES DIVISION	200120.00	200,120.00	12,286.04	20,651.98	5,072.08	174,395.94	87.15 %
015 - CITY MANAGER	246920.00	246,920.00	228.82	864.91	0.00	246,055.09	99.65 %
016 - BUSINESS RETENTION/EDC	21610.00	21,610.00	0.00	0.00	123.84	21,486.16	99.43 %
017 - BUSINESS ATTRACTION/EDC	36750.00	36,750.00	0.00	0.00	25,000.00	11,750.00	31.97 %
018 - GENERAL ADMINISTRATION/EDC	89030.00	89,030.00	13,262.79	18,139.79	7,750.00	63,140.21	70.92 %
020 - NON-DEPARTMENTAL	1558400.00	1,558,400.00	107,503.28	548,081.49	31,187.50	979,131.01	62.83 %
021 - CITY ATTORNEY	250000.00	250,000.00	17,753.10	17,753.10	0.00	232,246.90	92.90 %
030 - MUNICIPAL COURT DIVISION	399255.00	399,255.00	26,590.07	41,194.76	1,016.91	357,043.33	89.43 %
040 - FINANCE	603000.00	603,000.00	30,138.94	54,698.63	62,348.17	485,953.20	80.59 %
045 - BILLING & COLLECTIONS	535160.00	535,160.00	33,491.44	70,959.01	1,875.00	462,325.99	86.39 %
050 - INFORMATION TECHNOLOGY	654780.00	654,780.00	37,695.74	86,862.03	26,092.81	541,825.16	82.75 %
060 - LIBRARY	957200.00	957,200.00	52,968.79	94,891.39	43,044.39	819,264.22	85.59 %
070 - RECREATION	431890.00	431,890.00	11,198.20	24,801.38	6,144.40	400,944.22	92.83 %
075 - PARKS DEPARTMENT	623170.00	623,170.00	39,876.88	55,147.07	157,570.37	410,452.56	65.87 %
080 - POLICE	6219780.00	6,219,780.00	484,237.07	920,700.95	67,601.66	5,231,477.39	84.11 %
085 - FIRE/MIS	3409330.00	3,409,330.00	227,337.60	380,890.26	38,961.81	2,989,477.93	87.69 %
090 - PUBLIC WORKS	1111485.00	1,111,485.00	61,889.62	102,609.45	53,414.10	955,461.45	85.96 %
093 - WATER DISTRIBUTION	2812415.00	2,812,415.00	206,265.44	485,120.92	44,156.77	2,283,137.31	81.18 %
094 - WASTEWATER COLLECTION	2439135.00	2,439,135.00	167,217.21	368,827.01	12,100.00	2,058,207.99	84.38 %
097 - FLEET MAINTENANCE	224070.00	224,070.00	29,013.42	25,303.08	38,584.20	160,182.72	71.49 %
098 - BUILDING MAINTENANCE	834540.00	834,540.00	30,409.59	50,148.10	36,781.34	747,610.56	89.58 %
Report Total:	**24,214,525.00**	**24,214,525.00**	**1,668,572.78**	**3,471,591.67**	**679,318.82**	**20,063,614.51**	**82.86 %**

WATAUGA
TEXAS
"A GREAT PLACE TO LIVE"

AGENDA MEMORANDUM

DATE: December 15, 2021

TO: Honorable City Council Members

FROM: Randy Richards, Building Official

SUBJECT: Public hearing to receive comments for or against a request for a specific use permit and consider action on the final report regarding an Ordinance of the City Council of the City of Watauga, Texas granting Specific Use Permit SUP.21-05: Packaged Liquor Store with Drive-Thru for the property located along the Rufe Snow Corridor, Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace to the owner/agent of such property; providing for repeal; providing for severability; providing a penalty; providing an effective date; and containing other provisions relating to the subject. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

BACKGROUND/INFORMATION:

The applicant, Blazing Hospitality, is requesting a specific use permit to allow for a packaged liquor store with a drive-thru in a General Business (GB) zoning district. The location is currently vacant property which is under contract to be purchased by Blazing Hospitality for development.

Establishments that sell alcohol are to be licensed by the approval of the Texas Alcoholic Beverage Commission (TABC). An alcohol permit application will be filed with the City Secretary in accordance with the Code of Ordinances, Chapter 4-Alcoholic Beverages.

The proposed establishment is clearly located along a required corridor meeting spacing requirements between such stores and other land uses such as schools, parks and churches.

FINANCIAL IMPLICATIONS:

NA

RECOMMENDATION/ACTION DESIRED:

City staff respectfully recommends consideration of comments received during the public hearing of the final report on the request for the January 10, 2022, City Council Regular meeting.

AGENDA MEMORANDUM

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. ORDINANCE - SUP.21-05
2. Exhibit A: Blazing Hospitality - Watauga (Rufe Snow Dr.), TX - Concept 1.3
3. Final Report SUP. 21-05 - Rufe Snow Corridor - JG

REVIEWED BY:

Randy Richards, Building Official	Approved - 1/3/2022
Paul Hackleman, Director of Public Works	Approved - 1/3/2022
Caroline Kelley, City Attorney	Approved - 1/4/2022
Linda Proskey, City Secretary	Final Approval - 1/4/2022

