



**THE CITY COUNCIL OF THE CITY OF HENDERSON, TEXAS, WILL MEET ON TUESDAY, THE 22ND DAY OF AUGUST 2023, AT 6:00 P.M. FOR A REGULAR RESCHEDULED COUNCIL MEETING, AT CITY HALL, 300 W. MAIN STREET, FOR THE FOLLOWING PURPOSES:**

Mayor:  
J.W. (Buzz) Fullen

Council Members:  
Wes Breitenberg  
Reginald Weatherton  
Melissa Morton  
Gina Juarez

City Manager:  
Jay Abercrombie

Mayor Pro Tem  
Henry Pace

City Secretary  
Cheryl Jimerson

**CALL TO ORDER:** *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

**CITIZENS COMMENTS**

**PRESENTATIONS/ANNOUNCEMENTS**

1. Proclamation declaring a wildfire state of disaster by Governor Abbott
2. National Night out Proclamation

**CONSENT AGENDA**

3. Consideration of possible action upon the minutes of July 25 and August 8, 2023. (Jimerson)
4. Consideration and Possible Action upon HEDCO financials for June 2023 (Clary)
5. Consideration and possible action upon route for Ebenezer Baptist Church 10K, 5K, and 1K Resurrection Run/walk scheduled for March 23, 2024, starting at 7 a.m. (Taylor/Chote)

**COUNCIL BUSINESS – REGULAR SESSION**

6. Consideration and possible action upon Resolution 2023-07-03 making emergency repairs to the Central Fire Station Roof, a tabled item from the July 25th meeting. (Holland/Chote)
7. Consideration and possible action upon entering an interlocal agreement for Health Benefits with TX Health Benefits Pool. (Arnall/Abercrombie)
8. Open a public hearing on the City of Henderson's proposed 2023-24 Budget. (Mayor)
9. Motion to close the budget public hearing. (Mayor)
10. Consideration and possible action upon taking a record vote for the proposed 2023 property tax rate. (Abercrombie/Jimerson)
11. Consideration and possible action upon the Order of a Municipal Election to be held November 7, 2023. (Jimerson)
12. Conduct a Public Hearing on the proposed City of Henderson Property Assessed Clean Energy (PACE) program. (Mayor)
13. Motion to close the PACE program public hearing. (Mayor)

14. Consideration and possible action on Resolution 2023-08-01 Establishing the City of Henderson PACE program. (Jimerson)
15. Consideration and possible action approving a professional services agreement with Texas PACE Authority to administer the City of Henderson PACE Program. (Jimerson)
16. Consideration and possible action rescinding the Juvenile Curfew Ordinance # 2023-04-04 to comply with HB 1819. (Taylor)
17. Consideration and possible action upon the Civic Center Board re-appointment of five members and one appointment for Civic Center Advisory Board Members (S. Kimbrell)
18. Consideration and possible action upon amending the HEDCO Bylaws. (Clary)
19. Consideration and possible action upon HEDCO Program of Work for fiscal year 2023-2024.(Clary)
20. Consideration and possible action upon HEDCO Budget for fiscal year 2023-2024.(Clary)
21. Consideration and possible action upon the dedication of Bane Blvd. to the City of Henderson. (Hughes)

**DEPARTMENTAL REPORTS:**

22. The City Council may deliberate and make inquiry into any item listed in the Departmental Reports.
  - A. City Manager
  - B. Fire Department
  - C. Police Department
  - D. Animal Center
  - E. Community Development
  - F. Public Services/Parks and Recreation Department
  - G. Public Utilities
  - H. Finance Department
  - I. City Secretary
  - J. Communications and Marketing
  - K. HEDCO Sales Tax Revenue June 2023
  - L. Director of Operations Departmental Reports below.
    - Civic Center
    - Main Street/Tourism
    - Municipal Court

**BOARDS AND COMMISSIONS**

- Board of Adjustments Minutes
- Planning and Zoning Minutes
- Cemetery Board Meeting Minutes
- Main Street Meeting Minutes
- Preservation Minutes

**EXECUTIVE SESSION:**

23. Convene in Executive Session to Consult with the City Attorney discussing real property located in the 1700 Block of HWY 259 South in accordance with Vernon's Texas Government Code Annotated, Chapter 551, Sections 071 and 072.

**REGULAR SESSION:**

24. Reconvene into Regular Session and take any action necessary as a result of the Closed Session.

**ADJOURNMENT**

25. Adjourn

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 above, as 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) and 551.087 (Economic Development).

**ACCESSIBILITY STATEMENT**

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (903) 657-6551.

**CERTIFICATE**

I certify the foregoing notice was posted on the notice board in front of City Hall, Henderson, Texas, on this the \_\_\_\_ day of \_\_\_\_\_ 20\_\_.

