



**City of Azle
Regular Meeting Agenda
City Council**

505 W. Main Street
Azle, Texas 76020

December 16, 2025

6:00 PM

Council Chambers

Pursuant to Section 551.071 of the Texas Government Code, the Council may convene into Executive Session(s) from time to time as deemed necessary during the meeting for any posted agenda item and may receive advice from its attorney as permitted by law.

CALL TO ORDER

INVOCATION

The City of Azle is accepting volunteers from all Religions and Denominations to provide the invocation at the beginning of the City Council meeting. If you are interested in giving the invocation at a future meeting, please call the city secretary's office at 817-444-7101 or email: yhoffman@cityofazle.org

Holly Killough, Coordinator for the Azle Area Ministerial Alliance (AAMA).

PLEDGE OF ALLEGIANCE

PUBLIC PARTICIPATION

This is an opportunity for the public to address the City Council on posted agenda items or non-agenda items. In order to address the Council, please complete a Speaker's Request Form and submit to the City Secretary prior to the start of the council meeting. All comments must be directed to the Presiding Officer, rather than an individual council member or city staff. All speakers must refrain from personal attacks toward any individual. Comments are limited to three (3) minutes and must pertain to the subject matter listed on the Speaker's Request Form. Speakers requiring the assistance of a translator shall be provided four (4) minutes. Council may not comment publicly on non-agenda items, but may direct the City Manager to resolve the matter or request the matter be placed on a future agenda. Public comments regarding non-agenda items shall not include any "deliberation" as defined by Chapter 551 of the Government Code, as now or hereafter amended. If you have a subject that may require City Council action, you may obtain a form from the City Secretary and request the item be placed on a future agenda.

ACTION ITEMS

1. Consider any action on the December 2, 2025 City Council meeting minutes
Yael Hoffman, City Secretary
2. Consider any action on appointments to the Tax Increment Reinvestment Zone No. 1 Board of Directors and appointing one (1) member to serve as chairperson
Tom Muir, City Manager
3. Consider any action approving a revised Purchasing Policy
Stephen Barnes, Finance Director
4. Consider any action approving the revised Fund Balance Policy
Stephen Barnes, Finance Director
5. Consider any action authorizing the purchase of a Motorola dispatch console from Motorola Solutions
Ben Hall, Police Chief

DISCUSSION ITEMS

6. Sign ordinance.
Tom Muir, City Manager

ITEMS TO BE PLACED ON FUTURE MEETING AGENDAS

MAYOR/COUNCIL COMMENTS OF COMMUNITY INTEREST

EXECUTIVE SESSION

- **Section 551.071 – CONSULTATION WITH ATTORNEY**
Regarding a proposed development located at 150 Sandy Beach Road and including multiple tracts of surrounding land.

 - **Section 551.071 – CONSULTATION WITH ATTORNEY**
Related to a proposed extraterritorial jurisdiction (ETJ) release/exchange with the City of Reno along FM 730 North.

 - **Section 551.074 – PERSONNEL MATTERS**
Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the City Manager.
7. Take any action on any items pursuant to executive session.

ADJOURNMENT

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on 12-10-2025, at the City's official bulletin board and is readily accessible to the public at all times in accordance with V.T.C.A. Chapter 551, Texas Government Code.



Yael Hoffman, TRMC, MMC
City Secretary

This facility is wheelchair accessible and handicapped parking spaces are available. Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in city functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight hours prior to the scheduled starting time by calling the City Secretary's Office at 817-444-7101. Complete City Council agenda packet is available for review at the City Secretary's Office and on our website www.cityofazle.org.



Presenter: Yael Hoffman, City Secretary

Agenda Item: Consider any action on the December 2, 2025 City Council meeting minutes

Background and Explanation:

Procedural.

Board/Commission/Committee Recommendation:

Staff Recommendation:

Attachments:

1. Minutes 12-02-2024



MINUTES
Regular Meeting
Azle City Council

505 W. Main Street
Azle, Texas 76020

December 2, 2025

6:00 PM

Council Chambers

CALL TO ORDER

Mayor Goode called the meeting to order at 6:02 PM

Members Present:

- Mayor Randa Goode
- Mayor Pro-tem Stacy Peek
- Councilmember Derrick Nelson
- Councilmember Amy Estes
- Councilmember Josh Berry
- Councilmember Rouel Rothenberger
- Councilmember Brian Conner

Staff Present:

- | | |
|-------------------------|-------------------------------|
| Tom Muir | City Manager |
| Amber Beard | Assistant City Manager |
| Yael Hoffman | City Secretary |
| Susie Hiles | Assistant to the City Manager |
| Will Scott | Fire Chief |
| Lee Godbold | Assistant Fire Chief |
| Stephen Barnes | Finance Director |
| Angelia Garrett | Assistant Finance Director |
| Jennifer Walls | Purchasing Agent |
| Kim Silas | Senior Accountant |
| Kyle Culwell | Parks Superintendent |
| Felica King | Municipal Court Administrator |
| Ashlyne Cornejo-Hurtado | Municipal Court Clerk |
| Curren McLane | Library Director |
| Victor Gonzalez | Assistant Library Director |

INVOCATION

Amy Collins, Missions Coordinator for Son Shine Ministries, gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Goode led the Pledge of Allegiance.

PUBLIC PARTICIPATION

Deborah Johnson, 425 Lubbock Drive, asked the Council about plans for the 2026 4th of July celebration honoring the United States Semiquincentennial.

PRESENTATIONS

1. **Municipal Court Week Coloring Contest**

Mayor Goode and Municipal Court Administrator Felicia King recognized the runner-ups and winners of the Municipal Court Week Coloring Contest and presented them with prizes.

2. Annual Presentation - Fire Department

Mayor Goode recognized Fire Chief Will Scott, who gave an overview of the Fire Department's activities and accomplishments for the past year.

