

NOTICE OF A REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF HEMPSTEAD

PLEASE NOTE:

Public comments and matters from the floor are limited to 3 minutes per person. Allotted minutes cannot be transferred to other individuals.

If you would like to request to speak, please do so in advance of the meeting by filling out a Request to Address Council form available upon entrance to the meeting.

Please silence all cell phones and electronic devices.

Notice is hereby given that a Regular Meeting of the City Council of the City of Hempstead will be held on **Monday, the 18th day of September A.D., 2023 at 6:00 P.M.** at the **Hempstead City Hall, 1125 Austin Street, Hempstead, Texas**, at which time the following subjects will be considered, to-wit:

1. Call to order and invocation.
2. Pledge of Allegiance.
3. Public Comments.
4. Consideration and action on minutes from August 21, 2023, August 22, 2023, September 5, 2023 & September 8, 2023.
5. Consideration and action on a Resolution of the City of Hempstead approving the Hempstead Economic Development Corporation 4A and 4B 2023-2024 Fiscal Budget.
6. Consideration and action on an Ordinance of the City of Hempstead, Texas approving and adopting the City of Hempstead General Budget for the year 2023-2024; making appropriations for City for such year as reflected in said Budget; establishing the procedure for intra-budget transfers; and containing other provisions relating to the subject. (Record Vote)
7. Consideration and action on an Ordinance of the City of Hempstead, Texas providing for the assessment, levy, and collection of ad valorem taxes for the 2023 tax year and for each year thereafter until otherwise provided; proving the date on which such taxes shall be due and payable; providing for severability and repealing all ordinances and parts of ordinances in conflict therewith.
 - a) Consideration and action an ad valorem tax at the rate of \$0.075027 on each \$100.00 of assessed valuation for debt service. **(Record Vote)**
 - b) Consideration and action on an ad valorem tax at the rate of \$0.507658 on each \$100.00 of assessed valuation for maintenance and operations. **(Record Vote)**
 - c) Consideration and action on an Ordinance providing for the assessment, levy, and collection of ad valorem taxes for the year 2023. **MOTION:** *"I move that the property tax be increased by the adoption of a tax rate of \$0.582685, which is effectively an 9.04% percent increase in the tax rate."* **(Record Vote)**
8. Zoning Map Amendment request to rezone Clear Creek Development Lot 1 Acres 25.132 from AR-Agricultural Residential to HC-Highway Commercial.
 - a. Public Hearing
9. Consideration and action on an Ordinance of the City Council of the City of Hempstead amending the Zoning Map to rezone Clear Creek Development Lot 1 Acres 25.132 from AR-Agricultural Residential to HC-Highway Commercial. **(P&Z recommended approval at 9/5/23 meeting)**

10. Consideration and action on a Resolution of the City Council of Hempstead, Texas adopting positions and terms to the Board of Directors of the City of Hempstead Economic Development Corporation 4A & 4B.
11. Presentation by Dan Jackson with Willdan Financial Services on a Rate Study and Financial Forecast for the City of Hempstead.
12. Consideration and action on lease from EDC Building located at 745 12th Street.
13. Consideration and action on authorizing the Mayor to enter into a written Agreement & Release with Pilot Travel Centers LLC for the repayment of monies overcharged on utility account for the property located at 2000 FM 1488 Hempstead, TX 77445.
14. Presentations.
 - A. Mayor's Reports-
 - a. Sales Tax
 - b. FabTech 2023 Update
 - c. Delivery of Lunch to Hempstead Football Team.
 - d. Code Red
 - e. Customer Portal
 - B. Councilmember's Report-
 - a. Karon Neal- A big thank you to the electrical department.
 - b. Nora Hodges- COLA update Social Security is 3.2% based on the Consumer Price Index at the end of August.

The City Council of the City of Hempstead 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 authorized by Texas Government Code, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), and 551.086 (Certain Public Power Utilities: Competitive Matters). Council may act in Open Session on any item listed for Executive Session.

15. Adjourn City Council Meeting.

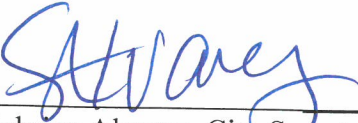
Dated this the 15th day of September, A.D., 2023.

By: _____

Sabrina Alvarez, City Secretary

I, the undersigned authority, do hereby certify that the above Notice of a Regular Meeting of the governing body of the City of Hempstead is a true and correct copy of said Notice, and that a true and correct copy of said Notice was posted on the City Hall bulletin board and entrances to City Hall, in the City Hall of said City of Hempstead, Texas, a place convenient and readily accessible to the general public at all times, and that said Notice was posted on September 15, 2023 at 3:00 P.M. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Dated this the 15th day of September, A.D., 2023.

By: 
Sabrina Alvarez, City Secretary

PUBLIC PARTICIPATION BY TELEPHONE

The City of Hempstead City Council **may** conduct the meeting scheduled at **6:00 P.M. on Monday the 18th day of September 2023 at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas.** The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting. A recording of the telephonic meeting will be made and will be available to the public upon written request.

The toll-free dial-in number to participate in the meeting telephonically is:

1-346-248-7799; Access Code 989-478-2100

IF CITY COUNCIL MEMBERS ARE GOING TO APPEAR BY VIDEOCONFERENCE A QUORUM OF COUNCILMEMBERS MUST BE PRESENT AT THE LOCATION.

NOTICE OF MEETING BY VIDEO CONFERENCE

The City of Hempstead City Council **may** conduct the meeting scheduled at **6:00 P.M. on Monday the 18th day of September 2023 at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas** by videoconference in addition to allowing in person attendance. A quorum of the City Council will be physically present at the Hempstead City Hall, 1125 Austin Street, Hempstead. The public may participate in the City Council Meeting by using the following information:

1-346-248-7799, Access Code 989-478-2100

**STATE OF TEXAS
COUNTY OF WALLER
CITY OF HEMPSTEAD**

BE IT REMEMBERED that on the 21st day of August A.D., 2023 at 6:00 P.M. the City Council met in a Regular Meeting at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas, there being present, to-wit:

Erica Gillum, Mayor
Lonnie Garfield, Mayor Pro-Tem
Cindy Pearce, Councilmember
Mildred Jefferson, Councilmember
Nora Hodges, Councilmember
Karon E. Neal, Councilmember

Bridgette Begle, City Attorney
Sabrina Alvarez, City Secretary

1. Call to order and invocation.

Mayor Erica Gillum called the meeting to order at 6:02 P.M. and Pastor Charles Tompkins gave the invocation.

2. Pledge of Allegiance.

The Pledge of Allegiance was given.

3. Public Comments.

In Public Comments Margie Hamner spoke and stated to council that she was there to ask for Hotel/Motel Funds for the Waller County Fair to be used for advertising. Jimmy Economou spoke about the city instilling time clocks for employees, keeping the mayor terms to two-years and for a Charter Amendment to hire a city administrator.

4. Consideration and action on minutes of July 17, 2023, August 7, 2023, and August 10, 2023, meetings.

Councilmember Nora Hodges made a motion to approve the minutes. Councilmember Mildred Jefferson seconded the motion and carried it unanimously.

13. Consideration and action from Waller County Fair Association for Hotel/Motel funds in the amount of \$5,000 for advertising.

Councilmember Mildred Jefferson made a motion to approve Hotel/Motel funds to the Waller County Fair Association. Councilmember Nora Hodges seconded the motion and carried it unanimously.

5. Consideration and action on a Resolution from the City Council of the City of Hempstead adopting land use assumptions, a capital improvements plan, and impact

fees for water and wastewater facilities in accordance with Chapter 395 of the Texas Local Government Code; making certain findings related to subject; and providing for severability.

Jared Engelke with Strand and Associates, the city's engineer presented a PowerPoint to council on impact fees that the city can charge for new developments. The CIAC can implement the fees immediately and assess them to the city's ETJ. Impact fees are in line with other surrounding cities. Councilmember Mildred Jefferson asked when will the impact fees go into effect. Jared Engelke answered that the city council can set the date to commence. Councilmember Lonnie Garfield agreed with the impact fees. Councilmember Cindy Pearce asked if this will also be subject to residential? Jared Engelke answered only if the property is to be re-plated.

Mayor Pro-Tem Lonnie Garfield made a motion to approve the Resolution of Impact fees with a starting cost of \$6,967 to include the city's ETJ effective immediately. Councilmember Mildred Jefferson seconded the motion and carried unanimously.

6. Discussion and action on the FY22 Audit.

Ben Cohen with Belt, Harris & Pechacek the city's auditing firm presented to council the 2022 Audit. He thanked City Secretary Sabrina Alvarez for getting all the information to him for the audit in a timely manner and with no conflicts. Mayor Erica Gillum asked why the delay on getting the audit in a timely manner? Ben Cohen stated that their goal is to have it by March 31, of every year but it doesn't always happen that way, with adjustments to the trial balance, gathering information, and a backlog of the pandemic. Ben Cohen stated that we are staying in line, we just have to continue to follow the path. Finance Officer Alan Younts stated that overall, it's a good audit, the city has such a small tax base as revenue, inflation, winter storm and the pandemic it affects a small city like us. Continue to work hard and keep in line with the budget.

7. Consideration and action on Proposed Tax Rate.(For Notice Purposes only)

Proposed Tax Rate-\$0.582685 per \$100

No-New Revenue Tax Rate-\$0.500343 per \$100

Voter Approval Tax Rate-\$0.582685 per \$100

Roll Call- AYE- Mayor Pro-Tem Lonnie Garfield, Councilmember Karon Neal, Councilmember Mildred Jefferson, Councilmember Nora Hodges.

NO-Councilmember Cindy Pearce

Motion carried.

8. Discussion on 23-24 Proposed Budget. (No action needed)

No action was taken. The city every year must present to citizens that a proposed budget is available at city hall for review.

9. Consideration and action on a Rules of Decorum Policy applicable to City Council and all City Boards and Committee Meetings.

Councilmember Mildred Jefferson made a motion to approve the rules. Councilmember Nora Hodges seconded the motion and carried unanimously.

10. Discussion from Emily Grennon (Utility Billing Supervisor) on the Sensus Analytics Customer Portal.

Emily Grennon stated to the council that she will be organizing a workshop to be held in early September at the Recreation Center to help citizens of Hempstead register for the portal. The portal will help the citizens keep track of their daily consumption, set alarms, and compare usage from the previous month. Kollye Kilpatrick stated that a kiosk will be set up at city hall for the citizens as well. Councilmember Nora Hodges stated that the information on the customer portal was included in the last two newsletters.

11. Discussion on City of Hempstead's Personnel Travel Policy.

Councilmember Nora Hodges asked the council if anyone had any questions about the travel policy. Since the wrong information was stated, Councilmember Nora Hodges read the travel policy so council could have a clearer understanding. Councilmember Nora Hodges added the general statement which included all personnel (elected officials and employees) to a policy previously written by Manager of Operations Kollye Kilpatrick, that only included directors and employees. Mayor Pro-Tem Lonnie Garfield is for the policy, he wants more flexibility for the mayor and council, and would like to see one in the future. Councilmember Cindy Pearce is in favor of the travel policy that included the elected officials. Councilmember Mildred Jefferson is in favor of the one that Manager of Operations created originally.

12. Discussion and action to authorize the Mayor to submit a Request for Qualifications for a Waste Collection Company.

The city receives numerous complaints daily on missed trash, broken containers, the current waste collection company will be going up in pricing effective October 1, 2023. Request for Qualifications to get bids from other companies, the bids will be seen by the council. Councilmember Mildred Jefferson made a motion to approve the Request for Qualifications. Councilmember Karon Neal seconded the motion and carried unanimously.

14. Consideration and action on payment of current bills.

Councilmember Mildred Jefferson made a motion to approve the bills. Mayor Pro-Tem Lonnie Garfield seconded the motion and carried unanimously.

