1. Agenda

   Documents:

   TOWN COUNCIL AGENDA 9-26-19.PDF

2. Meeting Materials

   Documents:

   COUNCIL PACKET 9-26-19.PDF

David A. Rettig, Mayor
Rena Hardeman, Council Place 1
Jimmy Lambert, Council Place 2

Brian Montini, Mayor Pro Tem, Council Place 3
Roger Sessions, Council Place 4
Danny Simpson, Council Place 5

Town Council Agenda
Regular Meeting
Thursday, September 26, 2019 at 6:30 pm
Chamber Room - 1500 Commons Circle, Suite 300 – Northlake, Texas 76226

Notice is hereby given as required by Title 5, Chapter 551.041 of the Government Code that the Northlake Town Council will meet in a work session and regular meeting on Thursday, September 26, 2019 at 6:30 pm at the Northlake Town Hall in the Chamber Room, 1500 Commons Circle, Suite 300, Northlake Texas 76226. The items listed below are placed on the agenda for discussion and/or action

1. Call Regular Work Session to Order
   Invocation
   Pledge of Allegiance to the American Flag

2. Briefing Items
   A. Request for Proposals
      i. Delinquent Court Fine Collections
      ii. Delinquent Property Tax Collections
   B. Audit Process for FY 2019 Audit

3. Call Regular Meeting to Order

4. Public Input
   This item is available for citizens to address the Town Council on any matter. The presiding officer may ask the citizen to hold his or her comment on an agenda item until that agenda item is reached. By law, no deliberation or action may be taken on the topic if the topic is not posted on the agenda. The president officer reserves the right to impose a time limit on this portion of the agenda

5. Consent Items
   C. Consider for approval the Town Council Meeting Minutes of September 12, 2019
   D. Consider for approval a resolution approving and authorizing the Town Administrator to enter into an agreement for the purchase of vehicles and equipment for the Public Works Department
      i. Resolution No. 19-24

6. Regular Items
   E. Consider for approval an ordinance authorizing and allowing under the Act governing the Texas Municipal Retirement System, Restricted Prior Service Credit to employees who are members of the system for service previously performed for various other public entities for which they have not received credited service; establishing an effective date
      i. Ordinance 19-0926A

F. Consider for approval an ordinance amending Chapter 8 "Offences and Additional Provisions," Article 8.01, "General Provisions" of the Code of Ordinances of the Town of Northlake, Texas, to add a new section 8.01.002, "Portable Toilets;" establishing regulations related to portable toilet facilities located within the corporate limits of the Town
   i. Ordinance 19-0926B

7. Convene into Executive Session
   Pursuant to Texas Government Code, annotated, Chapter 551 Subchapter D:
   a. Section 551.071 authorizes a governmental body to consult with its attorney in an executive session to seek his or her advice on a legal matter. It provides as follows: A governmental body may not conduct a private consultation with its attorney except: Section 551.071 authorizes a governmental body to consult with its attorney in an executive session to seek his or her advice on a legal matter. It provides as follows: A governmental body may not conduct a private consultation with its attorney except:
      1) When the governmental body seeks the advice of its attorney about:
         (a) Pending or contemplated litigation; or
         (b) Supreme Court of Texas - Town of Northlake vs City of Justin. No. 18-0651; or
         (c) Case # FP 18-020 considered by the Town at the January 24, 2019 Town Council meeting; or
         (d) Potential litigation related to Eagleton and Applewood road failures; or
         (e) Potential litigation related to Dale Earnhardt Way road failures; or
         (f) Interlocal agreement between Town and City of Fort Worth executed on August 6, 1997.
   b. Section 551.074 Personnel matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:
      1) Town Administrator annual performance evaluation
   c. Section 551.087 Economic development negotiations for potential business relocation and expansion for Project Orange

8. Open Session

9. Adjournment

CERTIFICATION

I hereby certify that the above agenda was posted on the bulletin board at Town Hall
1500 Commons Circle, Suite 300, Northlake Texas on the19th day of September 2019 by 6:00 pm

Shirley Rogers

Shirley Rogers, Town Secretary

NOTE: The Town Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by Texas Government Code Section 551.071(Consultation with Attorney); Section 551.072 (Deliberations about Real Property); 551.073 (Deliberations about Gifts and Donations); 551.074 (Personnel Matters); 55.076 (Deliberations about Security Devices): 551.087 (Economic Development Negotiations)

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Work Session

Agenda Item 1

Briefing Items

Agenda Item 2

1500 Commons Circle, Suite 300
Northlake, TX 76226
940-648-3290

Town of Northlake

Memo

To: Honorable Mayor and Town Council

From: John Zagurski, Finance Director

CC: Drew Corn, Town Administrator

Shirley Rogers, Town Secretary

Date: September 26, 2019

Re: Requests for Proposals for Collection Services

The Town of Northlake has a financial obligation to ensure that money owed to the Town is collected in a timely manner. The Town of Northlake contracts these services out, because it is not financially prudent for the Town to create, hire, and train a collections department. Specialty firms also yield a much higher collections rate. The Town has two different collections contracts one for court fines and one for property taxes.

Attached are the two proposed requests for proposals (RFP) for collections. These are draft proposals that staff is looking for input from Town Council. The proposals will be advertised in the Denton Record Chronicle which will provide a URL address to where the RFP are available on the Town's website. Once the due date is met, all received bids will be reviewed for completeness and the criteria laid out in the RFPs.

Please contact the Town at 940.242-5706 if you have any questions or comments.

NORTHLAKE, TEXAS

REQUEST FOR PROPOSALS (RFP)

RFP # _______

COURT COLLECTION SERVICES

PROPOSAL DUE DATE:
November 15, 2019
AT 2:00 P.M. (CST)

ISSUED BY:

Town of Northlake, Texas

1500 Commons Circle, Suite 300
Northlake, Texas 76226

REQUEST FOR PROPOSAL

COURT COLLECTION SERVICES
(RFP # __________)

A. INTENT

The Town of Northlake, Texas, hereinafter referred to as “Town”, is soliciting proposals for Court collection services. It is the Town’s desire to contract with one company to collect fines and fees for Class C Misdemeanor violations, those that are past due and/or in warrant status.

The Offeror submitting the successful proposal must clearly demonstrate its ability to provide immediate and consistent efforts in collections and <u>provide a timely return of the dollars collected.</u>

B. PROPOSAL SUBMISSION PROCESS, DUE DATE, AND REQUIRED DOCUMENTS:

One (1) original and four (4) copies of the response and applicable supporting documentation are required. The original must be clearly marked “ORIGINAL” and the copies must be clearly marked “COPY”.

Proposals are due no later than November 15, 2019 at 2:00 p.m., Central Standard Time. The responses must be bound and sealed when submitted. The response material must be addressed and delivered to:

Shirley Rogers
Town Secretary
Town of Northlake

<u>Physical Address</u>
1500 Commons Circle, Suite 300
Northlake, Texas 76226

The outside of the sealed envelope or container must state:

RFP #_____________ - COURT COLLECTION SERVICES

Responses received later than the above date and time will be rejected and returned unopened. Timely proposals will be opened on the date specified in the RFP and will be kept secret during the process of negotiations. All proposals that have been submitted shall be open to public inspection after the contract is awarded, except for trade secrets and confidential information contained in the proposals marked "confidential" by the proper responding party.

C. CLARIFICATION OF REQUIREMENTS

All requests for additional information or clarification concerning this Request for Proposals must be submitted, in writing, no later than 2:00 p.m. on November 15, 2019 and shall be emailed to Shirley Rogers, Town Secretary at srogers@town.northlake.tx.us

It is the intent and purpose of the Town that this RFP permits competitive proposals. It is the Offeror's responsibility to advise the Town, if any language, requirements, etc., or any combinations thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source.

D. CONTRACT TERM

The initial contract shall be for a three (3) year period commencing on January 1, 2020. The Town shall have the option to extend the term of the contract for two (2) additional three-year periods. Thereafter, this agreement shall automatically renew for successive periods of one (1) year each under the terms and conditions stated herein, unless either party gives prior notice of termination.

E. CANCELLATION

The successful Offeror will be awarded a contract on an exclusive basis. The Town has the option to terminate the contract during the first six (6) months of the contract if the successful Offeror does not perform the contract to the Town's satisfaction. Thereafter, either party may terminate the contract by giving the other party thirty (30) days prior written notice. Upon termination, the successful Offeror shall have an additional thirty (30) days to collect the then outstanding accounts. The successful Offeror may not assign the contract to any other party without the prior written consent of the TOWN.

F. QUALIFICATIONS OF OFFEROR

By submitting a proposal, the Offeror certifies that they are duly qualified, capable, and otherwise bondable business Town that is not in receivership or contemplates same, nor has filed for bankruptcy. The Offeror must not be indebted to the Town and shall not owe any back taxes to the Town. The Offeror warrants that they are familiar with all laws, regulations, and customs applicable to the type of business required herein.

The contract will be awarded by the Town to a responsible Offeror only. In order to qualify as responsible, an Offeror must meet the following qualifications as they relate to this request for proposals.

- Have adequate technical and financial resources for performance.
- Have the necessary experience, organization, and technical skill in the field of court collection service accounts.
- Have a satisfactory record of performance in court collection programs.
- Have a minimum of ten (10) years of collection experience in court service process.
- Must be able to provide collection reports on a monthly basis.

G. EXCEPTIONS

Any exceptions to the requirements stated herein must be stated, in writing, in the Offeror's response. Explanation must be made for each item for which exception is taken, giving in detail the extent of the exception, and the reason for which it is taken, in order for consideration to be given to the proposal.

H. SELECTION AND AWARD PROCESS

1. Responses to this RFP will be reviewed by an evaluation committee, which may include senior management representatives, a financial officer, and/or an independent consultant. A short list of firms will be identified and may be interviewed by the evaluation committee.

2. Selection shall be based on the evaluation factors published in this RFP. After the evaluation committee makes its initial selection, it shall proceed to negotiate a contract at a fair and reasonable price.

3. If the Town is unable to negotiate a satisfactory contract with the most highly qualified person or firm, the Town shall formally end negotiations with that person or firm and begin negotiations with the second most highly qualified person or firm.

4. Negotiations shall be undertaken in this sequence until a contract is made. The evaluation committee may allow proposal revisions after submission in order to obtain the best final proposal. Following the interviews and negotiations, the evaluation committee will recommend a Offeror to the Town of Northlake, Town Council. The Town Council will make the final selection of the Offeror based on the evaluation committee's recommendation and whether the qualified Offeror's proposal is determined to be the most advantageous to the Town, considering the evaluation factors set forth in this RFP.

5. No individual Town employee or any Town Department has the authority to legally and/or financially commit the Town to any contract or agreement for goods or services.

I. COLLECTION SERVICES

1. Background

The Northlake Municipal Court ("Court") is responsible for the adjudication of Class C Misdemeanor violations (within the incorporated Town limits, and the Town of Draper) provided by State Law and relevant Ordinances. The Court processes approximately 5,000 cases annually. Of these cases, approximately 20% will have arrest warrants issued. The average warrant fine is $400. Of the persons with an outstanding Town warrant, approximately 20% are Town residents, 70% reside outside Town limits but within the State and 10% reside out of State.