3. 4th Quarter Investment Report

Mayor Goode recognized Senior Accountant Kim Silas, who gave a brief review of the Quarterly Finance Report ending September 30, 2025.

ACTION ITEMS

4. Consider any action on the November 18, 2025 City Council meeting minutes.

Councilmember Estes moved to approve the November 18, 2025 City Council meeting minutes, as presented. Mayor Pro-tem Peek seconded the motion.

Yes: (7) Randa Goode, Derrick Nelson, Amy Estes, Stacy Peek, Rouel Rothenberger, Brian Conner, Josh Berry

5. Consider any action on awarding the bid for the City's mowing services (Bid No. 2026-001).

Councilmember Nelson moved to approve awarding the bid for the City's mowing services (Bid No. 2026-001) to Brightview for \$62,834.39. Councilmember Rothenberger seconded the motion.

Yes: (7) Randa Goode, Derrick Nelson, Amy Estes, Stacy Peek, Rouel Rothenberger, Brian Conner, Josh Berry

DISCUSSION ITEMS

6. Baseball field fees

This item was requested by Councilmember Nelson, who expressed concern that the new fees for ballfield rentals, approved in September, were too high. Park Superintendent Kyle Culwell presented a comparison with other cities. After a brief discussion, the Council chose to leave it as is and revisit it during the next budget session.

7. Purchasing Policy

Mayor Goode recognized Finance Director Stephen Barnes, who presented the updated purchasing policy and outlined the recent changes. After a brief discussion, the Council requested additional changes. The item will return for council consideration at the next Council meeting.

ITEMS TO BE PLACED ON FUTURE MEETING AGENDAS

Mayor Goode requested to revisit the sign ordinance, especially as it relates to real estate bandit signs.

MAYOR/COUNCIL COMMENTS OF COMMUNITY INTEREST

- 12-06-2025 - Christmas on Main Street.
- 12-09-2025 - Azle Memorial Library will host *Santa Claus at Your Library* from 6:00 - 7:30 PM.
- 12-12-2025 - Azle Junior High Choir will perform at City Hall.
- 12-19-2025 - Employee Christmas Luncheon at the Library begins at 11:30 AM.

EXECUTIVE SESSION

551.074 PERSONNEL MATTERS

Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of City Manager.

Mayor Goode convened to Executive Session at 8:00 PM.

Mayor Goode reconvened to open session at 9:16 PM.

8. Take any action on any items pursuant to executive session.

No action was taken. **ADJOURNMENT**

Mayor Goode adjourned at 9:16 PM.

Presented and approved on 12-16-2025

Attest:

Randa Goode, Mayor

Yael Hoffman, TRMC, MMC
City Secretary



Presenter: Tom Muir, City Manager

Agenda Item: Consider any action on appointments to the Tax Increment Reinvestment Zone No. 1 Board of Directors and appointing one (1) member to serve as chairperson

Background and Explanation:

On December 1, 2015, the Council approved Ordinance No. 2015-17 which designated an area as Tax Reinvestment Zone Number 1 (TIRZ No. 1) and established a Board of Directors. The ordinance initially designated five (5) Board members and called each member to serve staggered two-year terms which expire December 31. On January 16, 2018, the Council authorized participation agreements with Tarrant County and the Tarrant County Hospital District, consequently adding Board positions for each entity.

There are currently total of seven (7) Board members. The Board is comprised of the following members and their respective term expiration dates referenced below:

<u>Name</u>	<u>Term Expiration</u>	<u>Name</u>	<u>Term Expiration</u>
Derrick Nelson	2025	Alan Brundrett, Chair	2026
Rouel Rothenberger	2025	Randa Goode	2026
Tracey Knight, Tarrant County	2025	Stacy Peek	2026
Shannon Fletcher, Hospital Dist.	2025		

Board members whose terms expire on December 31, 2025 need to be reappointed/replaced to terms expiring December 31, 2027. A couple of years ago, Tarrant County named Tracey Knight, Chief of Staff for Tarrant County Commissioner Manny Ramirez as their representative on the Board and the Hospital District took similar action appointing Shannon Fletcher, Senior Vice President and Chief of Staff to serve as their representative. Ms. Knight and Ms. Fletcher will continue to represent their respective organizations.

Board/Commission/Committee Recommendation:

N/A.

Staff Recommendation:

Reappoint/appoint four (4) Board members with terms expiring on December 31, 2027.

Attachments:

None



Presenter: Stephen Barnes, Finance Director

Agenda Item: Consider any action approving a revised Purchasing Policy

Background and Explanation:

There was a discussion on the revised Purchasing Policy at the November 18th City Council meeting. At that meeting, the Council requested several amendments to the Purchasing Policy. Those amendments are provided in the attached recommended policy in red. Also added to the policy is a City Manager signature authority section which makes it clear that the City Manager has the authority to sign contracts and change orders up to \$50,000. Contracts and change orders exceeding \$50,000 must be approved by the City Council.

In addition, the State of Texas announced on December 2, 2025 that the Historically Underutilized Business (HUB) program has been restructured under emergency rules and will now operate as the Veterans Heroes United in Business (VetHUB) program. The program will focus exclusively on small businesses owned and operated by veterans with a 20 percent or higher service-connected disability. Minorities and women will no longer be eligible to participate in the program unless they are veterans. These changes have been made to the recommended Purchasing Policy.

Board/Commission/Committee Recommendation:

N/A.

Staff Recommendation:

Approve the revised Purchasing Policy.

