



City Council Meeting Agenda

LongviewTexas.gov/Tele

5:30 pm.

April 9, 2020

This meeting will be conducted utilizing a videoconferencing tool. City Council members, staff, and citizens will participate via audio only. Instructions and direct links to view the meeting or speak during citizen comment can be found at LongviewTexas.gov/Tele.

To participate in citizen comment, please plan to arrive early to give yourself time to register to the videoconference tool. After registering, you will receive a confirmation email containing information about joining the webinar. The virtual conference meeting room will open at 5:15 p.m., and the meeting will begin at 5:30 p.m.

For assistance or questions related to participating in the meeting, please contact the City Secretary's Office at 903-237-1080.

I. Call to Order

II. Roll Call

III. Citizen Comment

IV. Consent Agenda

- A.** Consider a Resolution accepting the Lake Cherokee Water Treatment Plant Clarifier Rehabilitation for final payment in the amount of \$6,048.10 to McInnis Brothers Construction, Inc., of Minden, LA. - Rolin McPhee, P.E., Director of Public Works. Pages 3-6
- B.** Consider a Resolution authorizing support for an application for the North East Texas Regional Mobility Authority's Priority Projects grant and authorizing the City Manager or his designee to act as the City's representative in all matters pertaining to the grant for \$270,000 for Signal

and Widening improvements at the intersection of Hawkins Parkway and Good Shepherd Way - Michael Shirley, Director of Development Services. Pages 7-11

- C.** Consider a Resolution accepting the 2019 CDBG Water Improvements on Hailey Drive Project and authorizing final payment of \$12,475.00 to Excel Utility Construction, LLC, of Longview, Texas. - Rolin McPhee, P.E., Director of Public Works. Pages 12-15
- D.** Consider a Resolution approving the annual review and acceptance of the City of Longview Investment Policy – Angela Coen, Director of Finance. Pages 16-32

V. Action Item

Consider an Ordinance amending the Personnel Policies of the City of Longview, Texas - Mary Ann Miller, Director of Administration. Pages 33-39

VI. Update on COVID 19

VII. Adjourn

Any final action, decision, or vote on a matter deliberated in a closed meeting will only be taken in an open meeting that is held in compliance with Texas Government Code, Chapter 551. The City Council reserves the right to adjourn into a closed meeting or executive session as authorized by Texas Government Code, Sections 551.001, et seq. (the Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.088 of the Texas Open Meetings Act. In addition, the City Council may consider a vote to excuse the absence of any City Council Member for absence from this meeting or for absence from any previous City Council meeting.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aid or services are requested to contact the City Secretary's Office at 903.237.1080 at least two days before this meeting so that appropriate arrangements can be made. Para ayuda en español, por favor llame al 903.237.1000.

LAKE CHEROKEE WATER TREATMENT PLANT CLARIFIER REHABILITATION

DESCRIPTION: Consider a resolution accepting the Lake Cherokee Water Treatment Plant Clarifier Rehabilitation and authorizing final payment in the amount of \$6,048.10 to McInnis Brothers Construction, Inc., of Minden, LA. Approval of final payment will begin the contractor's one-year warranty period.

The City Council awarded a contract to McInnis Brothers Construction Inc., on February 22, 2018 in the amount of \$2,615,700.00. The final construction cost is \$2,608,259.28.

The scope of work includes the rehabilitation of needed improvements to the Lake Cherokee Water Treatment Plant upflow clarifier. This includes the replacement of radial launders, chemical piping, electrical controls, stairs, handrails, sludge blowdown valve relocation, 36 inch valve installation and necessary improvements to rehabilitate the upflow clarifier.

The project has been completed in accordance with the contract. KSA Engineers recommends acceptance of the project and approval of the final payment.

RECOMMENDED ACTION: Passage of the resolution.

SOURCE OF FUNDS: Funding is available from the Water Utility CIP Fund.

STAFF CONTACT: Rolin McPhee, P.E., Director of Public Works
903-237-1336
rmcphee@longviewtexas.gov

COUNCIL DATE: April 9, 2020

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS, ACCEPTING THE PROJECT ENTITLED "LAKE CHEROKEE WATER TREATMENT PLANT IMPROVEMENTS CLARIFIER REHABILITATION"; AUTHORIZING AND APPROVING FINAL PAYMENT TO MCLNNIS BROTHERS CONSTRUCTION, INC., OF MINDEN LOUISIANA, FOR THE COMPLETION OF SAID PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on February 22, 2018, the City Council awarded a contract to McInnis Brothers Construction, Inc., of Minden, Louisiana, in the amount of \$2,615,700.00 for the project known as "Lake Cherokee Water Treatment Plant Improvements Clarifier Rehabilitation"; and,

WHEREAS, this project provided the removal and installation of the radial launders, chemical piping, electrical controls, stairs, handrails, sludge blowdown valve relocation, 36 inch valve installation and necessary improvements to rehabilitate the upflow clarifier; and,

WHEREAS, the final construction cost for said project was \$2,608,259.28; and,

WHEREAS, the project has been completed and the contractor, McInnis Brothers Construction, Inc., of Minden, Louisiana, has requested final payment in the amount of \$6,048.10; and,

WHEREAS, the final amount of \$6,048.10 is due to the contractor as final payment; and,

WHEREAS, the acceptance of the work by McInnis Brothers Construction, Inc., of Minden, Louisiana, on the aforementioned contract and the approval of final payment therefore will begin the one-year warranty period for said work; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS:

Section 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. That the work performed by McInnis Brothers Construction, Inc., of Minden, Louisiana, on the project known as “Lake Cherokee Water Treatment Plant Improvements Clarifier Rehabilitation” is hereby accepted as complete and that final payment of \$6,048.10 for the completion of said project is hereby approved.

Section 3. That the meeting at which this resolution was passed was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 4. That this resolution shall become effective from and after its passage.

PASSED AND APPROVED this 9th day of April, 2020.

Dr. Andy Mack
Mayor

ATTEST:

Angie Shepard
City Secretary

APPROVED AS TO FORM:

Jim Finley
City Attorney

R PW FINAL PAY LAKE CHEROKEE CLARIFIER 4-9-20

**PRIORITY PROJECTS GRANT APPLICATION FOR SAFETY ENHANCEMENTS AT THE
INTERSECTION OF HAWKINS PARKWAY AND GOOD SHEPHERD WAY**

DESCRIPTION:	<p>Consider a Resolution authorizing support for an application for the North East Texas Regional Mobility Authority's (NET RMA) Priority Projects grant and authorizing the City Manager or his designee to act as the City's representative in all matters pertaining to the grant for \$270,000 for Signal and Widening improvements at the intersection of Hawkins Parkway and Good Shepherd Way.</p> <p>The NET RMA is an independent government agency created to accelerate the development of transportation projects in North East Texas. The NET RMA releases an annual call for projects to each of its 12 member counties, initiating an opportunity to submit an application for NET RMA funds. The City of Longview, in collaboration with Gregg County, has selected a safety enhancement project to submit for NET RMA grant funding. The project consists of installing a warranted traffic signal at the intersection of Hawkins Parkway and Good Shepherd Way. Hawkins Parkway will be widened to accommodate left turn lanes at the intersection, which will provide for safer turning movements at a historically crash prone location.</p> <p>The City of Longview has allocated \$250,000 for the construction of this project to include the signal work. The grant application request is for \$270,000 that would allow the project to be expanded to include widening for turn lanes.</p>
RECOMMENDED ACTION:	Passage of Resolution.
STAFF CONTACT:	Michael Shirley, Director of Development Services
	903-237-1059
	mshirley@LongviewTexas.gov
COUNCIL DATE:	April 9, 2020

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS, AUTHORIZING SUPPORT FOR THE SUBMISSION OF A PRIORITY PROJECTS APPLICATION TO THE NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY (NET RMA); AUTHORIZING THE CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE PRIORITY PROJECTS GRANT PROGRAM; AUTHORIZING THE ACCEPTANCE OF ALL PROGRAM REQUIREMENTS IMPOSED IN THE CONNECTION WITH GRANT FUNDING; PROVIDING FOR FUNDING; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS APPROVED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Longview desires to develop a viable community which includes transportation improvements that enhance the safety and mobility for all local and regional travel; and,

WHEREAS, the City of Longview hired a consultant to perform a Traffic Signal Needs Study that determined a traffic signal is warranted at the intersection of Hawkins Parkway and Good Shepherd Way; and,

WHEREAS, the City of Longview has allocated \$250,000 for the construction of a traffic signal at the intersection of Hawkins Parkway and Good Shepherd Way; and,

WHEREAS, it is necessary and in the best interests of the City of Longview to widen Hawkins Parkway to accommodate left turn lanes at the intersection, which will provide for safer turning movements at a historically crash prone location; and,

WHEREAS, it is necessary and in the best interests of the City of

Longview, in coordination with Gregg County, to apply for funding for the additional project construction costs through the North East Texas Regional Mobility Authority's (NET RMA) Priority Projects grant program; and,

WHEREAS, the City of Longview is willing to commit to the project's development, implementation, construction, maintenance, management, and financing; and,

WHEREAS, the City of Longview is willing and able to enter into necessary agreements by resolution or ordinance, should the project be selected for funding; NOW, THEREFORE,

BE IT RESOLVED BE THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS:

Section 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. That the Priority Projects grant program application is hereby authorized to be filed on behalf of the City of Longview, in coordination with Gregg County, with the North East Texas Regional Mobility Authority.

Section 3. That the City of Longview's application be placed in competition for funding under the Priority Projects grant program.

Section 4. That the application be in an amount up to \$270,000 of grant funds to be utilized to expand the traffic signal construction at the intersection of Hawkins Parkway and Good Shepherd Way by widening Hawkins Parkway to accommodate left turn lanes for the purpose of enhancing safety and improved mobility for local and regional travelers within the City of Longview.