Approved as to form for inclusion on Agenda

CITY OF WATAUGA, TEXAS
ORDINANCE NO. 2022-XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS GRANTING SPECIFIC USE PERMIT SUP.21-05: PACKAGED LIQUOR STORE WITH DRIVE-THRU FOR THE PROPERTY DESCRIBED AS STRINGER ADDITION, LOT 3R2 BLOCK 1 AND ADDRESSED AS 8235 RUFE SNOW DRIVE TO THE OWNER/AGENT OF SUCH PROPERTY; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING A PENALTY; PROVIDING AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, Owens-Stringer Inc. (hereinafter, the "Owner") owns property addressed as 8235 Rufe Snow Drive, located to the west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace and described as Stringer Addition, Lot 3R2 Block 1, located in the City of Watauga, Tarrant County, Texas (hereinafter, the "Property"); and

WHEREAS, the City of Watauga has adopted a comprehensive zoning ordinance providing for the development of the City (hereinafter, the "Zoning Chapter"); and

WHEREAS, the Property is presently zoned with the classification of General Business (GB) District; and

WHEREAS, Blazing Hospitality, the Owner's authorized agent, (hereinafter, the "Agent") has made proper application to the Planning and Zoning Commission, in accordance with the Zoning Chapter, for a specific use permit (SUP) authorizing the use of said Property as a packaged liquor store with drive-thru; and

WHEREAS, a specific use permit is an amendment to zoning applicable to the property but is not a permanent change in zoning; and

WHEREAS, in granting a specific use permit, the City Council may impose on the Owner/Agent certain requirements and safeguards as are necessary to protect adjoining properties; and

WHEREAS, written notice of the Planning and Zoning public hearing on the proposed changes was sent to all owners of property, or to the person rendering the same for city taxes, affected by such proposed changes of classification, and to all owners of property, or to the person rendering the same for city taxes located within 200 feet of the Property affected thereby, in accordance with Section 115-35(c)(3)(b); and

WHEREAS, the Planning and Zoning Commission and the City Council of the City of Watauga have each conducted, in the time and manner and after the notice required by law, a public hearing on the application for such specific use permit; and

WHEREAS, the Planning and Zoning Commission has issued its final report regarding said request for specific use permit, and the City Council now deems it appropriate to grant such requested specific use permit, subject to certain limitations, restrictions and conditions; and

WHEREAS, the City Council of the City of Watauga finds all requirements of the Zoning Chapter pertaining to zoning map amendments have been met; and

WHEREAS, the City Council of the City of Watauga finds that adoption of this ordinance is in the interest of the general health, safety, and welfare of the community and is in general conformance with the master plan of the City; and

WHEREAS, the City Council of the City of Watauga, Texas has considered the application and the materials presented referenced herein and now deems it appropriate to grant approval of the issuance of such SUP.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Watauga, Texas that:

I.

The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct.

II.

The specific use granted to the Owner/Agent for the Property by this Ordinance is Specific Use Permit SUP.21-05: Packaged Liquor Store with Drive-Thru.

III.

The Property shall be developed in accordance with the Site Plan attached hereto as Exhibit A and shall comply with the following additional regulations as provided in Section 115-85(c) of the Code of Ordinances:

(1) Site plan. A site plan will be required in accordance with section 115-115, Site plan requirements.
(5) All outdoor lighting, including parking lot lighting, shall be directed away from any property zoned or developed for residential uses.
(7) Screening and/or landscaping consisting of fences/walls, berms, or a combination of same, shall be provided to screen the property from any abutting residentially-zoned property.
(38) The Property shall have at least one drive approach facing Rufe Snow Drive.

(40) The Packaged Liquor Store located on the Property shall have a minimum floor area of 3,000 square feet.
(41) The Packaged Liquor Store located on the Property shall have a drive-thru lane.

IV.

The Zoning District Map of City of Watauga, Texas shall be revised and amended to show the specific use permitted on the Property as provided in Section II hereof, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the changes.

V.

If the use authorized by the Specific Use Permit granted is not commenced within one (1) year from the date of issuance for this permit, then this permit shall become void, provided that such limitation may be extended upon application by the Owner/Agent of such property to the City Council of the City of Watauga. In the event the building, premise, or land use under the specific use permit is voluntarily vacated by the Owner/Agent for a period of no less than six months, or if such building, premise, or land is more than 50 percent destroyed by fire or other cause, the use of the same shall thereafter conform to the regulations of the original zoning.

VI.

This Ordinance shall be and is hereby cumulative of all other ordinances of the City of Watauga, Texas, and this Ordinance shall not operate to repeal or affect any of such other ordinances, except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinance(s) are hereby repealed. However, to the extent this Ordinance represents any deviation from the Future Land Use Plan of the City of Watauga City Comprehensive Plan; such map is hereby amended to conform to this Ordinance.

VII.

If any section, sub-section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

VIII.

It shall be unlawful for any person to violate any provision of this Ordinance. Any person who violates, or any person who causes or allows another person to violate, any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than Two Thousand Dollars ($2000.00). Each occurrence of any violation of this Ordinance shall constitute a separate offense. Each day in which any violation of this Ordinance occurs shall constitute a separate offense.

IX.

This Ordinance shall become effective and be in full force and effect from and after the date of passage and adoption by the City Council and upon approval thereof by the Mayor of the City of Watauga, Texas and publication hereof as prescribed by law.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas, the 10th day of January, 2022.