15. Presentations-

A. Mayor's Reports-

- a. Sales Tax-Mayor Pro-Tem Lonnie Garfield stated that sales tax is up 2.27% for the month of August.

B. Councilmember's Report-

- a. Nora Hodges-Compliments and appreciation to Lilliana Rodriguez, HEDC Administrative Assistant for hosting a series of free events with Prairie View SBDC for local business owners (current and prospective)
- b. Councilmember Nora Hodges attended the Waller County Infrastructure Conference held August 17, 2023, in Katy, TX. The conference featured four panel sessions: 1. Electrical and Telecommunications, 2. Mobility; 3. Drainage; 4. Developers. Attending this event provided education and a network opportunity for me.
- c. Lonnie Garfield-Giving an update on Hempstead ISD Long Range Planning Committee, that Mayor Pro-Tem is serving on. The School District is moving in the right direction.

The City Council convened in Executive Session at 7:26 P.M.

Executive Session closed at 7:30 P.M.

No action was taken in Executive Session.

11. Adjourn City Council Meeting.

There being no further business, Mayor Pro-Tem Lonnie Garfield made a motion to adjourn the meeting at 7:30 P.M. Councilmember Karon Neal seconded the motion and carried unanimously.

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

/s/: Erica Gillum, Mayor

ATTEST:

/s/: Sabrina Alvarez, City Secretary

**STATE OF TEXAS
COUNTY OF WALLER
CITY OF HEMPSTEAD**

BE IT REMEMBERED that on the 22nd day of August A.D., 2023 at 10:00 A.M. the City Council met in a Budget Workshop at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas, there being present, to-wit:

Erica Gillum, Mayor
Lonnie Garfield, Mayor Pro-Tem
Cindy Pearce, Councilmember
Karon Neal, Councilmember
Nora Hodges, Councilmember
Mildred Jefferson, Councilmember

Sabrina Alvarez, City Secretary

1. Call to order and invocation.

Mayor Erica Gillum called the meeting to order at 2:09 P.M. and Public Works Director Fredrick Alexander gave the invocation.

2. Pledge of Allegiance.

The Pledge of Allegiance was given.

3. Public Comments.

No Public Comments.

4. Discussion on 2023-2024 Budget

Discussion was held on proposed 2023-2024 salaries. City Secretary updated the salaries to show bilingual, education, and shift differential pay for the police department. Several of the staff from the utilities department showed up to speak up about their responsibilities and accomplishments. Supervisors from the Street Department, Grounds Maintenance, Wastewater, Water, Electrical, Gas, Park & Recreation and Building department all spoke about their crews and their responsibilities. The supervisors and the department heads also spoke about the equipment that is desperately needed to perform their jobs. They spoke about the equipment being fixed repeatedly but there is only so much fixing you can make because that is expensive as well. Public Works Director Fredrick Alexander states that supervisors and department heads are hands on. They have taken the necessary classes to become certified, to perform their job duties. He stated all departments perform a job well done. Alan Younts, the city's part-time finance director gave the council a presentation of the city's trend over a five-year period for revenues. He stated the city had a good audit; the city is getting better it will just take time. He stated that the city must guard against going backwards. He stated that what concerned him was the deficit is much higher. Last year the utility fund had a surplus, but its lower this year. Councilmember Cindy Pearce only approved of the raises and step program for the Police Department, for Scott Duncan, and for

Blake Duncan and Eric Kilpatrick due to their promoted positions. She stated no one disputes their dedication, but the city is at a 28% poverty rate. She appreciates all the employees.

Councilmember Nora Hodges also stated she appreciated all employees and will decide on salaries based on a balanced budget and comparison of salaries with that of other cities similar to our population. Councilmember Mildred Jefferson stated that everyone deserves a raise. Councilmember Karon Neal stated that she appreciates all employees and all their hard work. Mayor Pro-Tem Lonnie Garfield stated he appreciated all employees.

5. Adjourn City Council Meeting.

Councilmember Mildred Jefferson made a motion to adjourn the meeting at 11:30 P.M. Councilmember Karon Neal seconded the motion, and it was carried out.

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

/s/: Erica Gillum, Mayor

ATTEST:

/s/: Sabrina Alvarez, City Secretary

**STATE OF TEXAS
COUNTY OF WALLER
CITY OF HEMPSTEAD**

BE IT REMEMBERED that on the 5th day of September A.D., 2023 at 6:00 P.M. the City Council met in a Regular Meeting at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas, there being present, to-wit:

Erica Gillum, Mayor
Lonnie Garfield, Mayor Pro-Tem
Cindy Pearce, Councilmember
Mildred Jefferson, Councilmember
Nora Hodges, Councilmember
Karon E. Neal, Councilmember

Bridgette Begle, City Attorney
Sabrina Alvarez, City Secretary

1. Call to order and invocation.

Mayor Erica Gillum called the meeting to order at 6:01 P.M. and Public Works Fredrick Alexander gave the invocation.

2. Pledge of Allegiance.

The Pledge of Allegiance was given.

3. Public Comments.

In Public Comments Mayor Erica Gillum stated that the Outlaw Relief from Prairie View is asking for donations to Hawaii and Florida, donations can be dropped off at city hall by September 8, 2023. Mayor Erica Gillum presented Annette Baker with a Proclamation for her late husband Doc Baker.

4. Consideration and action on a Parade Permit for the Hempstead High School Homecoming Parade to be held September 13, 2023.

Councilmember Mildred Jefferson made a motion to approve the parade permit. Councilmember Nora Hodges seconded the motion and carried it unanimously.

5. Consideration and action on a Parade Permit for the HCCA for the Festival of Lights to be held December 9, 2023.

Mayor Pro-Tem Lonnie Garfield made a motion to approve the parade permit. Councilmember Mildred Jefferson seconded the motion and carried unanimously.

6. Consideration and action on a Trail Ride Permit, for Caleb Pete for the PV Homecoming Parade to be held November 5, 2023.

Councilmember Cindy Pearce stated that she contacted the school district, and they had no knowledge of the trail ride and would not grant their permission at this time. Mayor Erica Gillum asked Mr. Pete to contact the school. Councilmember Nora Hodges made a motion to approve the trail ride permit pending an answer from the school. Mayor Pro-Tem seconded the motion and carried.

7. Consideration and action on a Chronic Condition and Critical Care Policy applicable to residential customers of City of Hempstead Utilities pursuant to Section 17.005(b) of the Texas Utilities Code.

Councilmember Mildred Jefferson made a motion to approve the policy. Councilmember Karon Neal seconded the motion and carried unanimously.

8. Consideration and action on City of Hempstead's Personnel Travel Policy.

Councilmember Nora Hodges stated that the policy needed to state the elected city officials and all employees needed to be held to the same accountability. Mayor Erica Gillum stated that we have two policies to choose from Option A that Manager of Operations Kollye Kilpatrick drafted and Option B that Councilmember Nora Hodges drafted. Option A excluded elected officials Option B includes elected officials and all employees. Mayor Pro-Tem Lonnie Garfield made a motion to approve option A. Councilmember Mildred Jefferson second the motion. AYES- Councilmember Mildred Jefferson, Councilmember Karon Neal and Mayor Pro-Tem Lonnie Garfield for Option A. NO-Councilmember Nora Hodges and Councilmember Cindy Pearce. Motion carried.

9. Consideration and action on a Resolution of the City Council authorizing the mayor to execute an agreement with Rutledge Property to allow an aerobic system in lieu of the use

Building Inspector Frank Rodriguez met with the county, the city has an Interlocal Agreement with the county. County will not approve, there is a mandatory one acre that is needed for an aerobic system. The council will not act on this, the city will get with the Rutledge family on alternatives.

10. Presentations.

A. Mayor's Reports-

- a. Next City Council Agenda we will have Dan Jackson from Willdan do a presentation on a Rate Study and Financial Forecast.
- b. Next City Council Agenda we will also have the Utility Audit Findings.

B. Councilmember's Report-

- a. Lonnie Garfield- Update on Hempstead ISD Long Range Facility Planning Committee. The school has goals set, there is a lot of work to do.
- b. Karon Neal- A huge thank you to the Street Department for the afterhours and demanding work they have been putting in.

c. Mildred Jefferson- Judge Stafford, we are all wishing you well on your retirement, now that you have worked so hard and so long it is your time to enjoy the fruits that has come from all your labor; God bless you and enjoy your retirement.

d. Nora Hodges- September is Commute Solutions Month. H-GAC features Four Commute Solutions Partner Programs.

Thank you to the Prairie View Volunteer Fire Fighting Associate for the “Unsung Hero Award” presented to me at their Annual Banquet on August 26, 2023, at Prairie View A & M University.

The City Council convened in Executive Session at 7:19 P.M.

Executive Session closed at 7:39 P.M.

No action was taken in the Executive Session.

11. Consideration and action on appointing Morris L. Overstreet as Municipal Court Judge.

Councilmember Cindy Pearce stated that she would like to see this position posted.

Councilmember Nora Hodges made a motion to appoint Morris L. Overstreet as Municipal Court Judge. Councilmember Mildred Jefferson seconded the motion and carried unanimously. **AYES**-Mayor Pro-Tem Lonnie Garfield, Councilmember Karon Neal, Councilmember Nora Hodges, Councilmember Mildred Jefferson. **NO**-Councilmember Cindy Pearce. Motion carried.

12. Adjourn City Council Meeting.

Councilmember Mildred Jefferson made a motion to adjourn the meeting at 7:40 P.M. Mayor Pro-Tem Lonnie Garfield seconded the motion and carried unanimously.

**STATE OF TEXAS
COUNTY OF WALLER
CITY OF HEMPSTEAD**

BE IT REMEMBERED that on the 8th day of September A.D., 2023 at 4:00 P.M. the City Council met in a Budget Workshop at the Hempstead City Hall, 1125 Austin Street, Hempstead, Texas, there being present, to-wit:

Erica Gillum, Mayor
Lonnie Garfield, Mayor Pro-Tem
Cindy Pearce, Councilmember
Karon Neal, Councilmember
Nora Hodges, Councilmember
Mildred Jefferson, Councilmember (Absent)

Sabrina Alvarez, City Secretary

1. Call to order and invocation.

Mayor Erica Gillum called the meeting to order at 4:08 P.M. and Public Works Director Fredrick Alexander gave the invocation.

2. Pledge of Allegiance.

The Pledge of Allegiance was given.

3. Public Comments.

No Public Comments.

4. Discussion on 2023-2024 Budget

Discussion was held on proposed 2023-2024, Alan Younts, the city's part time financial consultant presented to council some worksheets stating that we need to increase revenue or cut expenditures. Capital equipment is always a big hit Councilmember Nora Hodges stated that she talked to all the department heads and supervisors and asked them about salaries and equipment needed. He stated that tax notes can be used to fund the equipment and won't affect the budget. Supervisors and departments heads spoke about salaries and equipment needed. Mayor Pro-Tem Lonnie Garfield stated that employees are important and the most asset. Chief David Hartley stated that he recommends the step program to retain his police officers, he has had zero applicants. Councilmember Cindy Pearce wants to give raises to the police officers and three supervisors only. Councilmember Nora Nodges would like to give a 3% raise only for certain employees, not all. Mayor Pro-Tem Lonnie Garfield would like to give 5% across the board. Councilmember Karon Neal would like to give 5% across the board. Councilmember Nora Hodges made a motion to give a 3% across the board, except for the police officers and supervisors. No one seconded the motion.

Mayor Pro-Tem Lonnie Garfield made a motion to approve a 5% raise across the board except for the police department with the step program and the managers and supervisors. Councilmember

Karon Neal seconded the motion. NO-Councilmember Cindy Pearce, Councilmember Nora Hodges. AYES-Mayor Pro-Tem Lonnie Garfield, Councilmember Karon Neal and Mayor Erica Gillum broke the tie and voted. ABSENT-Councilmember Mildred Jefferson.