2. Nature of Services Required

   a. The Court will provide files electronically to the successful Offeror (hereinafter referred to in this section as "Offeror") of those persons having outstanding Court cases. This information can include, but is not limited to the following:

      i. Person's name, personal identifiers and driver license number, last known residential address, last known telephone number, citation number, alleged offense committed, offense date, amount of fine, amount paid (if any), amount due, and if applicable, date of warrant and amount of warrant fine.

      ii. The Court will provide current file layouts. Electronic transfer of data must include the Offeror having a system that enables the Court to E-mail an attachment or upload on the Internet via secure FTP. The Offeror must be able to receive and return files back and forth between Court and Offeror.

      iii. It will be the Offeror's responsibility to assure compatibility of Court's data files and transmittal medium to the Offeror's computer system. The Offeror shall bear all costs, if necessary, for data conversion to make the Court's computer system compatible with that of the Offeror's and any incidental costs related to the data transfer.

   b. Historically, the Court has sent various outstanding accounts to its collection firm for collection services on a regular basis (i.e. daily, weekly, and/or monthly). These cases and warrants consist of the following types:

      i. Active Alias Warrants -These are warrants in which no judgment has been entered assessing any sums due from the defendant in the case, but the defendant is subject to immediate arrest to answer for the pending criminal charge.

ii. Active Capias Pro Fine Warrants -These are warrants in which a judgment has been entered assessing a sum owed by the defendant in order to discharge the defendant from liability and the defendant is subject to immediate arrest.

c. The Court will supply the Offeror with two separate listings. They shall be known as the History File and the Collect and Warrant File.

   i. The History File shall be provided one time only. This file will contain the entire backlog of active warrants previously worked by the TOWN's existing collection agency. The approximate number of outstanding cases for past collection is 14,000.

   ii. The Collect and Warrant File shall be issued on a regular or as needed basis and shall contain those cases that are Outstanding Cases as well as Active Warrants that were processed by the Town Police Department. This file will contain unresolved cases not issued for warrant and the most recent past dues processed for warrant. The approximate number of new warrants and collect cases each month is approximately 90.

d. Offeror agrees to perform the following:

   i. Offeror will become familiar with the legal distinctions of each type of case and warrant submitted for collection effort and will develop a series of contacts with the defendant that do not violate the defendant's statutory and constitutional rights.

   ii. Offeror will attempt to contact the defendant named in any case or warrant submitted for collection service at least eight (8) times in a 180-day period through a rotating telephone and letter cycle. Voice/telephone contact attempts shall be limited to between the hours of 8:00 A.M. and 9:00 P.M., Monday through Saturday. No Sunday contacts will be attempted.

   iii. Offeror will submit written scripts for telephone contacts and written communications for approval by the Town for each type of case and warrant submitted to Offeror for collection services. The Offeror shall pay all costs related to the telephone contact and written communications.

iv. Offeror will instruct all defendants to forward monies directly to the Town. Should the Offeror receive a payment from a defendant, the Offeror shall forward payment directly to the Town in the form of the original negotiable instrument received.

v. Offeror shall use due diligence, reasonable and ethical methods, and employ lawful means to effect collection on the Court's outstanding cases including adherence to all Federal and state laws governing collections.

vi. Offeror will guarantee that every defendant will be dealt with in a professional and courteous manner.

vii. The Court may recall for collection efforts and Offeror will not be entitled to any fee for any money collected after any case has been recalled.

viii. Offeror will return information on cases submitted for collection services including all information developed by the Offeror regarding the defendant or his whereabouts, as requested by the Court.

e. Additional written and/or telephone contacts may be made at the choice of the Offeror within the hours stipulated in d.ii. above.

f. Offeror shall work with the Court to conduct Warrant Round-Up or other collection programs as requested, requiring Offeror to send out additional notices and providing the Court with an updated address list of defendants.

g. All information supplied by the Court to the Offeror shall be kept confidential and not disclosed to parties other than the Offeror's employees on a need-to-know basis for the purpose of contract performance and to the defendant. Offeror shall not disclose social security number, driver's license number or any other information deemed confidential by the Court to anyone other than the defendant. The Court will notify Offeror of information deemed confidential, as appropriate.

h. Both the Court and the Offeror will jointly review the appropriate cases for which payment is due to the Offeror on a monthly basis.

i. The Offeror will be paid a collection fee in accordance with Article 103.0031 of the Texas Code of Criminal Procedure, as amended.

ii. Offeror will not be entitled to reimbursement for expenses incurred under the Contract.

iii. The Town shall not be liable under the contract for any services which are unsatisfactory or which the Town has not approved.

J. EVALUATION FACTORS

1. Completeness

Each response will be reviewed before the selection process for completeness and adherence to format. A response will be considered complete if all requested sections are included in the proper order.

2. Formal Evaluation

a. Evaluation Process

The Town will appoint a selection committee to formally evaluate each response. The evaluation process will objectively grade the responses on their merit and responsiveness. Responses will be evaluated based on the material and substantiating evidence presented in the response, and not on the basis of what could be inferred. The evaluation process will include verification of references, verification of project team resumes, confirmation of financial references, and may also request additional information as determined by the Town in its sole discretion.

b. Scoring Format

Each section of the RFP response will be considered a separate selection criterion and will be scored individually. All scores will be summed to give the grand total score. The maximum possible grand total score for the RFP response is 100 points.

c. Point Values: Total 100 Points

I.	Offeror Qualifications:	25 Total Points
II.	Collection Procedures	25 Total Points
III.	Collection Staffing & Systems:	30 Total Points
IV.	Monthly Activity Reports:	20 Total Points

3. Oral Interview

After the formal evaluations, the Town may decide on oral interviews to address specific issues with selected Offerors.

4. Final Selection/Notification

Final selection will be made in accordance with Chapter 252, Texas Local Government Code. The evaluation of the RFP responses and the oral interview (if conducted) will be considered. The Offeror with the highest overall evaluation score shall be recommended to the Town Council for consideration. The selected Offeror or firm will be notified by the Town upon selection of the proposal by the Town Council.

K. RESPONSE FORMAT AND PREPARATION INSTRUCTIONS

Offerors shall use the prescribed format outlined in this RFP to clearly describe their proposal.

Offerors shall provide one (1) original and four (4) copies of the response. Each response will be reviewed to determine if it is complete before evaluation. The Town reserves the right to eliminate from further consideration any response that is deemed to be unresponsive to this RFP. The intent of the Town is that all responses follow the same format in order to evaluate each response fairly. Proposals will be evaluated based on the material and substantiating evidence presented in the proposal, and not on the basis of what could be inferred.

In order to simplify the review process and obtain the maximum degree of comparison, proposals are to be outlined in the manner described below. Be specific about the Offeror's collection expertise in the sections that follow. Failure to provide a response, answer questions and/or provide documentation, as requested, will result in loss of points in that section.

A. Offeror Qualifications (25 Points)

a) **Firm Background.** Provide a brief background of the offeror's firm.
b) **Experience and stability of key staff.** Provide details about your local office and presence, along with biographies of the lead attorneys and staff.
c) **Experience in the area of court collections.** Specifically list public sector court clients and separate clients by a) Texas Municipal Courts and b) Texas County Courts. Provide four references from similar sized and nearby municipal courts, including contact name, phone number and email address.
d) **Experience in Texas courts.** Provide Collection rates and resolution rates for at least four current Texas Municipal Court clients.
e) **Additional Services.** Provide information regarding your firm's experience and performance results in coordinating additional collection activity services.
f) **Community Involvement.** Outline your firm's commitment to community.

B. Collection Procedures (25 Points)

a) Provide detailed explanation of collection methodology including timetable of your work plan.
b) Provide a summary of collection activities and techniques proposed to collect the Town's outstanding cases and warrants.
c) Describe the methodology and procedure for data transfers. Identify the form and frequency of electronic data transfers both to and from your company.
d) Describe the methodology for handling customer questions/problems.
e) Describe the methodology for handling non-English speaking customers.
f) Describe your firm's efforts at ensuring federal and state compliance in the collection program.
g) Provide examples of correspondence and communication that will be used for collecting delinquent fines.

C. Collection Staffing & Systems (30 Points)

a) Identify and describe the qualification and length of service of the lead staff that will be assigned to coordinate and resolve all matters between the Town and the Offeror.
b) Describe the qualification and number of collection staff that will be assigned to the collection activities for the Town.
c) Describe experience working and interfacing with client's using Tyler Technology's Incode software for court operations.
d) Provide a brief description of the computer system used and its update capabilities. Describe the adequacy of your data processing resources.
e) Describe the ability to maintain records of placements, collections, recovery and producing reports, and billing of for an unlimited number of clients and debtors, and describe back-up capabilities.
f) Describe the record retention capabilities.

D. Monthly Activity Reports (20 Points)

It is agreed that the successful Offeror shall maintain and make available for inspection, audit and/or reproduction by authorized representatives of the Town or any external auditor representing the Town, the books, documents, and other relevant information pertaining to the collections carried out for the Town and the expenses of this contract.

The Offeror should acknowledge the need for a cooperative effort and open communication between the successful Offeror and the Town. The successful Offeror will be required to provide monthly collection activity reports to the Town.

Please provide the following:

a) Examples of reports used to document collection results.
b) Examples of monthly reports that will be provided to the Town's.
c) Flexibility in meeting the Town's reporting needs.

L. RIGHT OF THE TOWN TO REQUEST FURTHER DOCUMENTATION

The Town reserves the right to request additional documentation that it deems appropriate and necessary for the review and award process during both the initial proposal review process and the negotiation/award/appointment phase.

Financial references are being requested to determine the eligibility of a bidder to receive a contract. Financial references shall include contact name, title, bank/CPA firm name, address and telephone.

M. RIGHT OF THE TOWN TO CANCEL REQUEST FOR PROPOSALS, ELECT NOT TO AWARD, REJECT PROPOSALS, AND WAIVE INFORMALITIES OR IRREGULARITIES

The Town expressly reserves the right to cancel this RFP at any time, to elect not to award any or all of the contracts cited in this RFP, to reject any or all proposals, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received.

N. EQUAL OPPORTUNITY IN TOWN BUSINESS CONTRACTING

Race, religion, sex, color, ethnicity, and national origin will not be used as criteria in the Town's business contracting practices. Every effort will be made to ensure that all persons regardless of race, religion, sex, color, ethnicity and national origin have equal access to contracts and other business opportunities with the Town.

O. EXAMINATION OF DOCUMENTS AND REQUIREMENTS

Each Offeror shall carefully examine all RFP documents and thoroughly familiarize itself with all requirements prior to submitting a proposal to ensure that the proposal meets the intent of this RFP.

Before submitting a proposal, each Offeror shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and requirements affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Offeror from obligation to comply, in every detail, with all provisions and requirements of the Request for Proposal.

P. PROPOSAL PREPARATION COSTS

Issuance of this RFP does not commit the Town of Northlake, Texas, in any way, to pay any costs incurred in the preparation and submission of a proposal. The issuance of this RFP does not obligate the TOWN to enter into contract for any services or equipment. All costs related to the preparation and submission of a proposal shall be paid by the Offeror.

Q. TRADE SECRETS, CONFIDENTIAL INFORMATION AND THE TEXAS PUBLIC INFORMATION ACT

If you consider any portion of your proposal to be privileged or confidential by statute or judicial decision, including trade secrets and commercial or financial information, clearly identify those portions.

Proposals will be opened in a manner that avoids disclosure of the contents to competing Offerors and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for inspection.

The Town will honor your notations of trade secrets and confidential information and decline to release such information initially, but please note that the final determination of whether a particular portion of your proposal is in fact a trade secret or commercial or financial information that may be withheld from public inspection will be made by the Texas Attorney General or a court of competent jurisdiction. In the event a public information request is received for a portion of your proposal that you have marked as being confidential information, you will be notified of such request and you will be required to justify your legal position in writing to the Texas Attorney General pursuant to Section 552.305 of the Government Code. In the event that it is determined by opinion or order of the Texas Attorney General or a court of competent jurisdiction that such information is in fact not privileged and confidential under Section 552.110 of the Government Code and Section 252.049 of the Local Government Code, then such information will be made available to the requester.

Marking your entire proposal CONFIDENTIAL/PROPRIETARY is not in conformance with the Texas Open Records Act.

R. CONFLICT OF INTEREST

The Offeror shall not offer or accept gifts or anything of value nor enter into any business arrangement with any employee, official or agent of the Town of Northlake, Texas.

By signing and submitting the Proposal, the Offeror certifies and represents to the Town the Offeror has not offered, conferred or agreed to confer any pecuniary benefit or other thing of value for the receipt of special treatment, advantage, information, recipient's decision, opinion, recommendation, vote or any other exercise of discretion concerning this Request for Proposal.

S. ANTI-LOBBYING PROVISION

During the period between proposal submission date and the contract award, Offerors, including their agents and representatives, shall not directly discuss or promote their proposal with any member of the Town Council or Town Staff except in the course of Town -sponsored inquiries, briefings, interviews, or presentations, unless requested by the Town.

This provision is not meant to preclude Offerors from discussing other matters with Town Council members or Town Staff. This policy is intended to create a level playing field for all potential Offerors, assure that contract decisions are made in public, and to protect the integrity of the RFP process. Violation of this provision may result in rejection of the Offeror's proposal.

T. AUTHORIZATION TO BIND SUBMITTER OF PROPOSAL

Proposals must show vendor name and address of Offeror. The original proposal must be manually signed by an officer of the company having the authority to bind the submitter to its provisions. Person signing proposal must show title or AUTHORITY TO BIND THEIR

FIRM IN A CONTRACT. Failure to manually sign proposal will disqualify the proposal from being accepted by the TOWN NAME, Texas.

ABOUT THIS DOCUMENT

This document is a Request for Proposal. It differs from an Invitation to Bid in that the Town of Northlake, Texas is seeking a solution, as described in the General Information Section B, not a bid/quotation meeting firm specifications for the lowest price. As such, the lowest price proposed will not guarantee an award recommendation. Sealed proposals will be evaluated based upon criteria formulated around the most important features of a product or service, of which quality, testing, references, availability or capability, may be overriding factors, and price may not be determinative in the issuance of a contract or award.

The proposal evaluation criteria should be viewed as standards that measure how well an Offeror's approach meets the desired requirements and needs of the Town. Those criteria that will be used and considered in evaluation for award are set forth in this document. The Town will thoroughly review all proposals received. The Town will also utilize its best judgment when determining whether to schedule a pre-proposal conference (before proposals are accepted), or meetings with Offerors (after receipt of all proposals).

A Purchase Order/Contract will be awarded to a qualified Offeror submitting the best proposal. The Town reserves the right to select, and subsequently recommend for an award, the proposed service which best meets its required needs, quality levels, and budget constraints.

The final selection and award of a contract can only be authorized by the Town Council of the Town of Northlake, Texas.