APPROVED:

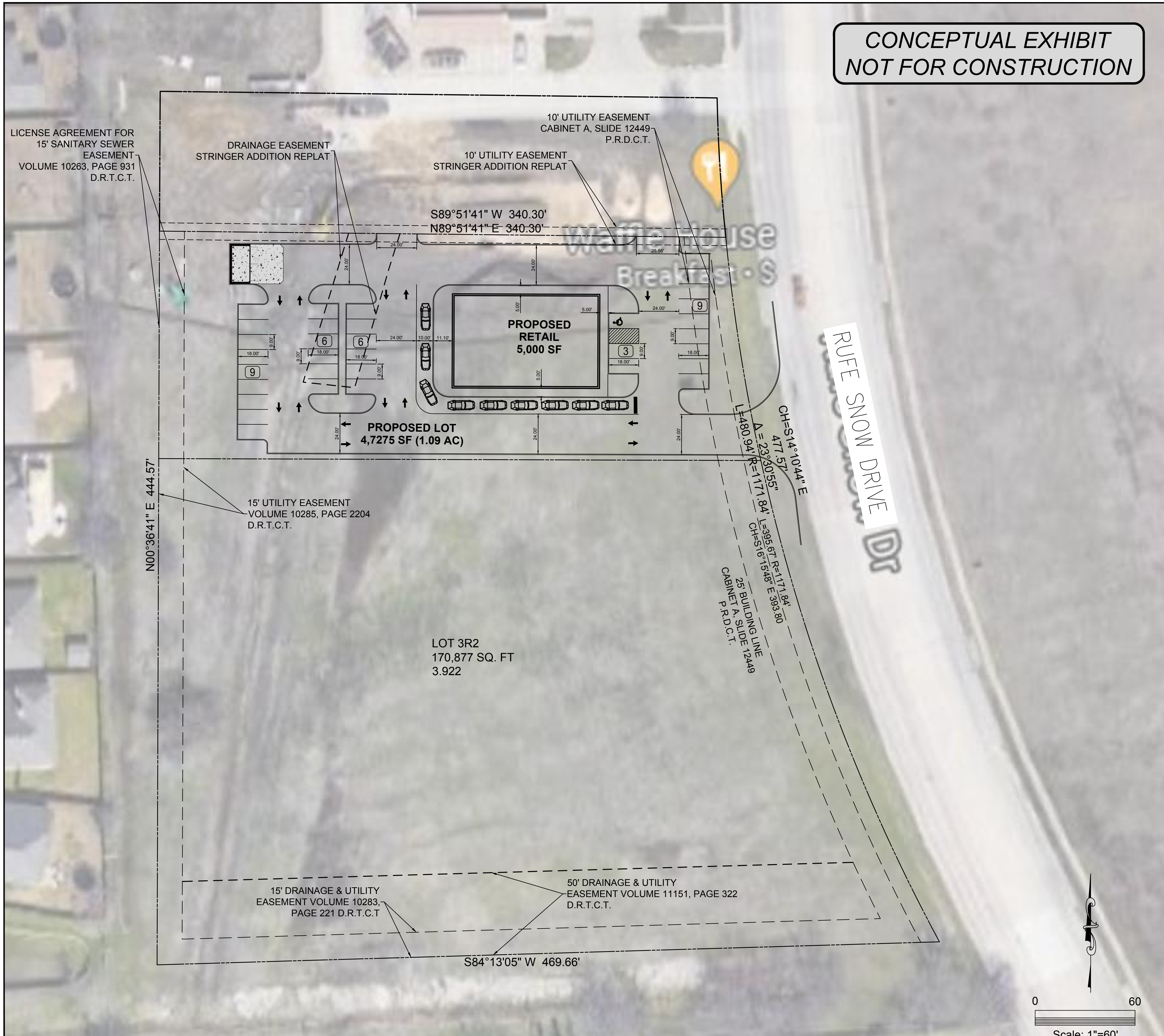
____
ARTHUR L. MINER, MAYOR

ATTEST:

____
LINDA PROSKEY, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

____
CITY ATTORNEY



SITE DATA TABLE

SITE

LOCATION:	RUFE SNOW DR. & BURSEYRD., TX- 76148
LOT AREA:	3.92 ACRES
CURRENT ZONING:	GB- GENERAL BUSINESS DISTRICT

PARKING

MIN REQUIRED SPACES FOR RETAIL:	1 PER 300 SF= 16 SPACE
TOTAL SPACES PROVIDED:	33 SPACES

PROPOSED LEGEND

PROPERTY LINE

BUILDING SETBACK LINE

1 PARKING COUNT

HEAVY DUTY CONCRETE

CONCEPTUAL EXHIBIT

BLAZING HOSPITALITY
4940 N TARRANT PARKWAY
FORT WORTH, TX 76244

Bowman Consulting Group, Ltd.
5601 Democracy Drive, Suite
Suite 205
Plano, TX 75025
Phone: (972) 497-2990
www.bowmanconsulting.com

CONCEPTUAL SITEPLAN
RUFE SNOW DRIVE
WATAUGA, TX 76148

Bowman CONSULTING

DSGN	DRAWN	CHKD
BB	BB	RCS

SCALE 1" = 60'

VERSION 1.1

FINAL REPORT

DATE: January 5, 2022

TO: City Council Members

FROM: Randy Richards, Building Official

SUBJECT: Recommendation to accept and file a final report for a specific use permit, for 8235 Rufe Snow Drive, Lot 3R2, Block 1, of the Stringer Addition, to allow for packaged liquor store with drive-thru in General Business (GB) zoning district (SUP.21-05)

BACKGROUND/INFORMATION:

Texas Local Government Code 211.007(b) requires the Planning & Zoning Commission make a preliminary report prior to approving changes to the City's Zoning Ordinance. As such, this document now serves as the final report.

The applicant, Blazing Hospitality is requesting for a specific use permit to allow for packaged liquor store with drive-thru in a General Business (GB) zoning district. The request is consistent with the surrounding districts allowing for Local Office/Retail/Commercial development and meets the future land use plan. The subject property is located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace. Owner, Owens-Stringer Inc.

During staff review of existing regulations, items considered, and steps taken include:

- The site plan requirements were met as stated in Sec. 115-115 as the location is currently a vacant piece of property which at this time is under contract to be purchased by Blazing Hospitality for development as a packaged liquor store.

- Permit liquor store establishments in the (GB) zoning district with an SUP required. Establishments that sell alcohol are to be licensed by the approval of the Texas Alcoholic Beverage Commission (TABC). An alcohol permit application will be filed with the City Secretary in accordance with the Code of Ordinances, Chapter 4-Alcoholic Beverages.

- Sec. 115-33. Specific Use Permit. (b) *Amendment to the zoning ordinance.* Every specific use permit granted under these provisions shall be considered as an amendment to the zoning ordinance as applicable to such property under construction but shall not be considered as being a permanent change in zoning.

- Staff reviewed the consistency of the zoning change with the Comprehensive Plan. Blazing Hospitality has filed request to construct a retail packaged liquor store with drive-thru along the Rufe Snow Corridor of the Stringer Addition. The neighboring properties are consistent with the proposed use as surrounding uses include restaurant, retail sales, and existing single-family residential lining Courtney Way to the west and High Lawn Terrace to the south. This location is prime retail space, and the proposed retail will not only serve the residents of Watauga but will also serve the surrounding neighborhoods to include North Richland Hills and Keller bringing an additional tax base to our city.

- The City Secretary's Office completed the required notice with the Fort Worth Star Telegram for the January 10, 2022 Public Hearing of the City Council.

- In accordance with State law, property owners received the public notice due to public records available through Tarrant Appraisal District which reflect they are the owner(s) of one or more parcels within two hundred (200) feet of the subject property. A site map was also attached for their information.

- One sign has been erected on the property which contains a notice of hearing and telephone number of staff from whom dates, and other information may be obtained.

CURRENT ACTIVITY:

A Specific Use Permit Application was submitted to Development Services on November 4, 2021. All requirements were satisfied, and notice was published in the Fort Worth Star Telegram on November 24, 2021, for the January 5, 2022, Public Hearing of the Planning and Zoning Commission. The public hearing was conducted as published. No public testimony was received during the public hearing; however, (4) four responses have been filed with the Commission and are attached to this report for Council review. The Preliminary Report was approved by the Commission to be completed and submitted as Final Report to the City Council by the Commission through the City Secretary's Office for consideration and action by the City Council.

The Commission considered the following criteria for the amendment:

1. The consistency of the proposed amendment with the City's Comprehensive Plan

On Page 6, a guiding principle for land use is "ensure that future development is orderly and efficient, compatible with existing land uses and enhances the overall quality of life."

Page 25 states a guiding principle for economic development is to encourage the development of non-residential services to enhance the tax base and meet the needs of Watauga residents.

2. The consistency of the proposed amendment with the intent and general regulations of the State Zoning laws

The proposed amendment is consistent to the existing districts and uses with the following purposes of Chapter 211 of Texas Local Government Code: promoting the public health, safety, morals, or general welfare and protecting and preserving places and areas of historical, cultural, or architectural importance or significance.

FINAL REPORT

3. The consistency of the proposed amendment with the City's Code of Ordinance

The proposed amendment is clearly located along a required corridor meeting spacing requirements between such stores and other land uses such as schools, parks, and churches with at least one drive approach facing Rufe Snow Drive. The retail packaged liquor store will have a minimum floor area of 5000 square feet and will also have a drive-thru lane.

RECOMMENDATION/ACTION DESIRED:

During the Planning and Zoning Commission Regular Meeting held Wednesday, January 5, 2022, the Commission members approved the following item for recommendation to City Council.

1. **SUP.21-05:** Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

Member Isbell made a motion to consider approval of the preliminary report of SUP.21-05 as written on the agenda to be sent as a final report to the City Council. Member Arend seconded the motion. Chairperson Nedderman called for discussion and hearing none, called for a vote. Members present voting as follows:

AYES:	Arend, Giles, Isbell, Gehle
NAYS:	None
ABSENT:	Adams, McCauley-Blackburn
ABSTAIN:	None

The motion carried 4-0-2-0.

The Watauga Planning and Zoning Commission, along with City staff, respectfully recommend the City Council accept the proposed amendment to Ordinance allowing for specific use permit as included in the final report filed with the City Secretary's Office on January 6, 2022. The Commission's Final Report includes the (4) four responses received to date in response to the public notices mailed to owners of one or more parcels within two hundred (200) feet of the subject property. The final report as filed with the City Secretary's Office on January 6, 2022, is scheduled to be considered upon conclusion of the public hearing to be held during the City Council regular meeting for January 10, 2022, at 6:30 p.m. on the proposed specific use permit.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