Section 5. That the City Council directs and designates the City Manager as the Authorized Representative to act in all matters in connection with this application

and the City of Longview's participation in the Priority Projects grant program.

Section 6. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, and civil rights requirements.

Section 7. That it further be stated that the City of Longview will use funds approved and allocated by the Capital Improvements Program (CIP) 2019-2020 Projects resolution dated September 12, 2019, as local financial support toward the project delivery, engineering and construction activities of this intersection improvement project.

Section 8. That the meeting at which this resolution was approved was in all things conducted in strict compliance with Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 9. That this resolution shall become effective immediately from and after its passage.

PASSED AND APPROVED this 9th day of April, 2020.

Dr. Andy Mack
Mayor

ATTEST:

Angie Shepard
City Secretary

APPROVED AS TO FORM:

Jim Finley
City Attorney

R DS NET RMA APP 4-9-20

2019 CDBG WATER IMPROVEMENTS ON HAILEY DRIVE

DESCRIPTION:	<p>Consider a resolution accepting the "2019 CDBG Water Improvements on Hailey Drive" and authorizing final payment of \$12,475.00 to Excel Utility Construction, LLC, of Longview, Texas. Approval of the final payment will begin the contractor's one-year warranty period.</p> <p>The City Council awarded a contract to Excel Utility Construction, LLC, on July 25, 2019 in the amount of \$150,000.00. The final construction cost is \$124,750.00.</p> <p>The project provided for the construction of 1,300 feet of eight-inch water main at Hailey Drive and miscellaneous work as necessary to complete the installations.</p> <p>The project has been completed in accordance with the contract. Public Works Engineering staff recommends acceptance of the project and approval of the final payment.</p>
RECOMMENDED ACTION:	Passage of resolution.
SOURCE OF FUNDS:	Funding is available from the Community Development Block Grant and the Water Utility CIP Fund.
STAFF CONTACT:	Rolin McPhee, P.E., Director of Public Works 903-237-1336 rmcphee@longviewtexas.gov .
COUNCIL DATE:	April 9, 2020

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS, ACCEPTING THE PROJECT ENTITLED “2019 CDBG WATER IMPROVEMENTS AT HAILEY DRIVE”; AUTHORIZING AND APPROVING FINAL PAYMENT TO EXCEL UTILITY CONSTRUCTION, LLC, OF LONGVIEW, TEXAS, FOR THE COMPLETION OF SAID PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on July 25, 2019, the City Council awarded a contract to Excel Utility Construction, LLC, of Longview, Texas, in the amount of \$150,000.00 for the project known as “2019 CDBG Water Improvements at Hailey Drive”; and,

WHEREAS, the project included the construction of approximately 1,300 linear feet of eight-inch water main on Hailey Drive and miscellaneous work as necessary to complete the installations; and,

WHEREAS, the final construction cost for said project was \$124,750.00; and,

WHEREAS, the project has been completed and the contractor, Excel Utility Construction, LLC, of Longview, Texas, has requested final payment in the amount of \$12,475.00; and,

WHEREAS, the final amount of \$12,475.00 is due to the contractor as final payment; and,

WHEREAS, the acceptance of the work by Excel Utility Construction, LLC, of Longview, Texas, on the aforementioned contract and the approval of final payment therefore will begin the one-year warranty period for said work; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS:

Section 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. That the work performed by Excel Utility Construction, LLC, of Longview, Texas, on the project known as “2019 CDBG Water Improvements at Hailey Drive” is hereby accepted as complete and that final payment of \$12,475.00 for the completion of said project is hereby approved.

Section 3. That the meeting at which this resolution was passed was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 4. That this resolution shall become effective from and after its passage.

PASSED AND APPROVED this 9th day of April, 2020.

Dr. Andy Mack
Mayor

ATTEST:

Angie Shepard

City Secretary

APPROVED AS TO FORM:

Jim Finley
City Attorney

R PW FINAL 2019 CDBG WATER IMPROVEMENTS HAILEY DR 4-9-20

ANNUAL APPROVAL OF INVESTMENT POLICY

DESCRIPTION:	<p>The Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Statutes provides for the investment of public funds. The City developed and adopted its Investment Policy in accordance with the PFIA in 1996. One requirement of the PFIA is that Cities review, and if needed, revise their policy on an annual basis. There are no changes to the language in the Policy in the current year.</p> <p>The broker/dealer list for authorization is an appendix of the Policy. This complies with the PFIA requirements of an annual authorized list of broker/dealers.</p>
RECOMMENDED ACTION:	Consider resolution approving the City of Longview's Investment Policy.
STAFF CONTACT:	Angela Coen, Director of Finance 903-239-5521 acoen@ci.longview.tx.us
COUNCIL DATE:	April 9, 2020