APPENDIX A

TOWN OFFEROR INSURANCE REQUIREMENTS

Offerors providing goods, materials and services for the Town of Northlake, Texas shall, during the term of the contract with the Town or any renewal or extension thereof, provide and maintain the types and amounts of insurance set forth herein. All insurance and certificate(s) of insurance shall contain the following provisions:

1. Name the Town, its officers, agents and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance.
2. Provide for at least thirty (30) days prior written notice to the Town for cancellation, non-renewal, or material change of the insurance.
3. Provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance.

Insurance Company Qualification: All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service.

Certificate of insurance: A certificate of insurance evidencing the required insurance shall be submitted by the successful Offeror prior to contract execution. If the contract is renewed or extended by the Town a certificate of insurance shall also be provided to the Town prior to the date the contract is renewed or extended. All coverage amounts listed shall be in United States dollars.

Type of Contract	Type and Amount of Insurance
Professional Services	General Liability insurance for Personal Injury (including death) and Property Damage with a minimum of $1 million per occurrence and $2 million aggregate, including Advertising Injury, Products Coverage. Professional Liability Insurance with a minimum of $1 million per occurrence and $2 million aggregate. Workers Compensation insurance as required by state law.

Notices

The Offeror shall notify the Town in the event of any change in coverage and shall give such notices not less than 30 days prior the change, which notice must be accompanied by a replacement CERTIFICATE OF INSURANCE. All copies of the Certificates of Insurance shall reference the project name or RFP number for which the insurance is being supplied.

All notices shall be given to the Town at the following address:

Town Secretary
Town of Northlake
1500 Commons Circle, Suite 300
Northlake, Texas 76226

NORTHLAKE, TEXAS

REQUEST FOR PROPOSALS (RFP)

RFP # _______

DELINQUENT AD VALOREM TAX COLLECTION SERVICES

PROPOSAL DUE DATE:
November 15, 2019
AT 2:00 P.M. (CST)

ISSUED BY:

Town of Northlake, Texas

1500 Commons Circle, Suite 300
Northlake, Texas 76226

I. PURPOSE

The Town of Northlake (Town) located in Denton County is soliciting qualified responses from law firms with experience and a verifiable history of delinquent tax collections programs in Texas. The chosen firm will assist the Town in delinquent collections as authorized under Sections 6.30 and 33.07 of the Property Tax Code. Other services may be requested of the firm related to delinquent ad valorem property tax matters.

II. GENERAL PROPOSAL TERMS AND CONDITIONS

A. PROPOSAL / CONTRACT

The proposer's proposal, submitted documents, and any written negotiations, when properly accepted by the Town, shall become part of the contract between proposer and the Town.

B. CONFLICT OF INTEREST

No public official shall have interest in this contract, in accordance with V.T.C.A., Local Govt. Code, Chapter 171.

C. CONFIDENTIALITY

All information disclosed by the Town to successful proposer for the purpose of the work to be done or information that comes to the attention of the successful proposer during the course of performing such work is to be kept strictly confidential.

D. ADDENDA

Any interpretations, corrections or changes to this RFP will be made by addenda. Sole issuing authority of addenda shall be as authorized by the Town Administrator. Addenda will be mailed to all who are known to have received a copy of this Request for Proposal (RFP); Proposers shall acknowledge receipt of all addenda and acknowledged by the Evaluation Committee.

E. CHANGES TO PROPOSAL/CONTRACT

No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract.

F. ASSIGNMENT

The successful proposer shall not sell, assign, transfer or convey any contract resulting from this RFP, in whole or in part.

G. VENUE

This Agreement will be governed and construed according to the laws of the State of Texas. Any disputes that may arise from the terms and performance of this agreement (contract) shall be settled in a court of law within the Town.

H. SUBMITTAL OF CONFIDENTIAL MATERIAL

Any material that is to be considered as confidential in nature must be clearly marked as such by the proposer and will be treated as confidential by the Town and the Evaluation Committee in compliance with Texas law and relevant Attorney General's opinions.

I. MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE PROPOSER

The proposer must affirmatively demonstrate its responsibility by meeting the following requirements:

a. Comply with the required or proposed delivery schedule;

b. Possess a satisfactory record of integrity and ethics;

c. Eligible and qualified to receive an award; and

d. Licensed by the State Bar of Texas as a licensed attorney to perform legal services.

The Town may request representation and other information sufficient to determine proposer's ability to meet these minimum standards listed above.

J. SUCCESSFUL PROPOSER SHALL

Successful proposer shall defend, indemnify and save harmless the Town and all its officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful proposer, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from response award. Successful proposer shall pay any judgment with costs which may be obtained against the Town growing out of such injury or damages.

K. ACCEPTED PROFESSIONAL STANDARDS AND PRACTICES

The proposer must conform to the highest ethical standards of attorney practices and or professional services. Provide a list of all courts that proposed attorneys for this contract are licensed to practice in the State of Texas.

L. PROPOSALS/ PROPOSERS MUST COMPLY WITH

All federal, state, and local laws governing or covering this type of service.

M. TERMINATION OF CONTRACT

a. This contract shall remain in effect until contract expires, completion and acceptance of services or default. The Town reserves the right to terminate the contract immediately in the event the successful proposer fails to:

1. Meet accepted collections as adopted by the Town, or
2. Otherwise perform in accordance with the accepted proposal.

b. Either party may terminate this contract at anytime with a sixty (60) days' written notice.

N. PERFORMANCE OF CONTRACT

The Town reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the Town in the event of breach or default of resulting contract award.

O. DEFINITIONS

a. Town of Northlake - Same as Town

b. Town Council - The elected officials of the Town given the authority to exercise such powers and jurisdiction of all Town business as conferred by the State Constitution and laws.

c. Town Management - The Town Administrator or department authorized by the Town Council to exercise such powers of all Town business.

d. Contract - An agreement between the Town and a Delinquent Tax Attorney Firm and/or Services over a designated period of time during which the duration of said agreement is specified by the contract, and this Request for Proposal.

e. Proposer – A qualified law firm submitting a proposal in response to this Request For Proposals.

f. Evaluation Committee - Committee appointed to oversee the evaluation process of the delinquent tax collection and make recommendation to Town Management

g. Tax Assessor-Collector - The elected official responsible for all ad valorem tax collections of current and delinquent accounts as authorized by the Texas Property Tax Code and State Statutes.

III. PROPOSAL SPECIFICATIONS

1. Each proposal must clearly cover all items in this Request for Proposal and supply complete responses to all items mentioned. Additional information may be included and clearly identified in the table of contents to make all information easily referenced.

2. Each proposal must indicate a contact person for purposes of discussion related to this proposal process. Additionally, this person must be one authorized to make commitments on behalf of the firm and should indicate the firm's overall intentions toward this contract in a signed cover letter accompanying the firm's proposal.

3. Each proposal should fully describe the various processes involved in the firm's delinquent collection program. These must include, but are not limited to the following topics:

Experience

a. An overall history and executive summary of the firm.

b. Specific information on the key personnel proposed to manage this contract, including resumes of attorneys. Provide an organization chart identifying all personnel that would be working with the Town, showing their respective function/ program responsibility. Support personnel should also be identified for the Town's program.

Items c - d should be as relevant as possible to the Town for evaluation purposes. Please confine data presented to clients within the immediate area of Denton, Wise, and Tarrant Counties.

c. Collection records based on verifiable data that indicate the overall work picture of the firm on behalf existing clients. Please submit collection data for at least three municipal clients that are comparable to the Town, located in Denton, Wise or Tarrant Counties. Collection data shall include:

	July 1, 2016 – June 30 2017	**July 1, 2017 – June 30, 2018**	**July 1, 2018 – June 30, 2019**
Beginning DTR for all delinquent tax years on July 1			
Total delinquent taxes collected			
Total Penalties and Interest collected			
Collection Percentage (Base, P & I) for all delinquent tax years			
Total adjustments to DTR for all delinquent tax years			
Collection Percentage (Base, P & I) for all delinquent tax years using adjusted beginning DTR			

d. Provide litigation records to indicate the overall work picture of the firm on behalf of the same three clients (again, all three clients must be municipalities). At a minimum, provide the following: the number of suits filed by the firm, the number of judgments taken by the firm, and the number of executed tax warrants by the firm for a period of no less than two years for each of the three clients. Any dismissals for want of prosecution should also be reported.

	July 1, 2016 – June 30 2017	**July 1, 2017 – June 30, 2018**	**July 1, 2018 – June 30, 2019**
Total Suits Filed			
Number of accounts			

Petition Amount	$	$	$
Number of Non-Suit/Dismissals			
Petition Amount	$	$	$
Number of Judgments*			
Judgment Amount	$	$	$
Tax Sales			
Number of Properties			
Total Collected	$	$	$
Number of Tax Warrants			
Petition Amount	$	$	$
Bankruptcy			
Claims Filed			
Approved Plans			
Total Collected	$	$	$

g. At least three (3) existing client references that may be personally contacted to discuss your firm's work history for them. Include the client contact's name, title, phone number, and full address.

Capabilities and Service

a. Collection process overview including:

   i. A specific work plan for collecting delinquent accounts in simplified form.
   ii. Taxpayer notification program. Sample notice letters and statements should be included as an example of form. An annual, proposed mailing schedule clearly indicating the type of mailing scheduled should be included.
   iii. Procedures for selecting accounts for litigation.
   iv. Address and ownership investigation procedures for mailing purposes and keeping delinquent data current.
   v. Policies and practices related to partial payments or payment agreements or other arrangements with the taxpayer.

b. Procedures and experience in tax warrants, and collection of judgments by execution and sale.

c. Other tax-related services that the firm provides.

d. Methods of reporting to the client and the frequency of those reports. Please include at least two reports provided to a Municipal client by your firm as an example.

e. Data processing procedures and resources. Include your firm's methods of data handling and any expectations of the Town.

Complex Litigation and Bankruptcy

a. Describe your firm's approach to handling complex litigation and examples.

b. Describe your local bankruptcy program and identify all local and national bankruptcy support personnel available to assist with bankruptcy cases for the Town collection program.

IV. PROPOSAL SUBMISSION CHECKLIST

_________ Attach current insurance certificates to the proposal indicating coverage in the following amounts:

- Professional Liability of not less than $2.5 million
- General Liability - $1 million
- Automotive - $1 million
- Worker's compensation - $1 million
- Employee theft/crime - $2 million
- Technical systems professional liability - $2 million

_________ Minimum of five year's experience collecting delinquent property taxes in the region as demonstrated by response to this RFP.

V. EVALUATION CRITERIA

Each proposal will be submitted in writing for review by appropriate parties as determined by the Town. Each proposal will be evaluated based on the following:

A. Local tax collection experience, including legal personnel, support personnel, collection experience, and demonstrated results. 30.00%

B. Local capability of the firm in the areas collection process, tax sale experience, the spectrum of services to be offered to prospective clients and data processing capabilities. Comprehensive services beyond delinquent tax collections will be considered an advantage. 30.00%

C. Demonstrated ability to handle complex delinquent tax litigation and comprehensive bankruptcy services 30.00%

D. Clarity and quality of proposal and supporting data. 10.00%

Evaluation Committee:
The evaluation Committee will be appointed by the Town.

The Evaluation Committee will evaluate all Proposals and shall recommend a Delinquent Tax Attorney to the Town Management. The Town reserves the right to review, accept or reject any or all proposals received through this process. Information contained within the original proposal should be the complete offering to the Town. In fairness to all proposers, no late additions or verbal additions to the original proposal will be accepted after the submission deadline. If additional information is needed from proposers, the Town will initiate that request. If interviews or conferences are necessary, the Town will make those arrangements as necessary.

Any costs involved in the preparation of the proposals are the sole responsibility of the proposer. The Town will not be responsible for any costs associated with the preparation, submission or meetings involved with the presentation of the proposal.

VI. CONTRACT PERIOD AND TERMINATION

The firm awarded the contract will represent the Town beginning__________. The Contract term will expire ________________, or ______________. The Town Council reserves the right to award a three or four year contract. The Town also reserves the right to terminate the contract after giving sixty (60) days notice to the contractor at any time after the expiration of the first full year of the contract. All delinquent taxes become subject to attorney's collection efforts on July 1 of the year they become delinquent. Existing delinquent taxes for prior years become subject to the attorney's collection efforts upon the beginning date of this contract. Upon termination of the contract, the firm will have six months to conclude its pending litigation activities.

VII. INSTRUCTIONS FOR PROPOSAL SUBMISSION

THESE ARE THE ONLY APPROVED INSTRUCTIONS FOR THIS RFP. ITEMS BELOW APPLY TO AND BECOME A PART OF THE TERMS AND CONDITIONS OF THIS RFP. ANY EXCEPTIONS THERETO MUST BE IN WRITING.

1. **ORIGINAL AND FOUR (4) COPIES OF RESPONSE MUST BE SUBMITTED**
   One signed original and four exact copies of the response must be submitted. The Purchasing Department will not make copies.

2. **MARK ENVELOPE: "RFP # _______ DELINQUENT AD VALOREM TAX COLLECTIONS**

   Proposals shall be placed in a sealed envelope and properly identified with the name and number of the RFP. Proposals must be in the Purchasing Department BEFORE the hour and date specified.

