

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, JANUARY 7, 2025, 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 17, 2024 Finance Committee meeting.
Steve Ritter, Finance Director
- b** FEMA update
Greg Mathis, Fire Chief
- c** Discussion - Wastewater projects for FYs 24-25, 25-26, 26-27, projected cost, projected construction start & completion dates, anticipated debt needs, estimated annual debt service on debt issued, estimated impact on residential customer rates, other
Steve Ritter, Finance Director
Kathlie Jeng-Bulloch, City Engineer
- d** Budget Amendments
Steve Ritter, Finance Director

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: January 3, 2025

Kristy Doll

TIME OF POSTING: 11:30 a.m.

Kristy Doll, City Secretary

TAKEN DOWN:



CITY COUNCIL FINANCE COMMITTEE AGENDA

1/7/2025

Agenda Item Number: 2.a.

Agenda Item: Consider and approve the minutes of the December 17, 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 17, 2024

Financial Implications:

Associated Information:

1. Fin Comm Minutes 12.17.2024

Finance Committee Minutes

December 17, 2024

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

Staff Present: Sam Masiel, Kristy Doll, Kathlie Jeng-Bulloch, Brent Sherrod, Brian Beasley, Lance Hall, Steve Ritter

The agenda items discussed were:

- A. Consider and approve the minutes of the December 3, 2024 Finance Committee meeting.
- Vicki moved to Approve the minutes from the December 3, 2024, meeting. Pat seconded. Motion passed all ayes.
- B. Discussion of proposed budget amendments
- Vicki moved to Approve the budget amendment. Pat seconded. Motion passed all ayes.
- C. Discussion on drainage/ stormwater projects
- Kathlie led discussion concerning stormwater drainage projects and the priority of the various stormwater drainage projects listed. Also discussed were various funding methods for engineering and construction costs for the projects including grant funding, issuing debt, etc.. Timing of entering into agreements/contracts with Engineering firms and construction contractors was a major conversation topic in that entering into contracts before grants are awarded keeps the project costs from being eligible for grant funds.



CITY COUNCIL FINANCE COMMITTEE AGENDA
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1/7/2025

Agenda Item Number: 2.b.

Agenda Item: FEMA update

Initiating Department/Presenter: Finance

Presenter: Greg Mathis, Fire Chief
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Discussion: FEMA update -

Financial Implications:

Associated Information:



CITY COUNCIL FINANCE COMMITTEE AGENDA

1/7/2025

Agenda Item Number: 2.c.

Agenda Item: Discussion - Wastewater projects for FYs 24-25, 25-26, 26-27, projected cost, projected construction start & completion dates, anticipated debt needs, estimated annual debt service on debt issued, estimated impact on residential customer rates, other

Initiating Department/Presenter: Engineering

Presenter:

Steve Ritter, Finance Director

Kathlie Jeng-Bullock, City Engineer

Discussion: Discussion - Wastewater projects for FYs 24-25, 25-26, 26-27, projected cost, projected construction start & completion dates, anticipated debt needs, estimated annual debt service on debt issued, estimated impact on residential customer rates, other

Financial Implications:

Associated Information:



CITY COUNCIL FINANCE COMMITTEE AGENDA

1/7/2025

Agenda Item Number: 2.d.

Agenda Item: Budget Amendments

Initiating Department/Presenter: Finance

Presenter:
Steve Ritter, Finance Director

Discussion: Discussion and possible action on proposed Budget Amendment(s).

Financial Implications:

Associated Information:

1. BAs Fin Comm 1.7.25

	Budget Amendments FY 24-25 Finance Committee - January 7, 2025
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Exhibit A	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">Increase:</td> <td style="width: 40%;">Contributions - Customers</td> <td style="width: 50%; text-align: right;">\$ 734,800</td> </tr> <tr> <td>Increase:</td> <td>Surface Water Plant Improvements</td> <td style="text-align: right;">\$ 734,800</td> </tr> </table>	Increase:	Contributions - Customers	\$ 734,800	Increase:	Surface Water Plant Improvements	\$ 734,800	
Increase:	Contributions - Customers	\$ 734,800						
Increase:	Surface Water Plant Improvements	\$ 734,800						

	Explanation:	The City has an agreement dated June 1, 1998 with Tenaska Frontier Partners, Ltd. to provide clarified water to Tenaska's power plant approximately 25 miles west from the City of Huntsville. The agreement provides that Tenaska will pay for all costs for improvements to the TRA water plant that relate to providing Tenaska their water. Part of the Trinity River Authority's (TRA) CIP for the next several years includes improvements to the equipment and facilities to provide water to Tensaka. The estimated total cost for such is estimated to be \$4,903,500. Recently TRA provided an invoice to the City for the design cost (including "TRA labor") for the improvements related to Tenaska. The invoice is in the amount of \$734,800. The proposed budget amendment will put in place budget for the cost and related reimbursement/revenue to be received from Tenaska. If additional costs for improvements to the TRA plant related to Tenaska are anticipated in FY 24-25 an additional proposed Budget Amendment will be brought to the Finance Committee and Council for consideration.	
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Increase:	Equipment Replacement Fund - Transfer to Utility Fund	\$ 150,425
Decrease:	Equipment Replacement Fund - Fund Balance	\$ 150,425
Increase:	Utility Fund - Transfer from Equipmment Replacement Fund	\$ 150,425
Increase:	Utility Fund - Wastewater Collection - Cap. Machines/Tools/Equip	\$ 150,425

	Explanation:	In light of recent events that have required setting up bypass pumping due to sewer line failures resulting from severe weather and aging, it has become apparent that purchasing a bypass pump and hoses would be a wise investment. In the past year alone, the Wastewater Division has spent over \$179,000.00 on emergency bypass pumping, and that number continues to grow. By purchasing a bypass pump, we can drastically reduce the cost of renting a pump and hoses and decrease the response time to emergency events requiring bypass pumping. City staff has obtained Omnia Cooperative Contract# R200601 pricing for the necessary equipment due to the historically advantageous pricing afforded by this cooperative purchasing program. The Omnia contract will be used to purchase the bypass pump and hoses from Sunbelt Rentals for \$149,375. Staff is requesting the use of Fund Balance from the Equipment Replacement Fund as the source of funds for making the purchase. The Equipment Replacement Fund currently has a Fund Balance of roughly \$4.5M (after using about \$2.1M in November to budget for the purchase of a new Fire Truck (Ladder Truck). If this proposed BA is approved the Equipment Replacement Fund will still have roughly \$4.3M of Fund Balance.	
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