FINAL REPORT

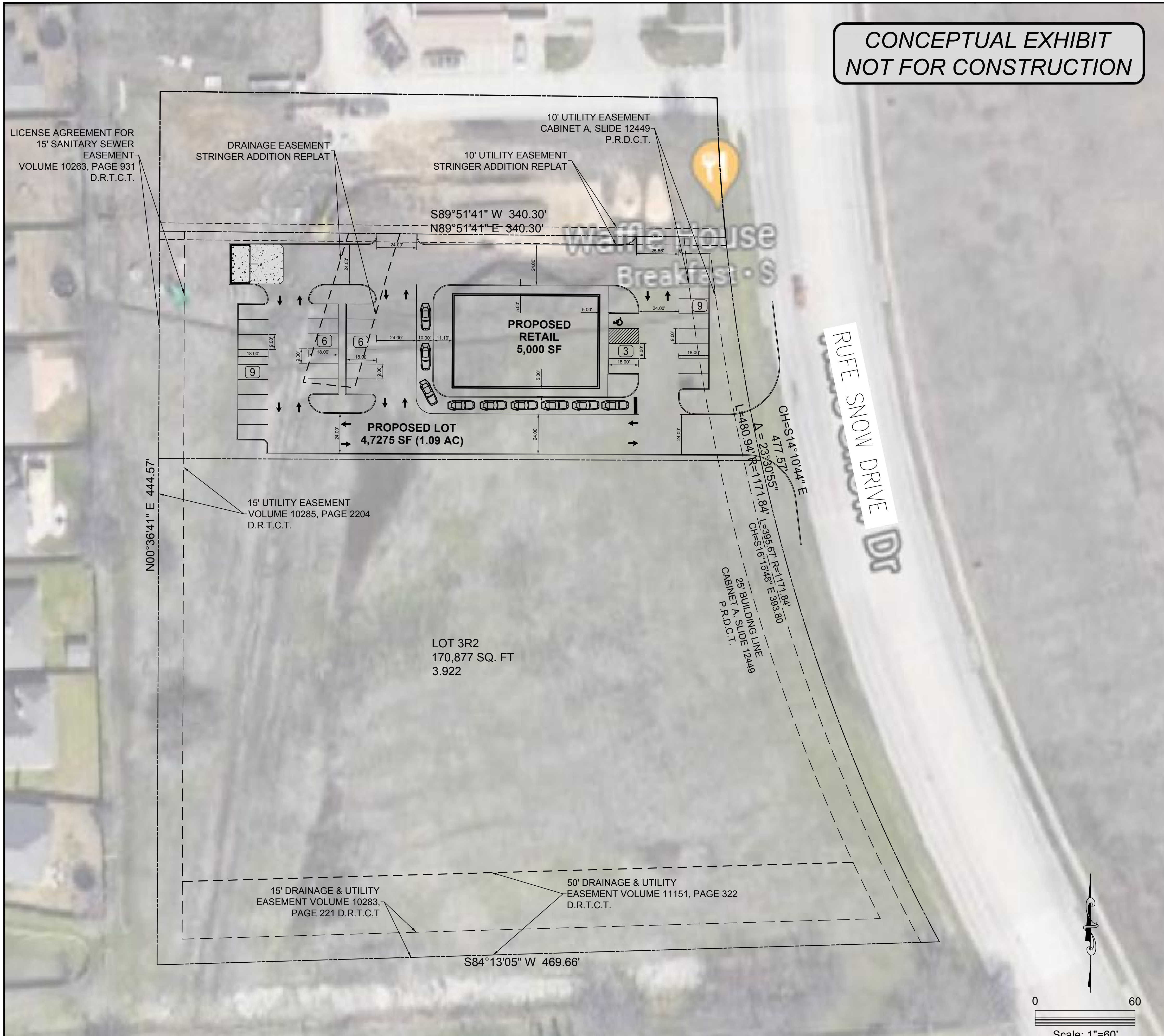
Property Survey/Site Plan

Public Hearing Notice, (4) Four Responses Received to date

City of Watauga Code of Ordinances, Article II. Administration and Enforcement, Section 115-33 Specific Use Permit

City of Watauga Code of Ordinances, Article V. Development Controls, Section 115-115 Site Plan Requirements

Recommendation of the Planning and Zoning Commission



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CONCEPTUAL SITEPLAN
RUFE SNOW DRIVE
WATAUGA, TX 76148

Bowman
CONSULTING

BB DSGN	BB DRAWN	RCS CHKD

SCALE 1" = 60'

VERSION 1.1

RUFE SNOW CORRIDOR - SUP.21-05

NAME	ADDRESS	RESPONSE
Waffle House Inc Stringer Addition	8243 Rufe Snow Dr Block 1 Lot 3R1	___________
Owens-Stringer Inc Stringer Addition	Rufe Snow Dr Block 1 Lot 3R2	SUPPORT__
Lee Fundamental Investment LLC Stringer Addition	6745 Rufe Snow Dr Block 1 Lot 2R	___________
GTY-GPM/EZ LEASING LLC Stringer Addition	8251 Rufe Snow Dr Block 1 Lot 1	RTS 122221_
DGN Equities LP Stringer Addition	6550 Bursey Rd Block 1 Lot 4R	___________
Julie A Molnar Durham Farms-Watauga	8240 Courtney Way Block B Lot 7	___________
Eric M & Erin M Welch Durham Farms-Watauga	8236 Courtney Way Block B Lot 8	___________
David Stanley Durham Farms-Watauga	8232 Courtney Way Block B Lot 9	___________
Faud & Mehreen Khokar Durham Farms-Watauga	8228 Courtney Way Block B Lot 10	__________
Kayleen N Thomason Durham Farms-Watauga	8224 Courtney Way Block B Lot 11	___________
The Van & Sam M Nguyen Durham Farms-Watauga	8220 Courtney Way Block B Lot 12	___________
Carl Wilson Durham Farms-Watauga	8216 Courtney Way Block B Lot 13	__________
Yacorsha L & Garvin S Smith Durham Farms-Watauga	8212 Courtney Way Block B Lot 14	___________