In the event of inclement weather and Town Offices are officially closed on a RFP deadline day, RFP's will be received until 2:00 p.m. of the next business day.

PROPOSALS SUBMITTED AFTER THE SUBMISSION DEADLINE SHALL BE RETURNED UNOPENED AND WILL BE CONSIDERED VOID AND UNACCEPTABLE.

3. Proposals MUST give full firm name and address of the Proposer. Failure to manually sign the original proposal will disqualify it. Person signing proposal should show TITLE or AUTHORITY TO BIND THE FIRM IN A CONTRACT.

4. Proposals CANNOT be altered or amended after deadline time. Any alterations made before deadline time must be initiated by Proposer or his authorized agent. No Proposal can be withdrawn after opening time without approval by the Commissioners Court based on a written acceptable reason.

5. The Town reserves the right to accept or reject all or any part of any RFP, and/or to waive minor technicalities.

6. This is a RFP inquiry only; it implies no obligation on the part of the Town.

GENERAL INSTRUCTIONS

These General Instructions apply to all offers made to the Town by all prospective Proposers on behalf of Solicitations including, but not limited to, Invitations to RFP and Requests for Quotes.

GOVERNING FORMS: In the event of any conflict between the terms and provisions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document the Town's interpretation shall govern. The Town's specifications may be exceeded and should be noted by the Proposer as such. Any bid NOT MEETING the Minimum Requirements specified will be rejected.

GOVERNING LAW: This invitation to RFP is governed by the competitive RFP requirements of the Town Purchasing Act, Texas Local Government Code, δ262.021 et seq., as amended. Proposers shall comply with all applicable federal, state and local laws and regulations. Proposers are further advised that these requirements shall be fully governed by the laws of the State of Texas and that the Town may request and rely on advice, decisions and opinions of the Attorney General of Texas and the Town Attorney concerning any portion of these requirements.

NOT SUBMITTING A PROPOSAL: If proposer does not wish to submit an offer at this time but desires to remain on the list for this service, please submit a "NO OFFER" by the same time and at the same location as stated above. If response is not received for three consecutive RFP'S proposer shall be removed from list. If however, proposer chooses to "NO OFFER" this service and wishes to remain on the list for other services, please state the particular service under which proposer wishes to be classified.

SUCCESSFUL PROPOSER WILL BE NOTIFIED BY MAIL: All responding proposers will receive written notification regarding the outcome of the award.

OPEN RECORDS ACCESS TO ALL INFORMATION SUBMITTED: All information included will be open to the public, other proposers, and media as per the Public Information Act, after a contract is executed with the successful proposer. If you deem any information as confidential, the specific citation protecting the materials shall be provided and the confidential materials shall be submitted under a separate cover, in a sealed envelope marked: PRIVATE AND CONFIDENTIAL.

REQUESTS FOR INFORMATION/QUESTIONS OF RFP: It is the responsibility of the proposer to ask any and all questions proposer feels to be pertinent to the response. The Town shall not be required to attempt to anticipate such questions for proposers. The Town will endeavor to respond promptly to all questions asked.

Requests for information regarding RFP matters related to this RFP should be directed only to the Town Secretary, Shirley Rogers

Shirley Rogers
Town Secretary
1500 Commons Circle, Suite 300
Northlake, Texas 76226
940-648-3290 ext. 202
srogers@town.northlake.tx.us

Any questions, pertaining to the RFP, must be submitted in writing to the Town Secretary. These questions along with all answers shall be provided to all proposers. Requests for information regarding contractual and specifications matters or Scope of Services related to this RFP shall **NOT** be directed to the Town Council, Town Administrator, or any member of the Evaluation Committee.

PROPOSAL OPENING: Proposers are invited to attend the proposal opening at the Office of the Purchasing & Contract Services Department on ______________________. Proposer's presence is not mandatory.

1500 Commons Circle, Suite 300
Northlake, TX 76226
940-648-3290

Town of Northlake

Memo

To: Honorable Mayor and Town Council

From: John Zagurski, Finance Director

CC: Drew Corn, Town Administrator

Shirley Rogers, Town Secretary

Date: September 26, 2019

Re: Audit Plan – Fiscal Year 2018-2019

With the close of the fiscal year soon upon us, the Finance Department moves from a Budget focus to an Audit focus. The Audit is a compilation of the Town's annual financial information into one all-inclusive report known as the Comprehensive Annual Financial Report (CAFR). The majority of the report is mandatory due to state and federal requirements. The process to produce the CAFR takes about three months to complete, primarily due to the allowance period of payables and receivables. The information contained in the document is audited by the Auditor for compliance, accuracy, and reliability.

Vail & Park, P.C have been the Town's auditors for the past seven years. They are coming before Town Council to present an audit plan outlining the audit process and providing an opportunity to answer any questions that Town Council may have. The auditors are appointed by Town Council and report directly to the Town Council.

Two attachments are being provided. The first is the audit plan, and the second is the PowerPoint that will be presented on at the meeting.

Please contact me at 940.242.5706 if you have any questions or comments.

Town of Northlake, Texas
Audit Plan

For the Fiscal Year Ended September 30, 2019

Vail & Park, P.C.

1801 Gateway Boulevard, Suite 212
Richardson, TX 75080

Contact: Mike Vail, CPA
(972) 234-3333 [Office]
(972) 234-3331 [Fax]
mike.vail@vailcpas.com

Prepared September 18, 2019

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September 18, 2019

To the Honorable Mayor and Town Council
Town of Northlake, Texas

Thank you for requesting the audit plan for the Town of Northlake, Texas (the "Town") for the fiscal year ended September 30, 2019.

Vail & Park, P.C. (the "Firm") is a specialty firm located in North Texas with strong focus on governmental and nonprofit audits. The Firm has a strong foundation in governmental and nonprofit audits that includes experience with several cities and towns in Texas.

Services that will be provided by the Firm include

(1) Perform audit in accordance with the following standards:
    a. Auditing standards generally accepted in the United States of America,
    b. the standards for financial audits set forth in the General Accounting Officers (GAO) *Government Auditing Standards* (the "Yellow Book"),

(2) Issue auditors' reports include the following:
    a. The Independent auditor's reports on the basic financial statements;
    b. Independent auditor's report on internal controls over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*;
    c. Independent auditor's report on compliance based on an audit of financial statements performed in accordance with *Government Auditing Standards*;

The Firm is currently engaged as the independent auditor for many other government entities that must follow GASB pronouncements and Governmental Auditing Standards. Among audits we have performed, 35 require adherence to Governmental Auditing Standards and the Yellow Book, with 19 of those audits being Single Audits. Several of our audit clients have obtained the "Certificate of Achievement Award for Excellence in Financial Reports" from the GFOA, and we encourage each of our clients to work toward this goal. We take great pride in our contribution toward making this highest form of recognition in governmental accounting and financial reporting a reality for our clients. We understand this is an expressed objective of the Town for the current year audit, and our firm will achieve this goal.

Our team's collective experience in performing governmental audits is substantial. In addition to Mike Vail, CPA – Engagement Partner, Charles T. Gregg, CPA – Audit Principal, and Matt P. Chen, CPA – Audit Manager. In addition to being actively involved with the Firm audits, Charles T. Gregg has extensive experience in governmental audits and Single Audits and performing peer review and quality review of other firms performing governmental audits.

We believe we are uniquely qualified to serve your company based on the Firm's extensive experience in auditing local governments, as well as our memberships in the Government Finance Officers Association, American Institute of CPAs, and in the Texas Society of CPAs. Our quality review, required by the American Institute of Certified Public Accountants, is attached.

Our fee estimate is based on our prior experience working with governmental and nonprofit audits. If we encounter difficulties during the audit, you will be informed well in advance of exceeding our estimate. We will discuss with you in detail any such difficulties and together decide how to progress with the audit. We are committed to performing the work within the time period outlined in our audit plan. Mike Vail, CPA, will serve as engagement partner and will be happy to answer any questions you may have about our audit plan, including technical, pricing and/or contract related questions.

Sincerely,

Vail + Park, P.C.

FIRM'S PROFILE

Vail & Park, P.C. (the "Firm" or "VP") is a local public accounting firm formed in 2016 located in Richardson, Texas. Over the years, our firm has grown organically through mergers: Hart & Company in 2007, Gregg & Company CPAs in 2009, and Hendricks Graves & Associates in 2012.

The firm is comprised of two departments, audit and tax with 12 employees. The audit department provides external auditing services for clients in a wide range of industries including real estate/construction, municipalities, independent school districts, manufacturing, technology, and non-profit organizations. It also provides SSAE 18 audits for service organizations. The firm's typical clients are growth oriented non-public entities ranging in size from $10 million to $250 million. The tax department is a team of dedicated professionals, each specializing in different areas. Together, they provide tax services for businesses and individuals, regarding business tax, state tax, local tax, and sales tax.

Mike Vail is the Founder of Vail & Park, P.C. His talent in identifying technical accounting issues and attention to detail has provided clients with strong assurance of the soundness of financial reporting to their stakeholders. He began his career as an auditor with Ernst & Young (EY) based in Dallas as well as working one year abroad in the United Kingdom, Mike has worked with over 200 clients, and provides audit leadership for the group of talented people that make up M. Vail & Associates P.C.

INDEPENDENCE

The second general standard for governmental auditing states that the auditor should maintain an attitude of independence in both fact and appearance. VP has no direct or indirect financial interest in The Town or other interest that could affect its independence. We affirm that VP is independent of The Town as defined by generally accepted auditing standards of the United States. No member of the proposed audit team has any professional relationship involving The Town for the past five (5) years and none have any relationships that constitute a conflict of interest relative to performing the proposed audit. We work for the Town Council to audit the financial statements.

LICENSE TO PRACTICE IN TEXAS

We affirm that the firm and all assigned key professional staff are properly licensed to practice in Texas.

FIRM'S QUALIFICATIONS AND EXPERIENCE

Vail & Park, P.C. (the "Firm") is a member of the American Institute of Public Accountants (AICPA) Governmental Audit Quality Center (GAQC), Texas Society of CPAs (TSCPA), and the Public Company Accounting Oversight Board (PCAOB).

The Firm specializes in performing various audits of governmental, for profit, and not-for-profit organizations. The Firm has extensive experience performing audits in accordance with the Single Audit Act and standards issued by the General Accounting Office (GAO). The Firm's professionals have performed over 250 governmental audits. As a function of this past experience completing audits of complex nonprofit and state organizations, the Firm has demonstrated it is capable of completing the audit of the Town in a timely and efficient manner.

The Firm is not restricted by the terms of a public or private reprimand by the Texas State Board of Public Accountancy, licensing boards of other states, or any other agency. The Firm does not have a record of sub-standard audit work. The Firm's accountants are degreed professionals competent for performing all necessary auditing work. The Firm meets all specific requirements imposed by federal, state, and local laws and/or regulations.

The Firm's peer review was performed under the direction of the AICPA. the Firm receives an internal monitoring review annually and an external system Peer Review every three years. In 2018, the Firm received the AICPA's highest opinion (pass) on its latest completed peer review (see ATTACHMENT C).

The audit team assembled for this engagement is capable of performing the audit in a timely, effective, and professional manner. This has been demonstrated in our audits of independent school districts, nonprofit organizations, municipalities, health care agencies, as well as numerous other audits.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The Town engagement team has received the appropriate training and has the requisite proficiency necessary to perform the engagement. Below is a brief summary of each of the engagement team member's qualifications and most recent relevant training:

Mike Vail, CPA – Engagement Partner

Mike has over 25 years of accounting and auditing experience and is the owner of VA. Formerly with a national accounting firm, Mike has worked with clients in a variety of industries including real estate, technology, healthcare, manufacturing and distribution. Mike has experience working with publicly traded as well as privately held companies. Mike holds a Bachelor of Accountancy, BBA in Finance, Master of Accountancy, and Executive Master's in Engineering – IT Governance and Controls. Mike has received 75 hours of CPE for Governmental and Non-for-Profits Audits in the past three years.

Tom Gregg, CPA – Audit Principal

Tom Gregg has more than 35 years of experience serving over 70 municipalities, 15 independent school districts, 4 private schools, 65 nonprofit entities, and 5 partnerships. Tom will be involved in specialized technical governmental accounting issues. Tom has received 72 hours of CPE for Governmental and Non-for-Profits Audits in the past three years.

Matt Chen, CPA – Audit Manager

Matt earned his master's degree in Accounting from the University of Texas at Dallas and he has over six-year experience in public accounting. Matt was an Audit Senior with Deloitte Taiwan and has worked with clients in a variety of industries including healthcare, construction, real estate, governmental, and non-for-profit. Matt has received 74.5 hours of CPE for Governmental and Non-for-Profits Audits in the past three years.

Please refer to ATTACHMENT D for the resume of each key personnel.

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

We have worked on multiple audit engagements during the last three years that are similar to this engagement. Some of our cities have achieved the Certificate of Achievement for Excellence in Financial Reporting award for multiple years while we were engaged as their auditors.