Attachments:

1. City of Azle Draft Purchasing Policy to City Council 12.16.2025

City of Azle

PURCHASING POLICY AND PROCEDURES



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CITY OF AZLE PURCHASING POLICY

Policy Purpose

- Ensure compliance with federal, state and local purchasing laws
- Establish policies and procedures that maintain the integrity of the purchasing process
- To ensure that responsible bidders are given fair opportunity to compete for City business
- Procure goods and services that meet the quantity and quality requested by departments at the best possible price

ETHICAL STANDARDS

By participating in the procurement process, employees of the City agree to:

- Refrain from any private business or professional activity that would create a conflict between personal interests and the interest of the City of Azle.
- Avoid the intent and appearance of unethical or compromising practices in relationships, actions and communications.
- Refrain from soliciting or accepting money, loans, credits, discounts, gifts, entertainment, favors or services from present or potential suppliers that might influence or appear to influence purchasing decisions.
- Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether as payment for services or not, and never accept for himself or herself or for family members, favors or benefits under circumstance which might be construed by reasonable persons as influencing the performance of their duties.
- Handle confidential or proprietary information belonging to the City and/or its suppliers with care and proper consideration of ethical and legal ramifications and governmental regulations.
- Never use any information gained confidentially in the performance of their duties as a means of making private profit.
- Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
- Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
- Expose corruption and fraud if discovered.

Pursuant to the City Charter Section 11.02, no officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, nor shall be financially interested, directly or indirectly, in the sale to the City of any land, or rights or interest in land, materials, supplies or service. The above provision shall not apply where the interest is represented by ownership of stock in a corporation involved, provided such stock ownership amounts to less than 1% of the corporation stock. Any violation of this section shall constitute malfeasance in office and any officer or employee of the City found guilty thereof shall forfeit his office or position. Any violation of this section with the knowledge, express or implied, of the person or corporation contracting with the City shall render the contract voidable by the City Manager or the City Council.

Any employee who exercises discretion in the planning, recommending, selecting or contracting of a vendor is required to disclose certain relationships with City of Azle vendors, or an employee or agent of the vendor, in accordance with Chapter 176 of the Local Government Code.

Purchases Under \$3,000

Purchases under \$3,000 will not require a requisition. Quotes are not required, but it is suggested that the departments contact at least two (2) Azle local vendors, if available, and purchase the items from the vendor that provides the best value to the City for the price quoted.

Departments are required to do budget status checks and to make sure there is sufficient budget in the accounts that the purchases will be charged to prior to making the purchases.

Purchases of \$3,000 to \$100,000

Purchases of \$3,000 up to \$100,000 require a requisition and three (3) written quotes. State Law requires a minimum of two (2) Historically Underutilized Businesses-Veteran Heros United in Business vendors that have been certified by the statewide VetHUB program to be contacted on a rotating basis. A list of certified VetHUB vendors is obtainable from the State Comptroller's website (<https://comptroller.texas.gov/purchasing/vendor/hub/>). Departments will be required to submit documentation with the requisition that VetHUB vendors were contacted and provided sufficient time to respond. If the list fails to identify a historically underutilized business-VetHUB in the category or area of goods or services to be acquired, the City is exempt from this section of the local government code. The quotes and all other pertinent information must be attached to the requisition for approval by the Finance Department. Once the requisition is received by Finance, the staff will ensure the requisition is complete, verify that the required quotes are attached, verify that there is sufficient budget remaining to cover the purchases and that the purchases are charged to the correct accounts. After the requisition has been approved, the Finance Department will then

process a purchase order. The system will automatically assign a purchase order number which will be accessible to the requesting department. **Purchases are not to be made without a purchase order number.**

Purchases that Exceed \$100,000

Purchases that exceed \$100,000 must go through a competitive sealed bidding or competitive sealed proposal process.

An employee commits Class B misdemeanor if he or she knowingly or intentionally makes or authorizes a separate, sequential or component purchase to deliberately avoid this bidding requirement. Separate purchases are when purchases of items are split into multiple purchase orders that in normal purchasing practices would be placed on one purchase order. Sequential purchases are when items or services are ordered over a period of time on individual purchase orders that in normal purchasing practice would be placed on one (1) purchase order. Component purchases are when component parts of an item are placed on multiple purchase orders that in normal purchasing practices would be placed on one (1) purchase order.

Competitive Sealed Bidding Process

It is required that specifications be written and formal bids obtained. Award of purchases will be based on a combination of price, quality, delivery time, and whether the bidder has met the criteria listed in the specifications. The bid will be awarded to the lowest responsible bidder or to the bidder that provides the best value to the City in conjunction with bid specification criteria, but the City reserves the right to reject any or all bids and reopen the bidding process if it is in the best interest of the City. Bid tabulations will be completed and agenda items will be prepared for presentation to the City Council for final award. After the department has chosen a vendor and the City Council has approved of the vendor, the requesting department will enter a requisition for the Finance Department's approval and attach a signed City Council Resolution or City Council meeting minutes authorizing the purchase and other pertinent information. Once the requisitions are received by the Finance Department, the staff will ensure the requisitions are complete, verify that there is sufficient budget remaining to cover the purchases, verify that the purchases are charged to the correct accounts and that the City Council has approved of the purchase from the selected vendor. After the requisitions have been approved, the Finance Department will then process a purchase order. The system will automatically assign a purchase order number which will be accessible to the requesting department. **Purchases are not to be made without a purchase order number.**

Typical Sequence of events:

1. Requesting Departments will determine the timing of the desired goods or services and prepare detailed specifications for the Request for Bids far enough in advance to ensure the desired bid date can be met.
2. The Finance Department will receive the Bid Specifications and prepare a Request for Bid and advertise it in the newspaper and distribute to potential vendors. The advertisement must be published at least once a week for two (2) consecutive weeks in the City's official newspaper. The first publication must be more than fourteen (14) days before the date of the bid opening (Local Government Code §252.041).
3. The selection of vendors will be determined by (1) the lowest responsible bidder or (2) the bidder who provides goods and services at the best value to the City.
4. In determining the best value for the municipality, the municipality may consider: (1) the purchase price; (2) the reputation of the bidder and of the bidder's goods or services; (3) the quality of the bidder's goods or services; (4) the extent to which the goods or services meet the municipality's needs; (5) the bidder's past relationship with the municipality; (6) the impact on the ability of the municipality to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities; (7) the total long-term cost to the municipality to acquire the bidder's goods or services; and (8) any relevant criteria specifically listed in the request for bids or proposals.
5. The best value method may not be used and the contract must be awarded to the lowest responsible bidder for contracts for the construction of the following when the cost is more than \$1.5 Million:

highways, roads, streets, bridges, utilities, water supply projects, water plants, wastewater plants, water and wastewater distribution or conveyance facilities, wharves, docks, airport runways and taxiways, drainage projects, or related types of projects associated with civil engineering construction; buildings or structures that are incidental to projects that are primarily civil engineering construction projects" (Local Government Code §252.043(d)).

