

**MINUTES OF THE REGULAR MEETING OF THE  
HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION  
CITY OF HIGHLAND VILLAGE, TEXAS  
HELD IN THE MUNICIPAL COMPLEX COUNCIL CHAMBERS  
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS  
TUESDAY, JULY 26, 2022**

The Highland Village Community Development Corporation of the City of Highland Village, Texas met on the 26<sup>th</sup> day of July 2022 at 4:30 pm in the PD Training Room.

**1. CALL TO ORDER**

President Mechem called the meeting to order at 5:04 p.m.

**ROLL CALL**

Present:	Elisabeth Mechem	Citizen Representative
	Jon Kixmiller	Council Representative
	Dan Jaworski	Council Representative
	Tom Heslep	Council Representative
	Karla Limon	Citizen Representative
Absent :	Jared Christianson	Citizen Representative
	Mike Lombardo	Council Representative
Staff Members:	Ken Heerman	Assistant City Manager
	Paul Stevens	City Manager
	Phil Lozano	Parks & Recreation Director
	Karen McCoy	Executive Assistant
	Andrew Boyd	Multi-Media Specialist
	Heather Miller	Assistant Finance Director
	Michael McWhorter	Budget & Accounting Administrator

**2. VISITOR COMMENTS**

None

**3. CONSIDER APPOINTMENT OF HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION OFFICERS**

**APPROVED**

Mr. Heerman explained that we have three officer positions for the Corporation. President, Vice-President, and Secretary/Treasurer that must be filled each year. Staff completes the functions for the Secretary/Treasurer position, however this position must now be filled by a representative per the recommendation of City Attorney, Kevin Laughlin.

Council Representative Kixmiller nominated Elisabeth Mechem as President. Council Representative Jaworski seconded the motion.

Council Representative Jaworski nominated Jared Christianson as Vice-President. Council Representative Kixmiller seconded the motion.

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Council Representative Jaworski nominated Karla Limon as Secretary/Treasurer. Council Representative Heslep seconded the motion.

**DAN JAWORSKI MADE THE MOTION TO APPOINT ELISABETH MECHEM AS PRESIDENT, JARED CHRISTIANSON AS VICE-PRESIDENT, AND KARLA LIMON AS SECRETARY/TREASURER. TOM HESLEP SECONDED THE MOTION.**

Motion to approve carried 5 – 0.

**4. CONSIDER APPROVAL OF MINUTES OF THE REGULAR COMMUNITY DEVELOPMENT CORPORATION MEETING HELD ON JULY 27, 2021**

**APPROVED**

**JON KIXMILLER MADE THE MOTION TO APPROVE THE MINUTES. TOM HESLEP SECONDED THE MOTION.**

Motion to approve carried 5 – 0

**5. CONSIDER APPROVAL OF PROPOSED BUDGET AMENDMENTS FOR FISCAL YEAR 2021 – 2022**

**APPROVED**

**(KH combined presentation of 5 and 6. Action taken separately)**

Mr. Heerman that sales tax has been strong and above projections. Rental income is back up some after being down during the pandemic. Picture is good for our revenues. Personnel is right on target. Services/Supplies were a little bit above projected.

Assistant City Manager and Board Liaison Ken Heerman gave an overview of the Highland Village Community Development Corporation Budget before discussing the proposed budget amendments. He stated that each department is responsible to not exceed the amounts budgeted in each of three categories – Personnel, Services/Supplies, and Capital. Category subtotals of departmental expenditures provide the level of budgetary control. Mr. Heerman further explained that should the need arise for reallocation between categories or departments, budget amendments are then presented to City Council for consideration.

Personnel - \$37,500 increase  
Budget \$402,427 Revised \$439,927

Reason for request:

- Professional Services - Landscape Architectural Services for fencing options for the Doubletree Ranch Park splash pad. \$12,500
- Splash Pad material cost to make the repairs to enable 2022 season - \$25,000 (Splash pad surfacing scheduled for replacement, but unable to get materials in light of supply chain issues)

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Mr. Heerman indicated that these adjustments would be incorporated into the mid-year budget amendments that are submitted to City Council. The projected year-end working capital balances are projected at \$451,066 for FY 2022.

**TOM HESLEP MADE THE MOTION TO APPROVE THE BUDGET AMENDMENTS AS PROPOSED. JON KIXMILLER SECONDED THE MOTION.**

Motion to adopt carried 5 – 0.

**6. CONDUCT A PUBLIC HEARING AND CONSIDER ADOPTION OF THE ANNUAL UPDATES TO THE FACILITIES DEVELOPMENT CAPITAL IMPROVEMENT PROGRAM (FDCIP) AND THE PROPOSED FISCAL YEAR 2023 BUDGET INCLUDED THEREIN**

The Bylaws of the Highland Village Community Development Corporation (4B) require an annual update to the Facilities Development Capital Improvement Program (FDCIP), as well as approval of an annual Budget. The FDCIP details projects and implementation in regards to the approved 4B projects and uses the ½ cent sales tax for the City Comprehensive Trail System and a Soccer Complex. As the Budget is an integral component of the FDCIP, it is presented together. The purpose of the FDCIP is to provide awareness, to see the projects the city is proposing and then have an opportunity to provide feedback.

Mr. Heerman gave an overview of the FY 2023 Budget Highlights:

Total base proposed non-capital expenditures for the FY 2023 operating budget reflects a slight decrease of \$23,755 (-3.2%) from FY 2022.

**Personnel**

- Concurrent with the opening of Doubletree Ranch Park, an additional position was added in FY 2018, bringing the total number of positions funded by the 4B to four. This crew is focused on the maintenance of all city trails, Lakeside Community Park, and Doubletree Ranch Park. Parks employees are funded by the General Fund and are also used to supplement as needed. Addition of the Splash Pad at Doubletree Ranch Park, in addition to the other amenities, continues to provide challenges for the Parks Department with the increased workload.
- For FY 2023, the proposed budget for Personnel is \$331,609 – a \$10,275 increase (3.2%) from FY 2022.
  - This increase is primarily reflective of an overall 5% increase suggested to at least partially address the impact of inflation for employees and to stem turnover that is being experienced industrywide.
  - While health insurance premiums increased, the overall cost for insurance only marginally increased due to changes in coverage selected by employees assigned to the 4B fund.

Expenditures for Services / Supplies totaling \$385,678 decreased by \$16,749 from last year's budget amount of \$402,427.

- Park Maintenance decreased \$18,799 from \$237,605 to \$218,806.

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- FY 2022 had \$163,994 of supplemental requests representing various one-time expenditures. Included in this total were two projects - adding lighting at the PFC Aaron Hudson Memorial Bridge (\$35,000) and landscaping / irrigation maintenance on the trail system (\$30,000) that are carried over to FY 2023. Also proposed for FY 2023 are various painting / staining projects at Doubletree Ranch totaling \$76,000.
- These identified one-time projects are \$23,000 less than the one-time supplemental projects included last year. This was partially offset by a \$4,000 increase in routine ongoing maintenance.

There is no equipment replacement identified for FY 2023.

Parks and Recreation Director, Phil Lozano, gave an overview of the supplemental items for the FY 2023 Budget.

Supplemental requests identified for FY 2023 total \$299,000.

- Professional redesign of concession stand area into party room rental at Doubletree Ranch Park. \$6,000
- Addition of the Village Park Sidewalk from the trail to the playground area. \$6,000
- Doubletree Ranch Park surface replacement with upgraded surface that is currently in use at Kids Kastle. \$67,000 (capital item)
- Physical barrier around the splash pad at Doubletree Ranch Park to protect surface against non-foot traffic. \$220,000 (capital item)

Mr. Heerman stated that all remaining bond proceeds were depleted with the completion of Doubletree Ranch Park FY 2017. Therefore, the primary focus has been to target maintenance and programming of this park, as well as the extensive trail system throughout the City. With no new projects planned in the immediate future, the operations / maintenance budget is expected to be primarily maintained at its current level, with increases accounting for inflation as well as addressing periodic maintenance needs. However, increased sales tax receipts in FY 2021 and FY 2022 have provided some capability to address supplemental requests. Most of the requests address maintenance issues, with a few – accommodation for food trucks at Doubletree and lighting for the Aaron Hudson Memorial Bridge - providing for enhanced service level.

#### Project Summary

Only a small project is anticipated for FY 2023 – adding a sidewalk connecting the trail around Village Park to the playground area. Estimated cost \$6,000.

Projected available bond proceeds (9/30/22)                      \$     - 0 -

There will be no bond proceeds available until the next debt issuance.

#### Financial Outlook

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Rental income projections for Doubletree Ranch Barn was increased \$22,000 reflective of two changes:

- Addition of HVAC to the Barn main rental area and updating rental fees more reflective of area rates for similar facilities.
- Sales tax revenues, the primary revenue source for this fund, have experienced a robust recovery in the two years following the pandemic.

No Debt Financed Projects anticipated in three-year window. Restoration of working capital balances is anticipated to provide capability for consideration of debt issuance in FY 2026 or 2027.