SPECIFIC AUDIT APPROACH

Our audit philosophy is to provide the highest quality audit possible in the most efficient manner with minimal interference in the day-to-day operations of the client's administrative staff. Past experience has shown that frequent and open conversation between our firm's management and the town's staff is the best way to accomplish this objective. The timeframe for the current year audit's interim fieldwork is condensed compared to future years, but our firm will execute a routine schedule for this and subsequent years.

Our goal is to hold an entrance conference on **Monday, October 21, 2019** with the Director of Finance, and to perform initial planning and internal control work (planning) on **Tuesday, October 22, 2019.** We will provide the Town with a detailed audit plan and list of schedules to be prepared by the Town for both interim and year-end procedures no later than **October 31, 2019.**

PHASES OF AUDIT WORK

Phase I – Planning and Internal Control Documentation

We will begin our planning and internal control documentation on-site work on **Tuesday, October 22, 2019** by holding a briefing with Director of Finance. the Firm will:

a. Obtain and review necessary background information relative to the audit.
b. Have all members of the audit team review the *Government Auditing Standards*, and the AICPA Auditing Standards.
c. Review the Town internal policies and procedures for data entry and reporting in the accounting software.
d. Request the Town's department heads to document internal control procedures of selected areas of operations. We will request an internal control questionnaire to be completed with a comprehensive list of typical internal policies and procedures to determine if the Town is utilizing "best practices" of similar government entities.
e. We will perform test of key controls for cash receipts and disbursements.
f. Perform analytical procedures using comparisons of prior year actual and current year-to-date actual of revenues, expenditures, by fund, and compare budget year comparisons. We will review the relationships of the variances between revenue and expenditures for unusual and unexpected variations. From these analytical procedures, we will develop a customized audit program.

Phase II – Interim Audit Procedures

We will perform the interim on-site work on **Monday, November 11, 2019** and conduct the entrance conference with the Director of Finance in a telephone interview. We will establish procedures for discussing any material audit exceptions or noncompliance with state or federal laws and regulations.

Our strategy is to complete interim fieldwork by **Friday, November 22, 2019**. We will perform substantive testing for cash, investment, accounts payable, long-term debts, sales taxes, franchise fees, hotel/motel tax, municipal court revenue, and water sewer revenue.

We will review the operations of the Town to determine if the Town is complying with laws and regulations of Texas and Federal governments by reviewing the responses to internal controls questionnaires, review of the minutes, purchasing procedures, and human resources policies and procedures.

Additionally, we will send a Related Party Questionnaire to the Council members to sign as part of our audit procedures to ensure any related party transactions with the Town are disclosed in report footnotes.

Phase III – Year-End Audit Procedures
We will begin the year end on-site work on **Monday, December 16, 2019** and we will perform substantive testing for property taxes, capital assets, pension and payroll. The amount of audit testing that our auditors need to perform is directly affected by their assessment of control risk.

Our purpose of assessing the control risk is not designed to detect errors, irregularities, fraud or abuse. However, we use a system for assessing the control risk that is a significant advance over traditional prevention and detection of material errors and irregularities. It is applied in considering each significant class of transactions and related assets involved in the audit. Our approach consists of the following steps:

- Considering the types of errors and irregularities that can occur.
- Determining the accounting control procedures that should prevent or detect such errors and irregularities.
- Determining whether the necessary control procedures are being followed satisfactorily.
- Evaluating any weaknesses and determining the nature, timing, and extent of our audit procedures.

This approach allows our auditors to pinpoint areas containing weak controls and to extend testing only to those areas. In this way, the evaluation of weaknesses in internal control is more exact and the testing of the accounting records becomes more effective and efficient. Any material weaknesses noted during our study and evaluation of internal accounting and administrative controls will be included in our report.

Audit Sampling Plan – Our audit sampling plan is a method of obtaining efficient, mathematically valid samples from accounting records. The objectives are to obtain statistically reliable tests of accounting records and to reduce the amount of time required for detail testing. We have used the plan extensively and successfully in large nonprofit and municipal audits. We believe that it is the most valid method available for sampling accounting records as well as the easiest and most practical to apply. Typical use of software for EDP is Excel random number tables, OIG audit tool box, and Incode software sorting and analysis.

In applying the audit-sampling plan to accounting records, the auditor considers the detailed evaluations of internal controls to determine the extent of tests. Documents and related records supporting the individual items selected by the sampling plan are examined using traditional auditing methods. Deficiencies of both monetary and procedural importance are then statistically computed and evaluated. This approach allows the auditor to determine the appropriate testing required for each area and to select a small, statistically valid sample from the accounting records to evaluate quantitatively the results. During this period of Phase III, progress meetings will be conducted with Director of Finance at regular intervals.

We will review and test identified revenue, perform additional analytical procedures and perform substantive testing of the accounting records. We will determine if the Town can provide reasonable assurance that funds received are in compliance with applicable laws and regulations and board directives.

We will test and review the accounting records and various documents to ensure that the accounting system produces appropriate results. We will evaluate internal controls, control risk, and fraud risk in accordance with professional standards.

During the course of the audit, we will discuss any audit findings and instances of noncompliance where appropriate with the Director or Finance and/or Town Administrator to avoid any surprises at the exit conference or in the draft audit report.

Phase IV – Exit Conference
At the completion of the engagement, we will conduct an exit conference with the Town Administrator the week of **Friday, January 17, 2020**. We will then perform a final review of all working papers, which is to be performed in our office. This overriding review is performed to ensure that the final product of our engagement adheres to the highest quality technical standards that can be obtained from any public accounting firm.

Phase V – Comprehensive Annual Financial Report Preparation
In this phase, we will ask the Town to consider posting the proposed audit adjusting journal entries, and then we will prepare a rough draft of the Annual Financial Report (AFR). After

approval of the draft Annual Financial Report, the Firm will bind 15 copies of the CAFR, along with one loose copy. We will prepare 15 copies of the management recommendation letter, if applicable. An exit conference will be scheduled with Director of Finance.

Phase VI – Presentation to Town Council

After receiving the comments of Annual Financial Report, we will address any concerns raised. We will then submit 20 copies of the audit report and management letter to the Town. We will address to the Director of Finance required communication which includes:

1. Auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

We will furnish requested copies of selected working papers that the Town requests. The work papers will also be available for review upon the request of the appropriate federal or state agencies, for a minimum of five years or when legal proceedings order their release of retention.

IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

The Town will need to adopt the new lease accounting standard to record a right-of-use asset and a corresponding lease obligation liability for its operating leases starting on October 1, 2019. This will require the Town to take an inventory of all lease agreements to ensure proper implementation of this new standard. The standard is effective for annual periods beginning after December 15, 2018. Our firm will be available to provide guidance and answer questions on implementation of this new standard.

DOLLAR COST

We have included Rates by Partner, Specialist, Supervisory, and Staff Level Times Hours Anticipated for Each. Please refer to ATTACHMENT A. We have included Tentative Audit Schedule and Manner of Payment. Please refer to ATTACHMENT B.

ATTACHMENT A - RATES BY PARTNER, SPECIALIST, SUPERVISORY, AND STAFF LEVEL TIMES HOURS ANTICIPATED FOR EACH

TOWN OF NORTHLAKE
BASIC AUDIT SERVICES FY2019 BUDGET

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2019 FINANCIAL STATEMENTS

Basic Financial Audit	**Hours**	**Standard Hourly Rates**	**Total**
Partners	20	$ 275	$ 5,500
Managers	95	225	21,375
Supervisory staff	25	175	4,375
Staff	80	95	7,600
Office support	5	75	375
Subtotal	225		39,225
Out-of-pocket expenses:			
Airfare			-
Hotel			-
Meals			100
Mileage			175
Telephone, postage, etc.			-
Total Fees			**$ 39,500**
		Discount: 10% off	(3,950)
			$ 35,550

Schedule 1

Town of Northlake, Texas

Tentative Audit Schedule

For the year ended September 30, 2019

PHASE	Estimated Start Date	Estimated Completion Date	Associated Fee
1 – Planning, risk assessment and internal control documentation procedures	Monday October 21, 2019	Tuesday October 22, 2019	$8,500
2 – Confirmation selection and mailing	Thursday October 31, 2019	Thursday October 31, 2019	$1,500
3 – Interim audit fieldwork	Monday November 11, 2019	Friday November 15, 2019	$4,500
4 – Year-end audit fieldwork	Monday December 16, 2019	Friday December 20, 2019	$6,500
5 – CAFR preparation	Monday January 13, 2020	Friday January 17, 2020	$5,800
6 – Report tie-out and GAAP Disclosure Checklist	Monday January 20, 2020	Friday January 24, 2020	$3,500
7 – Report issuance	Friday January 31, 2020	Friday January 31, 2020	$4,500
8 – Presentation of audit results to the Town Council	TBD	TBD	$750

Report on the Firm's System of Quality Control

March 25, 2018

To the Partners of M. Vail & Associates, PC and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of M. Vail & Associates, PC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended September 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility
The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility
Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations
Engagements selected for review included an engagement performed under Government Auditing Standards; an audit of an employee benefit plans, a non-carrying broker dealer, and an examination of a service organization [SOC 1 engagement].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion
In our opinion, the system of quality control for the accounting and auditing practice of M. Vail & Associates, PC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended September 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. M. Vail & Associates, PC has received a peer review rating of pass.

RW Group, LLC

400 Old Forge Lane
Suite 401
Kennett Square, PA 19348-1914

PrimeGlobal
An Association of Independent Accounting Firms

Phone: 610-713-8208
Fax: 610-807-0370
www.rwgroupllc.com

ATTACHMENT D – RESUMES OF KEY PERSONNEL

Resume of Qualifications of Mike Vail, CPA

CERTIFIED PUBLIC ACCOUNTANT
CPA Certificate number 067114 from Texas State Board of Accountancy – April 1995.

EDUCATION
Mr. Vail graduated from University of Oklahoma in 1993 with a BACC (Bachelor of Accountancy) and BBA in Finance. Mr. Vail graduated from the University of Texas at Dallas in 2006 with a Master of Science in Accounting. Mr. Vail graduated from the Southern Methodist University in 2009 with a Master of Science in Engineering for IT Governance and Controls.

WORK HISTORY
Mr. Vail founded the firm in 2005. He has worked in public accounting for 21 years and was employed by Ernst & Young, LLP from 1993 to 2001. In 2005, he started his CPA practice which has grown and evolved to the firm it is today, Vail & Park, P.C.

AUDITS PERFORMED
City of Aledo, Texas
City of Anna, Texas
Dallas County Park Cities Municipal Utilities District
Dallas Human Resource Management Association
Huitt-Zollars, Inc.
Lion Sight & Tissue Foundation
International Autotech, Inc.
Tecon Realty, Inc.
Town of Argyle, Texas
Town of Northlake, Texas
Town of Saint Paul, Texas
Unified Services of Texas, Inc.
Oak Creek Apartments (HUD Program)
Red River Apartments (Louisiana HUD Program and Single Audit)
Desoto Estates (HUD Program)
Worldlink Ministries, Inc.

POSITION IN FIRM
Audit Partner

SPECIFIC GOVERNMENTAL/NONPROFIT EDUCATION – Past Three Years
Governmental/Nonprofit CPE – Yellow Book, Single Audit Act 75 hours

ATTACHMENT D – RESUMES OF KEY PERSONNEL (continued)

Resume of Qualifications of Charles T. Gregg, CPA

CERTIFIED PUBLIC ACCOUNTANT
CPA Certificate number 2456 from Tennessee State Board of Accountancy – August 1969
CPA Certificate number 29898 from Texas State Board of Accountancy – February 1975

CERTIFIED FRAUD EXAMINER
CFE Certificate number 14209 from National Association of Certified Fraud Examiners – March 1992

EDUCATION
Graduated from the University of Tennessee in 1964 with a Bachelor of Science in Business with a major in Accounting. MBA Post Graduate Study conducted from 1967 to 1979 at the University of Tennessee and University of Tulsa.

WORK HISTORY
Since 1983 as sole proprietor in the firm Vail, Warren, Knauth LLP CPAs (fka Gregg & Company), he has overseen the independent financial audits of more than 70 municipalities, 15 independent school districts, 4 private schools, 65 nonprofit entities, and 5 partnerships. The majority of these audits were performed under Single Audit Act, OMB Circular A-133.

POSITION IN FIRM
Senior Partner – Responsible for design, implementation and compliance with all auditing, accounting, and internal quality control procedures. Responsible for coordinating and scheduling quality reviews for the AICPA on other CPA firms.

YEARS OF PUBLIC ACCOUNTING EXPERIENCE: Thirty (30)

YEARS OF SUPERVISORY EXPERIENCE: Thirty-Three (33)

ATTACHMENT D – RESUMES OF KEY PERSONNEL (continued)

Resume of Qualifications of Matt Chen, CPA

CERTIFIED PUBLIC ACCOUNTANT
CPA Certificate number 110221 from Texas State Board of Accountancy – May 2017.

EDUCATION
Mr. Chen graduated from the University of Texas at Dallas in 2015 with a Master of Science in Accounting. He also holds a Bachelor of Business Administrative in Accounting from National Changhua University of Education (Taiwan).