If the cost is less than \$1.5 Million, the best value method may be used to award the contracts

6. If the City desires to award a contract for goods and services under the best value method, the City must indicate in the bid specifications that the contract may be awarded either to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the City (Local Government Code §252.043(c)).

7. Sealed bids are to be addressed to the attention of the Purchasing Agent who will coordinate the Bid Openings. If the bid is to be awarded to the lowest responsible bidder, the bids will be opened and read aloud with the apparent low bidder announced. If the bid is to be awarded based upon best value, the bids will be opened and read aloud; the City Council will then determine which bidder provides the City with the best value. However, an announcement will be made to those present at the bid opening that a recommendation will be presented to the City Council for the award to the lowest responsible bidder or the bidder who provides the best value to the City after an analysis of the bids has been conducted by staff. The Purchasing Agent will be responsible for preparation of the recommendation and agenda item to be presented to the City Council for award. The City reserves the right to reject any and all bids.
8. The City may award a contract for any real property or personal property that is not affixed to real property to a bidder whose principal business is in the City and whose bid is within 3% of the lowest bidder whose principal business is not located in the City per the Local Government Code (§ 271.905). In order to award a purchase to the local bidder in such circumstances, the City Council must determine, in writing, that the local bidder offers the City the best combination of contract price and additional economic development opportunities created by the contract award, including the employment of residents of the City and increased tax revenues to the City, pursuant to Local Government Code §271.905.
9. The City may award a contract for any real property or personal property that is not affixed to real property to a bidder whose principal business is in the City and whose bid is within 5% of the lowest bidder whose principal business is not located in the City per the Local Government Code (§ 271.9051). This section only applies to contracts for construction services in an amount of less than \$100,000 or a contract for other purchases in an amount of less than \$500,000. In order to award a purchase to the local bidder in such circumstances, the City Council must determine, in writing, that the local bidder offers the City the best combination of contract price and additional economic development opportunities created by the contract award, including the employment of residents of the City and increased tax revenues to the City, pursuant to Local Government Code §271.905.
10. In the event there are two (2) or more responsible bidders with the identical lowest bids that fully meets the specifications and needs of the City, the bidder who is a resident of the City shall be awarded the bid. If two or more identical bids are residents, the award of the contract will be determined by casting of lots. The casting of lots must be in a manner prescribed by the Mayor and must be conducted in the presence of the governing body of the municipality. All qualified bidders and their legal representatives may elect to be present at the casting of lots. The City will still retain its right to reject all bids per Local Government Code (§271.901).

Competitive Sealed Proposal Process

The criteria for awarding the bid to a vendor for sealed proposals is not based on price alone. While price is important, vendor qualifications, experience, and support system may be some of the components that will be considered in making a selection. The desired evaluation factors for the particular procurement must be listed in the Request for Proposal (Local Government Code §252.042(a)). The Purchasing Agent will be responsible for coordinating the written Request for Proposal and publishing it in the newspaper. The advertisement must be published at least once a week for two (2) consecutive weeks in the City's official newspaper. The first publication must be more than fourteen (14) days before the date of the bid opening (Local Government Code §252.041). After responses to the Request for Proposal have been received, the Purchasing Agent will collaborate with a Review Committee to score the proposals and develop a recommendation.

The recommendation will be presented to the City Council for award to the lowest and most responsive bidder which best meets all the evaluation criteria. Proposers shall be treated fairly and equally with respect to any opportunity to discuss and revise proposals. If there are vendor negotiations, care shall be made to avoid disclosing proposal contents of other bidders. All proposals that were submitted will be open to public for inspection after the contract award. However, trade secrets and confidential information will not be made available for public inspection (Local Government Code, Chapter 252.049). Bid documents should notify bidders that any confidential or information deemed a trade secret must be labeled as such to be withheld from disclosure.

Purchases Exempt from Competitive Bidding

Pursuant to Local Government Code §252.022, Competitive Bidding is not required for an expenditure for:

- a procurement made because of a public calamity;
- a procurement necessary to preserve or protect the public health or safety of the municipality's residents;
- a procurement necessary because of unforeseen damage to public machinery, equipment, or other property;
- a procurement for personal, professional, or planning services;
- a procurement for work that is performed and paid for by the day;
- a purchase of land or a right-of-way;
- a procurement of items that are available from only one (1) source including:

patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for equipment; books, paper, and other library materials for a public library; management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits;

- a purchase of rare books, papers, and other library materials for a public library;
- paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- a public improvement project, already in progress, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by the voters
- a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government
- participation in cooperative purchasing programs which are established to provide local governments access to contracts with vendors for purchase of materials, supplies, services or equipment. Departments will submit documentation of participation with the requisitions for approval.
- services performed by blind or severely disabled persons
- purchases for subsequent retail sale
- electricity
- advertising, other than legal notice

Procuring of Professional and Consulting Services

Professional and consulting services include such services as accounting, architecture, engineering, surveying, medicine and planning. These contracts will not be awarded through a competitive bidding process. The awards will be based on the following:

- Demonstrated competence and qualifications

- Fair and reasonable price.
- Fees not exceeding maximums allowed by law

The following selection procedure must be used:

1. First select the most highly qualified provider on the basis of demonstrated competence and qualifications
2. Attempt to negotiate with that provider a contract that is at a fair and reasonable price.

If a satisfactory contract cannot be negotiated with the first-choice provider, then the City shall:

- 1) Formally end negotiations with that provider
- 2) Select the next most highly qualified provider
- 3) Attempt to negotiate a contract with that provider at a fair and reasonable price.

This process shall be followed until a fair and satisfactory contract is negotiated and accepted by both parties.

Note that these services are exempt from the bidding requirement, but *not* from proper approval by the governing body.

Professional Services contracts exceeding \$50,000 *require City Council approval.*

Sole Source Purchases

There are many reasons why a purchase might be possible or practical from only one (1) vendor:

1. There is no competitive product. The good/service is a one-of-a-kind or patented product, a copyrighted publication available from only one source or a unique item such as a work of art.
2. The product is only available from a regulated or natural monopoly. For example, regulated utility, gravel from the only pit in the area or some similar situation are natural monopolies.
3. The product is a component of an existing system that is only available from one (1) supplier. Replacement or repair of a component part may only be available from the original supplier.

Under most conditions, a sole source purchase should be the subject of a certain amount of negotiation. The purchaser should prepare a detailed list of requirements relating to delivery, quality, performance and other conditions and be prepared to withhold final intent to purchase in order to negotiate the best price and service. The purchaser should do everything in his power to strengthen the City's bargaining position.

Sole Source Purchase Procedure

Sole source purchases are handled the same as other purchases, with these exceptions:

1. If the requisitioning department determines that the item is a sole source purchase, one of the following should be attached to the requisition:
 - A statement from the vendor attesting to the fact that the item(s) requested is available from only that vendor.
 - An explanation of why this is a sole source purchase as well as information concerning attempts to obtain competitive bids on the item(s) requested.
2. The requisition is then completed in accordance with established procedure.
3. Purchasing determines that the item is a sole source purchase. Purchasing reserves the right to publish specifications and advertise for bids to verify sole source status.
4. After the requisition is approved, the Purchase Order is prepared and processed according to established procedure.

Change Orders

A change order is the written documentation and approval process that must be performed when changes in the plans or specifications are necessary after the performance of the contract is begun. Such changes, within the original scope of work, may include a change in the quantity of work to be performed, the cost of work to be performed, or the materials, equipment or supplies to be furnished.

A change order is usually written for a construction contract but may be necessary in other types of contracts.

Change orders for purchase orders or contracts for pricing increases due to a change in the scope of work should be approved by the Purchasing Agent in writing prior to the vendor starting any additional work. Departments will complete a Change Order Request Form and will not authorize any changes until the Purchasing Agent approves the request. If a change order involves a decrease or an increase of \$50,000, or less, the City Manager is authorized by City Council to approve the change. In accordance with State law, the original contract price may not be increased by more than \$50,000 without formal City Council approval. The original contract price may not be increased by more than 25%. The original contract price may not be decreased by more than 25% without the consent of the contractor.

Insurance and Bond Requirements

Contractors, consultants and certain suppliers whose work or employees, may expose the City and the public to risk of any kind are required to provide indemnification to the City and a certificate of insurance or an insurance policy that shows coverage meeting the City's requirements. These requirements should be included in the Request for Quote or Invitation to Bid and are made part of the contract or purchase order. Insurance requirements may vary from project to project depending on the type of work or services being provided.

In accordance with Texas Government Code Chapter 2253, performance and payment bonds are required for contracts on certain public works projects.

Payment Bonds are required for public works contracts in excess of \$50,000 and must be written for 100% of the total bid price. The payment bond is for the protection of those performing work as subcontractors or suppliers for the prime vendor/contractor.

Performance Bonds are required for 100% of the total bid price on all public works contracts when the vendor's bid exceeds \$100,000. Performance bonds are for the protection of the City that the contractor will perform in accordance with the plans, specifications and contract documents.

Receiving / Inspection / Payment

When materials, equipment or supplies are received, the department that placed the order is responsible for inspecting the shipment and initiating the payment process. All items must be inspected upon receipt. The inspection should include verification of correct quantities and a check for damaged or defective goods.

When all goods or services ordered are received and complete, the requesting department will provide the invoices to Finance for payment. The invoices will be signed and coded with the correct account number by the Department Director or designee.

Once the Finance Department receives proper documentation, payment will be processed. All fully executed contracts must be provided to the Purchasing Agent prior to payments being made.

Store Accounts Exempt from the Purchase Order Process

Purchases can also be made through store accounts. Store accounts are defined as those accounts that provide a single invoice that covers all the City's purchases on a monthly basis. Requisitions and purchase orders are not required for these purchases.

The purpose for this exemption is to provide departments with an efficient and convenient method to make routine small purchases on store credit for operational needs. Purchases

must remain under \$3,000. If purchases for \$3,000 or more are needed, the department must enter a requisition for approval prior to making the purchase.

Emergency Purchases

Texas statutes generally allow the local government to make emergency or exempted purchases without competitive procurement. Council approval prior to purchase is advised, if practical. If this is not feasible, emergency purchases exceeding the City Manager's signature authority of \$50,000 should be ratified by the Council.

Although there is no clear definition of what constitutes an emergency purchase, a political subdivision is generally exempted from competitive procurement when any one of the following conditions exists:

1. The prompt purchase of items because of a public calamity that requires an immediate appropriation to provide for the needs of the public or to preserve the property of the municipality.
2. The item is necessary to preserve or protect the public health or safety of residents of the political subdivision.
3. The item is made necessary by unforeseen damage to public machinery, equipment or other property.

Since these exemptions are stated in broad terms, the user Department must justify the emergency and submit documentation of the circumstances that substantiates the necessity to make an emergency purchase to the Purchasing Agent.

The following are guidelines for dealing systematically with emergency purchases.