Adjourn City Council Meeting.

Councilmember Nora Hodges made a motion to adjourn the meeting at 6:09 P.M. Mayor Pro-Tem, Lonnie Garfield seconded the motion and it carried.

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

/s/: Erica Gillum, Mayor

ATTEST:

/s/: Sabrina Alvarez, City Secretary



City of Hempstead

1125 Austin Street • Hempstead, Texas 77445 • Tel: 979-826-2486 • Fax: 979-826-6703

RESOLUTION NO. 23-_____

HEMPSTEAD ECONOMIC DEVELOPMENT CORPORATION 4A AND 4B 2022-2023 FISCAL BUDGET

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

That the City Council approves and adopts the Hempstead Economic Development Corporation's 4A and 4B 2023-2024 Fiscal Budget attached as Exhibit "A".

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

Erica Gillum, Mayor

ATTEST:

Sabrina Alvarez, City Secretary

Hempstead Economic Development Corporation

4A - Annual Budget

Budget Report 2023 - 2024

Income:

1/2 Cent Sales Tax-
Interest Income

4A

\$294,521.83

\$ 5,000

Salaries	\$ 25,116
Part time Salary	\$ 12,480
Director/GSLI YEARLY Salary	\$ 43,380
Social Security	\$ 1,925
TMRS - Retirement Plan	\$ 1,982
Health Insurance	\$ 5,184
Unemployment - Insurance	\$ 135
Workers Compensation	\$ 103
Maintenance (Equipment)	\$ 250
Maintenance (Building & Grounds)	\$ 500
Postage	\$ 250
Office Supplies (pens& paper)	\$ 2,500
Janitorial Supplies (Cleaning)	\$ 250
Departmental Supplies (electronics)	\$ 2,500
Telephone	\$ 800
Dues, Fees & Subscriptions(rent, service fees & memberships)	\$ 15,000
Attorney Fees - Legal Counsel	\$ 7,500
Travel & Training	\$ 5,000
Capital Outlay(furniture, equipment & security)	\$ 15,000
Board Expenses(Training & travel)	\$ 5,000
Social Networking	\$ 2,500
WCEDP Membership	\$ 1,500
Real Estate Maintenance (HEDC LAND)	\$ 4,200

Total:

\$ 153,055

Business Park I
Sign Repair/Replacement
Utilities - Budget for 4A Only - Business Park Reading

\$ 500
\$ 2,500

4A Projects:
GSLI Trade Show Marketing
Economic Dev. Marketing
HEDC RFQ PROJECT

Total:

\$ 150,000
\$ 2,750
\$ 2,000
\$ 150,000
\$ 304,750

Hempstead Economic Development Corporation

4B - Annual Budget

Budget Report 2023 - 2024

Income:

1/2 Cent Sales Tax
Interest Income

4B

\$294,521.83

\$ 5,000

Salaries	\$ 25,116
Part time Salary	\$ 12,480
Director/GSLI YEARLY Salary	\$ 43,380
Social Security	\$ 1,925
TMRS - Retirement Plan	\$ 1,982
Health Insurance	\$ 5,184
Unemployment - Insurance	\$ 135
Workers Compensation	\$ 103
Maintenance (Equipment)	\$ 250
Maintenance (Building & Grounds)	\$ 500
Postage	\$ 250
Office Supplies (pens & paper)	\$ 2,500
Janitorial Supplies (Cleaning)	\$ 250
Departmental Supplies(electronics)	\$ 2,500
Telephone	\$ 800
Dues, Fees & Subscriptions(rent, service fees & memberships)	\$ 15,000
Attorney Fees - Legal Counsel	\$ 7,500
Travel & Training	\$ 5,000
Capital Outlay(furniture, equipment & security)	\$ 15,000
Board Expenses (training & travel)	\$ 5,000
Social Networking	\$ 2,500
WCEDP Membership	\$ 1,500
Real Estate Maintenance (HEDC LAND)	\$ 4,200

Total:

\$ 153,055

Business Park I
Sign Repair/Replacement

\$ 500

4B Projects:
GSLI Trade Show Marketing
Economic Dev. Marketing
HEDC RFQ PROJECT

Total:

\$ 350,000
\$ 2,750
\$ 2,000
\$ 150,000
\$ 504,750



City of Hempstead

1125 Austin Street • Hempstead, Texas 77445 • Tel: 979-826-2486 • Fax: 979-826-6703

ORDINANCE NO. 23-_____

AN ORDINANCE OF THE CITY OF HEMPSTEAD, TEXAS PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES FOR THE 2023 TAX YEAR AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND PAYABLE; PROVIDING FOR PENALTY AND INTEREST ON ALL TAXES NOT TIMELY PAID; PROVIDING FOR SEVERABILITY AND REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith.

WHEREAS, Section 26.05 of the Texas Tax Code provides that by September 30th or the 60th day after the date the certified appraisal roll is received by the taxing unit, the governing body of each taxing unit shall adopt a tax rate for the current tax year; and

WHEREAS, Section 26.05 of the Texas Tax Code further provides that where the tax rate consists of two components (one which will impose the amount of taxes needed to pay the City's debt service and the other which will impose the amount of taxes needed to fund maintenance and operation expenditures of the City for the next fiscal year), each of such two components must be approved separately; and

WHEREAS, the proposed tax rate for the current tax year of the City of Hempstead, Texas, consists of two such components, a tax rate of \$0.075027 on each \$100.00 of assessed valuation for debt service and a tax rate of \$0.507658 on each \$100.00 of assessed valuation to fund maintenance and operation expenditures; and

WHEREAS, by separate motions heretofore adopted by the City Council of the City of Hempstead, Texas, at a meeting of said City Council held on the 18th day of September 2023, said City Council have approved separately the tax rate heretofore specified for each of said components; and

WHEREAS, having thus separately approved the tax rate for each of such components, it is necessary and appropriate for the City Council to now formally pass, approve, and adopt a 2023 tax rate ordinance for the City of Hempstead, Texas; and

WHEREAS, all notices and hearings required by law as a prerequisite to the passage, approval, and adoption of said tax rate ordinance have been timely and properly given and held; now, therefore:

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

Section 1. The facts and recitations set forth in the preamble of this Ordinance are found to be true and correct and are hereby adopted, ratified, confirmed and incorporated herein for all purposes.

Section 2. All property including real, personal, and mixed subject to ad valorem taxation by the City of Hempstead, Texas, shall be equally and uniformly assessed for such purposes at One Hundred Percent (100%) of the fair market value of such property.

Section 3. For the purpose of paying the interest on bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City of Hempstead, Texas, including the various installments of principal due on the serial bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City as such installments shall respectively mature, and for the purpose of paying any sums borrowed in anticipation of current revenues for use in the payment of bonds and certificates of obligation and interest thereon maturing in the fiscal year 2023-2024, and for the purpose of repaying interest and making provisions for the sinking fund on such other bond issues, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness as may be authorized, there is hereby levied for the year 2023 and for each year thereafter until otherwise provided, to be assessed and collected upon all property described in Section 2 of this Ordinance, an ad valorem tax at the rate of \$0.582685 on each \$100.00 of assessed valuation for debt service.

Section 4. There is hereby levied for general purposes and use by the City of Hempstead, Texas, for the year 2023-2024, and for each year thereafter until otherwise provided, an ad valorem tax at the rate of \$0.582685 on each \$100.00 of assessed valuation on all property described in Section 2 of this Ordinance. The proceeds from such tax shall be applied to the payment of the general and current expenses, also known as maintenance and operations, of the government of the City. All such taxes shall be assessed and collected in current money of the United States of America.

**THIS TAX RATE WILL RAISE MORE TAXES FOR
MAINTENANCE AND OPERATIONS THAN LAST
YEAR'S TAX RATE.**

**THE TAX RATE WILL EFFECTIVELY BE RAISED BY
____9.46____% AND WILL RAISE TAXES FOR
MAINTENANCE AND OPERATIONS ON A \$100,000
HOME BY APPROXIMATELY \$ 26,439.00**

Section 5. All ad valorem taxes levied hereby, in the total amount of \$0.582685 on each \$100.00 of assessed valuation, as reflected by Sections 3 and 4 hereof, shall be due and payable

on or before January 31, 2024. All ad valorem taxes due the City of Hempstead, Texas, and not paid on or before January 31st following the year for which they were levied shall bear penalty and interest as prescribed in the Texas Tax Code.

Section 6. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Hempstead, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 7. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

Erica Gillum, Mayor

ATTEST:

Sabrina Alvarez, City Secretary



City of Hempstead

1125 Austin Street • Hempstead, Texas 77445 • Tel: 979-826-2486 • Fax: 979-826-6703

RESOLUTION NO. 23- 007

**ZONING MAP AMENDMENT – CLEAR CREEK DEVELOPMENT LOT 1
ACRES 25.132 FROM AR- AGRICULTURAL RESIDENTIAL TO HC –
HIGHWAY COMMERCIAL**

**BE IT RESOLVED BY THE BOARD OF PLANNING AND ZONING COMMISSION OF
THE HEMPSTEAD OF THE CITY OF HEMPSTEAD, TEXAS:**

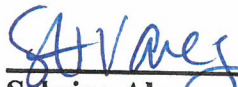
To approve ~~deny~~ a Zoning Map Amendment by changing the Zoning
Classification Clear Creek Development Lot 1 Acres 25.132 from AR –
Agricultural Residential to HC – Highway Commercial District and finding that the
amendment is in accordance with City's comprehensive plan.

PASSED AND APPROVED this the 5th day of September, A.D., 2023.

APPROVED:


John Busby, Chairman

ATTEST:


Sabrina Alvarez, City Secretary



City of Hempstead

1125 Austin Street • Hempstead, Texas 77445 • Tel: 979-826-2486 • Fax: 979-826-6703

ORDINANCE NO. 23-_____

AN ORDINANCE OF THE CITY OF HEMPSTEAD, TEXAS PROVIDING THAT THE CODE OF ORDINANCES OF THE CITY OF HEMPSTEAD BE AMENDED BY AMENDING THE ZONING MAP SO THAT PROPERTY DESCRIBED AS CLEAR CREEK DEVELOPMENT LOT 1, ACRES 25.132 SHALL BE CHANGED FROM AR-AGRICULTURAL RESIDENTIAL DISTRICT CLASSIFICATION AND BECOME AND BE DESIGNATED AS HC – HIGHWAY COMMERCIAL DISTRICT CLASSIFICATION; PROVIDING FOR PENALTIES; PROVIDING A SAVINGS CLAUSE; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the Owner of a tract of land has made application to the City to designate the zoning classification of said tract of land, same being more particularly described as Clear Creek Development Lot 1 Acres 25.132 to HC – Highway Commercial District; and

WHEREAS, the Planning and Zoning Commission has conducted a Public Hearing on September 5, 2023, at 5:00 P.M. on such request, in the time and manner required by law and the Zoning Ordinance of the City; and

WHEREAS, the City Council of the City conducted a Public Hearing on such request on September 18, 2023, at 6:00 P.M. in the time and manner required by law and the Zoning Ordinance of the City; and

WHEREAS, the proposed zoning is to recognize changing conditions and circumstances in the area near the property to be rezoned; and

BE IT ORDAINED BY THE CITY COUNCILMEMBERS OF THE CITY OF HEMPSTEAD, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct and are incorporated herein for all purposes.

Section 2. That pursuant to the Code of Ordinances of the City of Hempstead, Texas, the zoning map is amended as follows: **CLEAR CREEK DEVELOPMENT LOT 1 ACRES 25.132** which is currently zoned **AR**, shall be changed to be designated and classified as **HC** Zoning district and the Zoning Map shall be amended accordingly.