\_\_\_\_\_  
Cheryl Jimerson, City Secretary



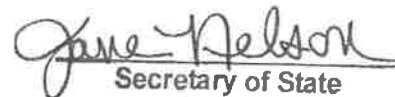
GOVERNOR GREG ABBOTT

August 11, 2023

The Honorable Jane Nelson  
Secretary of State  
State Capitol, Room 1E.8  
Austin, Texas 78701

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
12:15pm O'CLOCK

AUG 11 2023

  
Secretary of State

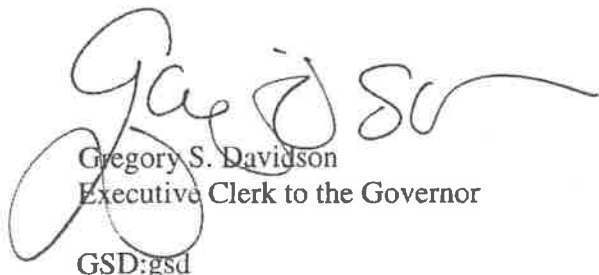
Dear Secretary Nelson:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

A proclamation declaring a state of disaster in a certain number of counties based on the existence of wildfires that pose an imminent threat of widespread or severe damage, injury, or loss of life or property.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,

  
Gregory S. Davidson  
Executive Clerk to the Governor  
GSD:gsd

Attachment

**PROCLAMATION**  
BY THE  
**Governor of the State of Texas**

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TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, GREG ABBOTT, Governor of the State of Texas, do hereby certify that wildfires that began on July 24, 2023, pose an imminent threat of widespread or severe damage, injury, or loss of life or property in Anderson, Andrews, Angelina, Aransas, Archer, Atascosa, Austin, Bailey, Bandera, Bastrop, Baylor, Bell, Bexar, Blanco, Borden, Bosque, Brazos, Brewster, Briscoe, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Cass, Castro, Chambers, Cherokee, Clay, Cochran, Coke, Coleman, Colorado, Comal, Comanche, Concho, Cooke, Coryell, Crockett, Crosby, Culberson, Dallas, Denton, DeWitt, Dimmit, Duval, Eastland, Ector, Edwards, El Paso, Ellis, Erath, Falls, Fannin, Fayette, Fort Bend, Freestone, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Gonzales, Gregg, Grimes, Guadalupe, Hale, Hamilton, Hardeman, Hardin, Harris, Harrison, Hays, Henderson, Hidalgo, Hill, Hood, Houston, Howard, Hudspeth, Hunt, Jack, Jackson, Jasper, Jeff Davis, Jefferson, Jim Hogg, Jim Wells, Johnson, Karnes, Kaufman, Kendall, Kenedy, Kerr, Kimble, King, Kleberg, Knox, La Salle, Lamb, Lampasas, Lavaca, Lee, Leon, Liberty, Limestone, Llano, Madison, Marion, Martin, Mason, Matagorda, Maverick, McCulloch, McLennan, Medina, Menard, Midland, Milam, Mills, Mitchell, Montague, Montgomery, Nacogdoches, Navarro, Newton, Nolan, Nueces, Orange, Palo Pinto, Panola, Parker, Polk, Potter, Presidio, Randall, Reagan, Real, Red River, Reeves, Refugio, Robertson, Rockwall, Runnels, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, San Saba, Schleicher, Scurry, Shackelford, Shelby, Smith, Somervell, Starr, Stephens, Tarrant, Taylor, Terrell, Throckmorton, Tom Green, Travis, Trinity, Tyler, Upshur, Upton, Val Verde, Van Zandt, Victoria, Walker, Waller, Ward, Washington, Wharton, Wichita, Wilbarger, Williamson, Wilson, Winkler, Wise, Yoakum, Young, Zapata, and Zavala Counties;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby declare a state of disaster in the previously listed counties based on the existence of such threat.

Pursuant to Section 418.017 of the Texas Government Code, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016 of the Texas Government Code, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency's emergency response that is necessary to protect life or property threatened by this declared disaster, I hereby authorize the suspension of such statutes and rules for the duration of this declared disaster.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.

IN TESTIMONY WHEREOF, I have  
hereunto signed my name and have  
officially caused the Seal of State to be

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
12:15 PM O'CLOCK

AUG 11 2023

Governor Greg Abbott  
August 11, 2023

Proclamation  
Page 2



affixed at my office in the City of  
Austin, Texas, this the 11th day of  
August, 2023.

Handwritten signature of Greg Abbott in cursive script.

GREG ABBOTT  
Governor

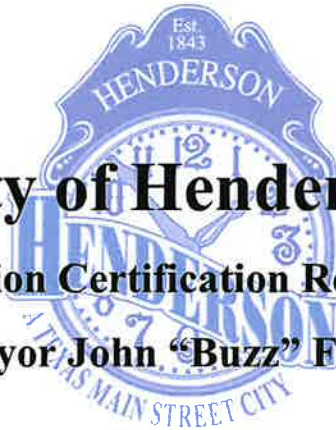
ATTESTED BY:

Handwritten signature of Jane Nelson in cursive script.