1. **QUALIFICATION:** The purchase must qualify as an emergency purchase under the definition in the Local Government Code Section 252.022. The buyer will contact the Purchasing Agent to describe the circumstances that qualify the purchase as an emergency. Purchasing will assist the responsible Department in the determination of the emergency status and a practical plan for the purchase.
2. **DESIGNATION:** The designation of emergency purchase indicates a situation of such urgency that the normal purchasing procedure must be modified in the interest of speed and therefore no competitive bids are required
3. **NORMAL WORKING HOURS:** All emergency purchases occurring during normal working hours are processed through the Purchasing Department as follows:
 - a. The user Department will notify the Purchasing office immediately with as much information as possible about the emergency purchase and prepare an email to the Purchasing Agent and Finance Director, with a copy to their Director, detailing the circumstances designating the purchase as an emergency.
 - b. A purchasing requisition is prepared by the Department and approved through the normal channels., If the purchase exceeds \$3,000 a copy of the

email notifying purchasing of the emergency should be attached to the purchasing requisition.

c. Simultaneously, the user Department should request expedited delivery.

4. **EVENINGS, WEEKENDS AND HOLIDAYS:** For other than normal working hours, when Purchasing support is unavailable, procedures are as follows:

a. The responsible official of the Department takes whatever steps are necessary to procure needed supplies, services or equipment to relieve the emergency situation. **Only those goods or services actually needed during the evening, weekend or holiday may be procured.**

b. If the purchase exceeds \$3,000, the responsible official will notify Purchasing on the first day following the emergency and prepare an email to the Purchasing Agent, Finance Director and their Director citing the circumstances of the emergency and certifying that the purchase involved was necessary because of one of the reasons listed in Texas Local Government Code Section 252.022. When submitting resulting items to Accounts Payable for payment, the responsible official shall attach to the approved and coded invoices, any bills for materials, receipts or other documents related to the purchase along with a copy of the email that certified the purchase as an emergency purchase.

c. In these circumstances, the user Department bears the burden of ensuring that the emergency purchase meets the requirements of State law.

Cooperative Purchasing

The Interlocal Cooperation Act, Gov. Code §791.001 et seq., gives the cities flexibility to contract with other governmental entities, including state agencies, districts, counties and municipalities. The City may contract with another local government to perform governmental functions and services such as:

Police protection and detention services; Fire protection; Streets, roads and drainage; Public health and welfare; Library and museum services; Records center services; Waste disposal; Planning; Engineering; Administrative functions; Public funds investment; Other governmental functions in which the contracting parties are mutually interested” (Gov. Code §791.003)

Note that these purchases are not exempt from competitive bidding but are bid and contracted by agencies participating in the cooperative effort.

Local governments and agencies involved must contract with one another to participate in these types of agreements. The City is authorized to participate in various cooperative purchasing programs including the State of Texas, the Houston Galveston Area Council, Tarrant County and BuyBoard.

Auction Purchases

Competitive bidding is not required when purchasing at an auction by a state licensed auctioneer. These purchases must be coordinated by the Purchasing Agent to ensure proper licensure and that purchasing procedures are followed.

Lease-Purchase Agreements

The City may obtain the use of equipment or other personal property through a lease-purchase agreement. L.G.C. §271.005(a). A vendor leases a piece of equipment to the City with an option to purchase. Competitive bidding or quotes are required for expenditures more than \$3,000.

City Manager Signature Authority

The City Manager shall have the authority to approve all contracts and change orders in an amount up to \$50,000. All contracts and change orders exceeding \$50,000 require approval from the City Council.

Surplus

Purchasing is responsible for the sale and/or disposal of surplus City property. Surplus City property is defined as any City-owned property, other than real estate and buildings that are worn out, obsolete or no longer needed for current operations yet still have a potential resale value. Surplus goods include, but are not limited to, equipment, parts, tools, vehicles, computers, software and furniture.

1. The responsible Department Director and Finance Director shall jointly determine when City-owned property has no resale value. Resale value shall take into consideration the cost of preparing the item for sale. Items without potential resale value may be disposed of in any manner approved by the responsible Department Director and Finance Director.
2. Department Managers shall review their department's assets each year. Prior to the disposal of any property, the department is required to submit a list including description, make, model and serial number of property that they recommend to be designated as surplus. Only the City Manager, Assistant City Manager or Finance Director has the authority to declare City-owned goods as surplus. The Purchasing Agent or other member of the Finance Department will review all surplus property lists for items that may be on asset inventory registers and update such registers accordingly.
3. Surplus goods will be disposed of in a manner that will yield the greatest possible benefit to the City. Whenever possible, items will be grouped together and sold at

public auction. Individual items that are not easily stored for a future auction may be disposed of individually. Proceeds from such sales will be accounted for in accordance with Generally Accepted Accounting Principles.

4. In order to maintain the highest appearance of ethical propriety at all times, surplus goods may not be given or sold directly or indirectly to City employees or City officials except under exceptional circumstances. Exceptional circumstances may be approved with a written recommendation from the employee's Department Director and subsequent approval of the Finance Director, Assistant City Manager or City Manager. An example of such an item would be a duty weapon for a retiring officer or ballistic vest tailored to a specific officer.
5. Surplus property may be donated to another government entity or non-for-profit with approval of City Council.
6. City employees may participate in public auctions for the purchase of surplus property on their own time.

PURCHASING CARD POLICY

Introduction

The purpose of the purchasing card program is to establish a more efficient and cost-effective method of purchasing and paying for small dollar purchases. The purchasing card program is established in order to provide immediate access to goods and/or services. The purchasing card can be used with suppliers who accept credit cards and are **not** regular City vendors. Purchases from regular City vendors who have an established account with the City of Azle will be made through the normal purchasing process with approved invoices submitted to accounts payable for payment.

General Information

These policies and procedures provide the general guidelines for using the purchasing card. These policies and procedures apply to all City of Azle purchasing cards issued in an individual employee's name as well as travel cards issued under the department's name. The cardholder or employee assigned a departmental travel card is responsible for the security of the purchasing card and the transactions made with it.