Section 3. That a violation of this ordinance shall be a Class C misdemeanor and the penalty for violating this Ordinance shall be a maximum fine of \$2,000.00, and each day a violation exists shall be a separate offense.

Section 4. That if any provision of this Ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and affect the same as if such invalid or unconstitutional provision had never been a part hereof.

Section 5. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law, and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

Erica Gillum, Mayor

ATTEST:

Sabrina Alvarez, City Secretary

City of Hempstead

Zoning Map Amendment (Rezoning) Form

NOTE: Please print all information requested below.

Number _____

Date 8-10-23

Name of Applicant Derek Nelson

Applicant's Signature [Signature]

Current Address 1653 Lakeview Dr

Sealy, TX 77474

Phone 979-885-8435

Address of the property you seek to have rezoned 0 Mack Washington Ln Hempstead, TX 77445

Legal description of the property S432500 Clear Creek Development

Subdivision

Block 1 Lot 25.132 Parcel _____ Lot Width _____ Lot Depth _____

Legal capacity in which you are applying for this rezoning:

☒ Owner

☐ Representative of the owner

☐ Other (explain below)

Current zoning classification of the property: Agricultural Residential
Residential, with Ag Exemption

Requested zoning classification: Highway Commercial - HC

Reasons supporting your requested rezoning: Land surrounding property is primarily
Commercial and its location near HWY 290 and FM 1488 is
ideal for commercial use.

Current land use activities abutting the subject property:

On the North: Unsubdivided Land

On the South: Land dugout for 290, Pilot truckstop, Restaurants

On the East: KC Hall and Industrial Building

On the West: Clear Creek

9/5/23

Public hearing date for the Planning & Zoning Commission

8/16/23

Date notice sent to abutting property owners. (Not less than ten days before the public hearing date.)

8/15/23

Date notice published in a local newspaper. (Not less than fifteen days before the public hearing date.)

Planning Commission Report Recommendations and reasons supporting the recommendations of the Planning & Zoning Commission:

Protest by 20% or more of abutting property owners? ☐ Yes ☐ No

9/18/23

Public hearing date for the City Council.

8/10/23

Date notice sent to abutting property owners. (Not less than ten days before the public hearing date.)

8/15/23

Date notice published in a local newspaper. (Not less than fifteen days before the public hearing date.)

Decision of the City Council: ☐ Rezoning request approved ☐ Rezoning request denied

Reasons given for the City Council's decision:





Property ID# 257912

[View Detailed Property Information](#)

Property Information

GEO ID: 432500-000-001-000

Legal Description: S432500 CLEAR CREEK
DEVELOPMENT LOT 1 ACRES 25.132

Property Location

MACK WASHINGTON HEMPSTEAD, TX 77445

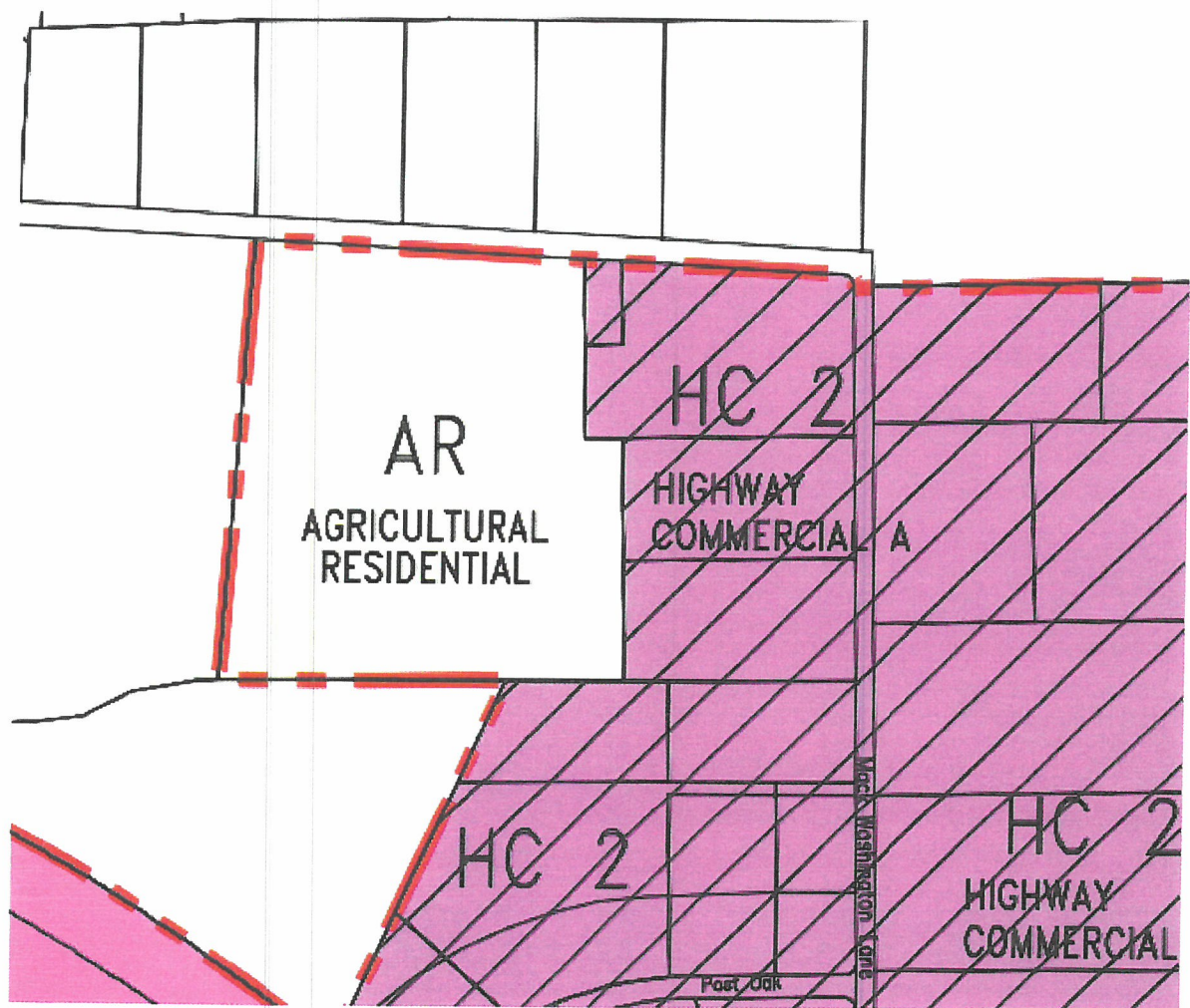
Ownership Information

LEWIS JOHN JR RECEIVER
600 TRAVIS ST SUITE 3400
HOUSTON, TX 77002

[Zoom to](#)

300ft

9/6/2015 2:11:13 PM





City of Hempstead

1125 Austin Street • Hempstead, Texas 77445 • Tel: 979-826-2486 • Fax: 979-826-6703

RESOLUTION NO. 23-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMPSTEAD, TEXAS APPOINTING POSITIONS AND TERMS TO THE BOARD OF DIRECTORS OF THE CITY OF HEMPSTEAD ECONOMIC DEVELOPMENT CORPORATION 4A & 4B

* * * * *

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEMPSTEAD,
TEXAS:**

Section 1. That a position on the Type A & Type B Board of Directors of the Hempstead Economic Development Corporation became available due to the resignation of a Board member.

Section 2. That the following persons are appointed to Board of Directors for the City of Hempstead Economic Development Corporations:

4A Board:

Brent Rystrom- President (1-year term; October 1, 2022 – September 31, 2024)

4B Board:

Kenneth Pilcher – Position 4 (1-year term; October 1, 2022 – September 31, 2023)

Brad Austin – Position 5 (1-year term; October 1, 2022 – September 31, 2023)

PASSED AND APPROVED this the 18th day of September, A.D., 2023.

APPROVED:

Erica Gillum, Mayor

ATTEST:

Sabrina Alvarez, City Secretary



City of Hempstead, Texas

2023 Electric, Water, Wastewater and Natural Gas

Rate Study and Financial Forecast

Staff Briefing

August 2023



ELECTRIC UTILITY RATE PLAN

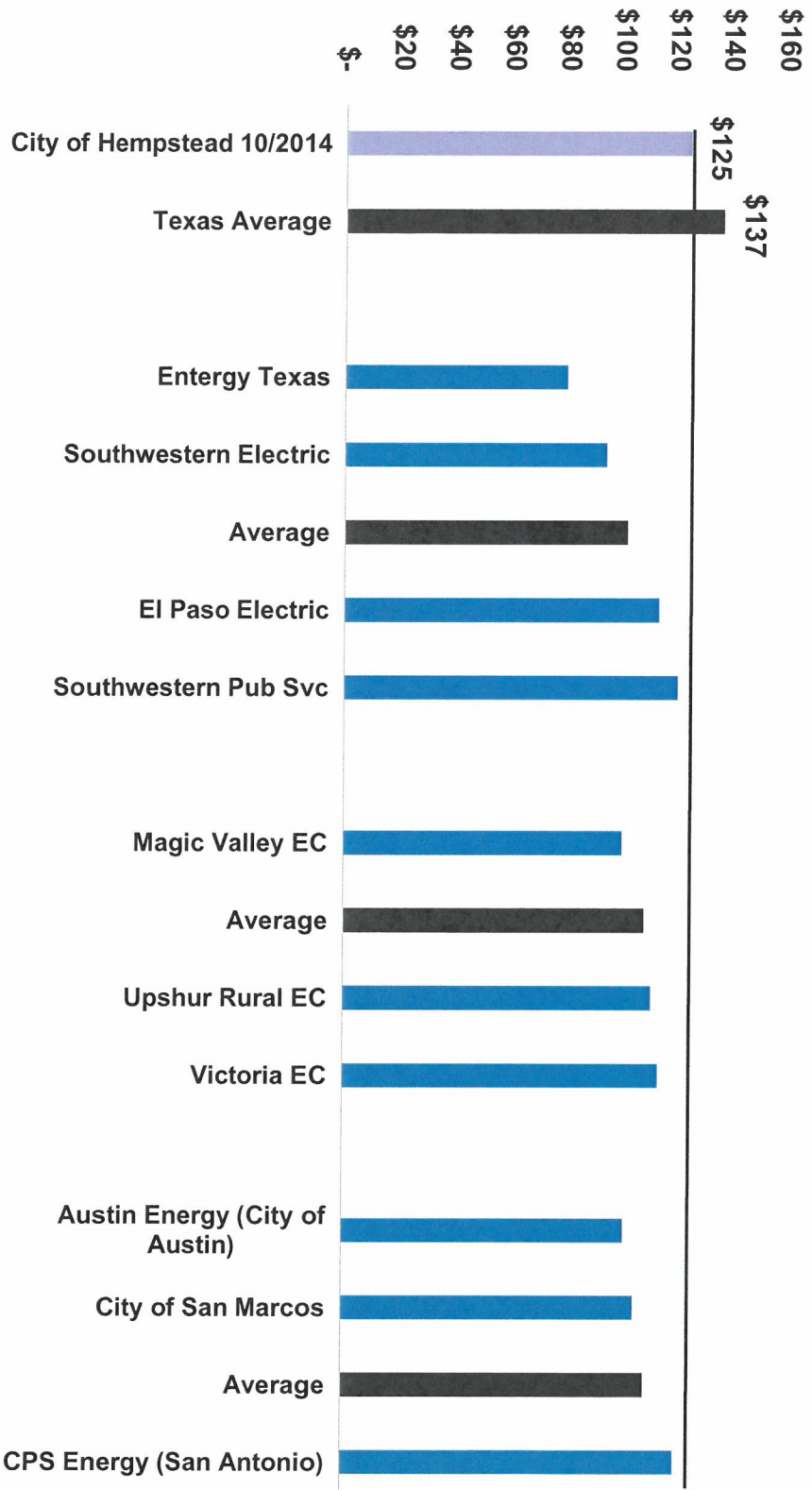
Current Electric Rate Structure

Effective October 2022



	Residential	Commercial
Customer Charge per Month	\$ 14.45	\$ 16.45
Base Rates		
All kWh	0.0407	0.0563
PCRC		
All kWh	Varies Monthly	Varies Monthly