JANE NELSON  
Secretary of State

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
12:15pm O'CLOCK

AUG 11 2023



# City of Henderson

## Proclamation Certification Request Form

Mayor John "Buzz" Fullen

### Contact Person Information

Name of Contact Person Sgt. Charles Helton

Street Address 800 Lake Forest

City Henderson County Rusk State TX Zip 75054

Phone (903) 657-3512 Ext 349 Cell Phone (903) 646-0918

Email Chelton@hendersontx.us

### Proclamation information

Name of Individual \_\_\_\_\_

Group or Organization Henderson Police Department

Name of Title or Event Texas National Night Out

Proclamation Date Tue October 3, 2003 Choose One  Day  Week  Month

What do you want your proclamation to say? Proclamation must have enough information to make four to six "WHEREAS" clauses.

\_\_\_\_\_  
 \_\_\_\_\_  
- See Attached Proclamation  
September 12, 2023 Agenda  
 \_\_\_\_\_  
 \_\_\_\_\_

Please fill out and submit this form no later than thirty (30) days before your desired date to:

City Hall  
 400 West Main St  
 Henderson, Tx 75652



# *Henderson Police Department*

*800 Lake Forest Parkway*

*Henderson, Texas 75652*

*Phone: 903-657-3512 Fax: 903-657-3345*

*Integrity ° Respect ° Accountability ° Courage ° Professionalism ° Dedication ° Service*

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## **Proclamation**

**WHEREAS**, the National Association of Town Watch (NATW) sponsors a national community-building campaign on The state of Texas and select areas celebrate Tuesday, October 3, 2023 entitled “National Night Out”; and

**WHEREAS**, the National Night Out campaign provides an opportunity for neighbors in Henderson, Texas to join over 38 million neighbors across 16 thousand communities from all 50 states, U.S. territories and military bases worldwide; and

**WHEREAS**, National Night Out is an annual community-building campaign that promotes strong police-community partnerships and neighborhood camaraderie to make our neighborhoods safer, more caring places to live and work; and

**WHEREAS**, neighbors in Henderson, Texas assist the local law enforcement agencies through joint community-building efforts and support National Night Out 2023; and

**WHEREAS**, it is essential that all neighbors of Henderson come together with police and work together to build a safer, more caring community; and

**NOW, THEREFORE I**, Mayor Buzz Fullen / City Council do hereby call upon all neighbors of Henderson, Texas to join your organization and National Association of Town Watch in support for National Night Out on Tuesday, October 3, 2023.

**FURTHER, LET IT BE RESOLVED THAT I**, Mayor John “Buzz” Fullen / City Council, do hereby proclaim October 3, 2023) as “National Night Out” in Henderson, Texas.

MINUTES OF THE  
HENDERSON CITY COUNCIL

July 25, 2023

**CALL TO ORDER:** *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

Mayor Fullen called the meeting to order at 6:01 p.m.

Council members present were Wes Breitenberg, Reggie Weatherton, Henry Pace, Melissa Morton, and Gina Juarez.

Staff members present were City Manager Jay Abercrombie, City Secretary Cheryl Jimerson, City Attorney Joe Shumate, Chief of Police Chad Taylor, Fire Chief Rusty Chote, Director of Public Services Kirk Kimbrell, Finance Director Karen Arnall, Animal Center Director Charissa Pool, Community Development Manager Cliff McElfresh, Zoning Coordinator Billy Hughes, Civic Center Manager Stephanie Kimbrell, Executive Leadership Assistant/HR Specialist Hillary Faulkner, Communications and Marketing Coordinator Phedra Johnson, and HEDCO Director John Clary.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Council Member Reggie Weatherton gave the invocation, Mayor Fullen led the Pledges.

**CITIZENS COMMENTS**

There were no citizen comments.

**PRESENTATIONS/ANNOUNCEMENTS**

Karen Ellis with PSI introduced Jordan, our project manager. He gave an update on where they are at on the city's projects.

The lighting has been replaced, started April 23 and finished in June 23. Pressure monitoring and leak detection nodes started March 22 and finished March 23. The water meters installation started April 23 meter completion date is projected to be in August 23.

**CONSENT AGENDA**

1. Consideration of possible action upon the minutes of June 20th Regular Council Meeting and the July 6th Special Meeting and Budget Workshop. (Jimerson)

2. Consideration and possible action upon HEDCO financials from the month of May, 2023 (Clary)

Council Member Gina Juarez stated the July 6th minutes needed heading corrections from the Regular Council Meeting to Special Council Meeting and Budget Workshop.

Council Member Henry Pace made a motion to approve the consent agenda with the correction to the July 6 minutes, duly seconded by Council Member Melissa Morton. The vote was unanimous.