WORK HISTORY
Mr. Chen joined the Firm in January 2016. He has worked in public accounting for more than 6 years and was employed by Deloitte Taiwan from 2011 to 2014. Mr. Chen has worked with clients in a variety of industries including governmental, non-for-profit, healthcare, construction, real estate, and employee benefit plans. Matt has received 74.5 hours of CPE for Governmental and Non-for-Profits Audits in the past three years.

GOVERNMENTAL AUDITS PERFORMED
City of Aledo, Texas
City of Gregory, Texas
City of McGregor, Texas
Town of Argyle, Texas
Town of Northlake, Texas
TMC Bonham Hospital (A Component Unit of Fannin County Hospital Authority)

POSITION IN FIRM
Audit Manager

SPECIFIC GOVERNMENTAL/NONPROFIT EDUCATION – Past Three Years

Governmental/Nonprofit CPE – Yellow Book, Single Audit Act	74.5 hours

Town of Northlake
FY 2019 Audit Plan

Presented by

Mike Vail, CPA
Charles T. Gregg, CPA

VAIL & PARK, P.C.
AUDIT
TAX
ADVISORY

Agenda

- Scope of Audit
- Purpose of Audit
- Audit Plan Phases
- Prior Year Findings
- Examples of Fraud Issues
- Firm Profile, Why VP? and Staff Qualifications
- Contact Us

Scope of Audit

- We will conduct the audit in accordance with auditing standards generally accepted in USA (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (the "Yellow Book").
- We will document and test the accounting internal controls
- We will then perform a risk assessment to determine the nature, extent and timing of our substantive audit procedures.
- We are required to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have an obligation to detect "material" fraud.

Scope of Audit

- We will issue auditors' reports include the following:
  - Independent Auditor's Reports on the financial statements.
  - Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.

Scope of Audit

- We will issue an audit governance letter to the Town Council (Statements on Auditing Standards (SAS) #114 letter) at the conclusion of the audit to communicate:
  - the scope of our procedures,
  - significant findings, and
  - any other matters such as audit adjustments, any passed audit adjustments, or any disagreements with Town management.

Purpose of Audit

- Texas Local Government Code 103.001 & 103.003:
- A municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.
- The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the municipal secretary or clerk within 180 days after the last day of the municipality's fiscal year.

Audit Plan Phases

- Planning and Internal Control: October 21, 2019
- Interim Audit Fieldwork: November 11, 2019
- Year-end Audit Fieldwork: December 16, 2019
- Closing Meeting: January 17, 2020
- Report Preparation: January 20, 2020
- Presentation to the Town Council: February 2020 (TBD)

Prior Year Findings

- Disbursements: (2 out of 37) missing level 1 approval for purchase orders. Per management, level 2 can overwrite level 1 if the Department Head is out of the office and the invoices need to be paid.
- Receipts: (1 out of 21) missing witness sign-off on Cash Drawer Log; (1 out of 21) missing reviewer sign-off on Cash Receipt Tender Report.
- Audit adjustments proposed and posted

Examples of Fraud Issues

- In performing audits of other towns and cities, here are some examples of fraud that we have detected over the years:
    - Building permit clerk had two receipt books, one for cash and one for checks. She pocketed the cash and hid the cash receipt book.
    - Municipal court clerk reported in the city records that the judge dismissed the case without a fine. However, the judge did not dismiss the case and the defendant paid cash and the Municipal court clerk pocketed the cash
    - The City Mayor had a credit card issue by the city and included personal purchases on the credit card. The City Secretary paid the credit card out of fear of losing her job.

Firm Profile

- Vail & Park, P.C. ("VP") is a member of the American Institute of Public Accountants (AICPA) Governmental Audit Quality Center (GAQC), Texas Society of CPAs (TSCPA) and the Public Company Accounting Oversight Board (PCAOB).
- VP specializes in performing various audits of governmental, for profit, and not-for-profit organizations. We have performed over 250 governmental audits.
- In 2018, VP received the AICPA's highest rating (PASS) on its latest completed peer review.

Why VP CPAs?

- Focus on governmental audits
- Years of experience
- Focus on internal controls
- Protection of assets
- Assist the Town in obtaining the GFOA Award for Financial Excellence
- Communication with the Town Council

Staff Qualifications

- Mike Vail, CPA – Engagement Partner
  (20+ years in public accounting)
- Charles T. Gregg, CPA – Audit Principal
  (30+ years in public accounting)
- Matt Chen, CPA – Audit Manager
  (7+ years in public accounting)
- The engagement team has received the appropriate training (continuing professional education "CPE") and has the requisite proficiency necessary to perform the engagement (CPE requirements: 80 hours every 2 years and 24 hours related to government auditing).

Contact Us

- Vail & Park, P.C.
- Address: 1801 Gateway Boulevard, Suite 212
  Richardson, TX 75080
- Contact: Mike Vail, CPA
- Office: (972) 234-3333
- Email: mike.vail@vailcpas.com

NORTHLAKE
TEXAS

Regular Meeting

Agenda Item 3

Public Input

Agenda Item 4

NORTHLAKE
TEXAS

Consent Items

Agenda Item 5

David A. Rettig, Mayor
Rena Hardeman, Council Place 1
Jimmy Lambert, Council Place 2

Brian Montini, Mayor Pro Tem, Council Place 3
Roger Sessions, Council Place 4
Danny Simpson, Council Place 5

Town Council
Regular Meeting Minutes
Thursday, September 12, 2019
Chamber Room - 1500 Commons Circle, Suite 300 – Northlake, Texas

1. Mayor David Rettig called the regular work session to order at 6:30 pm, quorum present

Council Members present:	David Rettig, Rena Hardeman, Jimmy Lambert, Roger Sessions, Danny Simpson, and Brian Montini participated in the meeting via videoconference call pursuant to Texas Government Code Section 551.127
Staff present:	Drew Corn, Town Administrator; Nathan Reddin, Development Director; Robert Crawford, Chief of Police; Eric Tamayo, Public Works Director; John Zagurski, Finance Director; Parwaiz Broker, Accountant; Kyle Garcia, Planner; Christopher Byrd, Intern and Shirley Rogers, Town Secretary
Consultants present:	Ashley Dierker, Town Counsel; Ben McGahey, PE, Town Engineer, Andy Messer, Legal Counsel

Invocation given by Pastor Justin Paulk, Fellowship of the Parks, Northlake-Justin Campus
Mayor Rettig led the audience in the Pledge of Allegiance to the American Flag

2. Mayor Rettig presented Proclamation No. 19-5 United Way of Denton County Live United Way Month to Alicia McElroy, Staff Member, United Way of Denton County

3. Briefing Items
   A. Finance Director Zagurski presented the FY 2019 3rd Quarter Investment Report
   B. Finance Director Zagurski presented the FY 2019 Budget Report as of July 31, 2019
   C. Portable Toilet Regulations – Council directed Town Administrator Corn to draft an ordinance and bring back to next council meeting for discussion

4. Mayor Rettig called the regular meeting to order at 6:49 pm, quorum present

5. Public Input
   Northlake Resident Joel McGregor asked council to make Northlake a leader in the area by lowering property taxes and being proactive in making the town as debt free as possible

6. Consent Items
   Mayor Rettig pulled Items G-H-J at the request of Council Member Hardeman for additional discussion

Council Member Hardeman made the motion to approve Items D-E-F-I-K. 2nd by Council Member Simpson

Vote:	motion passed unanimous
For:	Hardeman, Simpson, Sessions, Lambert, Montini
Against:	none

D. Town Council meeting minutes of August 22, 2019
E. Town Council meeting minutes of August 29, 2019
F. Standard Professional Services Agreement for Food Service and Temporary Event Inspections between Bureau Veritas North America, Inc. and the Town of Northlake, Texas
I. Resolution No. 19-18 designating the Denton Record Chronicle as the official newspaper for official publication for notices
K. Ordinance No. 19-0912 of the Town Council of the Town of Northlake, Texas approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2019 Rate Review Mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a saving clause and effective date and requiring delivery of this ordnance to the Company and ACSC's legal counsel

G. Council Member Hardeman made the motion to approve the Interlocal Cooperation Agreement for Police and Municipal Court Services between the Town of Northlake, Texas and City of Draper, Texas. 2nd by Council Member Lambert

Vote:	motion passed unanimous
For:	Hardeman, Lambert, Sessions, Montini, Simpson
Against:	none

H. Council Member Simpson made the motion to approve the Agreement for Continuing Disclosure Services by and between Town of Northlake, Texas and HTS Continuing Disclosure Services a division of Hilltop Securities Inc. 2nd by Council Member Lambert

Vote:	motion passed unanimous
For:	Simpson, Lambert, Sessions, Montini, Hardeman
Against:	none

J. Council Member Simpson made the motion to approve Resolution No. 19-19 of the Town Council of the Town of Northlake, Texas related to the issuance of bonds by Northlake Municipal Management District No. 1 a conservation and reclamation District located within the corporate boundaries of the Town. 2nd by Mayor Pro Tem Montini

Vote:	motion passed
For:	Simpson, Montini, Sessions
Against:	Hardeman, Lambert

7. Regular Items

L. Ordinance setting the levy of assessments for the cost of services provided in Northlake Public Improvement District No. 1 (Harvest) during the Fiscal Year 2019-20; setting the charges and liens against property in the District and against the owners thereof; providing for the collection of such assessments; reserving unto the Town Council the right to allow credits reducing the amount of the respective assessment to the extent of any credit granted

i. Mayor Rettig opened the public hearing at 7:04 pm to hear comments for or against the proposed levy of assessments for Northlake PID No. 1
No one came forward for or against the proposed levy of assessments
Mayor Rettig closed the public hearing at 7:04 pm

ii. Council Member Simpson made the motion to approve Ordinance No. 19-0912A. 2nd by Mayor Pro Tem Montini
Vote: motion passed unanimous
For: Simpson, Montini, Sessions, Lambert, Hardeman
Against: none

M. Ordinance approving the Fiscal Year 2019-20 Annual Service Plan Update to the Service and Assessment Plan and the Revised Assessment Roll for The Highlands Public Improvement District

i. Mayor Rettig opened the public hearing at 7:06 pm to hear comments for or against the annual service plan update on The Highlands PID No. 2
No one came forward for or against the Service Assessment Plan
Mayor Rettig closed the public hearing at 7:06 pm

ii. Council member Simpson made the motion to approve Ordinance No. 19-0912B. 2nd by Council Member Sessions
Vote: motion passed unanimous
For: Simpson, Sessions, Lambert, Montini, Hardeman
Against: none

N. Council Member Lambert made the motion to approve Ordinance No. 19-0912C adopting the Fiscal Year 2020 Annual Budget for Tax Increment Reinvestment Zone No. 1, Town of Northlake, Texas. 2nd by Council Member Sessions
Vote: motion passed unanimous
For: Lambert, Sessions, Simpson, Montini, Hardeman
Against: none

O. Council Member Simpson moved to approve Ordinance No. 19-0912D adopting and approving the 2019-2020 Fiscal Year Budget as shown on Exhibit A of said Ordinance. 2nd by Council Member Sessions
Vote: motion passed unanimous
For: Simpson, Sessions, Lambert, Montini, Hardeman
Against: none

Mayor Pro Tem Montini moved to ratify the property tax increase as reflected in the Budget for Fiscal Year 2019-2020. 2nd by Council Member Sessions
Vote: motion passed unanimous
For: Montini, Sessions, Simpson, Lambert, Hardeman
Against: none

P. Council Member Sessions moved that the property tax rate be increased by the adoption of a tax rate of \$0.29500, which is effectually a 12.3 percent increase in the tax rate. 2nd by Council Member Lambert

Vote:	motion passed unanimous
For:	Sessions, Lambert, Simpson, Montini, Hardeman
Against:	none

Record Vote taken:	Simpson	Yes
	Sessions	Yes
	Montini	Yes
	Lambert	Yes
	Hardeman	Yes
	Rettig present but not voting	

Q. Council Member Simpson made the motion to approve Resolution No. 19-20 of the Town Council of the Town of Northlake, Texas, authorizing the Town Administrator to contract with Quality Excavation, Ltd. For a water line installation from future site of North Water Tower to Cleveland-Gibbs Road. 2nd by Council Member Hardeman

Vote:	motion passed unanimous
For:	Simpson, Hardeman, Lambert Montini, Sessions
Against:	none

R. Council Member Hardeman made the motion to approve Resolution No. 19-21 of the Town Council of the Town of Northlake, Texas, authorizing the Town Administrator to enter into an agreement for road base preparation as part of the Mulkey Road Improvements in The Highlands Phase II. 2nd by Council Member Lambert

Vote:	motion passed
For:	Hardeman, Lambert, Montini, Simpson
Against:	Sessions

S. Council Member Simpson made the motion to approve Resolution No. 19-22 of the Town Council of the Town of Northlake, Texas, adopting the 2019 Northlake Purchasing Policy. 2nd by Council Member Sessions

Vote:	motion passed unanimous
For:	Simpson, Sessions, Lambert Montini, Hardeman
Against:	none

