

CITY OF HUNTSVILLE, TEXAS

Russell Humphrey, Mayor

Jon Strong, Ward 4, 2023 Chairman
Karen Denman, At-Large Position 2



Vicki McKenzie, At-Large Position 3
Pat Graham, At-Large Position 4

CITY COUNCIL FINANCE COMMITTEE AGENDA

TUESDAY, DECEMBER 17, 2024, 8:30 AM

Huntsville City Hall, 1220 11th Street, Huntsville, Texas, 77340

Persons with disabilities who plan to attend this meeting and may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5413) two working days prior to the meeting for appropriate arrangements.

1 CALL TO ORDER

2 DISCUSSION/CONSIDERATION

The Finance Committee will hear presentations, discuss, and may consider recommendations to the City Council on the following items.

- a** Consider and approve the minutes of the December 3, 2024 Finance Committee meeting.
Steve Ritter, Finance Director
- b** Discussion of proposed budget amendments.
Steve Ritter, Finance Director
- c** Discussion on drainage/ stormwater projects
Steve Ritter, Finance Director
- d** Discussion on wastewater/sewer projects and possible funding
Steve Ritter, Finance Director
Kathlie Jeng-Bulloch, City Engineer

3 ADJOURNMENT

CERTIFICATE

I do hereby certify that the above notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.HuntsvilleTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: December 13, 2024

Kristy Doll

TIME OF POSTING: 11:00 a.m.

Kristy Doll, City Secretary

TAKEN DOWN:



CITY COUNCIL FINANCE COMMITTEE AGENDA

12/17/2024

Agenda Item Number: 2.a.

Agenda Item: Consider and approve the minutes of the December 3, 2024 Finance Committee meeting.

Initiating Department/Presenter: Finance

Presenter:
Steve Ritter, Finance Director

Discussion: Consider and approve the minutes from the Finance Committee meeting on December 3, 2024

Financial Implications:

Associated Information:

1. Fin Comm Minutes 12.03.2024

Finance Committee Minutes

December 3, 2024

Members Present: Jon Strong, Karen Denman, Vicki McKenzie, and Pat Graham

Staff Present: Sam Masiel, Steve Ritter

The agenda items discussed were:

- Approved the minutes from the November 19, 2024, meeting.
- Kathlie discussed the wastewater drainage projects we had been earmarked for debt issuance. Steve commented on the process of proceeding with the revenue bonds. Steve stated that we could issue the debt in February of this year and that a debt payment for these projects would not be made until FY 2026. Steve indicated that this debt issuance is going to affect the wastewater rates. Kathlie reminded the committee that the \$30M does not include costs for the WWTP -ND Davidson.

The finance committee wishes to hold a workshop for the full city council to discuss the issuance of wastewater debt in December, the projects earmarked for this debt, and the effects of issuing the debt on wastewater rates.

- Steve shared a handout in regard to the impact fees - a Q&A from TML Legal. Kathlie shared some rates from other cities that are currently charging an impact fee to developers. Steve explained some of the rules/committees/plans that the City will need to have in place to go forward with these fees. The city will need to hire a consultant to help guide the city. Steve indicated that the cost of the consultant could be figured into the impact fees when all of it is completed; the city would have to pay upfront for the cost of the consultant. Kathlie has an RFQ ready to be sent out once she has approval from the City Council and the funds to hire a consultant.

The finance committee wishes to hold a workshop in January explaining these new fees to the full city council and how these fees will help the city mitigate the costs from residents to developers.

- A discussion was held on the drainage/stormwater projects. Kathlie handed out a handout and labeled the projects in her priority. She wants the CC to approve the list and the funding of approx. \$10M. The finance committee came up with projects that they wanted done first and they total approximately \$8.6M IF we get the grants mentioned in the spreadsheet. The committee asked that this item be placed back on the agenda in 2 weeks for further discussion. The committee all agreed that this money is needed urgently to mitigate additional damages.



CITY COUNCIL FINANCE COMMITTEE AGENDA

12/17/2024

Agenda Item Number: 2.b.

Agenda Item: Discussion of proposed budget amendments.

Initiating Department/Presenter: Finance

Presenter:
Steve Ritter, Finance Director

Discussion: Discussion of proposed budget amendments.

Financial Implications:

Associated Information:

1. BAs Economic Development Zenner USA

	Budget Amendments FY 24-25 Finance Committee - December 19, 2024
--	---

Exhibit A	Increase:	Economic Development Fund - Payments-Economic Development	\$ 175,000
	Decrease:	Economic Development Fund - Fund Balance	\$ 175,000

Explanation:

The City Council approved a Chapter 380 Agreement with Zenner USA on July 5, 2023, to incentivize capital investment and job creation. The agreement pays a cash grant for jobs equivalent to \$2,000 per job up to \$100,000 and a cash grant for relocation assistance of \$75,000, payable upon project completion. Zenner USA has met the agreement requirements for the grant payments, and payments are due to Zenner USA. This budget amendment places the funds in place so the payment can be made per the agreement. The Economic Development Fund has a Fund Balance of a little over \$624,000. There is set aside/budgeted funds of \$320,000 for another agreement, which should be completed, and a payment to be provided in the next few months. Approximately \$304,000 is available for this Zenner Agreement. After the Zenner payment(s), the Fund will have approximately \$129,000 available for future agreements.



CITY COUNCIL FINANCE COMMITTEE AGENDA
--

12/17/2024

Agenda Item Number: 2.c.

Agenda Item: Discussion on drainage/ stormwater projects

Initiating Department/Presenter: Finance

Presenter: Steve Ritter, Finance Director

Discussion: Discussion on drainage/ stormwater projects
--

Financial Implications:

Associated Information:



CITY COUNCIL FINANCE COMMITTEE AGENDA

12/17/2024

Agenda Item Number: 2.d.

Agenda Item: Discussion on wastewater/sewer projects and possible funding

Initiating Department/Presenter: Finance

Presenter:

Steve Ritter, Finance Director

Kathlie Jeng-Bullock, City Engineer

Discussion: Discussion on wastewater/sewer projects and possible funding

Financial Implications:

Associated Information: