

## **NOTICE OF CITY COUNCIL WORKSHOP MEETING**

**NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL, CITY OF ROSENBERG, FORT BEND COUNTY, TEXAS, WILL MEET IN A WORKSHOP SESSION OPEN TO THE PUBLIC AS FOLLOWS:**

**DATE:** Tuesday, June 30, 2015

**TIME:** 6:30 p.m.

**PLACE:** Rosenberg City Hall  
City Hall Council Chamber  
2110 4<sup>th</sup> Street  
Rosenberg, Texas 77471

**PURPOSE:** City Council Workshop Meeting, agenda as follows:

During a City Council Workshop, the City Council does not take final action on the agenda items and any consideration of final action will be scheduled at a Regular or Special City Council Meeting. Public comments are welcomed at Regular or Special City Council Meetings. No public comments will be received at a Workshop Meeting.

**The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.**

Call to order: City Hall Council Chamber

### **AGENDA**

1. Review and discuss the Classification and Total Compensation Study and Analysis as presented by Gallagher Benefits Services, Inc., and take action as necessary to direct staff. (Joyce Vasut, Executive Director of Administrative Services)
2. Review and discuss a presentation regarding the accounting and budgeting changes for the Technology Fund and technology operations, and take action as necessary to direct staff. (Joyce Vasut, Executive Director of Administrative Services)
3. Review and discuss FY2016 Budget priorities, and take action as necessary to direct staff. (Joyce Vasut, Executive Director of Administrative Services)
4. Review and discuss Republic Services proposed solid waste and curbside recycling rates for FY2016, and take action as necessary to direct staff. (Jeff Trinker, Executive Director of Support Services)
5. Adjournment.

[EXECUTION PAGE TO FOLLOW]

DATED AND POSTED this the \_\_\_\_\_ day of \_\_\_\_\_ 2015, at \_\_\_\_\_m.,

by \_\_\_\_\_.

\_\_\_\_\_  
Attest:  
Linda Cernosek, TRMC, City Secretary

\_\_\_\_\_  
Approved for Posting:  
Robert Gracia, City Manager

\_\_\_\_\_  
Approved:  
Cynthia McConathy, Mayor

**Reasonable accommodation for the disabled attending this meeting will be available; persons with disabilities in need of special assistance at the meeting should contact the City Secretary at (832) 595-3340.**



# CITY COUNCIL COMMUNICATION

June 30, 2015

ITEM #	ITEM TITLE
1	<b>Classification and Total Compensation Study and Analysis Discussion</b>
<b>ITEM/MOTION</b>	
Review and discuss the Classification and Total Compensation Study and Analysis as presented by Gallagher Benefits Services, Inc., and take action as necessary to direct staff.	
<b>FINANCIAL SUMMARY</b>	<b>ELECTION DISTRICT</b>

<b>Annualized Dollars:</b>	<b>Budgeted:</b>	<input type="checkbox"/> District 1
<input checked="" type="checkbox"/> One-time	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> District 2
<input type="checkbox"/> Recurring		<input type="checkbox"/> District 3
<input type="checkbox"/> N/A	<b>Source of Funds:</b>	<input type="checkbox"/> District 4
	101-1210-510-5710	<input type="checkbox"/> City-wide
		<input checked="" type="checkbox"/> N/A

**SUPPORTING DOCUMENTS:**

**MUD #:** N/A

1. Draft Final Classification and Total Compensation Study Report - Provided under separate confidential cover
2. Resolution No. R-1881 – 11-25-14
3. City Council Meeting Minute Excerpt – 11-25-14

<b>APPROVALS</b>		
<b>Submitted by:</b>  Joyce Vasut Executive Director of Administrative Services	<b>Reviewed by:</b> <input type="checkbox"/> Exec. Dir. of Administrative Services <input type="checkbox"/> Asst. City Manager of Public Services <input type="checkbox"/> City Attorney <input type="checkbox"/> City Engineer <input checked="" type="checkbox"/> Human Resources Director <i>JO</i>	<b>Approved for Submittal to City Council:</b>  Robert Gracia City Manager

**EXECUTIVE SUMMARY**

On November 25, 2014, the City Council approved the Classification and Total Compensation Study and Analysis (Project) with Gallagher Benefits Services, Inc. The Project consisted of: Study Initiation and Compensation Philosophy, Classification Study, Job Evaluation, Compensation Study, and Final Report.

On January 22, 2015, a strategy meeting with the department heads and management staff was conducted and Project orientation meetings were held with City employees. Occupational Panel Meetings were held in March 2015 with department employees to provide details relating to duties, responsibilities and career development.

All employees completed a Position Description Questionnaire (PDQ) that detailed their specific position, any related supervisory responsibilities, essential duties, knowledge/skills, education, experience, special requirements, machines, tools, and equipment, decision-making and judgments, physical factors, and working conditions.

From the PDQs, Gallagher Benefits Services, Inc., created Classification Structures, Class Specifications, Class Allocation, Decision Band Method (DBM) Ratings, Pay Structures, and Implementation Options.

Lori Messer with Gallagher Benefits Services, Inc., will present the draft of Final Report at the Workshop Meeting and will be available to answer any questions that City Council may have.

RESOLUTION NO. R-1881

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSENBERG, TEXAS, REGARDING THE SELECTION OF A FIRM, PURSUANT TO REQUEST FOR PROPOSALS NO. 2014-18, FOR A CLASSIFICATION AND TOTAL COMPENSATION STUDY AND ANALYSIS; AND, PROVIDING AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE, FOR AND ON BEHALF OF THE CITY, AN AGREEMENT FOR PROFESSIONAL SERVICES AND/OR OTHER APPROPRIATE DOCUMENTS NECESSARY TO FACILITATE SAME.

\* \* \* \* \*

**WHEREAS**, City Council deems it appropriate and in the best interest of the City to examine the current classification and compensation plan for City of Rosenberg employees; and,

**WHEREAS**, the compensation analysis is intended to identify and provide the tools and structure to address classification and compensation-related issues;

**WHEREAS**, the City sought a Classification and Total Compensation Study and Analysis pursuant to Request for Proposal No. 2014-18; now therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROSENBERG:**

Section 1. The approval and acceptance of a proposal from Gallagher Benefit Services, Inc., in response to Request for Proposal No. 2014-18 for a Classification and Total Compensation Study and Analysis.

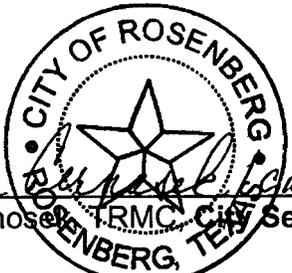
Section 2. The City Manager is hereby authorized to negotiate and execute an Agreement for Professional Services (Agreement), in addition to any documentation necessary to facilitate said project.

Section 3. A copy of the Agreement is attached hereto as Exhibit "A" and made a part hereof for all purposes.

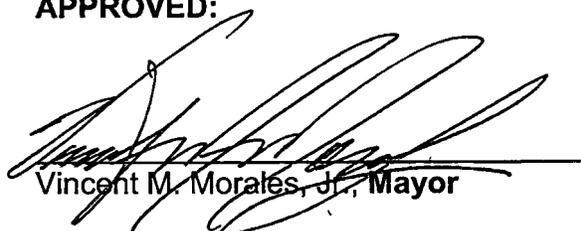
**PASSED, APPROVED, AND RESOLVED** this 25<sup>th</sup> day of November 2014.

ATTEST:

  
Linda Cernosek, TRMC City Secretary



APPROVED:

  
Vincent M. Morales, Jr., Mayor

Solicitation Resolution No. R-1881

**GOVERNMENTAL CONTRACT AND PURCHASING RIDER**  
**FOR CONTRACTS WITH THE CITY OF ROSENBERG, TEXAS**  
(Version 07/16/2014)

By submitting a response to a solicitation or bid, or by entering into a contract for goods or services and/or by accepting a purchase order, the contracting party identified below agrees that the below terms and conditions shall govern all agreements with the City unless otherwise agreed to by a specifically executed provision within the contract and if permissible by law. Absent a specifically executed provision, the below terms are BINDING and SUPERSEDE any and all other terms and/or conditions whether oral or written.

**1. Application.** This Governmental Rider applies to, is part of, and takes precedence over any conflicting provision in or attachment to the Professional Services Agreement for Classification and Total Compensation Study and Analysis (Contract) (attached hereto) of Gallagher Benefit Services, Inc., (Vendor). The Contract involved in this Rider is described as follows:

**Gallagher Benefits Services, Inc.**

**2. Payment Provisions.** The City's payments under the Contract, including the time of payment and the payment of interest on overdue amounts, are subject to Chapter 2251, Texas Government Code. City reserves the right to modify any amount due to contractor presented by invoice to the city if necessary to conform the amount to the terms of the contract.

**3. Multiyear Contracts.** If the City's city council does not appropriate funds to make any payment for a fiscal year after the City's fiscal year in which the contract becomes effective and there are no proceeds available for payment from the sale of bonds or other debt instruments, then the Contract automatically terminates at the beginning of the first day of the successive fiscal year. (Section 5, Article XI, Texas Constitution). It is understood and agreed the City shall have the right to terminate the agreement at the end of any City fiscal year if the governing body of the City does not appropriate funds sufficient to continue the contract, as determined by the City's budget for the fiscal year in question. The City may execute such termination by giving contractor a written notice of termination at the end of its then current fiscal year.

**4. Best Value Determination.** All competitive bids or proposals received shall be evaluated based on the best value for the City. Best value shall be determined any relevant criteria specifically listed in the solicitation and by considering all or part of the criteria listed below:

- a. Bid price.
- b. Reputation of the bidder and of bidder's goods and services.
- c. The quality of the bidder's goods or services.
- d. The extent to which the goods or services meet the City's needs.
- e. Bidder's past relationship with the City. All vendors shall be evaluated on their past performance and prior dealings with the City to include, but not limited to, failure to meet specifications, poor quality, poor workmanship, and late delivery.

**5. Local Preference.** The City Council supports the local preference option for purchasing. In accordance with Chapter 271.9051 of the State of Texas Local Government Code, the City Council may choose to award a competitive bid to a bidder whose principal place of business is in the City limits, provided that this bid is within 5% of the lowest bid price received.

**6. No Ex-Parte Communications during Competitive Bidding Period.** To insure the proper and fair evaluation of a response, the City prohibits ex parte communication (e.g., unsolicited) initiated by the proposed contractor to a City official or employee evaluating or considering the responses prior to the time a formal decision has been made. Questions and other communication from vendors will be permissible until 5:00 pm on the day specified as the deadline for questions. Any communication between responder and the City after the deadline for questions will be initiated by the appropriate City official or employee in order to obtain information or clarification needed to develop a proper and accurate evaluation of the response. Ex parte communication may be grounds for disqualifying the offending responder from consideration or award of the solicitation then in evaluation, or any future solicitation.