Requirements for Receiving a Purchasing Card

The requirements for an applicant to receive a purchasing card in their name are as follows:

- Applicant must be approved by the City Manager, Assistant City Manager or applicant's department head. the Department Director and the Finance Director

- The applicant must be an employee of the City of Azle
- Each cardholder is required to sign the City of Azle Purchasing Cardholder Agreement in the presence of the Purchasing Card Administrator.

The cardholder must use the purchasing card for official City of Azle purposes only.

Under no circumstances should personal charges be made with the City purchasing card. Failure to follow these guidelines may result in disciplinary action, including possible termination.

Cardholder Responsibilities

- Ensure the card is used for legitimate City purposes only.
- Maintain the card in a secure location at all times.
- Obtain a detailed or itemized receipt, sales slip or invoice for each transaction.
- Reconcile all sales slips, register receipts and/or invoices to the monthly statement provided by the purchasing card issuer. The statement/reconciliation should be signed by the cardholder and the cardholder's Department head after the statement has been reconciled. The completed and signed statement/reconciliation should be submitted to purchasing along with the itemized receipts by the due date sent monthly via email. Failure to turn in receipts by the stated deadline may result in your card being temporarily suspended or deactivated.
- Attempt to resolve all disputes or billing errors directly with the vendor and notify the card issuer and Purchasing Card Administrator if the dispute or billing error is not satisfactorily resolved.
- Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent billing statement.
- Not accept cash in lieu of credit to the purchasing card account.
- Immediately report a lost or stolen card to the purchasing card issuer, US Bank Commercial Cards, by calling customer service at 1-800-344-5696. Customer service representatives are available 24 hours a day, 365 days a year to assist you. The Purchasing Card Administrator should be notified at the first opportunity during normal business hours.
- Return the card to the Department head upon termination of employment with the City.

Purchasing Card Administrator Responsibilities

The Purchasing Agent or another member of the Finance department will be designated as the Purchasing Card Administrator and will be responsible for the purchasing card program. The Purchasing Card Administrator's responsibilities include:

- Serve as City liaison with purchasing card provider.
- Review department approval applications for completeness of required information.

- Submit completed application to card provider and receive purchasing card from provider.
- Train cardholder before releasing purchasing card.
- Maintain a current list of cardholders.
- Attempt to resolve disputed charges/discrepancies not resolved by the cardholder.
- Receive and review provider's bill.
- Ensure that lost/stolen cards have been blocked by the provider.
- Assist cardholders with erroneous declined and emergency transactions.

Authorized Purchasing Card Use

- City of Azle purchasing cards issued in an employee's name shall be used ONLY by the cardholder. The cardholder may make purchases on behalf of others within their department. However, the cardholder is responsible for all use of his/her card.
- May be used for official City business only.
- May be used for approved City purchases included in the current budget.
- May be used to purchase items up to the single transaction limit established for the card.

Unauthorized Use of the Purchasing Card

The purchasing card shall **NOT** be used for the following:

- To make personal or unauthorized purchases.
- To purchase alcoholic beverages or any items or service that violate policies, laws or regulations pertaining to the City.
- To receive cash advances or cash back in lieu of credit being issued for returned items. A cardholder who makes unauthorized purchases may be liable for the total dollar amount of such purchases and may have their purchasing card privileges revoked. The cardholder will also be subject to disciplinary action and possible termination.

Purchasing Card Maintenance and Closure

The Purchasing Card Administrator will close an account if a cardholder: (a) moves to a new job in which a purchasing card is not necessary (b) terminated employment with the City (c) does not use the card for any purchases for a period of 12 months or (c) at the direction of the Finance Director for any of the following reasons which will also subject the cardholder to disciplinary action as outlined in the previous section.

- The purchasing card is used for personal or unauthorized purposes.
- The purchasing card is used to purchase alcoholic beverages or any substances, materials or services that violate policies, laws, or regulations pertaining to the City.

- The cardholder splits a purchase to circumvent the limitations assigned to either the cardholder or the limitations of the purchasing card.
- The cardholder fails to provide required receipts.
- The cardholder fails to provide, when requested, information about any specific purchase.
- The cardholder does not adhere to all of the purchasing card policies and procedures.

Purchasing Card Use

The purchasing card is to be used for the purchase of small dollar items. Purchases may be made in person, by telephone or fax, or online through a secure internet link. Purchases should be made within the budgetary and spending parameters set by the City.

Making a Purchase

The following are general guidelines for using the purchasing card to make a purchase:

- Determine if the intended purchase and vendor meet the requirements stated by the City.
- For face to face transactions, provide the vendor with your purchasing card or for telephone orders give the vendor your account number and expiration date.
- Obtain a copy of the charge slip, sales receipt and /or packing slip and reconcile to the monthly statement.

Lost or Stolen Cards

If a purchasing card is lost or stolen, the cardholder should immediately contact the purchasing card provider, US Bank Commercial Card, by calling customer service at 1-800-344-5696. Customer service is available 24 hours a day, 365 days a year. After contacting customer service, the cardholder should notify the Purchasing Card Administrator.

Billing Errors, Returns and Disputed Charges

The cardholder should always attempt to resolve any disputes or billing errors directly with the vendor. If the issue cannot be resolved with the vendor, the cardholder should access their account online or contact US Bank Commercial Card's customer service to complete a dispute form and notify the Purchasing Card Administrator of the disputed charge. All returns must be reimbursed by a credit to the cardholder's account. ***Cash refunds are prohibited.***

Sales Tax

The City is exempt from state and local sales tax. Vendors are required to have a valid sales tax exemption certificate from the City on file. A sales tax exemption form is available on the City shared drive or can be obtained from the Accounting Department. It is the responsibility of the cardholder to ensure that sales tax is not charged.

Erroneous Declines

The cardholder should access their account online or contact US Bank Commercial Card customer service for any instances that the vendor receives a decline and the cardholder does not know the reason. If the decline was in error, the cardholder should immediately contact the Purchasing Card Administrator for assistance.