David & Penny Fridge Durham Farms-Watauga	8208 Courtney Way Block B Lot 15	___________
Timothy Jackson Durham Farms-Watauga	8204 Courtney Way Block B Lot 16	PROTEST__
Andrew K Schmidt Durham Farms-Watauga	8200 Courtney Way Block B Lot 17	PROTEST__
Matthew & Brianne Myers Durham Farms-Watauga	6576 Fairview Dr Block B Lot 18	___________
Durham Farms HOA INC Durham Farms-Watauga	6572 Fairview Dr Block B Lot 19 COMMON AREA	__________
Sheila Wilhelm Foster Village Addition	6601 High Lawn Terr Block 73 Lot 10	__________
Marsha W Jordan Foster Village Addition	6605 High Lawn Terr Block 73 Lot 9 & 10A	___________
Brenda S Norman Foster Village Addition	6609 High Lawn Terr Block 73 Lot 8 & 9A	PROTEST___
Pamela C Boren Foster Village Addition	6613 High Lawn Terr Block 73 Lot 7	___________
Lindsy Shay Koontz Foster Village Addition	6617 High Lawn Terr Block 73 Lot 6	___________
Vicki Leung Foster Village Addition	6621 High Lawn Terr Block 73 Lot 5	___________
Michael McCoy Foster Village Addition	6625 High Lawn Terr Block 73 Lot 4	___________
Zane Drake Foster Village Addition	6629 High Lawn Terr Block 73 Lot 3	___________
Charles L Tout Foster Village Addition	6633 High Lawn Terr Block 73 Lot 2	___________

Skylar Chase Harbin Other Torey Lynn Gordon Foster Village Addition	6637 High Lawn Terr Block 73 Lot 1	____________
Mark L Brandon Foster Village Addition	6640 High Lawn Terr Block 74 Lot 1	RTS 122821__
Shirley Dulaney Foster Village Addition	6636 High Lawn Terr Block 74 Lot 2	____________
Rodney & Jerri Reynolds Foster Village Addition	6636 High Lawn Terr Block 74 Lot 2	____________
Dan & Emily Flournoy Foster Village Addition	6632 High Lawn Terr Block 74 Lot 3	____________
Jennifer Lee Grow Foster Village Addition	6628 High Lawn Terr Block 74 Lot 4	____________
Stephanie Deanne Day Foster Village Addition	6624 High Lawn Terr Block 74 Lot 5	____________
Terry Gail Johnson Foster Village Addition	6620 High Lawn Terr Block 74 Lot 6	____________
Candace N Hammons Foster Village Addition	6616 High Lawn Terr Block 74 Lot 7	____________
Francis H & Pat Scheirmann Foster Village Addition	6612 High Lawn Terr Block 74 Lot 8	____________
Scott & Laurie Taylor Foster Village Addition	8041 Miles Dr Block 47 Lot 40	____________

38 Notices were mailed out:
Received as of Jan. 4, 2022

_____1_____Support ____3_______Protest _____34___Did Not Reply ___2___RTS

To: City of Watauga, Texas

From: Julie Jackson

8204 Courtney Way, Watauga TX 76148

(Address of Your Property that Could Be Impacted by this Request)

RE: **SUP.21-05:** Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, described as Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

☒ I PROTEST THE PROPOSED SPECIFIC USE PERMIT

☐ I SUPPORT THE PROPOSED SPECIFIC USE PERMIT

Basis for your protest/support I dont want the traffic or drunk patrons behind my house. There is also a 24 hour waffle house they can visit after drinking. It's a safety issue for me and my family!!!

Julie Jackson
Printed Name

Signature

12-30-2021
Date

Return to: City of Watauga Development Services
7800 Vigil R. Anthony Sr. Blvd.
Watauga, TX 76148
Email: jgarcia@wataugatx.org

City of Watauga
Development Services
7800 Virgil R. Anthony Sr. Blvd.
Watauga, TX 76148
http://www.wataugatx.org

received 1-4-2022

To: City of Watauga, Texas

From: ______________________________

____

(Address of Your Property that Could Be Impacted by this Request)

RE: **SUP.21-05:** Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, described as Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

☐ I PROTEST THE PROPOSED SPECIFIC USE PERMIT

☒ I SUPPORT THE PROPOSED SPECIFIC USE PERMIT

Basis for your protest/support______________________________

____

____

HELEN STRINGER
Printed Name

Helen Stringer
Signature

12-8-21
Date

Return to: City of Watauga Development Services
7800 Vigil R. Anthony Sr. Blvd.
Watauga, TX 76148
Email: jgarcia@wataugatx.org

City of Watauga
Development Services
7800 Virgil R. Anthony Sr. Blvd.
Watauga, TX 76148
http://www.wataugatx.org

received 12/27/2021

To: City of Watauga, Texas

From: ANDREW K. SCHMIDT

8200 COURTNEY WAY WATAUGA 76148

(Address of Your Property that Could Be Impacted by this Request)

RE: **SUP.21-05:** Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, described as Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

[X] I PROTEST THE PROPOSED SPECIFIC USE PERMIT

[ ] I SUPPORT THE PROPOSED SPECIFIC USE PERMIT

Basis for your protest/support WHY DOES IT NEED TO BE DRIVE THRU? IDLING CARS AND THEIR EXHAUST FUMES ARE UNHEALTHY AND WHAT ABOUT THE EFFECTS ON CLIMATE CHANGE, NOISE.