Project Summary

- Completed Projects
  - City Trail
  - Victoria Trail
  - Market Trail
  - Village Park Trail
  - Lake Vista Trail
  - Highland Village Road (Village Park Trail connection to RR crossing)
  - Practice Soccer Fields (LISD property)
  - Crosswalk at FM 2499
  - Market Trail / Village Park Connection
  - Pedestrian Crosswalk Enhancements (Victoria Trail crossing @ Highland Village Rd), and City Trail crossing @ Briarhill Blvd)
  - FM 2499 Sidewalk (City Trail at FM 2499 south to connect with Market Trail)
  - Highland Village Road Trail - Phase IIb (Lions Club Park to Doubletree Ranch Park)
  - Highland Village Road RR Crossing
  - Marauder Park Lake Access
  - Twin Coves Drive West side of Road @ Highland Shores Blvd.. 5' sidewalk connector
  - Castlewood Trail (including tie-in to FM 2499 Pedestrian Tunnel and City Trail)
  - Southwood Trail
  - Lakeside Community Park (707 HV Rd) Trailhead
  - Doubletree Ranch Park
- Small fill-in / connector sections completed
  - Trail connection from Remington Dr. E. to Highland Village Road.
  - Twin Coves Drive West side of Road @ Highland Shores Blvd. 5' sidewalk connector
  - Trail Section on Spring Oaks Drive
  - Briarhill Blvd. Across from the Jr. HS West side between the District Trail and Shannon Lane 5' sidewalk connector

Projects (Previously Identified) for Future Consideration (Listed in Priority Order)

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Projects

- Highland Village Road (Service Center to Sellmeyer Ln.) Cost: \$561,200 (Eng. \$73,200, Construction \$488,000) In process (Included in 2018 Parks Bond Issue)
- Highland Village Road (City Hall to Service Center) Estimated cost: \$361,100 (Eng. \$47,100, Construction \$314,000) In process (Included in 2018 Parks Bond Issue)
  - o These two sections were bid as one project (also including trail around Victoria Park), utilizing 2018 Bond proceeds
  - o Bid Construction Cost \$883,350, anticipating completion in Summer / Fall 2022
- Chapel Hill City Trail / FM 2499 Pedestrian Tunnel Connector Estimated cost: \$220,908 (Eng. \$26,650, Construction \$194,258) Engineering funded with redirected savings from favorable street overlay bid, and this is in progress. Funding for construction to utilize available 2018 bond proceeds.
- Marauder Park Trail Head Estimated cost: \$391,000 (Eng. \$48,000, Construction \$343,000)
- Pilot Knoll Trail (Connection from FM 2499 Sidewalk at City Trail to Pilot Knoll Park)
- Victoria Trail (remainder)
- Pedestrian tunnel under KCS RR

Identified small fill-in / connector sections

- Trail/Sidewalk connection on Castlewood Blvd at FM 2499 at Highland Shores Blvd. Estimated cost: \$44,850
- Highland Shores Blvd at Highland Village Road 5' sidewalk/trail connector where bike lane ends due to right turn lane and connect to City Trail. Estimate \$8,665
- Trail Connection from Marauder Park Trail under FM2499 Bridge to connect to Shoreline access point. City has easement from TxDOT for trail

Identified small fill-in / connector sections

- Trail/Sidewalk connection on Castlewood Blvd. (west side) at FM 2499/Highland Shores Blvd. – Estimated cost: \$44,850 (Eng. \$5,850, Construction \$39,000)
- Highland Shores Blvd. at H. V. Road South Side 5' sidewalk/trail connector where bike lane ends due to right turn lane, connect to City Trail Estimate \$8,665 - Engineer currently evaluating best options for bike lane. On street bike lane markings may be the best solution for this location. If so, the City Street Dept. could do the markings at a minimal cost.
- Trail connector from Marauder Park Trail under FM2499 Bridge to connect to Shoreline access point (have easement from TxDOT for trail)

There are no proposed updates to the Facilities Development Capital Improvement Program (FDCIP) for FY 2023.

**PUBLIC HEARING CONDUCTED**

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Ken Heerman stated the nature of request is to conduct a public hearing regarding the adoption of the annual updates to the Facilities Development Capital Improvement Program (FDCIP) and the proposed Fiscal Year 2022-2023 Budget included therein.

Ms. Mechem opened the public hearing at 5:56 pm and asked for anyone wishing to speak. There being no one, Ms. Mechem closed the Public Hearing at 5:57 pm.

**APPROVED**

Nature of the request is to consider adoption of the annual updates to the Facilities Development Capital Improvement Program (FDCIP) and the proposed Fiscal Year 2020 – 2021 Budget.

**TOM HESLEP MADE THE MOTION TO ADOPT THE ANNUAL UPDATES TO THE FACILITIES DEVELOPMENT CAPITAL IMPROVEMENT PROGRAM (FDCIP) AND THE PROPOSED FISCAL YEAR 2021 – 2022 BUDGET INCLUDED THEREIN. JON KIXMILLER SECONDED THE MOTION.**

Motion to adopt carried 5 – 0.

- 6. STATUS REPORTS ON CURRENT PROJECTS AND DISCUSSION ON FUTURE AGENDA ITEMS** *(A Boardmember may inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)*

***DISCUSSION ITEM ONLY***

None

**7. ADJOURNMENT**

President Mechem adjourned the meeting at 5:59 p.m.

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President

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Karen McCoy, Executive Assistant