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS, APPROVING AND ADOPTING THE INVESTMENT POLICY FOR THE CITY OF LONGVIEW IN ACCORDANCE WITH THE PUBLIC FUNDS INVESTMENT ACT AND THE APPLICABLE PROVISIONS OF THE LONGVIEW CITY CHARTER; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Longview, Texas, has previously considered and approved a resolution adopting an investment policy for the City of Longview, including a separate written investment strategy for each of the funds or group of funds under the City Council's control; and,

WHEREAS, the aforesaid prior investment policy was approved and adopted in accordance with the provisions of the Public Funds Investment Act, Texas Government Code Chapter 2256, and with the provisions of Sections 9.13(d) and (e) and 10.03 of the Longview City Charter specifying responsibilities of the City Manager and the City Council with regard to the custody of, responsibility for, and investment of any and all City funds; and,

WHEREAS, the City Council has reviewed the City's investment policy and investment strategies as required by law and any changes to said policy and strategies adopted herein are shown in the attached Exhibit A; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS:

Section 1. That the findings and provisions set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. That the City of Longview has complied with the requirements of the Public Funds Investment Act, Texas Government Code Chapter 2256 and with the requirements of Sections 9.13(d) and (e) and 10.03 of the Longview City Charter.

Section 3. That the City of Longview Investment Policy, as attached hereto as Exhibit A, is hereby approved and adopted as the Investment Policy of the City of Longview.

Section 4. That the meeting at which this resolution was passed was conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 5. That this resolution shall be effective immediately from and after its date of passage.

PASSED AND APPROVED this 2nd day of April, 2020.

Andy Mack
Mayor

ATTEST:

Angie Shepard
City Secretary

APPROVED AS TO FORM:

Jim Finley
City Attorney

R FINANCE INVEST POLICY 4-02-20

EXHIBIT A

City of Longview, Texas

Investment Policy

Date of Original Adoption:
June 13, 1996

Date of Last Revision and Adoption
April , 2020

Prepared by the Finance Department

Approved by the City Manager's Office

Confirmed by the City Council with Resolution #

I. Policy Statement

The City of Longview, Texas (the City), has adopted this Investment Policy (the Policy) to ensure the prudent management of City funds. All such funds shall be invested in accordance with this Policy, and in compliance with the Texas Public Funds Investment Act and all other laws and regulations governing the investment of public funds. Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) requires each investing entity to adopt a written investment policy regarding the investment of its funds and funds under its control.

II. Scope of Policy

A. Funds Included

This Policy covers all financial assets of the City accounted for in the Comprehensive Annual Financial Report, including, but not limited to: General Fund, Special Revenue Funds, Enterprise Funds, Trust and Agency Funds, Capital Project Funds, and any other funds created and not specifically exempted.

B. Funds Excluded

This Policy shall not govern funds which are managed under separate investment programs. Such funds currently include: funds established by the City for deferred employee compensation plans, the City's participation in the Texas Municipal Retirement System, Firemen's Pension Fund, and defeased bonds that are held in trust escrow accounts. The City will maintain responsibility for these funds as required by Federal and State Law and the City Charter and Code.

III. Objectives of Policy

The City's funds shall be invested in accordance with all applicable City policies and codes, Texas statutes, and Federal regulations, and then shall consider, in order of priority: the protection of principal, liquidity, diversification, and yield. Investments for the City will be made for the purpose of earning income and not speculation.

A. Safety

The primary objective of the City's investment program is preservation of capital and protection of investment principal.

B. Liquidity

Secondarily, the City's investment portfolio shall remain sufficiently liquid to

enable the City to meet all reasonably anticipated operating requirements.

C. Public Trust

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction which might impair public confidence in the City's ability to administer effectively.

D. Diversification

The City's investment portfolio shall be diversified to avoid incurring unreasonable market risks.

E. Yield

Investments shall be managed to attain a market rate of return consistent with the objectives of safety and liquidity.

IV. Investment Training

The City shall provide periodic training in investments for the investment personnel through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of investment management. Independent training sources must be approved by the City Council and must cover investment controls, security types and risks, portfolio strategy and market risks, diversification of the investment portfolio, and compliance with the Public Funds Investment Act.

Each Investment Officer shall attend at least one training session accumulating at least 10 hours of instruction from an independent source relating to the Officer's responsibilities described herein within 12 months after assuming investment responsibilities. On a continuing basis each Investment Officer shall attend at least 8 hours of similar investment training sessions not less than once in a two-year period that begins on the first day of the City's fiscal year.

Authorized investment training sources are: Texas Municipal League (TML), Government Finance Officers Association of Texas (GFOAT), Government Treasurer's Association of Texas (GTOT), University of North Texas (UNT), Council of Governments (COG), American Institute of Certified Public Accountants (AICPA), and Government Finance Officers Association (GFOA).

V. Delegation of Authority

Management responsibility for the investment program is assigned to the City Manager with delegation by him to the Director of Financial Services, Finance Manager and

Accountant (the “Investment Officers”), as provided for in the City’s Home Rule Charter. The Director of Financial Services is designated as the primary Investment Officer and is responsible for establishing a system of controls to regulate the activities of designated subordinates.

VI. Internal Controls

The City shall develop written administrative procedures and internal controls consistent with this Policy for the operation of the City’s investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the City.

In conjunction with the annual audit, a compliance audit shall be conducted of management controls on investments and adherence to the City’s established investment policies. Additionally, the quarterly reports shall be formally reviewed at least annually by the City’s independent auditor, and the results of the review shall be included in the annual report to City Council by the auditor. If the investments have been limited to money market mutual funds, investment pools, or depository bank investments, such as certificates of deposit or money market accounts, the reports are not subject to this annual review.

VII. Prudence

The standard of prudence to be used by both internal and external investment officers of the City shall be the “Prudent Person Rule” as set forth in Section 2256.006 of the Texas Government Code. The Prudent Person Rule states that “Investments shall be made with judgment and care, under prevailing circumstances that a person of prudence, discretion and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.” This standard of prudence to be used by Investment Officers shall be applied in the context of managing an overall portfolio of funds, rather than a consideration as to the prudence of a single investment.

The City’s investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio’s return, provided that adequate diversification has been implemented and that the sale of an investment is in the best long-term interest of the City.

Investment Officers acting in accordance with established procedures and exercising due diligence shall be relieved of personal responsibility for an individual issuer's credit

risk or market price changes, provided deviations from expectations are reported in a timely fashion to the City Council and appropriate action is taken to control adverse developments.

VIII. Conflict of Interest

Investment Officers and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair or create the impairment of their ability to make impartial investment decisions. Investment Officers and employees shall disclose to the City Manager any material financial interest in business organizations that conduct business with the City and shall further disclose any material, personal investment positions that could be related to the performance of the City's portfolio. Investment Officers and employees shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales.

An Investment Officer who is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the City, or has a personal business relationship with a business organization offering to engage in an investment transaction with the City, shall file a statement disclosing that relationship with the Texas Ethics Commission and the City Council.

IX. Selection of Broker/Dealers

City Council shall annually review and adopt a list of qualified broker/dealers authorized to engage in investment transactions with the City (Appendix A). The Investment Officers shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those authorized firms.

To be eligible, a firm must meet at least one of the following criteria:

1. Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a Primary Dealer within its holding company structure,
2. Report voluntarily to the Federal Reserve Bank of New York,
3. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

The Investment Officers will recommend broker/dealers on the basis of their expertise in public cash management and their ability to provide service to the City's account.

Local government investment pools and discretionary investment management firms must sign a certification acknowledging that the business organization has received and thoroughly reviewed the City's Investment Policy and have implemented reasonable procedures and controls in an effort to preclude all investment activities that are not

authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority. An Investment Officer of the City may not enter into a transaction with a firm that has not filed this instrument.

X. Safekeeping and Custody

The City shall select one or more financial institutions to provide safekeeping and custodial services for the City. A City approved Safekeeping Agreement shall be executed with each financial institution prior to utilizing that bank's safekeeping services. To be eligible for designation as the City's safekeeping or custodian bank, a financial institution shall be a member of the FDIC and shall qualify as a depository of public funds in the State of Texas as defined in Chapter 105 of the Texas Government Code.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. Ownership of all securities shall be perfected in the account of the City, and sufficient evidence of title shall be consistent with modern investment, banking and commercial practices.

All fed wireable, book-entry securities owned by the City shall be evidenced by a safekeeping receipt or a customer confirmation issued to the City by the safekeeping bank stating that securities are held in the Federal Reserve System in a customer account for the safekeeping bank which will name the City as "customer".

All DTC eligible securities shall be held in the safekeeping bank's Depository Trust Company (DTC) participant account and the custodian bank shall issue a safekeeping receipt evidencing that the securities are held for the City as "customer".

All non-book entry securities (physical delivery) shall be held by the safekeeping bank or its correspondent bank, and the custodian shall issue a safekeeping receipt to the City evidencing that the securities are held by the correspondent bank for the City as "customer".

The City's safekeeping bank will be required to furnish the City with monthly reports of holdings and safekeeping activity.

XI. Competitive Transactions

It is the policy of the City to provide a competitive environment for all individual security purchases and sales, financial institution deposits, and money market mutual fund and

local government investment pool selections. The Investment Officers shall develop and maintain procedures for ensuring competition in the investment of the City's funds.