**7. Abandonment or Default.** A contractor who abandons or defaults the work on the contract and causes the City to purchase the services elsewhere may be charged for any increased cost of goods, materials and/or services related thereto and shall not be considered disqualified in any re-advertisement of the service and may not be considered in future bids for the same type of work for a period of three years for the same scope of work, goods or services.

**8. Disclosure of Litigation.** Each contractor shall include in its proposal a complete disclosure of any civil or criminal litigation or investigation pending which involves the respondent or which has occurred in the past in which the respondent has been judged guilty or liable by a competent court regardless of whether the Court Order or Judgment is final or on appeal.

**9. Cancellation.**, the City reserves the right to cancel the contract without penalty by providing 30 days prior written notice to the contracting party. Termination under this paragraph shall not relieve the contractor of any obligation or liability that has occurred prior to cancellation. **NOTE: This contract is subject to cancellation, without penalty, at any time the City deems the vendor to be non-compliant with contractual obligations.**

**10. Annual Vendor Performance Review.** The City reserves the right to review the vendor's performance at the end of each twelve month contract period and to cancel all or part of the agreement (without penalty) or continue the contract through the next period.

**11. Compliance with other laws and certification of eligibility to contract.** Any offer to contract with the City shall be considered an executed certification that the contractor will shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, (as amended during the contracting period) and any orders and decrees of any court or administrative bodies or tribunals in any matter affecting the performance of the resulting agreement, including without limitation, immigration laws, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When requested, the contractor shall furnish the City with satisfactory proof of its compliance within 10 days or any contract with the City is void.

**12. Compliance with all Codes, Permitting and Licensing Requirements.** The successful contractor shall comply with all national, state and local standards, codes and ordinances as well as any other authorities that have jurisdiction pertaining to equipment and materials used and their application. None of the terms or provisions of the specification shall be construed as waiving any rules, regulations or requirements of these authorities. The successful bidder shall be responsible for obtaining all necessary permits, certificates and/or licenses to fulfill contractual obligations.

**13. Liability and Indemnity of City.** Any provision of the Contract is void and unenforceable if it: (1) limits or releases either party from liability that would exist by law in the absence of the provision; (2) creates liability for either party that would not exist by law in the absence of the provision; or (3) waives or limits either party's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision.. (Section 5, Article XI, Texas Constitution)

**14. Indemnity and Independent Contractor Status of Contractor.** Contractor shall indemnify, save harmless and defend the City, its officers, agents, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, attorney's fees and any and all other costs or fees (whether grounded in Constitutional law, Tort, Contract, or Property Law, or raised pursuant to local, state or federal statutory provision), arising out of the performance of the resulting agreement and/or arising out of a willful or negligent act or omission of the contractor, its officers, agents, and employees. It is understood and agreed that the contractor and any employee or sub-contractor of contractor shall not be considered an employee of the City. The contractor shall not be within protection or coverage of the City's workers' compensation insurance, health insurance, liability insurance or any other insurance that the City from time to time may have in force and effect. City specifically reserves the right to reject any and all contractor's employees, representatives or sub-contractors and/or their employees for any cause, should the presence of any such person on City property or their interaction with City employees be found not in the best interest of the City, harassing, or is found to interfere with the effective and efficient operation of the City's workplace.

**15. Liens.** Contractor agrees to and shall indemnify and save harmless the City against any and all liens and encumbrances for all labor, goods and services which may be provided under the resulting agreement. At the City's request the contractor or subcontractors shall provide a proper release of all liens, or satisfactory evidence of freedom from liens shall be delivered to the City.

**16. Confidentiality.** Any provision in the Contract that attempts to prevent the City's disclosure of information that is subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. (Chapter 552, Texas Government Code)

**17. Tax Exemption.** The City is not liable to Vendor for any federal, state, or local taxes for which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). Accordingly, those taxes may not be added to any item purchased for consumption by the City. Fuel purchased for resale shall include Federal Excise Tax under IRC Section 4081 and Texas Motor Fuel Tax if required per Texas Tax Code Chapter 162. Texas limited sales tax exemption certificates and Texas Aviation Fuel Distributor license will be furnished upon request. Vendors shall not charge for said taxes on purchases for consumption by the City. If billed, the City will remit payment less sales tax.

**18. Contractual Limitations Period.** Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code)

**19. Sovereign Immunity.** Any provision of the Contract that seeks to waive the City's immunity from suit and/or immunity from liability is void unless agreed to by specific acknowledgement of the provision within the contract.

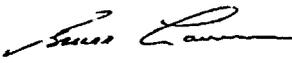
**20. Governing Law and Venue.** Texas law governs this Contract and any lawsuit on this Contract must be filed in a court that has jurisdiction in Fort Bend County, Texas.

**21. Right to trial by Jury.** Any provision of the Contract that seeks to waive an aggrieved Party's right to trial by jury is void unless agreed to by specific acknowledgement of the provision within the contract.

**CITY OF ROSENBERG, TEXAS**

**GALLAGHER BENEFIT SERVICES, INC.**

By: 

By: Bruce Lawson 

Title: City Manager

Title: Managing Director

Date: December 31, 2014

Date: December 17, 2014

# AGREEMENT FOR PROFESSIONAL SERVICES

THIS **MASTER AGREEMENT FOR PROFESSIONAL SERVICES** ("Agreement"), entered into as of December 2, 2014 (the "Effective Date"), is between Gallagher Benefit Services, Inc., a Delaware corporation ("GALLAGHER BENEFIT SERVICES, INC.") and City of Rosenberg, TX (the "Client").

GALLAGHER BENEFIT SERVICES, INC. and Client desire to arrange for the provision of services by GALLAGHER BENEFIT SERVICES, INC. to the Client as set forth herein.

In consideration of the promises and mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **ENGAGEMENT OF SERVICES.** From time to time, GALLAGHER BENEFIT SERVICES, INC. and Client may enter into Project Assignment(s), for the provision of services provided by GALLAGHER BENEFIT SERVICES, INC. (Projects). The exact nature and scope of the services shall be agreed, and the scope of services shall be detailed, in a Project Assignment. Each Project Assignment shall be governed by the terms and conditions of this Agreement.

2. **SCOPE OF PROJECT ASSIGNMENTS.** GALLAGHER BENEFIT SERVICES, INC. will provide any services, functions, or responsibilities related to the services set forth in the Project Assignment that are (a) reasonably required for the proper performance and delivery of such services, functions, or responsibilities in accordance with this Agreement or (b) an inherent part of, or a necessary subpart included within such services, functions or responsibilities.

3. **STANDARD FOR PERFORMANCE.** Subject to the terms of this Agreement, GALLAGHER BENEFIT SERVICES, INC. will use its best efforts to render the services and complete the Projects by the applicable completion dates.

4. **COMPENSATION.** Client will pay GALLAGHER BENEFIT SERVICES, INC. a fee for services rendered under this Agreement as set forth in the Project Assignment(s) undertaken by GALLAGHER BENEFIT SERVICES, INC. Client shall be responsible for all expenses incurred by GALLAGHER BENEFIT SERVICES, INC. in the performance of its services under this Agreement except where provided for in the Project Assignment. Upon termination of this Agreement for any reason, GALLAGHER BENEFIT SERVICES, INC. will be paid fees specified on the Project Assignment for work which is then in progress on a proportional basis, and expenses incurred through the effective date of such termination. Unless other terms are set forth in the Project Assignment(s) for Projects which are in progress, Client will pay GALLAGHER BENEFIT SERVICES, INC. for services and will reimburse GALLAGHER BENEFIT SERVICES, INC. for previously approved expenses within thirty (30) days of the date of GALLAGHER BENEFIT SERVICES, INC.'s invoice. A finance charge of 1.5% per month on the unpaid amount of an invoice, or the maximum amount allowed by law, will be charged on past due accounts.

5. **INDEPENDENT CONTRACTOR RELATIONSHIP.** GALLAGHER BENEFIT SERVICES, INC.'s relationship with Client will be that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture, agent-principal or employer-employee relationship. In the performance of its duties, GALLAGHER BENEFIT SERVICES, INC. may rely upon, and will have no obligation to independently verify the accuracy, completeness, or authenticity of, any written instructions or information provided to GALLAGHER BENEFIT SERVICES, INC. by the Client or its designated representatives and reasonably believed by GALLAGHER BENEFIT SERVICES, INC. to be genuine and authorized by the Client. Furthermore, GALLAGHER BENEFIT SERVICES, INC.'s engagement under this Agreement will not prevent it from taking similar engagements with other clients who may be competitors of the Client. GALLAGHER BENEFIT SERVICES, INC. will, nevertheless, exercise care and diligence to prevent any actions or conditions which could result in a conflict with Client's best interest.

6. **CONFIDENTIAL INFORMATION.** GALLAGHER BENEFIT SERVICES, INC. recognizes that certain confidential information may be furnished by the Client to GALLAGHER BENEFIT SERVICES, INC. in connection with its services pursuant to this Agreement ("Confidential Information"). GALLAGHER BENEFIT SERVICES, INC. agrees that it will disclose Confidential Information only to those who, in GALLAGHER BENEFIT SERVICES, INC.'s reasonable determination, have a need to know such information. Confidential Information will not include information that (i) is in the possession of GALLAGHER BENEFIT SERVICES, INC. prior to its receipt of such information from the Client, (ii) is or becomes publicly available other than as a result of a breach of this Agreement by GALLAGHER BENEFIT SERVICES, INC., or (iii) is or can be independently acquired or developed by GALLAGHER BENEFIT SERVICES, INC. without violating any of its obligations under this Agreement. However, disclosure by GALLAGHER BENEFIT SERVICES, INC. of any Confidential Information pursuant to the terms of a valid and effective subpoena or order issued by a court of competent jurisdiction, judicial or administrative agency or by a legislative body or committee will not constitute a violation of this Agreement.

## 7. REPRESENTATIONS AND WARRANTIES.

7.1. **GALLAGHER BENEFIT SERVICES, INC. Representations and Warranties.** GALLAGHER BENEFIT SERVICES, INC. represents and warrants that its services shall be performed by personnel possessing competency consistent with applicable industry standards.

7.2. **Client Representations and Warranties.** Client hereby represents and warrants that: (a) materials provided to GALLAGHER BENEFIT SERVICES, INC. for use in connection with the services provided hereunder will not infringe the intellectual property rights of any third party; and (b) Client has full right and power to enter into and perform this Agreement without the consent of any third party.

## 7.3. **No Other Representations and Warranties.**

**EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT, NO OTHER REPRESENTATION, EXPRESS OR IMPLIED, AND NO WARRANTY OR GUARANTEES ARE INCLUDED OR INTENDED BY GALLAGHER BENEFIT SERVICES, INC. IN THIS AGREEMENT, OR IN ANY REPORT, OPINION, DELIVERABLE, WORK PRODUCT, DOCUMENT OR OTHERWISE. THIS SECTION SETS FORTH THE ONLY WARRANTIES PROVIDED BY GALLAGHER BENEFIT SERVICES, INC. CONCERNING THE MATTERS COVERED BY THIS AGREEMENT. THIS WARRANTY IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY.**

8. **LIMITED LIABILITY.** GALLAGHER BENEFIT SERVICES, INC.'s liability to the Client and any other party for any losses, injury or damages to persons or properties or work performed arising out of in connection with this Agreement and for any other claim, whether the claim arises in contract, tort, statute or otherwise, shall be limited to the amount of the total fees due to GALLAGHER BENEFIT SERVICES, INC. from Client for the particular Project Assignment giving rise to the claim.

**NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, GALLAGHER BENEFIT SERVICES, INC. SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, LOST PROFITS, OR PUNITIVE DAMAGES SUSTAINED OR INCURRED IN CONNECTION WITH THIS AGREEMENT, AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.**

Client's exclusive remedy for any claim arising out of or relating to this Agreement will be for GALLAGHER BENEFIT SERVICES, INC., at its sole option and upon receipt of written notice, either (i) to use commercially reasonable efforts to cure, at its expense, the matter that gave rise to the claim for which GALLAGHER BENEFIT SERVICES, INC. is at fault, or (ii) return to Client the fees paid by Client to GALLAGHER BENEFIT SERVICES, INC. for the particular service provided that gives rise to the claim, subject to the limitation contained in this section. Client agrees that it will not allege that this remedy fails its essential purpose.

**9. TERM AND TERMINATION.** The term of this Agreement will commence on the effective date and shall remain in effect until terminated in accordance with this Agreement. Either party may terminate this Agreement by giving the other party at least thirty (30) days written notice of its intent to terminate. Client shall be responsible to GALLAGHER BENEFIT SERVICES, INC. for any services performed prior to the date of termination and GALLAGHER BENEFIT SERVICES, INC. shall be responsible to Client to continue to provide services until the date of termination of this Agreement. Upon termination of the Agreement, contingent upon Client's full payment for services and incurred expenses, GALLAGHER BENEFIT SERVICES, INC. will deliver to Client any and all of its information, forms and documentation.

**10. GENERAL PROVISIONS.**

**10.1 Assignment and Subcontractors.** Client may not assign this Agreement without GALLAGHER BENEFIT SERVICES, INC.'s prior written consent. GALLAGHER BENEFIT SERVICES, INC. may deem it necessary to outsource or subcontract all or any portion of the services to be performed by it under this Agreement. If this is necessary, Client will be notified of this and has the right to request a professional of their choice. If the person chosen by the Client requires assistance from GALLAGHER BENEFIT SERVICES, INC., Client will be billed for GALLAGHER BENEFIT SERVICES, INC.'s time at its regular hourly rate. This Agreement shall inure to the benefit of, and shall be binding upon, both GALLAGHER BENEFIT SERVICES, INC. and Client and their respective heirs, legal representatives and permitted assigns.

**10.2 Force Majeure.** Except for Client's payment obligations under this Agreement, neither party shall be liable for any delay or failure in performance due to causes beyond its reasonable control.

**10.3 No Legal Advice Intended.** The advice given by GALLAGHER BENEFIT SERVICES, INC. is not intended to be nor shall should it be construed as legal advice. Client is recommended, at its own cost, to have its own independent legal counsel review all documentation provided by GALLAGHER BENEFIT SERVICES, INC.. GALLAGHER BENEFIT SERVICES, INC. will not be obligated to perform, and the Client will not request performance of, any services which may constitute unauthorized practice of law. The Client will be solely responsible for obtaining any legal advice, review or opinion as may be necessary to ensure that its own conduct and operations, including the engagement of GALLAGHER BENEFIT SERVICES, INC. under the scope and terms as provided herein, conform in all respects with applicable State and Federal laws and regulations (including ERISA, the Internal Revenue Code, State and securities laws and implementing regulations) and, to the extent that the Client has foreign operations, any applicable foreign laws and regulations.

**10.4 Severability.** In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**10.5 Notices.** All notices, requests and other communications under this Agreement must be in writing, and must be mailed by registered or certified mail, postage prepaid and return receipt requested, delivered by overnight delivery or delivered by hand to the party to whom such notice is required or permitted to be given. If mailed, any such notice will be considered to have been given five (5) business days after it was mailed, as evidenced by the postmark. If delivered by overnight delivery or hand, any such notice will be considered to have been given when received by the party to whom notice is given, as evidenced by written and dated receipt of the receiving party. The mailing address for notice to either party will be the address shown on the signature page of Agreement. Either party may change its mailing address by notice as provided by this section.

**10.6 Governing Law.** The parties agree that this Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of Texas .

**10.7 Enforcement.** In the event that GALLAGHER BENEFIT SERVICES, INC. shall successfully bring an action against the Client with respect to the enforcement, interpretation, or breach of any provision of this Agreement. Client shall pay the amounts incurred by GALLAGHER BENEFIT SERVICES, INC. with respect to such action, specifically including court costs, expenses and reasonable attorneys' fees.

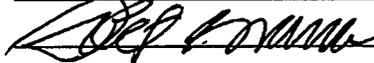
**10.8 Waiver.** No waiver by GALLAGHER BENEFIT SERVICES, INC. of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by GALLAGHER BENEFIT SERVICES, INC. of any right under this Agreement shall be construed as a waiver of any other right. GALLAGHER BENEFIT SERVICES, INC. shall not be required to give notice to enforce strict adherence to all terms of this Agreement.

**10.9 Entire Agreement.** This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged. The terms of this Agreement will govern all Project Assignments and services undertaken by GALLAGHER BENEFIT SERVICES, INC. for Client. In the event of any conflict between this Agreement and a Project Assignment, the Project Assignment shall control, but only with respect to the matters set forth therein.

**10.10 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. One or more counterparts of this Agreement may be delivered by facsimile, with such delivery having the same effect as delivery of an original counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date first written above.

Client: City of Rosenberg, TX

By: 

Title: City Manager

Address: 2110 4th Street

Rosenberg, TX 77471

Gallagher Benefit Services, Inc.

By: \_\_\_\_\_  
Bruce Lawson, Managing Director



**CITY OF ROSENBERG, TX: PROJECT ASSIGNMENT**

<b><i>Study Phase</i></b>
<p><b>I. Study Initiation and Compensation Philosophy - <del>\$10,000</del> \$8,000</b>            Includes 1 day on site to conduct project initiation and strategy in a morning session, as well as employee orientation sessions in the afternoon related to the classification study.  <b>Modifications for Cost Reduction:</b> On-site time reduced from 1.5 days to 1 day.</p>
<p><b>II. Classification Study - \$25,000</b>            Presumes 2 days on site to conduct employee interviews and/or occupational panel sessions.</p>
<p><b>III. Job Evaluation - \$5,000</b>            Presumes all meetings will be held via teleconference or webinar.</p>
<p><b>IV. Compensation Study - <del>\$25,000</del> \$18,000</b>            Presumes all meetings will be held via teleconference or webinar.  <b>Modifications for Cost Reduction:</b> City will be responsible for the following tasks: draft benchmark descriptions; provide FLG with contacts for comparator organizations; conduct follow-ups with comparator organizations to solicit survey participation. Additionally, no benefits questions will be part of the survey and implementation options will be limited to 2.</p>
<p><b>V. Final Report - \$5,000</b>            Presumes 1 day on site for final presentation(s).</p>

**Total Fees: \$61,000**

Project Deliverables include:

- Classification and Compensation Philosophy and Strategies.
- Recommended classification structure.
- Updated or revised classification specifications.
- FLSA designations for each classification.
- Recommended employee allocations into appropriate job classifications.
- Internal hierarchy resulting from job evaluation results.
- Job evaluation manual and related documentation.
- Compensation analysis based on market data.
- Updated or revised salary structure(s).
- Recommended salary administration procedures.
- Training and supplemental documentation for Human Resources staff in the maintenance of the new classification and performance management plan.
- Final report detailing processes, methodologies, findings and recommendations.



**Timeline:**

PHASE	DESCRIPTION	MONTH					
		1	2	3	4	5	6
I	Study Initiation and Compensation Philosophy						
II	Classification Study						
III	Compensation Study						
IV	Final Report						

Rosenberg, Texas, appropriate documents and/or agreements regarding same; and containing other provisions relating to the subject. The motion carried by a unanimous vote.

2. **CONSIDERATION OF AND ACTION ON RESOLUTION NO. R-1881, A RESOLUTION REGARDING THE SELECTION OF A FIRM, PURSUANT TO REQUEST FOR PROPOSALS NO. 2014-18 FOR A CLASSIFICATION AND TOTAL COMPENSATION STUDY AND ANALYSIS; AND, PROVIDING AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE, FOR AND ON BEHALF OF THE CITY, AN AGREEMENT FOR PROFESSIONAL SERVICES AND/OR OTHER APPROPRIATE DOCUMENTS NECESSARY TO FACILITATE SAME.**

**Executive Summary:** City Council indicated their commitment to identifying deficiencies within the City's current pay and benefit structure during reviews of the City's Strategic Plan and FY2015 Budget.

In order to ensure both the internal and external equity of the structure by which employees are classified and compensated, as well as the way positions relate and compare to one another across the organization, and to implement clear and consistent guidelines going forward, staff prepared Request for Proposal No. 2014-18 (RFP) for a Classification and Total Compensation Study and Analysis.

An objective, comprehensive and comparative analysis of classification and total compensation will identify and provide the necessary tools and structure for the City to:

- ensure that every employee earns an appropriate, adequate and equitable wage;
- facilitate employee development and retention;
- remain competitive and relevant in the municipal labor market; and
- provide a structured approach to add personnel in the future.

Respondents were asked to include the cost to provide a study initiation and compensation philosophy, job evaluation study, classification study, compensation study, and final report in their responses.

The RFP was posted on the City's website and distributed to eight (8) consulting firms. The City received five (5) proposals and one (1) no-bid. A staff committee, consisting of directors and the City Manager, reviewed and ranked the proposals received, determining that the most favorable submitters were Gallagher Benefit Services, Inc., and Hay Group, Inc. The two (2) firms were given an opportunity to present their proposals in person to the staff committee, and Gallagher Benefit Services, Inc., was unanimously selected to recommend to City Council. Lori Messer, Senior Consultant of Gallagher Benefit Services, Inc., will present an overview of the firm's proposal.

Staff recommends approval of Resolution No. R-1881 authorizing the selection of Gallagher Benefit Services, Inc., to prepare and present a Classification and Total Compensation Study and Analysis for the City; and further authorizes the City Manager to negotiate and execute an Agreement for Professional Services (Agreement), along with other appropriate documents as necessary.

Should City Council choose to adopt Resolution No. R-1881, the Agreement will serve as Exhibit "A" to the Resolution, and a Budget Amendment will be presented to City Council at a future meeting to allocate the necessary additional funds.

**Key discussion points:**

- Joyce Vasut, Executive Director of Administrative Services read the Executive Summary.
- Lori Messer, MA, CCP, Arthur Gallagher & Co. was present at the meeting to answer questions.
- A PowerPoint was presented by Joyce Vasut and Lori Messer.