Electric Monthly Residential Charges for 1,000 kWh Usage – August 2014



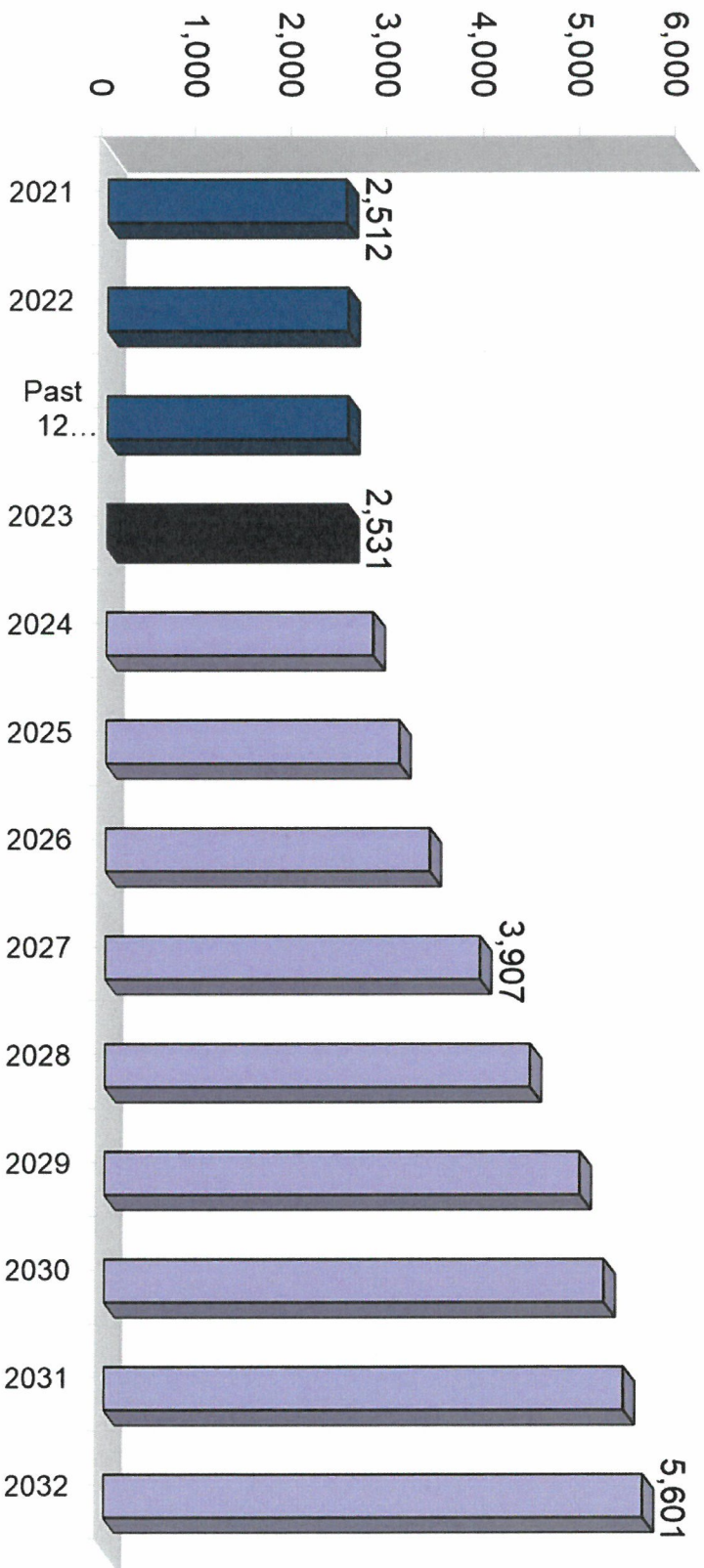
Electric 10 Year Forecast Primary Assumptions



- Most personnel/operating costs increase 3.0 – 9.0% per year
- Purchased Electric Forecast to increase 3% per year
- Electric Utility has no capital projects during forecast period
- Electric Utility has issues no new debt during the forecast period



Electric Rate Study Historical & Forecast Accounts

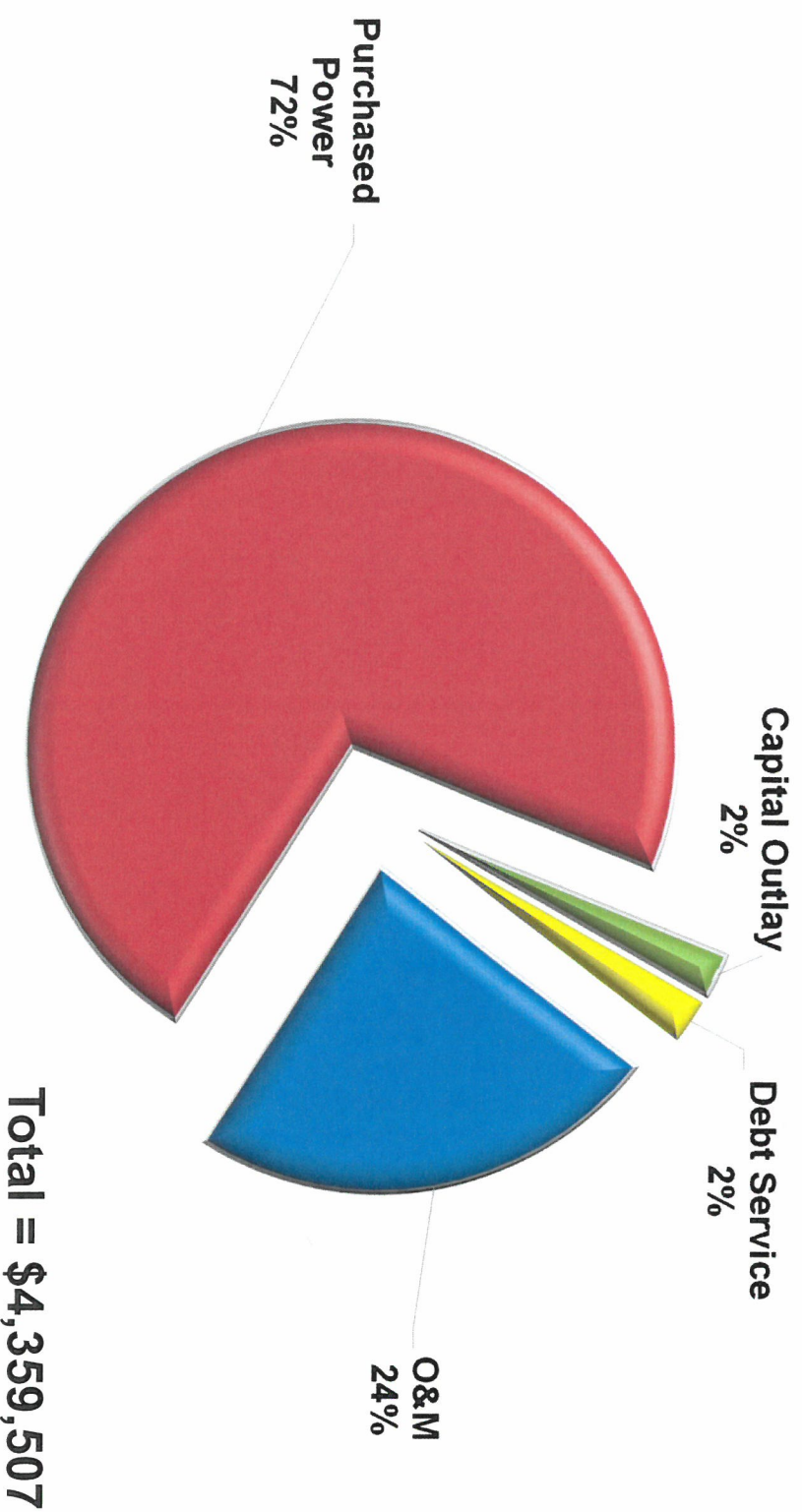


Lower Colorado River Authority Power



- The City is served by a contract with the Lower Colorado River Authority (LCRA). The contract includes the following costs:
 - **Generation -- Wholesale Power**
 - Costs assumed to increase 3% annually to coincide with inflation
 - Key power information/forecast undisclosed due to competitive concerns (per LCRA Capital Plan, page 11)
 - **Transmission**
 - According to LCRA 2023 Capital Plan, costs forecast to increase **1.5%** in FY 2024, **16.7%** FY 2025, **5.1%** FY 2026 and 3.0% afterwards
 - **Fees and Charges**
 - Assumed to increase 3.0% per year

FY 2023 Electric Cost of Service



Electric Utility Revenue Requirement



	2024	2025	2026	2027	2028
Operating	\$ 1,087,601	\$ 1,154,084	\$ 1,221,776	\$ 1,299,351	\$ 1,381,129
Purchased Power	3,284,067	3,929,933	4,248,027	4,433,660	4,655,343
Debt Service	96,683	96,769	96,790	96,748	96,643
Capital Outlays	94,819	94,819	94,819	94,819	94,819
Sub-Total	4,563,170	5,275,604	5,661,412	5,924,578	6,227,933
Less Non-Rate Revs	121,500	121,500	121,500	121,500	121,500
Net Revenue Rqmt	4,441,670	5,154,104	5,539,912	5,803,078	6,106,433

Electric Utility Rate Plan



- City's current customer and energy charge is sufficient to cover non-generation costs
- **No customer/energy rate adjustment required for 3-5 years**
- However, PCRC must continue to be recalculated monthly and is forecast to increase over next five years

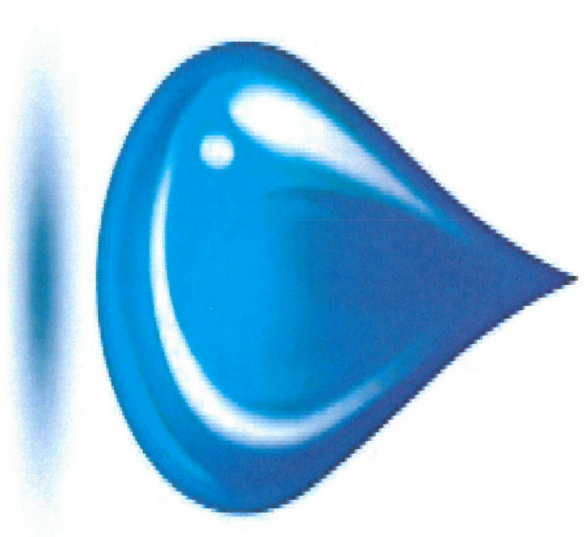


Electric - Residential

Impact on Monthly Bills (Base and PCRC)



KWh	Current	Effective Oct-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
500						
Total	\$ 69.05	\$ 70.07	\$ 71.13	\$ 72.22	\$ 73.34	\$ 74.50
Increase		1.03	1.06	1.09	1.12	1.16
		1.5%	1.5%	1.5%	1.6%	1.6%
1,000						
Total	123.64	125.69	127.81	129.99	132.24	134.55
Increase		2.05	2.12	2.18	2.25	2.31
		1.7%	1.7%	1.7%	1.7%	1.7%
2,000						
Total	232.83	236.94	241.17	245.53	250.02	254.65
Increase		4.11	4.23	4.36	4.49	4.63
		1.8%	1.8%	1.8%	1.8%	1.8%