XII. Authorized Investments

All investments of the City shall be in accordance with Chapter 2256 of the Texas Government Code. It is the intent of the City that the list of securities be strictly interpreted. Maturity limitations vary by fund type. Please see Section XV, Investment Strategy by Fund Type of this Investment Policy. The City has further restricted the investment of funds to the following types:

- A. U.S. Treasury Obligations: Treasury Bills, Treasury Notes, Treasury Bonds, and Treasury Strips.
- B. Federal Agency and Instrumentality Obligations: Debentures, discount notes, callables, step-up bonds, and other obligations issued by the following only: Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (FHLMC), Federal Agricultural Mortgage Corporation (FAMC), and Federal Deposit Insurance Corporation (FDIC).
- C. Direct obligations of the State of Texas or its agencies and instrumentalities.
- D. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
- E. Obligations of states, agencies, counties, cities, and other political subdivisions of any state, rated as to investment quality by nationally recognized statistical ratings organization (NRSRO) at least A or its equivalent.
- F. Financial Institution Deposits that are placed in compliance with Section 2256.010 and Chapter 2257 of the Texas Government Code.
- G. Repurchase Agreements placed in compliance with Section 2256.011. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved repurchase agreement. The purchased securities shall have a minimum market value including accrued interest of 103% of the dollar value of the transaction. Collateral shall be held in the City's third-party custodian bank, and the market value of the collateral securities shall be marked-to-the-market daily.

Repurchase Agreements shall be entered into only with counterparties who have

executed a City approved Repurchase Agreement with the City Business organizations approved as Repurchase Agreement counterparties shall have a short-term credit rating of A-1 or the equivalent and a long-term credit rating of at least A or the equivalent by each NRSRO that rates the firm. The City shall maintain copies of the executed Repurchase Agreements.

- H. Money Market Mutual Funds registered under the Investment Company Act of 1940 that are “no-load” (meaning no commission or fee shall be charged on purchases or sales of shares); have a stated objective to maintain a daily net asset value per share of \$1.0000; limit assets of the fund to “government” obligations; have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 2a-7; and have a rating of at least AAAM or the equivalent.
- I. Local Government Investment Pools authorized under Section 2256.016 of the Texas Government Code that are “no-load” (meaning no commission or fee shall be charged on purchases or sales of shares); have a stated objective to maintain a daily net asset value per share of \$1.00; limit assets of the fund to securities authorized by the Public Funds Investment Act; and have a rating of at least AAAM or the equivalent.

Furthermore, to be eligible as an authorized investment, the investment pool must comply with the disclosure and reporting requirements of Section 2256.016 of the Texas Government Code.

The following investment instruments are not authorized for purchase by the City:

1. Collateralized Mortgage Obligations with a stated final maturity greater than ten years.
2. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
3. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
4. Inverse floating rate collateralized mortgage obligations.

Any deviation from this list must be pre-approved by the City Council. Investments purchased prior to this Policy’s revision that do not meet the revised requirements of this Policy are not required to be liquidated. The Investment Officers shall monitor each investment’s status to determine whether it is in the best interest of the City to hold or liquidate the investment.

Any Authorized Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. The City shall monitor the rating of each issuer, as applicable, at least quarterly, and take all prudent measures

that are consistent with this Policy to liquidate an investment that does not have the minimum rating.

XIII. Collateral Policy

The City has established a collateral policy in compliance with Government Code Chapter 2257, Collateral for Public Funds. The collateral policy requires that deposits be secured with pledged collateral with a market value equal to no less than 103 percent of the principal plus accrued interest of the deposit, less any amount insured by the FDIC. Security may be in the form of surety bonds, federal deposit insurance, letters of credit issued by a federal agency or instrumentality, or a pledge of marketable securities maintained by a third-party custodian in the City's account. At its discretion, the City may accept or reject any proposed collateral and/or require a higher level of pledge for any proposed collateral. Substitutions and release of pledged securities may be made after obtaining written authorization from an Investment Officer. Collateral pledge receipts and monthly collateral reports shall be provided or verified by the custodian which includes an itemized listing of pledged securities and, may include, market value as of the statement date.

Financial institutions serving as City depositories will be required to sign a depository or collateral agreement with the City. The custodial portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- the agreement must be in writing;
- the agreement has to be executed by the depository and the City contemporaneously with the acquisition of the asset;
- the agreement must be approved by the board of directors or the designated committee of the depository and a copy of the meeting minutes must be delivered to the City; and
- the agreement must be part of the depository's "official record" continuously since its execution.

XIV. Diversification

It is the intent of the City to diversify investments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. The asset allocation in the portfolio should be flexible depending upon the outlook for the economy, market conditions, and the City's anticipated cash flow needs.

XV. Investment Strategy by Fund Type

Concentration Fund: The Concentration Fund consolidates the investment of the Operating Governmental, Operating Enterprise, and Operating Special Revenue. These funds shall have as their primary objectives: safety of principal and maturity liquidity sufficient to meet anticipated cash flow requirements.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. Managing the weighted average days to maturity for the Concentration Fund's portfolio to two years or less and restricting the maximum allowable maturity to five years will minimize the price volatility of the overall portfolio.
3. **Liquidity:** The Concentration Fund requires the greatest short-term liquidity. Short-term Financial Institution deposits, investment pools and money market mutual funds will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.
4. **Marketability:** Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement
5. **Diversification:** Investment maturities should be staggered throughout the cash flow cycle. Diversifying the appropriate maturity structure out through two years will reduce market cycle risk.
6. **Yield:** Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling one-year Treasury-Bill portfolio will be the minimum yield objective.