T. Council Member Sessions made the motion to approve a Pioneer Grant Program incentive and performance agreement for the development of Bella Italia, a full-service restaurant to be located in the Northlake Commons retail center at FM 407 with total grant not to exceed \$50,000 as recommended by the Northlake Economic and Community Development Corporation Boards. 2nd by Council Member Simpson

Vote:	motion passed unanimous
For:	Sessions, Simpson, Lambert, Montini, Hardeman
Against:	none

U. Council Member Lambert made the motion to approve a Sales Tax Grant and Reimbursement agreement for the development of Texas Roadhouse, a full-service restaurant to be located at 18400 block of IH-35W with grant not to exceed \$50,000 and reimbursements not to exceed 1% of taxable sales for four years and construction sales at project completion as recommended by the Northlake Economic and Community Development Corporation Boards. 2nd by Mayor Pro Tem Montini

Vote:	motion passed unanimous
For:	Lambert, Montini, Hardeman, Sessions, Simpson
Against:	none

8. By general consent, council convened into Executive Session at 8:38 pm to discuss the items listed below: Pursuant to Texas Government Code, annotated, Chapter 551 Subchapter D:
   a. Section 551.071 authorizes a governmental body to consult with its attorney in an executive session to seek his or her advice on a legal matter. It provides as follows: A governmental body may not conduct a private consultation with its attorney except: Section 551.071 authorizes a governmental body to consult with its attorney in an executive session to seek his or her advice on a legal matter. It provides as follows: A governmental body may not conduct a private consultation with its attorney except:
      1) When the governmental body seeks the advice of its attorney about:
         (a) Pending or contemplated litigation; or
         (b) Supreme Court of Texas - Town of Northlake vs City of Justin. No. 18-0651; or
         (c) Case # FP 18-020 considered by the Town at the January 24, 2019 Town Council meeting; or
         (d) Potential litigation related to Eagleton and Applewood road failures; or
         (e) Potential litigation related to Dale Earnhardt Way road failures; or
         (f) Right-of-way acquisition related to Cleveland-Gibbs Road construction; or
         (g) Interlocal agreement between Town and City of Fort Worth executed on August 6, 1997; or
         (h) Performance evaluation criteria applicable to the Town Administrator
   b. Section 551.072 deliberation regarding the purchase, exchange, lease, or value of real property to be acquired out of a certain 47.063-acre tract of land located in the B.B.B. & C.R.R. Co. Survey, Abstract No. 189 in Northlake, Denton County, Texas, for the construction and maintenance of a water tower and other public purposes permitted by law
   c. Section 551.087 Economic Development negotiations for Hotel Conference Center Incentives

   Council returned from closed session at 9:11 pm with Mayor Rettig asking council to consider a motion to extend the meeting time past the 9:30 pm deadline

   Council Member Hardeman made a motion to extend the meeting time up to 10:00 pm. 2nd by Council Member Lambert. Motion passed unanimous

   Mayor Rettig convened the council into Executive Session for a second time at 9:12 pm

9. By general consent, the council reconvened into Open Session at 9:45 pm, action taken below

   V. Council Member Lambert authorized the purchase of approximately 1.15 acres of a certain 47.063 acre tract of land located in the B.B.B. & C.R.R. Co. Survey, Abstract No. 189 in Northlake, Denton County, Texas, as property necessary for the construction and maintenance of a water tower and for other public purposes permitted by law and authorizing the Town Administrator to negotiate and enter into an agreement for said purchase on behalf of the Town. 2nd by Council Member Sessions

Vote:	motion passed unanimous
For:	Lambert, Sessions, Simpson, Montini, Hardeman

Against: none

W. Council Member Simpson made the motion to approve an agreement between the Town of Northlake and Lodging Host Hotel Corp. concerning development of a Hotel Conference Center in the Town limits of Northlake and authorize the Town Administrator to negotiate and enter into said agreement on behalf of the Town. 2nd by Council Member Sessions
Vote: motion passed
For: Simpson, Sessions, Montini, Lambert
Against: Hardeman

X. Mayor Pro Tem Montini made the motion to approve Resolution No. 19-23 of the Town Council of the Town of Northlake supporting the Denton County Commissioners' Court for the acquisition of right-of-way for the Cleveland-Gibbs Road construction project. 2nd by Council Member Sessions
Vote: motion passed unanimous
For: Montini, Sessions, Simpson, Lambert, Hardeman
Against: none

10. By general consent, the meeting was adjourned at 9:50 pm

Passed and approved on this the 26th day of September 2019

Town of Northlake, Texas

____
David Rettig, Mayor

Attest:

____
Shirley Rogers, Town Secretary

1500 Commons Circle, Suite 300
Northlake, TX 76226
940-648-3290

Town of Northlake

Memo

To: Honorable Mayor and Town Council

From: John Zagurski, Finance Director

CC: Drew Corn, Town Administrator

Eric Tamayo, Public Works Director

Shirley Rogers, Town Secretary

Date: September 26, 2019

Re: Purchase of Vehicles & Equipment

The Town of Northlake Public Works department is bringing forward a resolution to purchase two work trucks and a service body. The first is a 2019 Ford F-150 Super Cab for the newly approved Superintendent position. The second vehicle is a 2019 F350 Crew Cab and the service body for the third publics work crew that was approved in the FY2020 budget. The lead time on acquiring the Public Works crew can be up to 180 days. To expedite the process staff is working to process the Purchase Order on the first day of the new year, as to not delay the requisition of the vehicle further.

The total approved budget for the two vehicles is $102,000. The quotes for the vehicles and equipment total less than the total budgeted amount. These vehicles will be purchased using the Tarrant County Cooperative Purchasing Contract, which the Town of Northlake is a member. Purchases though approve cooperatives allow the Town to obtain lower prices, and meet state purchasing requirements.

Please contact me at 940.242.5706 if you have any questions or comments.

TOWN OF NORTHLAKE, TEXAS
RESOLUTION NO. 19-24

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS, APPROVING AND AUTHORIZING THE TOWN ADMINISTRATOR TO ENTER INTO AN AGREEMENT FOR THE PURCHASE OF VEHICLES AND EQUIPMENT

WHEREAS, the Town Council of the Town of Northlake, Texas, has determined that a public need and necessity exists for the Town to acquire a 2019 Ford F-150- Super Cab, 2019 F350 Crew Cab, and Service Body ; and

WHEREAS, the Town Council approved and budgeted for the expenditure of $102,000 in the 2019-2020 budget year from the Equipment Fund for the purchase of Public Works Pickup for Superintendent and Public Works Crew Cab; and

WHEREAS, the Town Council has determined that it is advisable and in the best interests of the Town to authorize the Town Administrator to enter into an agreement to purchase the two trucks and service body in an amount deemed reasonable and appropriate, but not to exceed $102,000; and

WHEREAS, the Town is a member of the Tarrant County cooperative purchasing program which per Subchapter F of Section 271 of the Texas Local Government Code fulfills State purchasing requirements; and

WHEREAS, vendors Sam Pack's Five Star Ford competitively bid vehicles and equipment through the Tarrant County cooperative purchasing program; and

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

SECTION 1. All of the above premises are true and correct legislative and factual findings of the Town Council, and they are hereby approved, ratified and incorporated into the body of this resolution as if copied in their entirety.

SECTION 2. That the Town Council hereby authorizes the Town Administrator to enter into an agreement for the purchase of vehicles and equipment, provided that the total amount to be expended pursuant to this grant of authority shall not, in total, exceed the sum of $102,000.

Passed and approved on this the 26th day of September 2019

Town of Northlake

____
David Rettig

Attest:

____
Shirley Rogers, Town Secretary

Sam Pack's Five Star Ford and Chevrolet
1635 (Ford) 1700 (Chevrolet) S. IH 35E Carrollton Texas, 75006
(888) 8 FLEET 9 (888-835-3389) - FAX 972-245-5278 - bidtx@spford.com

CUSTOMIZED PRODUCT PRICING SUMMARY BASED ON CONTRACT

Cars and Light Trucks

Team Members -- Kevin Moore - Shauna Hood - Jorge Guerra - Alan Rosner - Jose Deanda

Contract NameTarrant County CONTRACT # 2019-041

End User: TOWN OF NORTHLAKE **Sam Pack's Rep:** JORGE GUERRA

Contact: ERIC TAMAYP **Date:** 5/14/2019

Contact TN/Email ETAMAYO@TOWN.NORTHLAKE.TX.US Phone # 817-514-5844

Product Description: 2019 Ford F-150 - SuperCab Exterior Color / Interior: White

A. Bid Series: 2C **Base Price:** $ 24,251.00

B. Published Options (Itemize Each Below)

Code	Description	Bid Price	Code	Description	Bid Price
	Automatic Transmission	Included			
	Air Conditining	Included			
	Speed Control	Included			
	SYNC	Included		VEHICLE 1	
	5.0L V8	Included			
	POWER LOCKS AND WINDOWS	Included			

Total of B. - Published Options $ -

C. Ford Factory Published Options

Code	Description	Bid Price	Code	Description	Bid Price
	MAX TRACTION AXLE	$ 570.00			
X1E	4X4 OPTION	$ 3,645.00			
76R	REVERSE SENSING	$ 275.00			
163	LONG BED OPTION	$ 295.00			

Total of C. - Dealer Published Options $ 4,785.00

D. Fleet Quote

Code	Description	Bid Price	Code	Description	Bid Price
	Spray Liner	$495.00			

All Vehicles ordered are about 90-120 days ARO **Total of D. - Off Menu Options** $ 495.00

F.	Delivery Charges	22 Miles @ $2.45/mile	$ 53.90
G.	Option Discounts	Delivery Credit	
H.	Total of A + B + C + D + E = F		$ 29,584.90
I.	Floor Plan Assistance		$0.00
J.	Lot Insurance Coverages		$0.00
K.	Quantity Ordered	1 X F =	$ 29,584.90
L.	Administrative Fee		$ -
M.	Non-Equip Charges & Credits		
N.	TOTAL PURCHASE PRICE INCLUDING ADMIN FEE		$29,584.90

Sam Pack's Five Star Ford
1635 S. IH 35E Carrollton Texas, 75006
(888) 8 FLEET 9 (888-835-3389) - FAX 972-245-5278 - bidtx@spford.com

CUSTOMIZED PRODUCT PRICING SUMMARY BASED ON CONTRACT

Cars and Light Trucks

Team Members -- Kevin Moore - Jorge Guerra - Alan Rosner

TARRANT COUNTY 2019- 041

End User: TOWN OF NORTHLAKE **Sam Pack's Rep:** JORGE GUERRA

Contact: ERIC TAMAYO **Date:** 5/14/2019

Contact TN/Email ETAMAYO@TOWN.NORTHLAKE.TX.US Phone #

Product Description: 2019 SERVICE BODY ONLY Exterior Color / Interior WHITE

A. Bid Series: **4H** **Base Price:**

B. Published Options (Itemize Each Below)

Code	Description	Bid Price	Code	Description	Bid Price

Total of B. - Published Options $ -

C. Ford Factory Published Options

Code	Description	Bid Price	Code	Description	Bid Price

Total of C. - Dealer Published Options $ -

D. Fleet Quote

Code	Description	Bid Price	Code	Description	Bid Price
CR00004187	9' SERVICE BODY LOUVERED HEADACHE RACK LED WORK LIGHT x4 1/8 TREAD PLATE OVER LAY SPRING KIT CABINET WITH DRAWERS	$16,381.00			

Total of D. - Off Menu Options $ 16,381.00

F.	**Delivery Charges**	**0 Miles @ $2.45/mile**	$ -
G.	**Option Discounts**		
H.	**Total of A + B + C + D + E = F**		$ 16,381.00
I.	**Floor Plan Assistance**		$0.00
J.	**Lot Insurance Coverages**		$0.00
K.	**Quantity Ordered**	1 X F =	$ 16,381.00
L.	**Administrative Fee**		$ -
M.	**Non-Equip Charges & Credits**		
N.	**TOTAL PURCHASE PRICE INCLUDING ADMIN FEE**		$16,381.00

Sam Pack's Five Star Ford
1635 S. IH 35E Carrollton Texas, 75006
(888) 8 FLEET 9 (888-835-3389) - FAX 972-245-5278 - bidtx@spford.com

CUSTOMIZED PRODUCT PRICING SUMMARY BASED ON CONTRACT

Cars and Light Trucks

Team Members -- Kevin Moore - Jorge Guerra - Alan Rosner

TARRANT COUNTY 2019- 041

End User: TOWN OF NORTHLAKE — **Sam Pack's Rep:** JORGE GUERRA

Contact: ERIC TAMAYO — **Date:** 5/14/2019

Contact TN/Email ETAMAYO@TOWN.NORTHLAKE.TX.US — Phone #

Exterior Color / Interior: WHITE

Product Description: 2019 F350 CREW CAB DRW

A. Bid Series: 4H — **Base Price: $ 37,490.00**

B. Published Options (Itemize Each Below)

Code	Description	Bid Price	Code	Description	Bid Price
44W	Automatic	Included			
572	Air Conditioning	Included			
90L	Power Windows	Included			
90L	Power Locks	Included			
525	Speed Control	Included			
942	DAYTIME RUNNING LIGHTS	Included			
X37	3.73 REG AXLE	Included			
	STATE INSPECTION FREE	Included			
	6.7L V8 DIESEL	INCLUDED			
Z1	WHITE IN COLOR	Included			
	VINYL INTERIOR	Included			
	SYNC SYSTEM	INCLUDED			