**COUNCIL BUSINESS – REGULAR SESSION**

3. Consideration and possible action upon Resolution 2023-07-02 making emergency repairs to the Central Fire Department Roof. (Chote/Holland)

The project was identified as an emergency because of the damage to the roof from the hailstorm and water damage to the attic area and ceiling grid. The roof leaks and condensation from the air conditioning duct work has caused the current insulation and ceiling grid to sustain water damage. This has been an ongoing issue for some time, but the problem has escalated since the hailstorm. The staff are concerned regarding the potential hazards that this could cause.

The current construction cost for the project is \$73,000. As long as construction costs remain close to what was

estimated, staff plan to file for the roof replacement on insurance due to the hail damage and proceed with construction as soon as possible upon receipt of plans and permits.

Council Member Gina Juarez made a motion to approve Resolution 2023-07-02 for the emergency roof repair on the Central Fire Station, duly seconded by Council Member Melissa Morton. The vote was unanimous.

4. Consideration and possible action upon Resolution 2023-07-03 making emergency repairs to the Central Fire Department ceiling and attic. (Chote/Holland))

Mayor Fullen stated there were some questions about item 4. This item will be tabled until questions are answered.

5. Consideration and possible action upon a Volunteer Paid Time Off (VTO) Policy. (Abercrombie/Faulkner)

City Manager Jay Abercrombie explained this policy to the Council, giving two full days of paid time off for employees to volunteer at non-profit organizations. If approved, this will go into effect October 1 with four hours prorated, and will expire December 31, 2023. Every January each full-time employee will be credited with 16 hours into the Volunteer Time Off (VTO) account that will not roll over after December 31 of each calendar year.

Council Member Reggie Weatherton asked where the area would be where employees could volunteer for the city and county? Jay stated when the policy was being created, thoughts referred to more local events. Fire Chief Rusty Chote made a suggestion to the youth live stock show. Executive Leadership Assistant/HR Specialist Hillary Faulkner stated there are a few employees that volunteer outside the country. Jay stated that is true. Local food banks, churches, etc.

Council Member Wes Breitenberg asked what the approval process would be? City Manager Jay stated, by submitting an approval form to the department director, then it goes to the administration department for final approval, the same as any other scheduled time off, the dual approval system.

Council Member Gina Juarez made a motion to approve the Volunteer Paid Time Off (VTO) Policy, duly seconded by Council Member Henry Pace. The vote was unanimous.

6. Consideration and possible action scheduling Regular Council Meetings for August 8, August 22, September 5 and September 12, 2023. (Jimerson)

City Secretary Cheryl Jimerson made a recommendation for Council members to move and schedule additional Regular Scheduled Council Meetings during August and September, to comply with the legal notice postings on Budget and Tax Rate requirements.

Council Member Mellisa Morton made a motion to approve scheduling regular council meetings for August 8, August 22, September 5, and September 12, duly seconded by Council Member Reggie Weatherton. The vote was unanimous.

7. Consideration and possible action upon entering into a Joint Agreement with Rusk County Elections Department to run the Municipal Election November 7, 2023. (Jimerson)

City Secretary Cheryl Jimerson stated this item is a formality in the election process. Staff is presenting acceptance of a contract for the November Election with Rusk County Elections Administrator.

Council Member Henry Pace made a motion to approve a Joint Agreement with Rusk County Elections Department to run the November 7, 2023 election, duly seconded by Council Member Wes Breiterberg. The vote was unanimous.

8. Consideration and possible action upon Resolution 2023-07-01 Intent to establish the City of Henderson Property Assesed Clean Energy (PACE) Program and setting a public hearing date on August 22nd at 6:00 p.m.. (Jimerson)

City Secretary Cheryl Jimerson recommended the Council approve the resolution of intent to establish the Property Assesed Clean Energy Program (PACE) program for the City of Henderson and set a public hearing date of August 22nd at 6:00 p.m.

- Here is the list of local governments the Texas PACE Authority (TPA) serves.

<https://www.texaspaceauthority.org/service-areas>. Each has its own web page. The Texas PACE Authority is a 501(c)(3) nonprofit that administers PACE programs as a public service and at no cost to local government and with no impact on city resources.

Council Member Melissa Morton made a motion to approve Resolution 2023-07-01 with the intent of establishing a Property Assesed Clean Energy Program and setting a public hearing date on August 22, 2023 at 6 p.m., duly seconded by Council Member Henry Pace. The vote was unanimous.

9. Consideration and possible action upon Re-plat #2 of the HEDCO-FRISCO STREET Subdivision. (Hughes/McElfresh)

Planning and Zoning Coordinator Billy Hughes explained, at the council meeting held on December 20, 2022, a minor plat was approved for this property. However, a small triangle of land located on the front of the property was not included in this re-plat. It was discovered that this small piece of property was still owned by the City and required the donation of the land from the City to HEDCO and this re-plat so lots 2 and 3 will have road frontage on North Frisco.