Debt Service Funds: The Debt Service Funds consist of General Obligation Debt Service, Revenue Debt Service, and Revenue Debt Reserve Funds. These funds shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents.

1. **Suitability:** Any investment eligible in the Investment Policy is suitable.
2. **Safety:** All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized.
3. **Liquidity:** Debt Service Funds have predictable payment schedules with reduced liquidity requirements. Investment maturities should not exceed the anticipated cash flow requirements. Financial Institution deposits, investment pools and money market mutual funds may provide a competitive yield alternative for short term fixed maturity investments.
4. **Marketability:** Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.
5. **Diversification:** Market conditions influence the attractiveness of fully

extending maturity to the next “unfunded” payment date. At no time shall investment maturity exceed the debt service schedule in an attempt to bolster yield.

- 6. Yield:** Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury-Bill portfolio will be the minimum yield objective.

Capital Projects Funds: Capital Project Funds may be consolidated in the Concentration Fund or separately invested. Investment strategies for separately invested Capital Project Funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. If the City has funds from bond proceeds, they shall also be invested in accordance with provisions in the bond documents.

- 1. Suitability:** Any investment eligible in the Investment Policy is suitable.
- 2. Safety:** All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, by managing Capital Project Funds to not exceed the anticipated expenditure schedule the market risk of the overall portfolio will be minimized.
- 3. Liquidity:** Capital Project Funds programs usually have reasonably predictable draw schedules reducing liquidity requirements. Financial Institution deposits, investment pools and money market mutual funds will provide readily available funds or a competitive yield alternative for short term fixed maturity investments.
- 4. Marketability:** Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.
- 5. Diversification:** Market conditions and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Capital Project Funds. Generally, when investment rates exceed the applicable cost of borrowing, the City is best served by locking in most investments. If the cost of borrowing cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. A “flexible repurchase agreement,” or similar option, may be appropriate. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.
- 6. Yield:** Achieving a positive spread to the applicable borrowing cost is the desired objective. Capital Project Fund portfolio management shall at all times operate within the limits of the Investment Policy’s risk constraints.

XVI. Performance Benchmarks

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance measurement of the investment portfolio shall be weighted average yield to maturity.

When comparing the performance of the investment portfolio, all fees involved with managing it shall be included in the computation of its rate of return net of fees.

XVII. Investment Reports

The Investment Officers and other investment officials, under the direction of the Director of Financial Services shall submit an investment report quarterly to the City Manager and City Council. The report must contain the following information:

- A. Investment position of the City on the date of the report;
- B. A signature of each Investment Officer of the City;
- C. A summary statement of each pooled fund or individual portfolio, that states: the beginning market value for the reporting period, the ending market value for the period, and any fully accrued interest for the reporting period;
- D. The maturity date of each separately invested asset that has a maturity date;
- E. State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested, the method to monitor the market price of investments acquired is to check valuations from sources independent to the transaction;
- F. State the average maturity of each portfolio;
- G. State the compliance of the investment portfolio as it relates to the investment strategy expressed in the City's Investment Policy and compliance with all laws governing the City's investments.

XVIII. Annual Review and Adoption of Investment Policy and Strategies

At least annually, the City Council shall adopt a written instrument by resolution stating that it has reviewed the City's Investment Policy and incorporated investment strategies. The written instrument so adopted shall record any changes made to either the Investment Policy or the investment strategies.

Appendix A
Authorized Broker/Dealers

FHN Financial Capital Markets
Multi-Bank Securities
Mutual Securities
Oppenheimer
Raymond James
Rice Financial
Wells Fargo Securities

VACATION POLICY UPDATE

DESCRIPTION:	Due to the immediate needs surrounding COVID-19, the City would like to temporarily raise the vacation accrual cap from 320 hours to 400 hours. This cap is set to return to 320 hours on September 30, 2020. Any hours an employee accrues between now and then over 320 will be available until they are used.
RECOMMENDED ACTION:	Approval of the Ordinance
STAFF CONTACT:	Mary Ann Miller, Director of Administration 903-237-1014 mmiller@longviewtexas.gov
COUNCIL DATE:	April 9, 2020

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS, AMENDING SECTION 4.10 OF THE PERSONNEL POLICY AND PROCEDURES GUIDE OF THE CITY OF LONGVIEW; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE SEVERABILITY OF THE PROVISIONS HEREOF; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE WAS PASSED WAS CONDUCTED IN STRICT COMPLIANCE WITH THE TEXAS OPEN MEETINGS ACT; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Longview Personnel Policies and Procedures Guide is a document that contains employment guidelines for City employees; and,

WHEREAS, due to needs surrounding COVID-19, the City desires to temporarily raise the vacation cap accrual from 320 hours to 400 hours, allowing employees to continue to accrue vacation while responding to this crisis; and,

WHEREAS, the accrual is set to return to 320 hours on September 30, 2020; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LONGVIEW, TEXAS:

Section 1. That the findings set out in the preamble to this ordinance are hereby in all things approved and adopted.