**Questions/Comments:**

**Q:** Has outsourcing been recommended?

**A:** They are looking whether or not staffing levels are appropriate and on what is being done and what is being paid.

**Q:** Will all employees be asked about their present jobs and what they do?

**A:** Yes. It allows every employee to share what they do in their everyday work.

**Q:** What do you hope to get out of that?

**A:** Joyce Vasut stated we have a system that is broken and that is not fair and equitable. They will go over classifications to make sure they are classified correctly. Presently we use a point system that is

over 20 years old and we are not familiar with it. Human Resources would get training on the system to help us keep going. It will be a plan on how to attract employees and keep them.

**Q:** With the development of an organization compensation system and salary structure, will the project be updated to stay current?

**A:** Yes, annual recommended salary structure adjustments based on real market data are provided.

**Q:** Will there be organization charts telling the hierarchy of the organization?

**A:** No, that is not part of the scope.

**Q:** What do you mean regarding a broken system?

**A:** Staff is not familiar with the system developed 20 years ago.

- Councilor Benton expressed concern with the funding of a study and suggested current staff with the help of an intern could pole other cities for comparisons. He does not feel a study is needed.
- Mayor Morales, Councilor McConathy, Pena, Euton, Grigar and Barta agreed the study is needed and is long overdue.

**Action:** Councilor McConathy made a motion, seconded by Councilor Barta to approve Resolution No. R-1881, a Resolution regarding the selection of a firm, pursuant to Request for Proposals No. 2014-18 for a Classification and Total Compensation Study and Analysis; and, providing authorization for the City Manager to negotiate and execute, for and on behalf of the City, an Agreement for Professional Services and/or other appropriate documents necessary to facilitate same. **The motion carried by a vote of 6 to 1 as follows: Yeses: Mayor Morales, Councilors McConathy, Pena, Euton, Grigar and Barta. No: Councilor Benton.**

3. **HOLD EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY TO SEEK ADVICE ON LEGAL MATTERS PURSUANT TO SECTION 551.071 OF THE TEXAS GOVERNMENT CODE CONCERNING THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION'S MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE.**

**Action:** Councilor McConathy made a motion, seconded by Councilor Barta to adjourn for Executive Session. The motion carried by a unanimous vote.

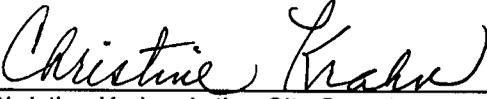
An Executive Session was held for consultation with Attorney to seek advice on legal matters pursuant to Section 551.071 of the Texas Government Code concerning the United States Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative.

4. **ADJOURN EXECUTIVE SESSION, RECONVENE INTO SPECIAL SESSION, AND TAKE ACTION AS NECESSARY AS A RESULT OF EXECUTIVE SESSION.**

Mayor Morales adjourned the Executive Session and reconvened into Special Session at 7:18 p.m. No action was taken as a result of Executive Session.

5. **ADJOURNMENT.**

There being no further business Mayor Morales adjourned the meeting at 7:19 p.m.

  
\_\_\_\_\_  
Christine Krahn, Acting City Secretary



# CITY COUNCIL COMMUNICATION

June 30, 2015

ITEM #	ITEM TITLE
2	Accounting and Budgeting for Technology Discussion

**ITEM/MOTION**

Review and discuss a presentation regarding the accounting and budgeting changes for the Technology Fund and technology operations, and take action as necessary to direct staff.

FINANCIAL SUMMARY	ELECTION DISTRICT
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<b>Annualized Dollars:</b>	<b>Budgeted:</b>	<input type="checkbox"/> District 1
<input type="checkbox"/> One-time	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	<input type="checkbox"/> District 2
<input type="checkbox"/> Recurring	<b>Source of Funds:</b> N/A	<input type="checkbox"/> District 3
<input checked="" type="checkbox"/> N/A		<input type="checkbox"/> District 4
		<input type="checkbox"/> City-wide
		<input checked="" type="checkbox"/> N/A

**SUPPORTING DOCUMENTS:**

1. Current Technology Fund
2. New Technology Department
3. New Technology Fund

**MUD #:** N/A

**APPROVALS**

<b>Submitted by:</b>	<b>Reviewed by:</b>	<b>Approved for Submittal to City Council:</b>
	<input type="checkbox"/> Exec. Dir. of Administrative Services <input type="checkbox"/> Asst. City Manager of Public Services <input type="checkbox"/> City Engineer <input type="checkbox"/> City Attorney <input checked="" type="checkbox"/> Technology Director <i>JL/rl</i>	
Joyce Vasut Executive Director of Administrative Services		Robert Gracia City Manager

**EXECUTIVE SUMMARY**

In order to improve the presentation and understanding of the budgeting and accounting for technology operations, maintenance and replacement, City staff is proposing to change the fund and account structure regarding technology. Currently, the majority of technology related expenses are budgeted and recorded in the Technology Fund (Fund No. 603) with a few miscellaneous items funded throughout the other departments.

The preliminary FY2016 Budget for technology, based on the current fund and account structure, is included as a supporting document for review. The highlighted operational costs are proposed to be moved to the General Fund, as the Technology Department. Those line items not highlighted will remain in the Technology Fund for tracking of the maintenance and replacement of computer software, hardware and other technology related equipment.

Currently there are transfers from the General Fund, Water/Wastewater Fund and Civic Center Fund, which provide all the funding/revenues for the Technology Fund. The large transfer from the General Fund will no longer be necessary since the technology operational costs will be moved to the General Fund and the Water/Wastewater Fund will contribute its portion through the administrative transfer to the General Fund which already exists. Additionally, the maintenance and replacement costs which will remain in the Technology Fund will be budgeted in each individual department based on their individual calculated proration of the Technology Fund expense. Therefore, each department will have an Information Services Fees line item, similar to the Fleet Replacement line item, and there will no longer be a large lump sum

transfer from the General Fund to the Technology Fund. The schedules capturing the proration allocation are also included as supporting documentation for your review.

These changes will better reflect the actual expenses of each department and remove a large lump sum transfer that did not include the proper detailed accounting for technology services. Additionally, the line item account names and numbers in the Technology Fund will change to more accurately describe the related expenses. The dollar amounts presented are preliminary and are being used for presentation purposes only and will change prior to the release of the Proposed FY2016 Budget document.

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**TECHNOLOGY FUND**

**FUND: 603**

Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %
<b>~ REVENUE &amp; EXPENDITURE SUMMARY ~</b>						
<b>REVENUES:</b>						
451-0000 Interest Earnings	\$ 82	\$ 500	\$ 500	\$ 50	\$ 50	
469-0000 Miscellaneous Income	251	500	500	-	-	
473-1000 Lease Revenue - General Fund	444,317	563,108	522,988	444,317	658,413	
473-2000 Lease Revenue - W/WW Fund	118,485	150,162	147,162	118,485	175,590	
473-3000 Lease Revenue - Civic Center	29,621	37,541	33,666	29,621	43,898	
473-4000 Lease Revenue - Hotel/Motel Fund	-	-	-	-	-	
<b>TOTAL REVENUES</b>	<b>\$ 592,756</b>	<b>\$ 751,811</b>	<b>\$ 704,816</b>	<b>\$ 592,473</b>	<b>\$ 877,950</b>	<b>24.6%</b>
<b>EXPENDITURES:</b>						
Personnel and Benefits	\$ 158,980	\$ 264,052	\$ 264,052	\$ 264,052	\$ 268,863	
Supplies	10,295	12,010	12,010	12,010	11,600	
Maintenance and Services	418,232	474,750	521,745	521,745	516,745	
<b>Subtotal</b>	<b>587,507</b>	<b>750,812</b>	<b>797,807</b>	<b>797,807</b>	<b>797,208</b>	<b>-0.1%</b>
Capital Outlay	26,712	80,742	80,742	80,742	80,742	0.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 614,219</b>	<b>\$ 831,554</b>	<b>\$ 878,549</b>	<b>\$ 878,549</b>	<b>\$ 877,950</b>	<b>-0.1%</b>

**~ AUTHORIZED POSITIONS ~**

Position Title						
Information Services Manager	1.00	1.00	-	-	-	
Director of Technology	-	1.00	1.00	1.00	1.00	
Information Technology Specialist	2.00	2.00	2.00	2.00	2.00	
Administrative Assistant	-	0.50	0.50	0.50	0.50	
<b>Total Personnel</b>	<b>3.00</b>	<b>4.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>0.0%</b>

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**TECHNOLOGY FUND**

**FUND: 603**

Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %
<b>~ EXPENDITURE DETAIL ~</b>						
<b>Personnel and Benefits:</b>						
10 10 Salaries and Wages	\$ 113,543	\$ 192,182	\$ 192,182	\$ 192,182	\$ 195,261	
10 20 Overtime	1,217	2,300	2,300	2,300	2,300	
10 30 Longevity	1,580	-	-	-	100	
20 10 Retirement	18,973	28,964	28,964	28,964	28,000	
20 20 Social Security	9,452	15,284	15,284	15,284	15,527	
20 40 Insurance	10,066	19,747	19,747	19,747	22,092	
20 50 Workers' Compensation	150	260	260	260	264	
20 55 Long Term Disability	-	515	515	515	519	
20 60 Auto Allowance	4,000	4,800	4,800	4,800	4,800	
<b>Subtotal</b>	<b>158,980</b>	<b>264,052</b>	<b>264,052</b>	<b>264,052</b>	<b>268,863</b>	1.8%
<b>Supplies:</b>						
31 10 Office Supplies	100	100	100	100	100	
31 20 Computer Supplies	9,581	11,000	11,000	-	-	
Testing & Development	-	-	-	11,000	11,000	
31 35 Business Expenses	132	100	100	100	100	
31 90 Other Supplies	35	50	50	50	50	
36 20 Computer Maintenance Supplies	322	350	350	350	350	
37 30 Fuel, Oil and Lubricants	126	410	410	410	-	
<b>Subtotal</b>	<b>10,295</b>	<b>12,010</b>	<b>12,010</b>	<b>12,010</b>	<b>11,600</b>	-3.4%
<b>Maintenance and Services:</b>						
42 35 Dues, Subscriptions, Memberships	646	21,500	21,500	21,500	16,500	
43 90 Other Professional Services	10,806	11,000	11,000	11,000	11,000	
51 20 General Insurance	708	1,000	1,000	1,000	1,000	
52 10 Telephone/Communications	118,055	128,000	128,000	128,000	128,000	
52 20 Postage	20	50	50	50	50	
52 40 Computer Software Licenses	684	700	700	-	-	
Mileage Reimbursement	-	-	-	700	700	
55 10 Education and Training	3,970	4,500	4,500	4,500	4,500	
56 24 Equipment Rentals	-	-	46,995	46,995	46,995	
63 25 Equipment Repair and Maintenance	11,686	12,000	12,000	12,000	12,000	
63 35 Computer Hardware Repair and Maintenance	18,194	20,000	20,000	20,000	20,000	
63 40 Computer Software Repair and Maintenance	253,462	276,000	276,000	276,000	276,000	
<b>Subtotal</b>	<b>418,232</b>	<b>474,750</b>	<b>521,745</b>	<b>521,745</b>	<b>516,745</b>	-1.0%
<b>Capital Outlay:</b>						
70 40 Machinery and Equipment	2,270	45,742	45,742	45,742	45,742	
70 41 Computer Hardware/Software	24,442	35,000	35,000	35,000	35,000	
<b>Subtotal</b>	<b>26,712</b>	<b>80,742</b>	<b>80,742</b>	<b>80,742</b>	<b>80,742</b>	0.0%
<b>Total Expenditures</b>	<b>\$ 614,219</b>	<b>\$ 831,554</b>	<b>\$ 878,549</b>	<b>\$ 878,549</b>	<b>\$ 877,950</b>	-0.1%