Council Member Reggie Weatheron made a motion to approve the HEDCO-Frisco Street Subdivision Re-plat #2, duly seconded by Council Member Wes Breitenberg. The vote was unanimous.

10. Consideration and possible action upon the second reading of Ordinance 2023-06-06 regarding the abandonment of a portion of an undeveloped alley in the 1000 block of Peach Street. (Hughes/McElfresh)  
Planning and Zoning Coordinator Billy Hughes recommended that Council approve the second reading of an ordinance regarding the abandonment of this alley. Consideration and possible action regarding the second reading of an ordinance abandoning part of an undeveloped alley between Lot 11 & 12 of Block 12/186 and Lot 3&4 of Block 12/186 of the City of Henderson, Rusk County.

It has been requested in writing for this section of the alley to be abandoned by all adjacent property owners.

Council Member Reggie Weatheron made a motion approving the second reading of said Ordinance 2023-06-06, duly seconded by Council Member Henry Pace. The vote was unanimous.

11. Consideration and possible action upon a minor plat for property located at the 1000 Blk of Peach Street. (Hughes/McElfresh)

Planning and Zoning Billy Hughes recommended Council approve a Minor Plat application submitted by RJ Alexander that would combine Lots 11 and 12, Block 12/186 in the Miszner Addition and a 6' x 100' portion of the abandoned alley in the City of Henderson.

Council Member Wes Breitenberg made a motion to approve a minor re-plat of the 1000 block of Peach Street, duly seconded by Council Member Gina Juarez. The vote was unanimous.

12. Consideration and possible action to approve HEDCO Type A and Type B Budget Amendments 2023-2024. Mayor Fullen made a correction to the budget. The amendment is for the 2022-2023 budget.

HEDCO Director John Clary went over the budget amendments with the Council answering any questions they may have had.

Council Member Melissa Morton asks what is considered a high demand job? John stated that the East Texas Workforce creates a list of what is considered a high demand job for the Grant Board. He doesn't know how they determine what they are. It is a Workforce formula.

Council Member Melissa Morton made a motion to approve HEDCO Type A and Type B budget amendments for the 2022-2023 budgets, duly seconded by Council Member Gina Juarez. The vote was unanimous.

#### **DEPARTMENTAL REPORTS:**

13. The City Council may deliberate and make inquiry into any item listed in the Departmental Reports.

A. City Manager

B. Fire Department

C. Police Department

D. Animal Center

E. Community Development

- F. Public Services/Parks and Recreation Department
- G. Public Utilities
- H. Finance Department
- I. City Secretary
- J. Communications and Marketing
- K. HEDCO

Sales Tax Revenue May, 2023

- L. Director of Operations

Civic Center

Main Street/Tourism

Council Member Reggie Weatherton asked if there was a priority list of streets for the next phase of repairs/reconstruction. If so, can he get a copy of it?

City Manager Jay Abercrombie stated yes there is a list, it was created for the 2022 street bond. The list may need to be reprioritized for the next phase due to weather and higher traffic volumes in different areas of the city. He will send the list out to the Council.

Council Member Weatherton also wanted to thank Public Services Director Kirk Kimbrell for answering his call about an issue the other day. Great job Kirk.

Municipal Court

The council had no questions or comments on the Board meeting minutes.

## **BOARDS AND COMMISSIONS**

Board of Adjustments Minutes of the June 13, 2023 meeting.

Planning and Zoning Minutes. There was no meeting in June.

Cemetery Board Meeting Minutes. There was no meeting in June.

Main Street Meeting Minutes- None at this time.

Preservation Minutes - None at this time.

## **ADJOURNMENT**

14. Adjourn

Council Member Reggie Weatheron made a motion to adjourn at 6:40 p.m., duly seconded by Council Member Henry Pace. The vote was unanimous.

ATTEST:

APPROVED:

\_\_\_\_\_  
Cheryl Jimerson, City Secretary

\_\_\_\_\_  
John Fullen, Mayor

MINUTES OF THE  
HENDERSON CITY COUNCIL  
Regular Scheduled Meeting

August 8, 2023

**CALL TO ORDER:** *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

Mayor Fullen called the meeting to order at 6 p.m.

Council members present were Wes Breitenberg, Reggie Weatheron, Henry Pace, Melissa Morton, and Gina Juarez.

Staff members present were City Manager Jay Abercrombie, City Secretary Cheryl Jimerson, City Attorney Joe Shumate, Chief of Police Chad Taylor, Fire Chief Rusty Chote, Director of Operations Davis Brown, Director of Public Services Kirk Kimbrell, Director of Utilities Randy Boyd, Finance Director Karen Arnall, Animal Center Director Charissa Pool, Civic Center Manager Stephanie Kimbrell, and Communications and Marketing Coordinator Phedra Johnson.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Council Member Wes Breitenberg gave the invocation, Mayor Fullen led the Pledges.