Printed Name ______________________ Signature ______________________

Date ______________________

Return to: City of Watauga Development Services
7800 Vigil R. Anthony Sr. Blvd.
Watauga, TX 76148
Email: jgarcia@wataugatx.org

City of Watauga
Development Services
7800 Virgil R. Anthony Sr. Blvd.
Watauga, TX 76148
http://www.wataugatx.org

received 12/22/2021

To: City of Watauga, Texas

From: Brenda Norman

6609 High Lawn Ter. Watauga 76148

(Address of Your Property that Could Be Impacted by this Request)

RE: **SUP.21-05:** Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, described as Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

☒ I PROTEST THE PROPOSED SPECIFIC USE PERMIT

☐ I SUPPORT THE PROPOSED SPECIFIC USE PERMIT

Basis for your protest/support This is to close to the schools in this area. With the new townhomes and increased traffic as aresult too close to families, children and will overburdon traffic.

Brenda S. Norman
Printed Name

Brenda S Norman
Signature

12/7/2021
Date

Return to: City of Watauga Development Services
7800 Vigil R. Anthony Sr. Blvd.
Watauga, TX 76148
Email: jgarcia@wataugatx.org

City of Watauga
Development Services
7800 Virgil R. Anthony Sr. Blvd.
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Sec. 115-33. - Specific use permit.

(a) *Generally.* The city council, by an affirmative vote and after public hearing and proper notice to all parties affected have been made, and after recommendations from the planning and zoning commission that the use is in general conformance with the master plan of the city and containing such requirements and safeguards as are necessary to protect adjoining property, may authorize the location of specific uses in certain districts.

(b) *Amendment to the zoning ordinance.* Every specific use permit granted under these provisions shall be considered as an amendment to the zoning ordinance as applicable to such property under construction, but shall not be considered as being a permanent change in zoning. In the event the building, premise, or land use under the specific use permit is voluntarily vacated for a period of no less than six months, or if such building, premise, or land is more than 50 percent destroyed by fire or other cause, the use of the same shall thereafter conform to the regulations of the original zoning district of such property, unless a new specific use permit is granted for continuation of the use.

(c) *Conditions.* In granting a specific use permit, the city council may impose conditions which shall be complied with by the owner or grantee before a certificate of occupancy may be issued by the building inspector for use of the building on such property pursuant to such specific use permit; and such conditions may not be construed as conditions precedent to the granting of the certificate of occupancy.

(d) *Compliance with written requirements.* No specific use permit shall be granted unless the applicant, owner, and grantee of the specific use permit shall be willing to accept and agree to be bound by and comply with the written requirements of the specific use permit as attached to the site plan drawing and recommendation by the planning and zoning commission and approved by the city council.

(e) *Building permit requirement.* A building permit shall be applied for and secured within one year from the time of granting the specific use permit, provided however, the city council may authorize an extension of this time upon recommendation by the planning and zoning commission.

(f) *Changes to building, premises or land.* No building, premises, or land used under a specific use permit may be enlarged, modified, structurally altered, or otherwise significantly changed unless a separate specific use permit is granted for such enlargement, modification, structural alteration, or change.

(g) *Board of adjustment.* The board of adjustment shall not have jurisdiction to hear, review, reverse, or modify any decision, determination, or ruling with respect to the granting extension, revocation, or modification or any other action taken relating to such specific use permit.

(h) *Site plan required.* An application for a specific use permit shall be accompanied by a site plan. The site plan shall be reviewed by the planning and zoning commission and forwarded to the city council for final action. Such site plan shall meet the requirements for site plans as detailed in section 115-115, Site plan requirements.

(Code 2001, § 14.602; Code 2010, § 14.06.002)

Sec. 115-115. - Site plan requirements.

(a) *Generally.* Whenever a site plan is required by this chapter, such site plan must conform to the requirements of this section. All site plans must be approved by action of the planning and zoning commission and the city council.

(1) Whenever a site plan requires approval before a building permit is issued, and there is no request for a zoning change, the city council may approve the site plan by minute order. The approved site plan and a copy of the minutes of the city council action must accompany the request for the issuance of the building permit.

(2) Changes in any site plan required by this chapter and approved by the planning and zoning commission and the city council shall be processed the same as the original. Approval of the site plan, except that changes of detail which do not alter the basic relationship of the proposed development to adjacent property and which do not alter the uses permitted or increase the density, floor area ratio, height ratio, or reduce the yards provided at the boundary of the site as indicated on the approved site plan may be authorized by the zoning administrator. An aggrieved party may appeal the decision of the zoning administrator to the zoning board of adjustment in accordance with the provisions of this chapter.

(b) *Site plan required.* When required by the administrative official, planning and zoning commission, or the city council, any applicant for a zoning change shall submit a proposed site plan for approval. It is the established policy of the planning and zoning commission and the city council under this section of the city zoning ordinance that a site plan is required when specified by section 115-85, Conditions and special regulations for listed uses. A waiver of the site plan requirement may be granted if approved by the city manager or his designee.

(c) *Notice and hearing.* Notice and hearing requests for site plan approval shall be conducted as follows:

(1) Owners of record of property within 200 feet area of the property under consideration will be notified of site plan consideration by the planning and zoning commission.