FEDERAL GRANT FUNDS

Purchases funded by federal grant funds must follow the established 2 CFR 200 Uniform Administrative Guidance Procurement Standards Sections 200.317 through 200.326. Departments will work in conjunction with the Finance Department to ensure compliance.

Suspension and Debarment

Vendors on the Excluded Parties List may not be utilized for the acquisition of goods or services for any project financed with federal grant funds. Federal regulations specify that the use of an excluded party will be grounds for voiding a federally funded grant or contract. The City shall verify the debarment status of all vendors prior to utilizing federal funds, by using the Excluded Parties Listing Systems (EPLS) website (<https://www.SAM.gov>). In addition, the City or its agent must document that verification.

General Procurement Standards

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Violation of these standards will be subject to disciplinary actions up to termination.

Change Order Request Form



Name of Vendor _____

Purchase Order Number _____

Original Approved Contract Amount _____

Requested Change in Contract Amount _____

Total Contract Amount Requested _____

City Manager Signature _____

Date _____

Purchasing Agent Signature _____

Date _____



Presenter: Stephen Barnes, Finance Director

Agenda Item: Consider any action approving the revised Fund Balance Policy

Background and Explanation:

The City's current fund balance policy for major funds requires a fund balance of 120 days (33%) of annual operating expenditures. During discussions on the proposed FY 2025-26 budget, Staff suggested the Council consider revising this policy to require a fund balance of 90 days (25%) of annual operating expenditures. After considerable discussion, the Council chose to approve the proposed FY 2025-26 budget with 27% and 25% fund balances for the General and Utility funds, respectively, and agreeing to formally revise the fund balance policy.

In summary, the revised fund balance policy will require a fund balance not less than 25% of budgeted operating expenditures for the General Fund and the Utility Fund. This recommended fund balance percentage is higher than the Government Finance Officers Association best practice recommendation of 16.7% and will be sufficient to mitigate financial risks that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The 25% fund balance requirement is also aligned with many other cities in the Dallas/Fort Worth area.

Board/Commission/Committee Recommendation:

N/A.

Staff Recommendation:

Approve the revised fund balance policy.

Attachments:

1. City of Azle Fund Balance Policy 12.16.2025

City of Azle Fund Balance Policy

Purpose

The fund balance is essential to the preservation of the financial stability of the City. This policy establishes goals and provides guidance concerning the desired level of fund balance maintained by the City to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. Specifically, the City desires to maintain adequate fund balance to:

- Provide sufficient cash flow for operations
- Provide funds for unforeseen expenditures related to emergencies
- Improve investment-grade bond ratings
- Offset significant economic downturns or revenue shortfalls
- Ensure long-term fiscal sustainability

Definitions

Fund Balance - a measurement of available financial resources and is the difference between total assets and total liabilities in each fund. There are 5 (five) classifications of fund balance and they are listed below:

Non-Spendable Fund Balance – amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation.

Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the City Council. Commitments may be changed or lifted only by formal action of the City Council.

Assigned Fund Balance – amounts intended to be used by the government for specific purposes. Intent can be expressed by the City Council or by a designee to whom that governing body delegates the authority.

Unassigned / Unrestricted Fund Balance – includes all amounts not contained in other classifications. Unassigned amounts are available for any legal purpose.

Minimum Unassigned / Unrestricted Fund Balance for General Fund and Utility Funds

It is the goal of the City to achieve and maintain an unassigned / unrestricted fund balance in the general fund and utility fund of not less than 25% of budgeted operating expenditures. If the unassigned / unrestricted fund balance falls below this goal, the City shall develop a corrective action plan within the same year and take actionable steps to replenish it. City Council shall seek to preserve fund balance in the budget process when considering new programs and services.

Order of Expenditure of Funds

When an expenditure can be charged to multiple categories of fund balance, the most restricted category will be used first, then the next-most restricted category or categories.

Excess Fund Balance

Should the situation present itself where the City has an unassigned / unrestricted fund balance above 25% of budgeted operating expenditures and above the needs of the foreseeable future, it is the policy of the City that fund balance not be used as a funding source for ongoing recurring expenditures. Fund balance is only to be used as a funding source for one-time expenditures.

Monitoring and Reporting

The City Manager and Finance Director shall annually prepare a report on the status of the fund balances and present it to the City Council in conjunction with the annual operating budget process.



Presenter: Ben Hall, Police Chief
Agenda Item: Consider any action authorizing the purchase of a Motorola dispatch console from Motorola Solutions

Background and Explanation:

The FY 2025-26 budget includes an additional Motorola dispatch console for the Police Department for \$180,000 (01-630-5580). The console is needed to support increasing operational demands, ensure adequate coverage during high-volume periods and enhance overall emergency response capabilities.

The additional dispatch console must be manufactured by Motorola. The other dispatch consoles and all of the radios used by the Police Department are Motorola products. Therefore, to ensure interoperability, the additional console must be a Motorola product. Motorola Solutions has a State contract for this console through the State's Department of Information Resources (DIR). Purchases made through the DIR legally satisfy the State and local bidding requirements. The Motorola AXS CommandCentral dispatch console is available from Motorola Solutions for \$175,620.

Board/Commission/Committee Recommendation:

N/A.

Staff Recommendation:

Authorize the purchase of a Motorola AXS CommandCentral dispatch console from Motorola Solutions for \$175,620.

Attachments:

None



Presenter: Tom Muir, City Manager

Agenda Item: Sign ordinance.

Background and Explanation:

Mayor Goode requested a discussion on possibly revising the Sign Ordinance to address real estate signage placed in the rights-of-way during the weekends.

Board/Commission/Committee Recommendation:

N/A.

Staff Recommendation:

N/A.

Attachments:

None



Presenter:

Agenda Item: Take any action on any items pursuant to executive session.

Background and Explanation:

Board/Commission/Committee Recommendation:

Staff Recommendation:

Attachments:

None