**CITIZENS COMMENTS**

There were no citizen comments.

**PRESENTATIONS/ANNOUNCEMENTS**

There were no presentations.

**COUNCIL BUSINESS – REGULAR SESSION**

1. Discussion of the 2023-2024 proposed budget. (Abercrombie)

The only changes in the Proposed Budget being presented were those that were presented and discussed in the budget workshop from the draft presented on July 6th. The General Fund is balanced. The Water Sewer Enterprise fund is also balanced.

The Budget Workshop changes from comments were:

General Fund:

General Fund Revenue – Sparklight lease added \$10,400

Administrative salaries and benefits – City Manager 5% increase per contract added \$2,632 total for salary, Social Security and Retirement

Administrative internet service – Added \$2,600

Water/Sewer Fund:

Water Production Plant salary and benefits – Added \$12,428 total for labor operations, Social Security and Retirement – adjustment needed to plan on trainees getting certified and moving to a different pay scale

Waste Water Plant salary and benefits – Added \$6,215 total for labor operations, Social Security and Retirement – adjustment needed to plan on trainees getting certified and moving to a different pay scale

Also, updating the pay groups so they match both departments. Waste Water Plant had two pay groups ahead of Water Plant for each position.

2. Discussion of the 2023-2024 proposed tax rate. (Abercrombie)

City Manager Jay Abercrombie mentioned at the budget workshop staying at the same tax rate as last year.

Discussions of a tax note for \$500,000 for the streets included keeping the tax rate the same as last year.

Reggie asked if there were any streets left from the past bond that needed to be done. Davis stated all the streets from the bond were completed. Jay, the reason for the tax note is that we will not be waiting two years for the next bond to work on any streets.

3. Consideration and possible action upon scheduling two (2) public hearings on the proposed budget for fiscal year 2023-2024 to be held on August 22, 2023 at 6:00 p.m. during a regular rescheduled meeting and on September 5, 2023 at 6:00 p.m. during a regular rescheduled meeting. (Abercrombie)

Council Member Melissa Morton made a motion to approve scheduling two (2) public hearings on August 22 and September 5, 2023 at 6 p.m. on the proposed budget, duly seconded by Council Member Henry Pace. The vote was unanimous.

4. Consideration and possible action upon scheduling a (1) public hearing (*see S.B.2 or Texas Tax Code 26.05(d)*) on the 2023 property tax rate to be held on September 5, 2023 at 6:00 p.m. during a regular rescheduled meeting. (Abercrombie)

Council Member Gina Juarez made a motion to approve scheduling one (1) public hearing on September 5, 2023 at 6 p.m. on the proposed tax rate, duly seconded by Council Member Wes Breitenberg. The vote was unanimous.

### **ADJOURNMENT**

5. Adjourn

Council Member Reggie Weatherton made a motion to adjourn at 6:11 p.m., duly seconded by Council Member Melissa Morton. The vote was unanimous.

ATTEST:

APPROVED:

\_\_\_\_\_  
Cheryl Jimerson, City Secretary

\_\_\_\_\_  
John Fullen, Mayor



# City Council

## Agenda Item # 4.

**SUBJECT:** Consideration and Possible Action upon HEDCO financials for June 2023 (Clary)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** HEDCO

**CONTACT:**

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**RECOMMENDED CITY COUNCIL ACTION:**  
**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. HEDCO FINANCIALS 2022-2023 (Updated Thru 2023-06-30)
2. HEDCO TYPE B FINANCIALS 2022-2023 (Updated Thru 2023-06-30)

## HEDCO - APPROVED BUDGET 2022-2023

	A	B	C	D	E	F	G	H	I	J	K
1	Last Edit Date:		July 19, 2023	<b>TYPE A - EDC</b>							
2	Budget approved:		HEDCO - 8/11//2022	06/30/2023 Checking Acct. # 4911857 Balance				\$	646,446.44		
3	Budget approved:		City Council 8/23/2022	06/30/2023 Money Market Acct. # 4011759 Balance				\$	4,156,010.57		
4	Budget amended:		July 18, 2023	06/30/2023 Type B Checking Acct. # 4271963 Balance				\$	2,175,587.02		
5				Total Account Balances				\$	6,978,044.03		
6				Approved	Final	APPROVED			Y-T-D		
7				Budget	Budget	BUDGET	1-Month Ended	2022-2023	% Of		
8	<b>Acct.#</b>	<b>Description</b>		<b>2021-2022</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Budget</b>	<b>Notes</b>	
9				12	12			9	75%	<i>Percent of year completed</i>	
10	<b>REVENUE</b>										
11	3010		Sales Tax Revenues Type A	1,450,000.00	1,450,000.00					#VALUE!	
12	3025		Interest Income - Banks	40,000.00	40,000.00	165,500.00	11,850.89	129,456.78	78%	Reduced for Alford and Richardson purchases, spec building and amended investment contract	
13	3030		Land Sales -Old Industrial Park	106,780.00	106,780.00	123,246.60		123,246.60		7.6 acres to Tyler Pipe, Amendment needed	
14	3058		Lease Income - Oldcastle (Aggregates) 7.60 Ac.							Industrial Dr. (CR 203) <span style="color: red;">7.6 Acres being sold to Tyler Pipe</span>	
15	3059		Lease Income - Texas Materials Group - 29.16 Ac.	12,800.00	12,800.00	12,800.00		12,800.00	100%	Mo.Lease - Industrial Dr. (CR 203) was Texas Bit/Oldcastle - Complete 9/2023 <span style="color: red;">(to receive \$1600.00 per month 2/2022 thru 9/2023) Lease Agreement ENDS JUNE, 2023</span>	
16	3090		Other (Misc) Revenue	21,189.07	21,189.07	115,463.13		115,463.13		Winly Foods reimbursement on incentive	
17		<b>TOTAL REVENUE</b>		<b>1,630,769.07</b>	<b>1,630,769.07</b>	<b>417,009.73</b>	<b>11,850.89</b>	<b>380,966.51</b>	91%		
18											
19	<b>* Footnote</b>		Note Reciveable from Rusk County Rural Rail District - Not Included in Budget Totals	13,333.34	13,333.34					Notes receivable accrue on the balance sheet vs.the budget at \$6,666.67 per month. <span style="color: red;">Pmt. Deferred for 15 years until 2037.</span>	
20											

## HEDCO - APPROVED BUDGET 2022-2023

6	A	B	C	D	E	G	H	I	J	K
				<b>Approved</b>	<b>Final</b>	<b>APPROVED</b>		<b>Y-T-D</b>		
				<b>Budget</b>	<b>Budget</b>	<b>BUDGET</b>	<b>1-Month Ended</b>	<b>2022-2023</b>	<b>% Of</b>	
	<b>Acct.#</b>		<b>Description</b>	<b>2021-2022</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Budget</b>	<b>Notes</b>
21	<b>EXPENDITURES</b>									
22	<b>Economic Development Expenses</b>									
23	6106		Project Winly Foods, LLC	103,000.00	103,000.00					Completed - Incentive Agreement \$400,000 -100 jobs signed 9/5/2017, 5-years. <b>Stopped sending payments.</b>
24	6107		Project US Ind. Sourcing / PRO HYDRONIC							Incentive Agreement, \$175,000, 35 jobs, Feb 2019, 5-years. <b>Completed 1st Qtr, 2021</b>
25	6116		Henderson Canvas Products, Inc.							Job creation incentive, 6-jobs @ \$5,000 /job. Forgivable loan executed March 2021. <b>\$30,000 forgivable Loan in A/R</b>
26	6119		High Demand Job Training Grant #5			50,000.00				
27	6120		Proj Provalus - Remodel Old City Hall Complex				20,662.00	20,662.00		Project Provalus
28	6200		Business Incentives for new or existing businesses	500,000.00	500,000.00	350,000.00				Reserve for Incentive for New Businesses. \$5,000 per job x 100 jobs.
29	6190		Matching Grants for Business Retention -Ind. Park			150,000.00				
30										
31			<b>Total Economic Development Expenses</b>	<b>603,000.00</b>	<b>603,000.00</b>	<b>550,000.00</b>	<b>20,662.00</b>	<b>20,662.00</b>	3%	
32										
33	<b>Supplies, Office Expenses and Professional Services</b>									
34	6501		Accounting (Monthly Bookkeeping + Annual Audit)	12,000.00	12,000.00	12,000.00	375.00	8,665.00	72%	PB&J Accounting, Auditor Morgan LaGrone CPA
35	6502		Insurance - General Liability	1,500.00	1,500.00	1,500.00		1,500.00	100%	City of Henderson Liability premium to HEDCO. Lump sum annual payment.
36	6503		Legal (Attorney)	30,000.00	30,000.00	30,000.00	2,172.50	28,739.57	96%	Legal fees
37	6504		Office Expenses	1,500.00	1,500.00	1,500.00	45.27	2,138.92	143%	Office supplies, copy paper, printer cartridges, computers, printer, furniture, bookshelves, storage, etc.
38	6505		Postage & Shipping	100.00	100.00	100.00		226.20	226%	Stamps, Fed-Ex, UPS