WATER AND WASTEWATER RATE PLAN

Current Water & WW Rate Structure



CURRENT WATER RATES EFFECTIVE 10/2022

	<u>Residential</u>	<u>Commercial</u>
--	--------------------	-------------------

Base Rate	\$ 31.95	\$ 32.95
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Volume Rate/1,000 Gal		
All Usage	\$ 4.18	\$ 5.06

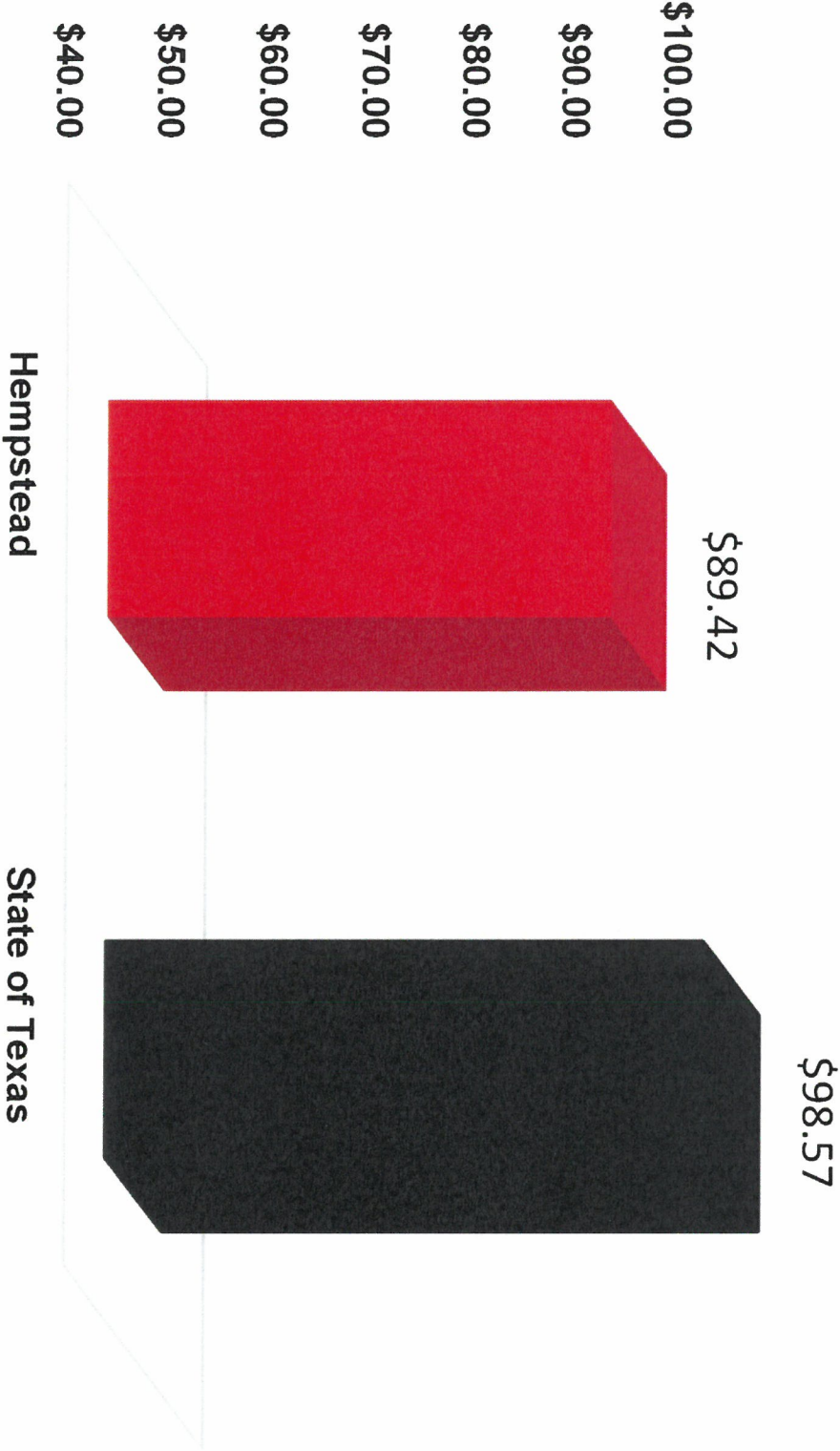
CURRENT SEWER RATES EFFECTIVE 10/2022

	<u>Residential</u>	<u>Commercial</u>
--	--------------------	-------------------

Customer Charge	\$ 36.57	\$ 55.65
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Volume Rate/1,000 Gal		
Water Usage	NA	\$ 2.94

Average Monthly Bill Comparison 5,000 Gallons W & WW



W and WW 10 Year Forecast Primary Assumptions



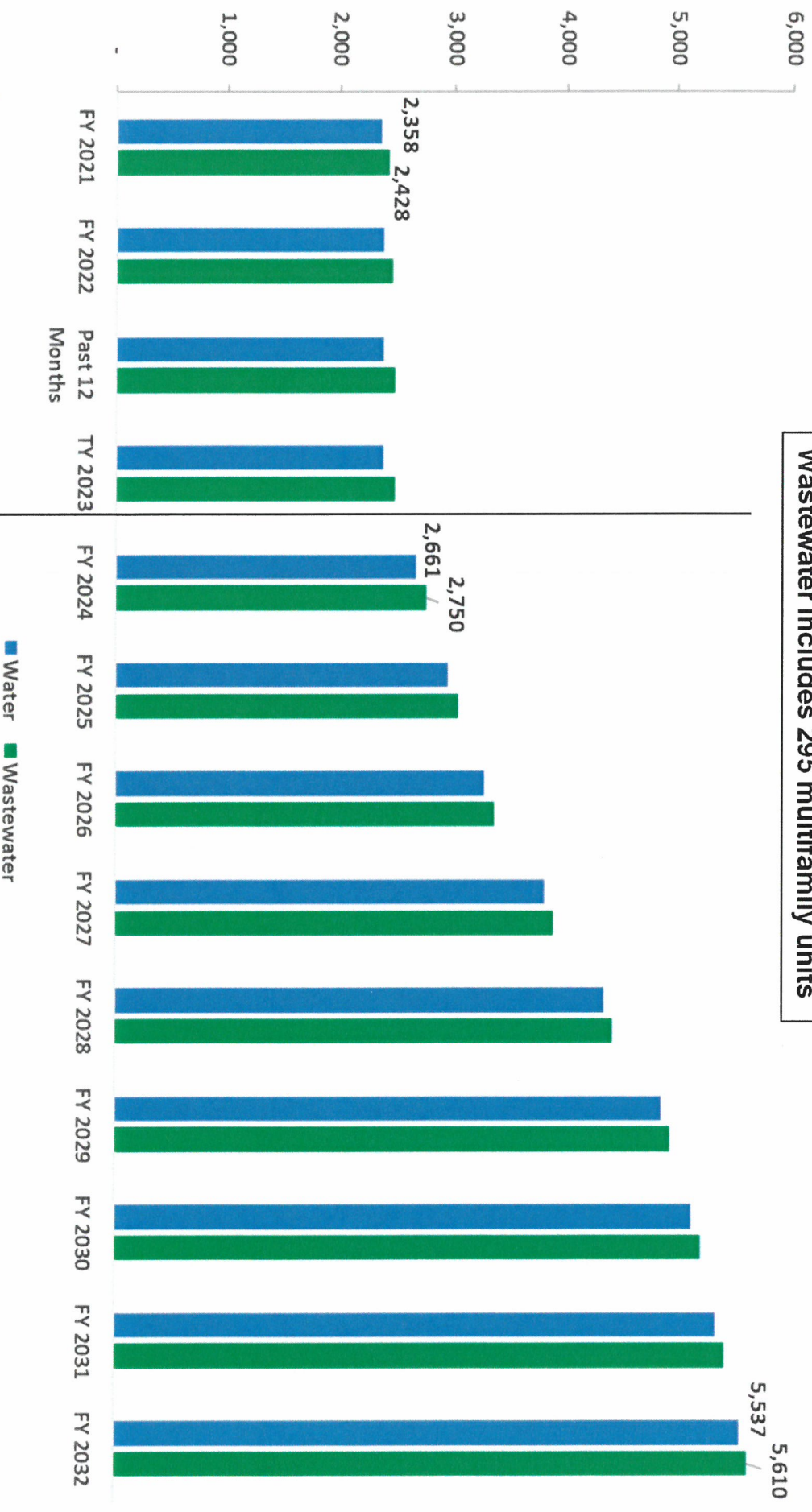
- Most personnel/operating costs increase 3.0 – 4.5% per year
- Some expenses have higher percent increases – chemicals, health insurance, etc.
- Customers increase an average annual **8-10%** per year – due primarily to a significant increase in housing developments beginning in 2024
- **Biggest impact on cost of service – debt issued to fund CIP**



Historical/Forecast Water & WW Accounts



Wastewater includes 295 multifamily units



Water and WW Debt Issuances



	Water	Wastewater	Total
2023	\$ -	\$ -	\$ -
2024	1,000,000	4,000,000	5,000,000
2025	-	11,000,000	11,000,000
2026	2,000,000	6,000,000	8,000,000
2027	8,000,000	-	8,000,000
2028	-	-	-
TOTAL	11,000,000	21,000,000	32,000,000

- City has identified \$101,937,000 in long-term capital improvement needs
- For this rate plan City has chosen to fund 50% of CIP over next 5 years
 - \$32,000,000 -- long-term debt
 - \$12,000,000 -- impact fees
 - \$6,000,000 -- direct funding/reserves

Water Utility

Forecast Revenue Requirement



	2024	2025	2026	2027	2028
WATER Revenue Requirement					
Operating	\$ 834,343	\$ 890,523	\$ 946,027	\$ 1,004,660	\$ 1,080,207
Capital Outlay	49,013	49,013	49,013	49,013	49,013
Debt Service	584,315	668,602	668,339	813,655	1,399,265
Total Cost of Service	1,467,671	1,608,138	1,663,378	1,867,327	2,528,484
Less Non-Rate Revenues	84,000	84,000	84,000	84,000	84,000
Net Revenue Rqmt	1,383,671	1,524,138	1,579,378	1,783,327	2,444,484
WASTEWATER Revenue Requirement					
Operating	\$ 833,583	\$ 892,175	\$ 950,918	\$ 1,013,253	\$ 1,093,815
Capital Outlay	39,013	39,013	39,013	39,013	39,013
Debt Service	416,708	744,568	1,552,368	1,994,509	1,997,539
Total Cost of Service	1,289,303	1,675,756	2,542,299	3,046,774	3,130,366
Less Non-Rate Revenue	69,500	69,500	69,500	69,500	69,500
Net Revenue Rqmt	1,219,803	1,606,256	2,472,799	2,977,274	3,060,866

Water and WW Rate Plan

\$50M in CIP Funding



	Current	Effective Oct-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Water Rates						
Residential						
Minimum Charge	\$ 31.95	\$ 32.59	\$ 33.24	\$ 33.91	\$ 34.58	\$ 35.28
Volume Rate Per 1,000 Gal	4.18	4.26	4.35	4.44	4.52	4.62
Compound/Commercial						
Minimum Charge	32.95	33.61	34.28	34.97	35.67	36.38
Volume Rate Per 1,000 Gal	5.06	5.16	5.26	5.37	5.48	5.59
Wastewater Rates						
Residential						
Minimum Charge	36.57	39.13	41.87	44.80	47.94	51.29
Commercial						
Minimum Charge	55.65	59.55	63.71	68.17	72.95	78.05
Volume Rate Per 1,000 Gal	2.94	3.15	3.37	3.60	3.85	4.12