2016 City Technology Distribution							\$877,950.00		Distribution	
Department	Inventory	Contracts	Telco/Data	Citywide	Totals	Per User	Total %	Div%	Distribution	
<b>Administrative Services</b>										
Utility Billing	\$6,000.00	\$3,646.90	\$0.00	\$8,340.30	\$17,987.20	\$3,597.44	5.18%	1.88%	\$16,461.59	
Finance	\$6,800.00	\$2,922.00	\$50.00	\$0.00	\$9,772.00	\$1,628.67		1.02%	\$8,943.17	
Human Resources	\$2,000.00	\$0.00	\$609.12	\$3,336.12	\$5,945.24	\$2,972.62		0.62%	\$5,440.98	
Municipal Court	\$5,950.00	\$8.04	\$0.00	\$10,008.37	\$15,966.41	\$2,661.07		1.66%	\$14,612.18	
<b>City Manager</b>										
City Manager	\$5,550.00	\$2,435.00	\$50.00	\$8,340.30	\$16,375.30	\$3,275.06	1.71%	1.71%	\$14,986.40	
<b>City Secretary</b>										
City Secretary	\$4,800.00	\$1,461.00	\$609.12	\$5,004.18	\$11,874.30	\$3,958.10	1.98%	1.24%	\$10,867.16	
Mayor/City Council	\$5,100.00	\$0.00	\$2,052.00	\$0.00	\$7,152.00	\$1,021.71	0.75%		\$6,545.39	
<b>Community Development</b>										
Code Enforcement	\$5,100.00	\$0.00	\$3,573.32	\$13,344.49	\$22,017.81	\$2,752.23	4.56%	2.30%	\$20,150.32	
Health	\$1,700.00	\$0.00	\$25.00	\$3,336.12	\$5,061.12	\$2,530.56		0.53%	\$4,631.85	
Planning	\$3,400.00	\$6,583.56	\$50.00	\$6,672.24	\$16,705.80	\$4,176.45		1.74%	\$15,288.87	
<b>Economic Development</b>										
Economic Dev	\$5,750.00	\$857.16	\$1,617.12	\$6,672.24	\$14,896.52	\$3,724.13	1.55%	1.55%	\$13,633.05	
<b>Fire Operations</b>										
Fire Department	\$46,250.00	\$43,860.01	\$5,994.25	\$98,415.59	\$194,519.85	\$3,296.95	25.30%	20.28%	\$178,021.28	
Fire Marshal	\$1,700.00	\$1,385.08	\$201.50	\$3,336.12	\$6,622.70	\$3,311.35		0.69%	\$6,060.98	
Fire Station #3	\$9,550.00	\$9,003.02	\$1,309.75	\$21,684.79	\$41,547.56	\$3,195.97		4.33%	\$38,023.63	
<b>Information Services</b>										
Communications	\$5,200.00	\$942.87	\$609.12	\$5,004.18	\$11,756.17	\$3,918.72	2.36%	1.23%	\$10,759.05	
Technology	\$3,400.00	\$300.00	\$2,148.96	\$5,004.18	\$10,853.14	\$3,617.71		1.13%	\$9,932.61	
<b>Police Operations</b>										
Animal Control	\$2,550.00	\$2,346.81	\$455.56	\$5,004.18	\$10,356.55	\$3,452.18	40.30%	1.08%	\$9,478.14	
Police Department	\$81,850.00	\$74,875.23	\$30,451.44	\$155,129.66	\$342,306.33	\$3,680.71		35.68%	\$313,272.96	
SRO's	\$850.00	\$8,604.97	\$6,099.12	\$18,348.67	\$33,902.76	\$3,082.07		3.53%	\$31,027.23	
<b>Public Services</b>										
Public Works	\$3,000.00	\$384.20	\$1,899.72	\$28,357.03	\$33,640.95	\$1,978.88	11.40%	3.51%	\$30,787.63	
Water/Wastewater	\$13,600.00	\$23,154.35	\$7,246.76	\$31,693.16	\$75,694.27	\$3,983.91		7.89%	\$69,274.11	
<b>Support Services</b>										
Building Maintenance	\$850.00	\$0.00	\$612.00	\$3,336.12	\$4,798.12	\$2,399.06	5.67%	0.50%	\$4,391.16	
Civic Center	\$7,550.00	\$1,385.20	\$930.56	\$8,340.30	\$18,206.06	\$3,641.21		1.90%	\$16,661.88	
Fleet	\$3,150.00	\$0.00	\$0.00	\$6,672.24	\$9,822.24	\$2,455.56		1.02%	\$8,989.15	
Parks	\$2,900.00	\$5,216.32	\$75.00	\$13,344.49	\$21,535.81	\$2,691.98		2.24%	\$19,709.21	
<b>Citywide</b>										
Citywide	\$195,850.00	\$190,427.00	\$104,132.89		\$490,409.89	\$1,668.06	100.00%	100.00%	\$877,950.00	
	<b>\$430,400.00</b>	<b>\$374,582.40</b>	<b>\$170,802.31</b>		<b>\$959,316.24</b>				<b>\$877,950.00</b>	

	<b>FY 15/16</b>	<b>FY 14/15</b>	<b>+/-</b>	
<b>Total Budget</b>	<b>\$ 877,950.00</b>	<b>\$ 878,549.00</b>	<b>\$ 599.00</b>	(Increase is from Department Operating Cost - personnel and benefits)
<b>General Fund</b>	<b>\$ 737,528.79</b>			
<b>W/WW Fund</b>	<b>\$ 85,735.70</b>			
<b>Civic Center</b>	<b>\$ 16,661.88</b>			
<b>FD3</b>	<b>\$ 38,023.63</b>			
<b>Total</b>	<b>\$ 877,950.00</b>			

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**FUND:** General      **DEPARTMENT:** Technology      **FUNCTION:** General Government      **ACCOUNT:** 101-1220-510

Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %
<b>~ DEPARTMENT SUMMARY ~</b>						
Personnel and Benefits	\$ -	\$ -	\$ -	\$ -	\$ 268,863	
Supplies	-	-	-	-	11,250	
Maintenance and Services	-	-	-	-	17,250	
<b>Subtotal</b>	-	-	-	-	<b>297,363</b>	100.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 297,363</b>	100.0%

**~ AUTHORIZED POSITIONS ~**

Position Title						
Director of Technology	-	-	-	-	1.00	
Information Technology Specialist	-	-	-	-	2.00	
Administrative Assistant	-	-	-	-	0.50	
<b>Total Personnel</b>	-	-	-	-	<b>3.50</b>	100.0%

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

FUND:	DEPARTMENT:	FUNCTION:	ACCOUNT:				
General	Technology	General Government	101-1220-510				
Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %	
<b>~ EXPENDITURE DETAIL ~</b>							
<b>Personnel and Benefits:</b>							
10 10 Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ 195,261		
10 20 Overtime	-	-	-	-	2,300		
10 30 Longevity	-	-	-	-	100		
20 10 Retirement	-	-	-	-	28,000		
20 20 Social Security	-	-	-	-	15,527		
20 40 Insurance	-	-	-	-	22,092		
20 50 Workers' Compensation	-	-	-	-	264		
20 55 Long Term Disability	-	-	-	-	519		
20 60 Auto Allowance	-	-	-	-	4,800		
<b>Subtotal</b>	-	-	-	-	<b>268,863</b>	100.0%	
<b>Supplies:</b>							
31 10 Office Supplies	-	-	-	-	100		
31 25* Testing & Development	-	-	-	-	11,000		
31 35 Business Expenses	-	-	-	-	100		
31 90 Other Supplies	-	-	-	-	50		
<b>Subtotal</b>	-	-	-	-	<b>11,250</b>	100.0%	
<b>Maintenance and Services:</b>							
43 90 Other Professional Services	-	-	-	-	11,000		
51 20 General Insurance	-	-	-	-	1,000		
52 20 Postage	-	-	-	-	50		
52 45* Mileage Reimbursement	-	-	-	-	700		
55 10 Education and Training	-	-	-	-	4,500		
<b>Subtotal</b>	-	-	-	-	<b>17,250</b>	100.0%	
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 297,363</b>	100.0%	