Section 2. That Section 4.10 of the Personnel Policies and Procedures of the City of Longview, Texas, is hereby amended to read as set forth in the attached Exhibit "A," which exhibit is for all purposes attached hereto.

Section 3. That, except as otherwise expressly provided in this ordinance, the provisions of the Personnel Policies and Procedures of the City of Longview, Texas, shall remain unchanged and in full force and effect.

Section 4. That all ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict only; provided, however, that the repeal of an ordinance by this ordinance does not affect the prior operation of the ordinance or any prior action taken under it, any obligation or liability previously acquired, accrued, or incurred under such prior ordinance, any violation of the prior ordinance or any penalty, forfeiture, or punishment incurred under said ordinance before its repeal, and any investigation, proceeding, or remedy under said prior ordinance and the penalty, forfeiture, or punishment imposed as a result of such investigation, proceeding, or remedy shall be imposed as if the prior ordinance had not been repealed.

Section 5. That if any section, paragraph, subdivision, clause, phrase or provision of this ordinance is hereafter determined to be invalid or violative of the laws of the State of Texas or the Constitution of the United States by a court of appropriate jurisdiction, such finding of invalidity shall affect the continued enforcement only of the provision or provisions so determined to be invalid, it being the intent of the City Council of the City of Longview that all other terms and provisions of this ordinance not affected thereby shall remain in full force and effect.

Section 6. That the meeting at which this ordinance was passed was conducted in strict compliance with the Texas Open Meetings Act (Texas Government Code Chapter 551)

Section 7. That this ordinance shall be effective immediately from and after its passage.

PASSED AND APPROVED this 9th day of April 2020.

Andy Mack
Mayor

ATTEST:

Angie Shepard
City Secretary

APPROVED AS TO FORM:

Jim Finley
City Attorney

O HR POLICY CHANGE VACATION MAX 4-9-20

**City of Longview
Personnel Policies and Procedures**

4.10 Vacation

Amended 4.14.16

In appreciation of continuous service, the City will provide employees in full-time regular positions with an opportunity for paid vacation leave away from the work environment. The City encourages employees to use vacation leave. All regular full-time employees will accrue vacation leave according to this policy and will comply with the following vacation leave guidelines.

A. Eligibility

1. Vacation leave is earned from the most recent date of full-time employment and accrued on the first paycheck of the month following the month it is earned.
2. Full-time employees are allowed to use vacation leave after they have completed six (6) months of satisfactory employment, unless the probationary period has been extended due to a workers' compensation injury that makes the employee unable to perform the essential functions of their job.
3. Employees on suspension may not use vacation leave.
4. Vacation leave stops accruing with termination of full-time employment.
5. If an employee goes on unpaid status, which includes an unpaid workers' compensation leave of absence (whether leave is available or not), an unpaid or military differential pay situation and catastrophic leave, vacation leave will not continue to accrue until the employee returns to work.

B. Accrual Rate

1. Employees with less than five (5) years of service will earn 120 hours per year of vacation time or 10 hours per month.
2. Employees with more than five (5) years of service but less than fifteen (15) years will accrue 136 hours per year or 11.34 hours per month.
3. Employees with more than fifteen (15) years of service will receive 160 hours per year or 13.34 hours per month.

C. Scheduling

1. The employee's supervisor must approve all vacation leave, giving due consideration to the needs of the service and the ability of the remaining staff to perform the work of the department or division as well as the preference of the employee.
2. Each employee is requested to give his supervisor the maximum notice possible of a vacation leave request, in accordance with department policy.
3. If an employee is requested to work during a scheduled vacation, the employee can schedule vacation at another time.

D. Procedures

1. Vacation leave will accrue to a maximum of 320 hours and will rollover from year to year. Beginning on April 10, 2020, and ending on September 30, 2020, vacation leave will accrue to a maximum of 400 hours and will rollover from year to year. Beginning on October 1, 2020, vacation leave will accrue to a maximum of 320 hours and will rollover from year to year. Any employee who has more than 320 hours of vacation leave on or after October 1, 2020, will not accrue vacation leave until the employee has less than 320 hours of vacation remaining.
2. Fire shift personnel will use vacation time at a rate of sixteen (16) hours per 24-hour shift.
3. Employee's accrued vacation leave transfers with the employee from the previous department to the new department.
4. Employees must follow departmental policy with regard to making vacation leave requests.
5. Official City holidays occurring during a vacation leave will not be charged against the employee's vacation leave. Fire shift personnel are excluded.
6. Vacation leave may be used during an illness when sick leave is exhausted.
7. No cash payment for unused vacation leave is permitted in lieu of time off except under the following circumstances:
 - a. when the employee separates from employment with the City, and
 - b. upon the employee's death, the balance will be paid to the

beneficiary or estate.