Residential Impact of W/WW Rate Plan

50% in CIP Funding



Monthly Gallons	Current	Effective Oct-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
5,000	\$ 89.42	\$ 93.04	\$ 96.85	\$ 100.88	\$ 105.14	\$ 109.64
Increase		3.62	3.82	4.03	4.26	4.50
		4.0%	4.1%	4.2%	4.2%	4.3%
10,000	110.32	114.35	118.60	123.06	127.77	132.72
Increase		4.03	4.24	4.47	4.70	4.95
		3.7%	3.7%	3.8%	3.8%	3.9%
20,000	152.12	156.99	162.09	167.42	173.01	178.87
Increase		4.87	5.10	5.34	5.59	5.86
		3.2%	3.2%	3.3%	3.3%	3.4%



GAS UTILITY RATE PLAN

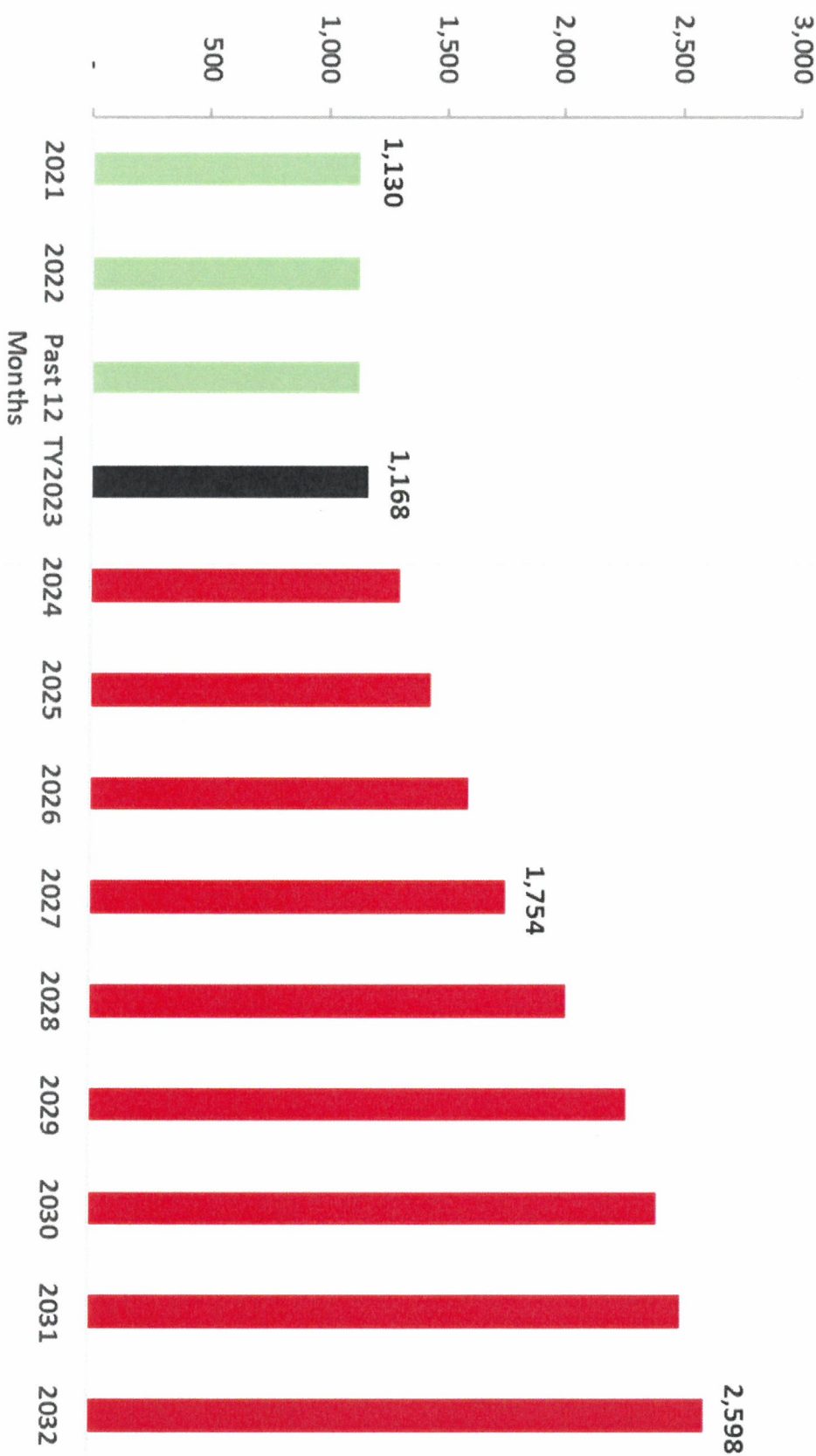
Current Gas Rates

Effective 10/2014

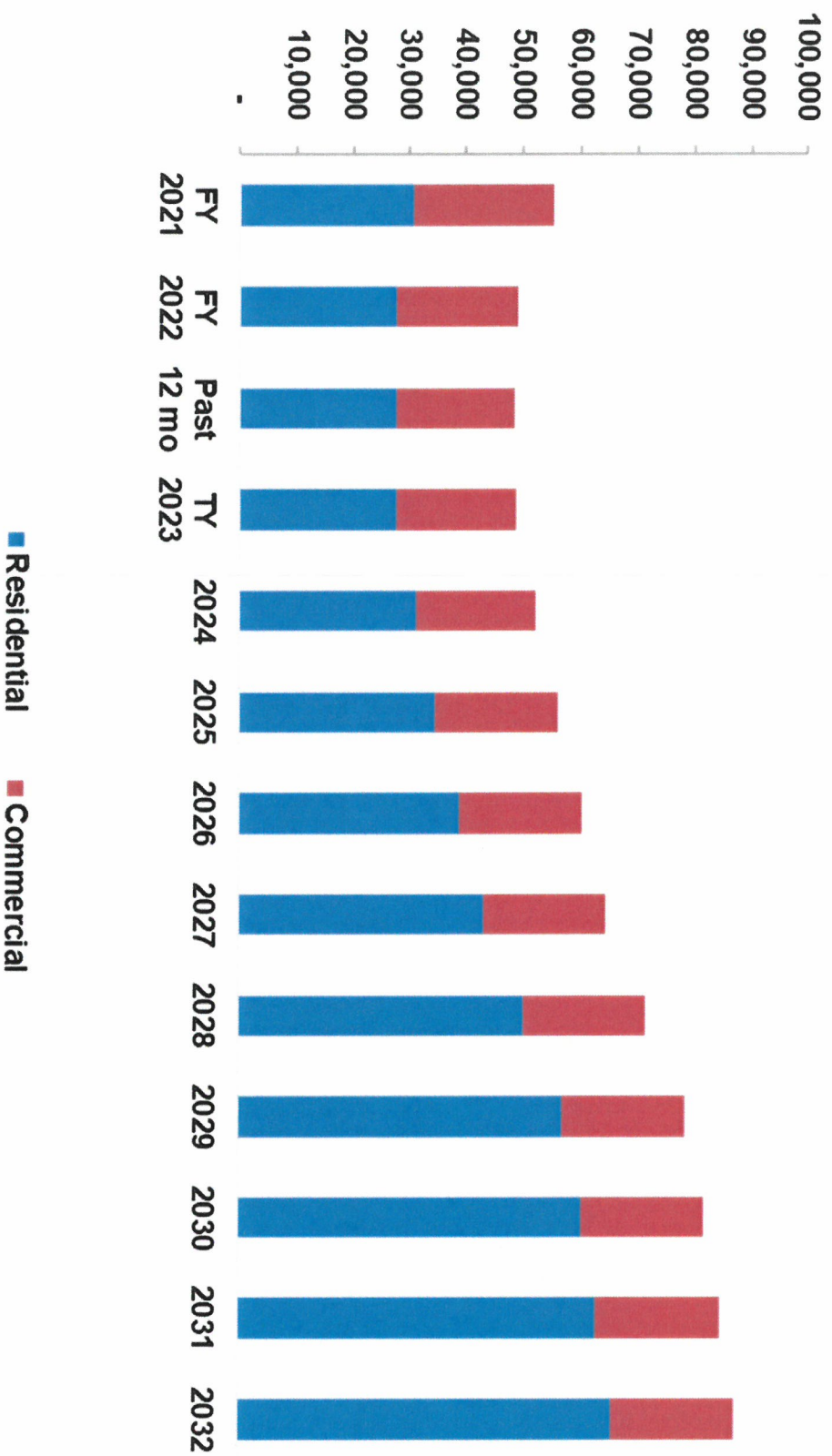


	Residential	Commercial
Base Charge	\$ 12.23	\$ 16.17
Usage Charge (per MCF)		
0 - 1,000	7.43	9.90
1,001 Above	7.43	7.43
Monthly Variable Charge	Calculated Monthly	

Historical and Forecast Accounts

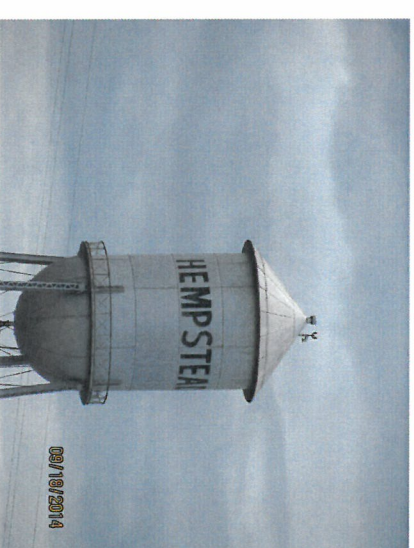


Historic and Forecast Gas Usage

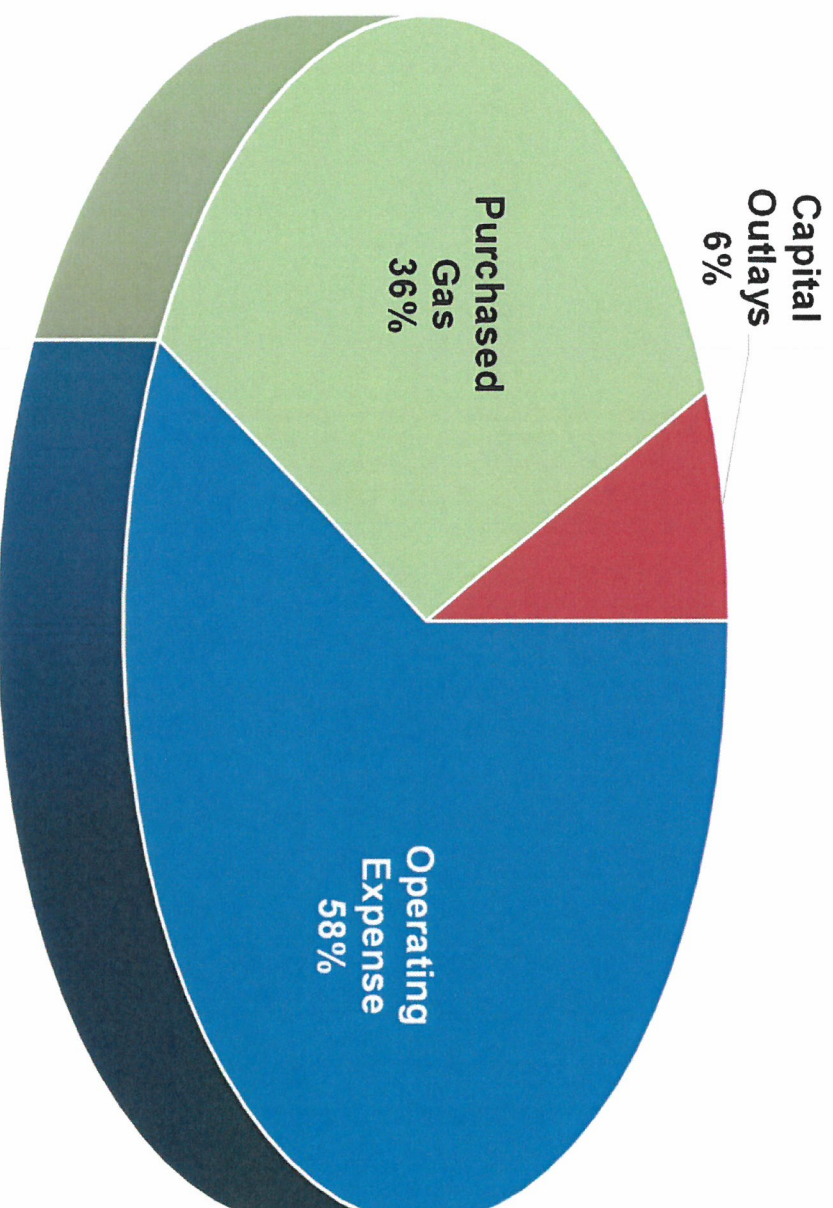
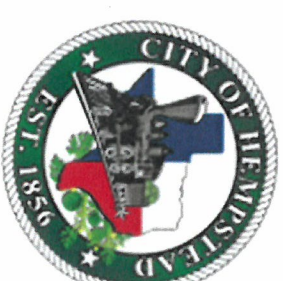