2016 City Technology Distribution - Department							\$297,363.00		Distribution	
Department	Inventory	Contracts	Telco/Data	Citywide	Totals	Per User	Total %	Div%	Distribution	
<b>Administrative Services</b>										
Utility Billing	\$6,000.00	\$3,646.90	\$0.00	\$8,340.30	\$17,987.20	\$3,597.44	5.18%	1.88%	\$5,575.56	
Finance	\$6,800.00	\$2,922.00	\$50.00	\$0.00	\$9,772.00	\$1,628.67		1.02%	\$3,029.06	
Human Resources	\$2,000.00	\$0.00	\$609.12	\$3,336.12	\$5,945.24	\$2,972.62		0.62%	\$1,842.87	
Municipal Court	\$5,950.00	\$8.04	\$0.00	\$10,008.37	\$15,966.41	\$2,661.07		1.66%	\$4,949.17	
<b>City Manager</b>										
City Manager	\$5,550.00	\$2,435.00	\$50.00	\$8,340.30	\$16,375.30	\$3,275.06	1.71%	1.71%	\$5,075.92	
<b>City Secretary</b>										
City Secretary	\$4,800.00	\$1,461.00	\$609.12	\$5,004.18	\$11,874.30	\$3,958.10	1.98%	1.24%	\$3,680.72	
Mayor/City Council	\$5,100.00	\$0.00	\$2,052.00	\$0.00	\$7,152.00	\$1,021.71		0.75%	\$2,216.93	
<b>Community Development</b>										
Code Enforcement	\$5,100.00	\$0.00	\$3,573.32	\$13,344.49	\$22,017.81	\$2,752.23	4.56%	2.30%	\$6,824.95	
Health	\$1,700.00	\$0.00	\$25.00	\$3,336.12	\$5,061.12	\$2,530.56		0.53%	\$1,568.82	
Planning	\$3,400.00	\$6,583.56	\$50.00	\$6,672.24	\$16,705.80	\$4,176.45		1.74%	\$5,178.36	
<b>Economic Development</b>										
Economic Dev	\$5,750.00	\$857.16	\$1,617.12	\$6,672.24	\$14,896.52	\$3,724.13	1.55%	1.55%	\$4,617.53	
<b>Fire Operations</b>										
Fire Department	\$46,250.00	\$43,860.01	\$5,994.25	\$98,415.59	\$194,519.85	\$3,296.95	25.30%	20.28%	\$60,296.08	
Fire Marshal	\$1,700.00	\$1,385.08	\$201.50	\$3,336.12	\$6,622.70	\$3,311.35		0.69%	\$2,052.86	
Fire Station #3	\$9,550.00	\$9,003.02	\$1,309.75	\$21,684.79	\$41,547.56	\$3,195.97		4.33%	\$12,878.66	
<b>Information Services</b>										
Communications	\$5,200.00	\$942.87	\$609.12	\$5,004.18	\$11,756.17	\$3,918.72	2.36%	1.23%	\$3,644.11	
Technology	\$3,400.00	\$300.00	\$2,148.96	\$5,004.18	\$10,853.14	\$3,617.71		1.13%	\$3,364.19	
<b>Police Operations</b>										
Animal Control	\$2,550.00	\$2,346.81	\$455.56	\$5,004.18	\$10,356.55	\$3,452.18	40.30%	1.08%	\$3,210.26	
Police Department	\$81,850.00	\$74,875.23	\$30,451.44	\$155,129.66	\$342,306.33	\$3,680.71		35.68%	\$106,106.03	
SRO's	\$850.00	\$8,604.97	\$6,099.12	\$18,348.67	\$33,902.76	\$3,082.07		3.53%	\$10,508.97	
<b>Public Services</b>										
Public Works	\$3,000.00	\$384.20	\$1,899.72	\$28,357.03	\$33,640.95	\$1,978.88	11.40%	3.51%	\$10,427.82	
Water/Wastewater	\$13,600.00	\$23,154.35	\$7,246.76	\$31,693.16	\$75,694.27	\$3,983.91		7.89%	\$23,463.25	
<b>Support Services</b>										
Building Maintenance	\$850.00	\$0.00	\$612.00	\$3,336.12	\$4,798.12	\$2,399.06	5.67%	0.50%	\$1,487.29	
Civic Center	\$7,550.00	\$1,385.20	\$930.56	\$8,340.30	\$18,206.06	\$3,641.21		1.90%	\$5,643.40	
Fleet	\$3,150.00	\$0.00	\$0.00	\$6,672.24	\$9,822.24	\$2,455.56		1.02%	\$3,044.64	
Parks	\$2,900.00	\$5,216.32	\$75.00	\$13,344.49	\$21,535.81	\$2,691.98		2.24%	\$6,675.54	
<b>Citywide</b>										
Citywide	\$195,850.00	\$190,427.00	\$104,132.89		\$490,409.89	\$1,668.06	100.00%	100.00%		
	<b>\$430,400.00</b>	<b>\$374,582.40</b>	<b>\$170,802.31</b>		<b>\$959,316.24</b>				<b>\$297,363.00</b>	

	FY 15/16	FY 14/15	+/-
<b>Total Budget</b>	<b>\$ 297,363.00</b>	<b>\$ -</b>	<b>\$ 297,363.00</b>
<b>General Fund</b>	<b>\$ 249,802.12</b>		
<b>W/WW Fund</b>	<b>\$ 29,038.81</b>		
<b>Civic Center</b>	<b>\$ 5,643.40</b>		
<b>FD3</b>	<b>\$ 12,878.66</b>		
<b>Total</b>	<b>\$ 297,363.00</b>		

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**TECHNOLOGY FUND**

**FUND: 603**

Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %
<b>~ REVENUE &amp; EXPENDITURE SUMMARY ~</b>						
<b>REVENUES:</b>						
451-0000 Interest Earnings	\$ 82	\$ 500	\$ 500	\$ 50	\$ 50	
469-0000 Miscellaneous Income	251	500	500	-	-	
473-1000 Lease Revenue - General Fund	444,317	563,108	522,988	444,317	487,677	
473-2000 Lease Revenue - W/WW Fund	118,485	150,162	147,162	118,485	56,697	
473-3000 Lease Revenue - Civic Center	29,621	37,541	33,666	29,621	11,018	
473-4000 Lease Revenue - Fire Station No. 3	-	-	-	-	25,145	
<b>TOTAL REVENUES</b>	<b>\$ 592,756</b>	<b>\$ 751,811</b>	<b>\$ 704,816</b>	<b>\$ 592,473</b>	<b>\$ 580,587</b>	<b>-17.6%</b>
<b>EXPENDITURES:</b>						
Personnel and Benefits	\$ 158,980	\$ 264,052	\$ 264,052	\$ 264,052	\$ -	
Supplies	10,295	12,010	12,010	12,010	-	
Maintenance and Replacement	418,232	474,750	521,745	521,745	499,845	
<b>Subtotal</b>	<b>587,507</b>	<b>750,812</b>	<b>797,807</b>	<b>797,807</b>	<b>499,845</b>	<b>-37.3%</b>
Capital Outlay	26,712	80,742	80,742	80,742	80,742	0.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 614,219</b>	<b>\$ 831,554</b>	<b>\$ 878,549</b>	<b>\$ 878,549</b>	<b>\$ 580,587</b>	<b>-33.9%</b>

**~ AUTHORIZED POSITIONS ~**

<u>Position Title</u>						
Information Services Manager	1.00	-	-	-	-	
Director of Technology	-	1.00	1.00	1.00	-	
Information Technology Specialist	2.00	2.00	2.00	2.00	-	
Administrative Assistant	-	0.50	0.50	0.50	-	
<b>Total Personnel</b>	<b>3.00</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>-100.0%</b>

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**TECHNOLOGY FUND**

**FUND: 603**

Classification	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	2014-15 Estimate	2015-16 Budget	Var %
<b>~ EXPENDITURE DETAIL ~</b>						
<b>Personnel and Benefits:</b>						
10 10 Salaries and Wages	\$ 113,543	\$ 192,182	\$ 192,182	\$ 192,182	\$ -	
10 20 Overtime	1,217	2,300	2,300	2,300	-	
10 30 Longevity	1,580	-	-	-	-	
20 10 Retirement	18,973	28,964	28,964	28,964	-	
20 20 Social Security	9,452	15,284	15,284	15,284	-	
20 40 Insurance	10,066	19,747	19,747	19,747	-	
20 50 Workers' Compensation	150	260	260	260	-	
20 55 Long Term Disability	-	515	515	515	-	
20 60 Auto Allowance	4,000	4,800	4,800	4,800	-	
<b>Subtotal</b>	<b>158,980</b>	<b>264,052</b>	<b>264,052</b>	<b>264,052</b>	<b>-</b>	<b>-100.0%</b>
<b>Supplies:</b>						
31 10 Office Supplies	100	100	100	100	-	
31 20 Computer Supplies	9,581	11,000	11,000	11,000	-	
31 35 Business Expenses	132	100	100	100	-	
31 90 Other Supplies	35	50	50	50	-	
36 20 Computer Maintenance Supplies	322	350	350	350	-	
37 30 Fuel, Oil and Lubricants	126	410	410	410	-	
<b>Subtotal</b>	<b>10,295</b>	<b>12,010</b>	<b>12,010</b>	<b>12,010</b>	<b>-</b>	<b>-100.0%</b>
<b>Maintenance and Replacement:</b>						
42 35 Dues, Subscriptions, Memberships	646	21,500	21,500	21,500	-	
43 90 Other Professional Services	10,806	11,000	11,000	11,000	-	
51 20 General Insurance	708	1,000	1,000	1,000	-	
52 10 Telephone/Communications	118,055	128,000	128,000	128,000	-	
52 20 Postage	20	50	50	50	-	
52 40 Computer Software Licenses	684	700	700	700	-	
55 10 Education and Training	3,970	4,500	4,500	4,500	-	
56 24 Equipment Rentals	-	-	46,995	46,995	-	
63 21* Emergency Mgmt Systems Maintenance	-	-	-	-	350	
63 22* Security Systems Maintenance	-	-	-	-	16,500	
63 28* Telephone/Communications Maintenance	-	-	-	-	128,000	
63 29* Printer/Copier Maintenance	-	-	-	-	46,995	
63 30* Data Storage Maintenance	11,686	12,000	12,000	12,000	12,000	
63 35 Enterprise Server Maintenance	18,194	20,000	20,000	20,000	20,000	
63 40 Software Maintenance	253,462	276,000	276,000	276,000	276,000	
<b>Subtotal</b>	<b>418,232</b>	<b>474,750</b>	<b>521,745</b>	<b>521,745</b>	<b>499,845</b>	<b>-4.2%</b>
<b>Capital Outlay:</b>						
70 40 End User System Maintenance & Replacement	2,270	45,742	45,742	45,742	45,742	
70 41 Computer Hardware/Software	24,442	35,000	35,000	35,000	-	
70 45* Supplies Maintenance & Replacement	-	-	-	-	18,000	
70 50* Network Maintenance & Replacement	-	-	-	-	17,000	
<b>Subtotal</b>	<b>26,712</b>	<b>80,742</b>	<b>80,742</b>	<b>80,742</b>	<b>80,742</b>	<b>0.0%</b>
<b>Total Expenditures</b>	<b>\$ 614,219</b>	<b>\$ 831,554</b>	<b>\$ 878,549</b>	<b>\$ 878,549</b>	<b>\$ 580,587</b>	<b>-33.9%</b>