Total of B. - Published Options $ -

C. Ford Factory Published Options

Code	Description	Bid Price	Code	Description	Bid Price
	4X4 OPTION	$ 3,255.00			
96V	XL VALUE PKG	$ 1,000.00			
67H	HD SUSPENSION	$ 125.00			
41P	SKID PLATE	$ 100.00			

Total of C. - Dealer Published Options $ 4,480.00

D. Fleet Quote

Code	Description	Bid Price	Code	Description	Bid Price

Total of D. - Off Menu Options $ -

F.	Delivery Charges	38 Miles @ $2.45/mile	$ 93.10
G.	Option Discounts		
H.	Total of A + B + C + D + E = F		$ 42,063.10
I.	Floor Plan Assistance		$0.00
J.	Lot Insurance Coverages		$0.00
K.	Quantity Ordered	1 X F =	$ 42,063.10
L.	Administrative Fee		$ -
M.	Non-Equip Charges & Credits		
N.	TOTAL PURCHASE PRICE INCLUDING ADMIN FEE		$42,063.10

Regular Items

Agenda Item 6

1500 Commons Circle, Suite 300
Northlake, TX 76226
940-648-3290
Fax 940-648-0363

Town of Northlake

Memo

To: Honorable Mayor and Town Council

From: Drew Corn, Town Administrator

CC: John Zagurski, Finance Director

Shirley Rogers, Town Secretary

Date: September 26, 2019

Re: Ordinance Adopting Changes to Employee Retirement Benefits

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At the September 12, 2019 Council meeting, Council adopted the fiscal year 2019-2020 annual budget which included a change to the Town's retirement plan. The accompanying ordinance adopts changes to the employee service plan for the Town's Texas Municipal Retirement System (TMRS) plan to include Restricted Prior Service Credit. The credit allows employees to count service in certain State recognized retirement systems toward their length of service requirement.

Eligible systems include authorities, agencies, states or territories of the United States, political subdivisions of any U.S. state, the five statewide retirement systems in Texas, and any institution of higher education at which the employee was security personnel.

The difference between the proposed 2019 rate and the revised 2020 rate is no increase to either the employee contribution or the Town contribution. The addition of the credit may have a very slight increase to the Town's contribution rate depending on the timing of the application of the credit by retiring employees. The change does not increase the employee's retirement payout but could decrease the retirement eligibility term.

For example, if an employee had fifteen years of service with TMRS and five years of service in the Texas Teacher Retirement System (TRS), the employee would have twenty years of combined service and would be eligible to retire but would only receive benefits from TMRS earned in the fifteen years of TMRS service. Northlake's TMRS plan has a twenty-year service retirement term.

The changes to the TMRS plan will take effect upon adoption of the ordinance.

Please contact me at 940.242.5701 if you have any questions or comments.

TMRS
TEXAS MUNICIPAL RETIREMENT SYSTEM

April 18, 2019

Via E-Mail

Ms. Shirley Rogers
Town Secretary
Town of Northlake
1400 FM 407
Northlake, TX 76247

Dear Shirley:

We are pleased to enclose a model ordinance for your city to adopt:

Restricted Prior Service Credit

This option allows a member city to grant restricted prior service credit to employees for service performed for:

- A public authority or agency created by the United States.
- Any state or territory of the United States.
- Any political subdivision of any state of the United States.
- Any public agency or authority created by a state or territory of the United States.
- Previously forfeited service with one of the five statewide retirement systems in Texas (Texas Municipal Retirement System, Texas County and District Retirement System, Teacher Retirement System of Texas, Employees Retirement System of Texas, and Judicial Retirement System of Texas).
- Any institution of higher education at which the person was commissioned as a campus security personnel employee.

This credit is used to satisfy length of service requirements for "vesting" and service retirement eligibility; it has no monetary value.

The city's contribution rate will not be immediately affected by the adoption of this provision. Because Restricted Prior Service Credit allows employees time credit for vesting and retirement eligibility requirements, it can have an impact on the city's contribution rate in future years as employees apply for the credits; however, any such rate increase is generally expected to be very slight in any given year, depending upon the amount of service credit added.

We would appreciate receiving a copy of the enclosed ordinance within 30 days of its adoption.

If you have any questions or concerns, please do not hesitate to contact me at 1-800-924-8677.

Sincerely,

Eric W. Davis
Deputy Executive Director

TMRS
P.O. Box 149153
Austin, Texas 78714-9153

www.TMRS.com

512.476.7577
Toll-Free 800.924.8677
Fax 512.476.5576

TMRS
Texas Municipal Retirement System

Plan Change Study

GRID 2019
For Informational Purposes Only
Effective Date - January 1, 2019
Report Date - April 18, 2019

00930 Northlake

		Proposed Plans
Plan Provisions	**Current**	
Deposit Rate	7.00%	
Matching Ratio	2 to 1	
Updated Service Credit	100% (Repeating)	
Transfer USC **	Yes	
Annuity Increase	0%	
20 Year/Any Age Ret.	Yes	
Vesting	5 years	
Contribution Rates	**2019**	
Normal Cost Rate	8.96%	
Prior Service Rate	1.54%	
Retirement Rate	**10.50%**	
Supplemental Death Rate	0.10% (A & R)	
Total Rate	**10.60%**	
Unfunded Actuarial Liability	$461,584	
Amortization Period	25 years	
Funded Ratio	84.1%	
Phase-In Total Rate	N/A	

**This is the addition to the Initial Prior Service Rate for USC for transfers. There were 9 eligible transfer employees on the valuation date.

TEXAS MUNICIPAL RETIREMENT SYSTEM

AN ORDINANCE AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, RESTRICTED PRIOR SERVICE CREDIT TO EMPLOYEES WHO ARE MEMBERS OF THE SYSTEM FOR SERVICE PREVIOUSLY PERFORMED FOR VARIOUS OTHER PUBLIC ENTITIES FOR WHICH THEY HAVE NOT RECEIVED CREDITED SERVICE; AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

Section 1. Authorization of Restricted Prior Service Credit.

(a) On the terms and conditions set out in Sections 853.305 of Subtitle G of Title 8, Texas Government Code, as amended (hereinafter referred to as the "TMRS Act"), each member of the Texas Municipal Retirement System (hereinafter referred to as the "System") who is now or who hereafter becomes an employee of this City shall receive restricted prior service credit for service previously performed as an employee of any of the entities described in said Section 853.305 provided that (1) the person does not otherwise have credited service in the System for that service, and (2) the service meets the requirements of said Section 853.305.

(b) The service credit hereby granted may be used only to satisfy length-of-service requirements for retirement eligibility, has no monetary value in computing the annuity payments allowable to the member, and may not be used in other computations, including computation of Updated Service Credits.

(c) A member seeking to establish restricted prior service credit under this ordinance must take the action required under said Section 853.305 while still an employee of this Town.

Section 2. This ordinance shall become effective on the first day of October 2019

Passed and approved this the 26th day of September 2019

ATTEST: **APPROVED:**

Shirley Rogers, Town Secretary

David Rettig, Mayor, Town of Northlake

1500 Commons Circle, Suite 300
Northlake, TX 76226
940-648-3290

Town of Northlake

Memo

To: Honorable Mayor and Town Council

From: Drew Corn, Town Administrator

CC: Nathan Reddin, Development Director

Shirley Rogers, Town Secretary

Date: September 26, 2019

Re: Portable Toilet Regulations Draft Ordinance

Per the request of Councilor Lambert and Mayor Pro Tem Montini, a briefing item was placed on the September 12th council meeting to discuss portable toilet regulations in the Town of Northlake. The discussion focused around preventing portable toilets from tipping over by requiring staking. Also, if the toilets do tip over the property owner has 24 hours after notification to upright the toilet. Finally, if the toilet is not uprighted within the time period, the property owner could face up to a $2,000 fine. Fine amounts are under the discretion of the Municipal Judge.

The Town Attorney and staff have drafted an ordinance based on Council's comments. Article 7 of the Northlake Code of Ordinances was the original location suggested for the proposed ordinance. However, upon further review by the attorney has recommended Article 8 – General Provisions. This location will reduce the number of changes needed to place the ordinance within Article 7.

Staff recommends taking a more generic approach to staking. Rather than staff trying to determine the best staking methodology (such as auger or corkscrew anchors), placing the responsibility on the property owner through their portable toilet provider to find the best solution. Another potential enforcement issue is portable toilets on commercial sites where there may not be enough open ground due to large parking lots and required landscaping. According to local building contractors, portable toilets placed on flat, concrete surfaces seldom tip over. However, if the units do tip over, the property owner will still be subject to a fine.

Please contact me at 940.242.5701 if you have any questions or comments.

ORDINANCE NO. 19-0926B

AN ORDINANCE OF THE TOWN OF NORTHLAKE, TEXAS AMENDING CHAPTER 8, "OFFENSES AND ADDITIONAL PROVISIONS," ARTICLE 8.01, "GENERAL PROVISIONS," OF THE CODE OF ORDINANCES OF THE TOWN OF NORTHLAKE, TEXAS; TO ADD A NEW SECTION 8.01.002, "PORTABLE TOILETS;" ESTABLISHING REGULATIONS RELATED TO PORTABLE TOILET FACILITIES LOCATED WITHIN THE CORPORATE LIMITS OF THE TOWN; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING THAT THIS ORDINANCE IS CUMULATIVE; PROVIDING A PENALTY FOR VIOLATION; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Town of Northlake, Texas ("Town") is a Type A general law municipality located in Denton County, Texas created in accordance with the provisions of Chapter 6 of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, the Town has previously adopted regulations governing public health and sanitation for properties located within the Town limits; and

WHEREAS, the Town Council finds that portable toilet facilities that are not maintained in a clean, safe, and sanitary manner create a public nuisance and cause blight, sanitary, and health concerns within the Town;

WHEREAS, the Town finds and determines that the regulations adopted herein are intended to regulate portable toilet facilities in order to provide a clean, safe, and sanitary environment where the portable toilet facilities are utilized; and

WHEREAS, the regulations adopted herein are intended to promote the public health, safety, morals, and general welfare of the citizens of the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

SECTION 1. That Chapter 8, "Offenses and Additional Provisions," Article 8.01, "General Provisions," of the Code of Ordinances, Town of Northlake, Texas is hereby amended to add Section 8.01.002, "Portable Toilets," to read as follows:

"**Section 8.01.002 Portable Toilets.**

(a) Any person, firm, corporation, partnership, association of persons, owner, agent, occupant or anyone having supervision or control of any lot, tract, parcel of land or portion thereof, occupied or unoccupied, improved or unimproved, within the corporate limits of the Town that temporarily utilizes portable toilet facilities shall maintain said portable toilet facilities in a clean, upright, safe, and sanitary condition.

(b) All portable toilet facilities maintained or utilized within the Town pursuant to this Section shall be secured to the ground using suitably secure anchors for any facility located in a residential area or placed against a building in non-residential areas to ensure that the portable toilet facility maintains an upright position.

(c) It shall be unlawful for any person, firm, corporation, partnership, association of persons, owner, agent, occupant or anyone having supervision or control of any lot, tract, parcel of land or portion thereof, occupied or unoccupied, improved or unimproved, within the corporate limits of the Town to suffer or permit an unsightly, upturned, unsafe, or unsanitary portable toilet facility to remain on said lot, tract, parcel of land or portion thereof for more than twenty four (24) hours following notice of a violation of this Section from the Town."

SECTION 2. Any person, firm or corporation violating any of the provisions of this Ordinance shall be guilty of a misdemeanor and upon conviction, shall be fined a sum not to exceed $2000.00 for each offense, and each and every violation shall be deemed a separate offense.

SECTION 3. This Ordinance shall be cumulative of all provisions of Ordinances of the Town of Northlake, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event the more stringent provision shall apply and the less stringent provision, whether contained within this Ordinance or in any prior Ordinance of the Town, whether codified or un-codified, is hereby repealed to the extent of the conflict, but all other provisions of the Ordinances of the Town, whether codified or un-codified, which are not in conflict with the provisions of the Ordinance, shall remain in full force and effect.

SECTION 4. It is hereby declared to be the intention of the Town Council that the phrases, clauses, sentences, paragraph section of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court or competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since same would have been enacted by the Town Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 5. All rights and remedies of the Town are expressly saved as to any and all violations of the provisions of this Ordinance, or any other Ordinances affecting the matters addressed herein, which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by the Ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. The Town Secretary of the Town of Northlake is hereby directed to publish the caption, penalty clause, publication clause, and effective date of this Ordinance.

SECTION 7. This Ordinance shall be in full force and effect from and after its passage and publication as required by law.

PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS, ON THIS THE 26th DAY OF SEPTEMBER 2019.

Town of Northlake, Texas

____

David Rettig, Mayor

ATTEST:

____

Shirley Rogers, Town Secretary

Executive Session

Agenda Item 7