Gas 10 Year Forecast Primary Assumptions

- Most personnel/operating costs increase 3.0 – 9.0% per year
- Purchased Gas Forecast to increase 3% per year
- Commodity costs over \$2.47 per MCF is passed on to customers with line loss consideration
- Gas Utility has no significant capital projects or new debt during forecast period

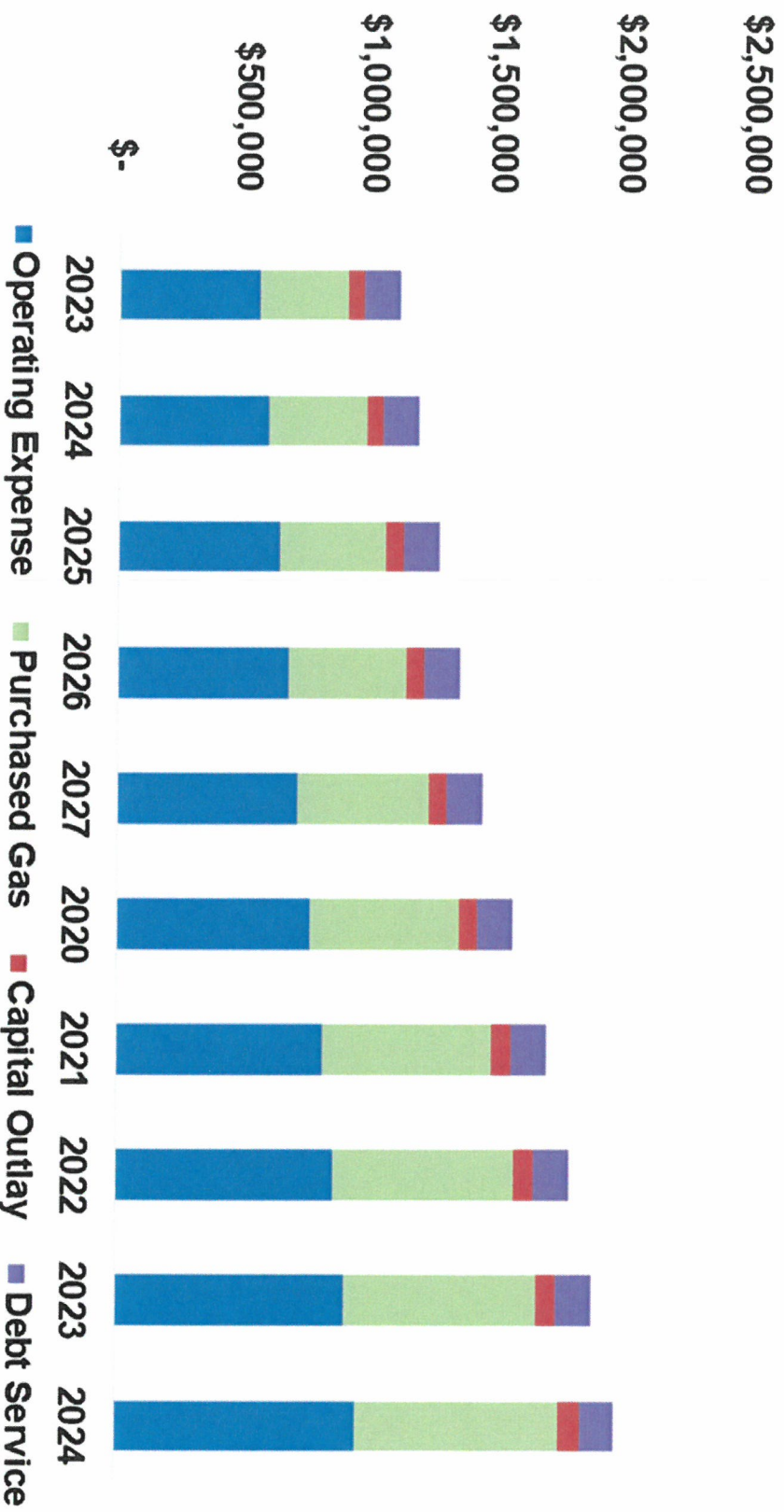


Gas Cost of Service TY 2023



Total = \$1,104,892

Gas Cost of Service Forecast 2023 - 2032



Gas Recommended Rate Plan



	Current	Effective Oct-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential						
Base Charge	\$ 12.23	\$ 13.21	\$ 14.00	\$ 14.56	\$ 14.85	\$ 14.85
Monthly Variable Charge Per	6.90	7.11	7.32	7.54	7.77	8.00
Usage Charge Per MCF	7.43	8.02	8.51	8.85	9.02	9.02
Residential Monthly Charges						
3 MCF	\$ 55.22	\$ 58.60	\$ 61.48	\$ 63.72	\$ 65.22	\$ 65.92
Increase		3.38	2.88	2.24	1.50	0.70
		6.1%	4.9%	3.6%	2.4%	1.1%
10 MCF	155.53	164.52	172.26	178.42	182.74	185.07
Increase		8.99	7.74	6.16	4.32	2.33
		5.8%	4.7%	3.6%	2.4%	1.3%

Summary of Rate Plan Impacts Residential Customers



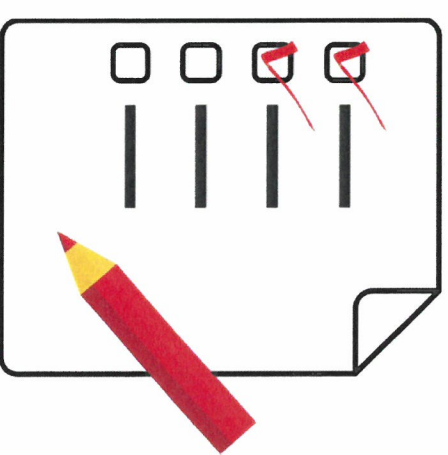
	Current	Effective Oct-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Electric						
1,000 kWh	\$ 123.64	\$ 125.69	\$ 127.81	\$ 129.99	\$ 132.24	\$ 134.55
Water						
5,000 Gallons	52.85	53.91	54.99	56.08	57.21	58.35
Wastewater						
Monthly Charge	36.57	39.13	41.67	44.80	47.94	51.29
Gas						
3 MCF	55.22	58.60	61.48	63.72	65.22	65.92
Total Monthly Charges	268.28	277.34	285.95	294.59	302.61	310.11
Increase - \$		9.06	8.61	8.64	8.02	7.50
Increase - %		3.4%	3.1%	3.0%	2.7%	2.5%

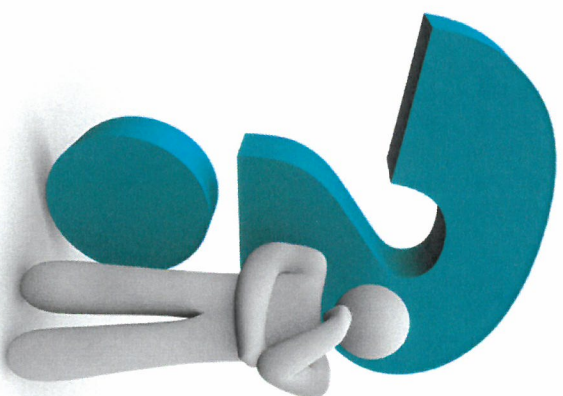
Presentation Summary

Next Steps



- Will enable the City to fully fund all maintenance, operating and construction costs for each utility
- Will provide for each Utility to be self-sufficient with no need for General Fund subsidies
- Will enable City to invest \$50 million million to maintain and improve the water and wastewater system
- Enables the City to continually provide safe and reliable electric, drinking water, wastewater and natural gas service





QUESTIONS?

Total Payments YTD: **\$6,372,962,968.27**; Total Prior Year Payment YTD: **\$6,047,500,531.50**; Percent Change: **5.38%**

Search Table Search

City	Net Payment This Period	Comparable Payment Prior Year	% Change	Payment YTD	Prior Year Payment YTD	% Change
Haskell	\$59,293.86	\$56,226.76	5.45%	\$616,692.89	\$580,015.69	6.32%
Haslet	\$544,817.63	\$628,912.18	-13.37%	\$4,562,632.46	\$5,014,441.46	-9.01%
Hawk Cove	\$2,001.44	\$1,825.92	9.61%	\$19,739.29	\$20,869.09	-5.41%
Hawkins	\$48,152.36	\$33,040.59	45.73%	\$388,555.50	\$322,074.18	20.64%
Hawley	\$35,577.94	\$37,023.74	-3.90%	\$306,523.31	\$261,258.16	17.32%
Hays	\$1,823.14	\$2,008.79	-9.24%	\$17,112.20	\$17,836.16	-4.05%
Hearne	\$215,263.76	\$135,425.13	58.95%	\$1,898,950.19	\$1,134,669.60	67.35%
Heath	\$253,727.56	\$217,181.95	16.82%	\$2,390,258.15	\$2,090,334.94	14.34%
Hebron	\$11,214.46	\$10,690.53	4.90%	\$128,321.18	\$97,769.35	31.24%
Hedley	\$625.38	\$700.80	-10.76%	\$9,615.02	\$8,613.03	11.63%
Hedwig Village	\$257,794.94	\$154,735.16	66.60%	\$2,408,933.91	\$1,623,238.90	48.40%
Helotes	\$962,712.59	\$1,317,547.60	-26.93%	\$7,882,949.93	\$11,334,228.40	-30.45%
Hemphill	\$44,036.85	\$37,691.97	16.83%	\$466,959.44	\$442,545.49	5.51%
Hempstead	\$187,072.86	\$161,531.35	15.81%	\$1,793,374.10	\$1,732,080.42	3.53%
Henderson	\$715,039.46	\$647,039.64	10.50%	\$6,941,729.64	\$5,987,438.45	15.93%
Henrietta	\$68,203.95	\$59,413.85	14.79%	\$707,844.59	\$627,422.41	12.81%
Hereford	\$271,064.86	\$270,851.04	0.07%	\$2,725,185.60	\$2,579,185.75	5.66%
Hewitt	\$343,031.14	\$313,190.44	9.52%	\$3,361,826.59	\$3,086,381.33	8.92%
Hickory Creek	\$205,929.84	\$193,555.64	6.39%	\$1,898,782.94	\$1,672,866.54	13.50%
Hico	\$44,915.39	\$43,542.49	3.15%	\$407,728.43	\$434,034.55	-6.06%

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If you have questions about Tax Allocation Payment Distribution Schedule, please contact Tax Allocation [mailto:Taxalloc.RevAcct@cpa.texas.gov].