2016 City Technology Distribution - Fund							\$580,587.00		Distribution		
Department	Inventory	Contracts	Telco/Data	Citywide	Totals	Per User	Total %	Div%	Distribution		
<b>Administrative Services</b>											
Utility Billing	\$6,000.00	\$3,646.90	\$0.00	\$8,340.30	\$17,987.20	\$3,597.44	<b>5.18%</b>	1.88%	\$10,886.02		
Finance	\$6,800.00	\$2,922.00	\$50.00	\$0.00	\$9,772.00	\$1,628.67		1.02%	\$5,914.10		
Human Resources	\$2,000.00	\$0.00	\$609.12	\$3,336.12	\$5,945.24	\$2,972.62		0.62%	\$3,598.11		
Municipal Court	\$5,950.00	\$8.04	\$0.00	\$10,008.37	\$15,966.41	\$2,661.07		1.66%	\$9,663.02		
<b>City Manager</b>											
City Manager	\$5,550.00	\$2,435.00	\$50.00	\$8,340.30	\$16,375.30	\$3,275.06	<b>1.71%</b>	1.71%	\$9,910.48		
<b>City Secretary</b>											
City Secretary	\$4,800.00	\$1,461.00	\$609.12	\$5,004.18	\$11,874.30	\$3,958.10	<b>1.98%</b>	1.24%	\$7,186.44		
Mayor/City Council	\$5,100.00	\$0.00	\$2,052.00	\$0.00	\$7,152.00	\$1,021.71		0.75%	\$4,328.46		
<b>Community Development</b>											
Code Enforcement	\$5,100.00	\$0.00	\$3,573.32	\$13,344.49	\$22,017.81	\$2,752.23	<b>4.56%</b>	2.30%	\$13,325.38		
Health	\$1,700.00	\$0.00	\$25.00	\$3,336.12	\$5,061.12	\$2,530.56		0.53%	\$3,063.04		
Planning	\$3,400.00	\$6,583.56	\$50.00	\$6,672.24	\$16,705.80	\$4,176.45		1.74%	\$10,110.51		
<b>Economic Development</b>											
Economic Dev	\$5,750.00	\$857.16	\$1,617.12	\$6,672.24	\$14,896.52	\$3,724.13	<b>1.55%</b>	1.55%	\$9,015.51		
<b>Fire Operations</b>											
Fire Department	\$46,250.00	\$43,860.01	\$5,994.25	\$98,415.59	\$194,519.85	\$3,296.95	<b>25.30%</b>	20.28%	\$117,725.20		
Fire Marshal	\$1,700.00	\$1,385.08	\$201.50	\$3,336.12	\$6,622.70	\$3,311.35		0.69%	\$4,008.12		
Fire Station #3	\$9,550.00	\$9,003.02	\$1,309.75	\$21,684.79	\$41,547.56	\$3,195.97		4.33%	\$25,144.97		
<b>Information Services</b>											
Communications	\$5,200.00	\$942.87	\$609.12	\$5,004.18	\$11,756.17	\$3,918.72	<b>2.36%</b>	1.23%	\$7,114.94		
Technology	\$3,400.00	\$300.00	\$2,148.96	\$5,004.18	\$10,853.14	\$3,617.71		1.13%	\$6,568.42		
<b>Police Operations</b>											
Animal Control	\$2,550.00	\$2,346.81	\$455.56	\$5,004.18	\$10,356.55	\$3,452.18	<b>40.30%</b>	1.08%	\$6,267.88		
Police Department	\$81,850.00	\$74,875.23	\$30,451.44	\$155,129.66	\$342,306.33	\$3,680.71		35.68%	\$207,166.93		
SRO's	\$850.00	\$8,604.97	\$6,099.12	\$18,348.67	\$33,902.76	\$3,082.07		3.53%	\$20,518.26		
<b>Public Services</b>											
Public Works	\$3,000.00	\$384.20	\$1,899.72	\$28,357.03	\$33,640.95	\$1,978.88	<b>11.40%</b>	3.51%	\$20,359.81		
Water/Wastewater	\$13,600.00	\$23,154.35	\$7,246.76	\$31,693.16	\$75,694.27	\$3,983.91		7.89%	\$45,810.87		
<b>Support Services</b>											
Building Maintenance	\$850.00	\$0.00	\$612.00	\$3,336.12	\$4,798.12	\$2,399.06	<b>5.67%</b>	0.50%	\$2,903.87		
Civic Center	\$7,550.00	\$1,385.20	\$930.56	\$8,340.30	\$18,206.06	\$3,641.21		1.90%	\$11,018.48		
Fleet	\$3,150.00	\$0.00	\$0.00	\$6,672.24	\$9,822.24	\$2,455.56		1.02%	\$5,944.51		
Parks	\$2,900.00	\$5,216.32	\$75.00	\$13,344.49	\$21,535.81	\$2,691.98		2.24%	\$13,033.67		
<b>City wide</b>											
City wide	\$195,850.00	\$190,427.00	\$104,132.89		\$490,409.89	\$1,668.06	<b>100.00%</b>	<b>100.00%</b>			
	<b>\$430,400.00</b>	<b>\$374,582.40</b>	<b>\$170,802.31</b>		<b>\$959,316.24</b>				<b>\$580,587.00</b>		

	<b>FY 15/16</b>	<b>FY 14/15</b>	<b>+/-</b>
<b>Total Budget</b>	<b>\$ 580,587.00</b>	<b>\$ 878,549.00</b>	<b>\$ (297,962.00)</b>
<b>General Fund</b>	<b>\$ 487,726.67</b>		
<b>W/WW Fund</b>	<b>\$ 56,696.89</b>		
<b>Civic Center</b>	<b>\$ 11,018.48</b>		
<b>FD3</b>	<b>\$ 25,144.97</b>		
<b>Total</b>	<b>\$ 580,587.00</b>		



# CITY COUNCIL COMMUNICATION

## June 30, 2015

<b>ITEM #</b>	<b>ITEM TITLE</b>
<b>3</b>	<b>FY2016 Budget Priorities Discussion</b>
<b>ITEM/MOTION</b>	
Review and discuss FY2016 Budget Priorities, and take action as necessary to direct staff.	
<b>FINANCIAL SUMMARY</b>	<b>ELECTION DISTRICT</b>

**Annualized Dollars:**

- One-time
- Recurring
- N/A

**Budgeted:**

- Yes  No  N/A

**Source of Funds:** N/A

- District 1
- District 2
- District 3
- District 4
- City-wide
- N/A

**SUPPORTING DOCUMENTS:****MUD #:** N/A

1. FY2016 Budget Requests

**APPROVALS****Submitted by:**

Joyce Vasut  
Executive Director of  
Administrative Services

**Reviewed by:**

- Exec. Dir. of Administrative Services
- Asst. City Manager of Public Services
- City Engineer
- City Attorney
- (Other)

**Approved for Submittal to City Council:**

Robert Gracia  
City Manager

**EXECUTIVE SUMMARY**

On June 23, 2015, City Council discussed the listing of fifty-three (53) budget requests as prioritized by staff. A draft minute excerpt from this meeting was not yet available to include with this item. City Council requested more time to review the items and submit their prioritized rankings of the twenty-five (25) items from the list that they felt were the highest priority. City Council will submit their list to City staff prior to the meeting.

A list of the twenty-five highest ranked items as prioritized by City Council will be presented at the meeting for consideration by City Council. On July 07, 2015, the list will be presented as a Resolution for City Council consideration and if approved, City staff will incorporate the highest ranked items in the FY2016 Proposed Budget.

**CITY OF ROSENBERG, TEXAS  
2015-16 BUDGET**

**FY2016 BUDGET REQUESTS**

	<u>One-Time</u>	<u>Recurring</u>
1 <b>Fleet Service Technician part-time to full time - Fleet</b>	\$ -	\$ 40,000
2 <b>Capital Project Manager/City Engineer</b>	-	70,000
3 <b>Planning - reinstate second position (Including equipment)</b>	2,500	62,000
4 Shop Heater - Fleet	7,752	-
5 Replace Firewall - Technology	22,000	10,000
6 <b>Assistant Human Resources Director - HR (Including equipment)</b>	4,000	70,000
7 Increase Life & AD&D Insurance to \$25000 per full-time employee - HR		16,000
8 <b>Additional Police Officer (including equipment &amp; vehicle)</b>	65,868	66,000
9 <b>Contract Inspector converted from Light Equipment Operator (Vehicle)</b>	21,500	54,000
10 Rescue Equipment - Fire	91,000	-
11 ERP (Enterprise Resource Planning) - Technology	550,000	63,000
12 <b>Battalion Chief of Prevention Division (including equipment &amp; vehicle)- Fire</b>	59,500	82,000
13 Vision Insurance for full-time employees - HR		23,000
14 <b>Additional Traffic Officer (including equipment &amp; vehicle)</b>	65,868	66,000
15 Body Camera Units - Police	33,168	-
16 <b>Three (3) Fire Fighters to add one to each shift</b>	22,500	160,000
17 <b>Enterprise Technology Administrator - Technology Department</b>		62,000
18 Brick Fence Repair - Police	28,400	-
19 <b>Crime Analyst (including equipment)</b>	2,219	62,000
20 Ticket Writers - Technology	25,000	-
21 <b>Additional CID Detective (including equipment &amp; vehicle)</b>	42,219	66,000
22 ECCS (Phone System) - Technology	270,000	-
23 <b>Additional Police Officer (including equipment )</b>	7,917	66,000
24 Officer Self Aid Buddy Kits - Police	6,097	-
25 EESS (Enterprise Event Scheduling Software) - Technology	15,000	2.5%
26 ESM (Enterprise Storage Management) and Virtualization - Technology	300,000	-
27 <b>Additional Traffic Officer (including equipment &amp; vehicle)</b>	65,868	66,000
28 Reallocate Funds for Business Assistance Grant - Economic Development	100,000	
29 City Website Update/Upgrade - Information Services (IS)	40,000	10,000
30 <b>Records Clerk converted from Part-time Secretary - City Secretary</b>		33,000
31 SWAT Team Member Gear - Police	13,349	-
32 Rescue Truck - Fire	490,000	10,000
33 Public Communications Portal & Citizen Request Management - IS	8,800	8,800
34 Master Plan Update including Zone 8 Park -Parks	20,000	

Note: Personnel costs are preliminary numbers along with an estimated 30% benefit total

35	<b>Crime Prevention Officer (including equipment &amp; vehicle)</b>	56,719	<b>66,000</b>
36	Roaming Profiles - Technology	48,200	7,500
37	HR Application & Onboarding - Technology	13,000	7,152
38	Fleet Software (Maintenance and GPS)- Technology	9,000	19,000
39	<b>Project Manager - Technology Department</b>	-	<b>70,000</b>
40	Digital Blueprint Scanner - Technology	6,700	6,700
41	Rugged Wide Remote Surveillance Trailer - Police	111,199	980
42	Streets & Fleet Parking Lot	70,000	
43	<b>Enterprise Technology Administrator - Technology Department</b>	-	<b>62,000</b>
44	Replacement of (10) Fire Toughbooks - Technology	36,000	
45	Enterprise Training Software - Technology	20,000	20,000
46	FSA (Facilities Security & Access Controls) - Technology	140,000	-
47	Chain Link Privacy Fence Repair - Police	8,200	-
48	Civic Center AV Upgrades - Technology	14,000	-
49	EDMS (Document Management) - Technology	98,000	23,000
50	Organizational Wireless Backbone - Technology	120,000	-
51	City Hall Multimedia Meeting Room Upgrades - Technology	22,000	-
52	WiFi Seabourne Creek Park - Technology	8,000	-
53	Street Sweeper	224,000	104,000

Note: Personnel costs are preliminary numbers along with an estimated 30% benefit total



# CITY COUNCIL COMMUNICATION

June 23, 2015

ITEM #	ITEM TITLE
4	<b>Proposed FY2016 Solid Waste and Curbside Recycling Rate Change Discussion</b>

### ITEM/MOTION

Review and discuss Republic Services proposed solid waste and curbside recycling rates for FY2016, and take action as necessary to direct staff.