(2) The city manager or designee shall have at least one sign erected on the property for which site plan consideration of the planning and zoning commission has been requested. The sign shall have a total area of at least four square feet and shall be located adjacent to streets, if possible. Such sign shall be erected on or before the first date of the first notice to property owners and shall be removed immediately after final action by the city council, or when the applicant withdraws the request, whichever comes first. The sign shall contain a notice of hearing on a site plan and the telephone number of the public official from whom dates of the public hearing may be obtained. The erection or continued maintenance of signs shall not be deemed a condition precedent to the granting of any site plan recommendation or approval or the holding of any public hearing.

(3) Council approval of a site plan that accompanies a zoning change request shall become part of the amending ordinance and shall be referenced on the zoning district map. Hearings held by the council for consideration of approval of such zoning changes and accompanying site plans shall be conducted in accordance with the provisions of section 115-35(c), Changes and amendments, of this chapter and state law.

(4) Council approval of a site plan required for the issuance of a building permit in which no zoning change has been requested, shall not constitute an official public hearing as required by section 115-35(c), Changes and amendments. Notice of the consideration of the site plan by the city council in the posted agenda of the council shall be sufficient notice for the purposes of approving a site plan by city council action for the issuance of a building permit.

(d) *Form and content.* The site plan shall contain the information listed below. Any or all of the required features may be incorporated on a single drawing if such drawing is clear and capable of evaluation by the planning and zoning commission, the city council, and the officers required to enforce and interpret this chapter. However, the city manager or his designee may exclude or amend the information to be provided if it is determined that the required information is not applicable or necessary:

(1) The boundary lines and dimensions of the property, existing subdivision lots, available utilities, easements, roadways, sidewalks, fire lanes, and public rights-of-way;

(2) Topography of the property proposed for development in contours of not less than two feet or five feet on steep slopes;

(3) Floodplains, watercourses, marshes, drainage areas, and other significant environmental features including, but not limited to, rock outcroppings and major tree groupings;

(4) The location and use of all existing and proposed buildings or structures, including all refuse storage areas, and the minimum distance between buildings. Where building complexes are proposed, a site plan showing the location of each building and the minimum distance between buildings, and between buildings and the property line, street line, and/or alley shall be submitted;

(5) Total number and location of off-street parking and loading spaces;

(6) All points of vehicular ingress and egress and circulation within the property, including any special traffic regulations proposed or required to ensure the safe function of the circulation plan;

(7) Setbacks, lot coverage, and when relevant, the relationships of the setbacks provided and the height of any existing or proposed building or structure;

(8) The location, size, and arrangement of all outdoor signs, exterior auditory speakers and lighting;

(9) The type, location, and quantity of all plant material used for landscaping, and the type, location, and height of fences or screening and the plantings around them;

(10) A land use plan that delineates where multiple types of land use are proposed, and the specific areas to be devoted to various uses;

(11) Vicinity map, north point, scale, name of development, name of owner, name of planner, total acreage of project, street address, or common description of the property;

(12) Current land uses and zoning district of the property and current land uses and zoning districts of contiguous properties;

(13) The location and size of existing and proposed surface and subsurface drainage facilities, including culverts, drains, and detention ponds, showing size and dimensions of flow;

(14) Land uses and zoning district contiguous to the property;

(15) Existing buildings on the exterior of the site and within 25 feet of all property lines;

(16) The number of square feet of the property after construction which will constitute impervious area or impervious surface and vegetated areas;

(17) Roadway speeds and distances of adjacent driveways from all proposed driveways; and

(18) For requests for alcoholic beverage uses, the distances from schools, churches and day care facilities.

(e) *Consideration.* In considering, granting, or denying an application for a site plan as provided for in this chapter, the planning and zoning commission and the city council shall take into consideration the following factors:

(1) Compliance with the zoning ordinance, the subdivision ordinance, and all other ordinances of the city;

(2) Such other measures as will secure and protect public health, safety and general welfare.

(Code 2001, § 14.502; Code 2010, § 14.05.002)

WATAUGA
TEXAS

PLANNING AND ZONING COMMISSION

RECOMMENDATION TO COUNCIL

PLANNING AND ZONING MEETING: **January 5, 2022**

PLANNING AND ZONING CASE NO: **Planning & Zoning Case 21-05**

SUP.21-05: Public hearing to receive comments for or against a request for a specific use permit for property located along the Rufe Snow Corridor, Lot 3R2, Block 1 of the Stringer Addition, located west of Rufe Snow Drive south of Bursey Road and north of High Lawn Terrace; and consider action on the preliminary report recommending to Council to allow for a packaged liquor store with drive-thru in a General Business (GB) zoning district. Owner, Owens-Stringer Inc. Applicant/agent, Blazing Hospitality, Smit Shaw.

RECOMMEND APPROVAL OR DENIAL:
APPROVAL ✓ **DENIAL**_____

COMMENTS:
(REQUIRED FOR DISAPPROVALS)

Laura Nedderman, Secretary

Karen Isbell, Interim Chairperson

AGENDA MEMORANDUM

DATE: January 7, 2022

TO: Honorable City Council Members

FROM: Arthur Miner, Mayor

THROUGH:

SUBJECT: Discuss and consider appointments to the Board of Directors of the Watauga Economic Development Corporation (WEDC)

BACKGROUND/INFORMATION:

FINANCIAL IMPLICATIONS:
none

RECOMMENDATION/ACTION DESIRED:

ATTACHMENTS/ SUPPORTING DOCUMENTATION:
None

REVIEWED BY:

Caroline Kelley, City Attorney	Approved - 1/6/2022
Joshua Jones, City Manager	Approved - 1/6/2022
Linda Proskey, City Secretary	Final Approval - 1/7/2022

Approved as to form for inclusion on Agenda