FINANCIAL SUMMARY	ELECTION DISTRICT
-------------------	-------------------

**Annualized Dollars:**

- One-time
- Recurring
- N/A

**Budgeted:**

- Yes  No  N/A

**Source of Funds:**

101-5022-530-6215

- District 1
- District 2
- District 3
- District 4
- City-wide
- N/A

**SUPPORTING DOCUMENTS:**

1. Gracely Correspondence – 06-04-15
2. Republic Services Rate Increase Calculations – Consumer Price Index Data
3. City of Rosenberg Calculations for Republic Rate Decrease – Consumer Price Index Data
4. Republic Services Contract Excerpt – Section 10.02 - Modification to Rates

**MUD #:N/A**

### APPROVALS

**Submitted by:**

Jeff Trinker  
Executive Director of  
Support Services

**Reviewed by:**

- Exec. Dir. of Administrative Services
- Asst. City Manager of Public Services
- City Attorney
- City Engineer
- (Other)

**Approved for Submittal to City Council:**

Robert Gracia  
City Manager

### EXECUTIVE SUMMARY

Beginning in the third year of the Contract with Republic Services, and each subsequent year thereafter, the Contract states that the rates for solid waste/recycling services “shall be adjusted upward or **downward** to reflect changes in the cost of operations” per Section 10.02: Modification to Rates. This rate change calculation is based on the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers as well as changes in fuel costs. Republic Services initially submitted a service rate increase of 1.8%. However, staff review of the CPI calculations confirmed an error in Republic’s calculations.

Due to the large percent change in the price of fuel from April of 2012 and April of 2015, the rate for FY2016 will decrease by 1.9%. This rate decrease only pertains to the rates charged to the City by Republic; it does not reflect the fees charged to residents by the City for garbage/recycling service. Staff has verified the calculations and determined that the rate charged to the City should decrease 1.9% per the terms of the Contract.

A representative from Republic will be present to answer questions. Staff will return at a later date to discuss this rate decrease’s impact on the fees charged to Rosenberg residents.



June 4, 2015

City of Rosenberg  
c/o Robert Gracia - City Manager  
P.O. Box 32  
2110 Fourth Street  
Rosenberg, Texas 77471

Subject: Price Increase per Contract

Dear Mr. Gracia

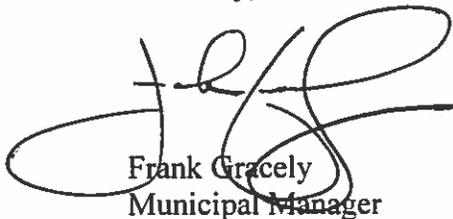
Republic Services of Houston is pleased to provide solid waste collection to the residents and businesses of Rosenberg, TX. With that, we take great pride in not only providing a great service, but also a great value.

Per our contract, we will present a rate adjustment increase of 1.8% to city council on June 23rd, 2015. This rate increase of 1.8% will be effective October 1, 2015.

We appreciate the opportunity to continue providing service to all our customers in Rosenberg and will continue to work as a valuable business partner to further reduce cost, increase efficiency, and maintain our high levels of service.

Please feel free to contact me at 281.904.2295 or via email at [fgracely@republicservices.com](mailto:fgracely@republicservices.com) with any questions or concerns.

Sincerely,



Frank Gracely  
Municipal Manager

cc: file  
: Todd Fawcett - General Manager Hauling



## Republic Rate Increase Calculation FY 2015 - 2016

### Consumer Price Index - Urban Wage Earners and Clerical Workers Original Data Value

Series Id: CWUR0000SA0,CWUS0000SA0  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: All items  
 Base Period: 1982-84=100  
 Years: 2005 to 2015

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2005	186.3	187.3	188.6	190.2	190.0	190.1	191.0	192.1	195.0	195.2	193.4	192.5
2006	194.0	194.2	195.3	197.2	198.2	198.6	199.2	199.6	198.4	197.0	196.8	197.2
2007	197.559	198.544	200.612	202.130	203.661	203.906	203.700	203.199	203.889	204.338	205.891	205.777
2008	206.744	207.254	209.147	210.698	212.788	215.223	216.304	215.247	214.935	212.182	207.296	204.813
2009	205.700	206.708	207.218	207.925	208.774	210.972	210.526	211.156	211.322	211.549	212.003	211.703
2010	212.568	212.544	213.525	213.958	214.124	213.839	213.898	214.205	214.306	214.623	214.750	215.262
2011	216.400	217.535	220.024	221.743	222.954	222.522	222.686	223.326	223.688	223.043	222.813	222.166
2012	223.216	224.317	226.304	227.012	226.600	226.036	225.568	227.056	228.184	227.974	226.595	225.889
2013	226.520	228.677	229.323	228.949	229.399	230.002	230.084	230.359	230.537	229.735	229.133	229.174
2014	230.040	230.871	232.560	233.443	234.216	234.702	234.525	234.030	234.170	233.229	231.551	229.909
2015	228.294	229.421	231.055	231.520								
Cal. Urban	1.986%	1.99%										

### Consumer Price Index - Urban Wage Earners and Clerical Workers Original Data Value

Series Id: CWUR0000SS47014,CWUS0000SS47014  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: Gasoline, unleaded regular  
 Base Period: 1982-84=100  
 Years: 2005 to 2015

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2005	154.9	163.2	175.2	193.4	187.5	184.8	196.9	212.3	249.4	236.7	198.9	186.5
2006	198.3	197.1	205.5	235.2	250.7	248.3	255.8	254.4	219.4	193	190.6	198.4
2007	192.607	194.612	220.051	242.813	267.032	261.396	252.987	237.919	239.439	238.722	262.2	257.653
2008	260.329	258.829	277.911	293.562	321.966	347.642	350.027	323.659	315.809	267.723	183.218	144.405
2009	153.39	165.111	166.942	175.98	193.236	225.796	217.806	225.222	220.339	218.461	227.785	224.201
2010	234.067	227.2	237.801	244.974	246.637	234.173	234.007	234.934	231.805	239.7	244.423	255.858
2011	265.722	271.624	304.068	327.321	339.109	318.855	314.261	312.739	310.015	296.474	293.13	281.233
2012	291.907	306.345	331.631	337.69	324.915	304.353	296.03	317.897	331.206	323.549	298.247	285.776
2013	286.615	316.187	320.442	308.318	310.875	312.68	311.172	309.556	305.236	289.976	280.231	282.336
2014	286.362	289.737	304.765	315.877	317.732	318.684	313.423	300.162	293.629	274.818	249.793	221.375
2015	182.426	192.82	213.514	213.537								

Cal - GAS	-0.36765	10%	-0.000368	-0.037
Cal -URBAN	1.99%	90%	1.7910%	1.791
<b>PI 2016</b>				<b>1.8</b>

## City of Rosenberg Staff Calculations

### Consumer Price Index - Urban Wage Earners and Clerical Workers - Original Data Value

Series Id: CWUR0000SA0,CWUS0000SA0  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: All items  
 Base: 1982-84=100  
 Period:  
 Years: 2005 to 2015

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2012	291.907	306.345	331.631	337.69	324.915	304.353	296.03	317.897	331.206	323.549	298.247	285.776
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2014	286.362	289.737	304.765	315.877	317.732	318.684	313.423	300.162	293.629	274.818	249.793	221.375
2015	182.426	192.82	213.514	213.537								

Cal - GAS	-0.367654	0.1	-0.0367654	<b>-3.676537653</b>
Cal -URBAN	0.0199	0.9	0.01791	<b>1.791</b>
<b>PI 2016</b>				<b>-1.8855</b>
Cal - GAS	-36.7654%	10.0000%	-3.6765%	<b>-3.6765%</b>
Cal -URBAN	1.9900%	90.0000%	1.7910%	<b>1.7910%</b>
<b>PI 2016</b>				<b>-1.8855%</b>

## GENERAL SPECIFICATIONS

### *Solid Waste Collection and Disposal City of Rosenberg Texas*

own or other estimate and to provide for growth or shrinkage factors. The City makes no representation as to the reliability of its estimate for residential or commercial and industrial units.

- (b) The City agrees to pay to the Contractor a fee for collection of commercial and industrial refuse, as set forth in Section 3.00 hereof, in accordance with the commercial pricing matrix identified and described in **Exhibit "B"** hereof. The number of commercial and industrial collection services under this Contract is estimated to be **911**. Contractor is required to utilize its own or other estimate and to provide for growth or shrinkage factors. The City makes no representation as to the reliability of its estimate for residential or commercial and industrial units.
- (c) The refuse collection charges shall include all disposal costs.
- (d) Contractor may, at its option, elect to acquire bags from a supplier of its choice and attempt to market such bags to residential units, however, this option in no way interferes with the right of each owner or occupant of a residential unit to obtain bags from another source.

#### **10.02 Modification to Rates**

- (a) All modifications to rates under this Contract shall be subject to the approval of the City Council.

The fees to be paid to the Contractor for the solid waste collection and disposal services as provided in paragraphs (a) and (b) of Section 10.01, for the third and subsequent years of the term hereof shall be adjusted upward or downward to reflect changes in the cost of operations, as reflected by fluctuations in the **Consumer Price Index for Urban Wage Earners and Clerical Workers (all items) and the Consumer Price Index for Urban Wage Earners and Clerical Workers, Expenditures Category "Gasoline"**, both as published by the U.S. Department of Labor, Bureau of Labor Statistics. As of the end of April of the second year of the Contract and every twelve months thereafter (the "Rate Modification Date"), the fees shall be increased or decreased for the period beginning October 1st of that year in a percentage amount equal to 90% of the net percentage change of the All Items Index plus 10% of the net percentage change of the Gasoline Index. All percentage changes are to be computed as the difference between the index value for the first full month prior to the commencement of the Contract and the index value for the Rate Modification Date divided by the index value for the first full month prior to the commencement of the Contract.

- (b) As soon as possible after a Rate Modification Date, Contractor shall send to the City a comparative statement setting out for both the All Items Index and the Gasoline Index.
  - i. The index value on the first full month prior to the commencement of the Contract;
  - ii. The index value on the Rate Modification Date preceding the date of the statement;
  - iii. The net percentage change;
  - iv. The composite percentage change equal to the net percentage change in the All Items Index plus the net percentage change in the Gasoline Index; and
  - v. The increase or decrease in the fees which may be charged by the Contractor.
- (c) The maximum increase allowed under 10.01(a) shall be five percent (5%) per year.
- (d) In addition to the above, the Contractor may petition the City at any time for additional rate and price adjustments on the basis of unusual changes in its cost of operations, (including increases or addition of taxes or fees, such as fuel taxes, environmental fees, and landfill disposal charges), and will include significant increase in costs resulting from revised laws, ordinances, or regulations; changes in location of disposal sites or changes in disposal charges, a substantial increase in the number of residential units, such as City growth or annexation.. City shall have sole discretion, but no obligation to approve, any additional rate and price adjustments petitioned under this provision.

**10.03 City to Act as Collector** - The City shall submit statements to and collect from all residential and commercial and industrial units for all services provided by the Contractor, including those accounts that are delinquent. Contractor shall submit statements to the City for services provided in accordance with Section 2.00.

**10.04 Delinquent and Closed Accounts** - The Contractor shall discontinue refuse collection service at any residential or commercial and industrial unit as set forth in a written notice sent to it by the City. Upon further notification by the City, the Contractor shall resume refuse collection on the next regularly scheduled collection day. The City shall, to the extent permissible by law, indemnify and hold the Contractor harmless from any claims, suits, damages, liabilities, or expenses (including but not limited to expenses of investigation or attorney's fees) resulting from the Contractor's discontinuing service at any location at the direction of the City.

# **ITEM 5**

**Adjournment.**