## HEDCO - APPROVED BUDGET 2022-2023

	A	B	C	D	E	F	G	H	I	J	K
6				<b>Approved</b>	<b>Final</b>	<b>APPROVED</b>			<b>Y-T-D</b>		
7				<b>Budget</b>	<b>Budget</b>	<b>BUDGET</b>	<b>1-Month Ended</b>	<b>2022-2023</b>	<b>% Of</b>		
8	<b>Acct.#</b>		<b>Description</b>	<b>2021-2022</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Budget</b>		<b>Notes</b>
39	6506		Property Tax					70.53			Copy machine tax
40	6507		Telephone, Cell (Admin)	600.00	600.00	600.00	50.00	450.00	75%		Office Phone, Cell for Adm. Asst.
41	6508		Utilities - HEDCO Offices								Potential utilities in new building.
42	6509		Professional Services - Consulting Fees, Engineering, Design, Architectural <b>(Part of Capital Expenses)</b>	143,192.50	143,192.50	225,000.00	11,410.00	174,068.11	77%		<b>New Business Park</b> , Professional Services, Property Surveys, Engineering, Phase 1 Environmentals, Streets, Drainage, Sidewalks, Water, Sewer, Fiber, Natural Gas
43			<b>Subtotal - Supplies, Office Expenses and Professional</b>	<b>188,892.50</b>	<b>188,892.50</b>	<b>270,700.00</b>	<b>14,052.77</b>	<b>215,858.33</b>	114%		
44											
45			<b>Personnel Expenses</b>								
46	7001		Contract Labor - Executive Director (with City)	144,420.00	144,420.00	161,539.00	10,776.62	116,999.84	72%		Salary, Insurance, Retirement, Cell Phone, Car Allowance, W/H invoiced by City of Henderson,
47	7002		Insurance Life - Adm. Asst.	1,200.00	1,200.00	1,200.00					Life Insurance - Office Manager Karen Smith
48	7003		Insurance Health - Adm. Asst.	4,775.00	4,775.00	5,044.00	415.79	3,760.35	75%		Medical Insurance - Office Manager Karen Smith
49	7004		Insurance Worker's Comp - Adm. Asst.	396.00	396.00	396.00		381.52	96%		Hartford Ins. - Office Manager Karen Smith
50	7007		Retirement -Adm. Asst.	3,300.00	3,300.00	4,000.00		2,854.08	71%		Kansas City Life - Office Manager Karen Smith
51	7008		Salary - Adm. Asst.	44,950.00	44,950.00	49,850.00	4,218.72	37,555.63	75%		Salary - Office Manager Karen Smith
52	7009		Payroll Taxes - Adm Asst.	4,200.00	4,200.00	4,950.00	391.64	3,446.00	70%		Payroll Taxes - Office Manager Karen Smith
53	7010		Contract Labor - Dir. of Marketing/Business Dev.	108,280.00	108,280.00	108,280.00	7,200.86	51,735.74	48%		Salary, Insurance, Retirement, Cell Phone, Car Allowance, W/H invoiced by City of Henderson. Director of Marketing
54	7011		Insurance Health - Dir. of Marketing			3,940.00	437.46	2,624.76	67%		Health Insurance - Director of Marketing
55	7020		Contract Labor - Administrative Assistant								
56			<b>Subtotal - Personnel Expenses</b>	<b>311,521.00</b>	<b>311,521.00</b>	<b>339,199.00</b>	<b>23,441.09</b>	<b>219,357.92</b>	65%		
57											

## HEDCO - APPROVED BUDGET 2022-2023

	A	B	C	D	E	F	G	H	I	J	K
6				Approved	Final		APPROVED		Y-T-D		
7				Budget	Budget		BUDGET	1-Month Ended	2022-2023	% Of	
8	Acct.#		Description	2021-2022	2021-2022		2022-2023	6/30/2023	6/30/2023	Budget	Notes
58	<b>Program Expenses</b>										
59	7201		Website Annual License Fees	3,200.00	3,200.00		9,400.00		3,074.00	33%	Annual License Fee to ED Suite. Invoiced Nov 31 annually.
60	7202		Website Development, Maintenance, Upgrades, etc.	24,188.00	24,188.00		12,094.00		13,095.00		Website CMS technology update (back end), new photo gallery, better mapping, new business park pages, updated property search tool, incentives tool - <b>New website design EDSuite</b>
61	7203		Advertising and Marketing	55,100.00	55,100.00		70,100.00	150.00	28,231.36	40%	Print ads, Direct mail or email, Marketing travel, Trade shows, Sponsorships, Printed flyers & brochures, Marketing signage, Videos, Billboard, Site Location Partnership, Public Notices, + Business Park Coming Soon Signs
62	7204		Meetings and Entertainment	14,500.00	14,500.00		14,500.00	49.21	3,665.35	25%	Meeting refreshments, BREP meals, Prospect Hosting, Industry Appreciation Luncheon
63	7205		Dues, Memberships & Subscriptions	17,285.00	17,285.00		17,250.00	432.44	6,018.48	35%	Chamber of Commerce, TEDC, Rotary, Team Texas, ICSC, NETEDR, Adobe AcrobatDC (2), Place Marketing, also Computer Programs & Subscriptions
64	7206		Training & Travel - Non-Marketing Conferences, Webinars, Seminars and Training (Including Travel), Admin. Asst. Mileage, Misc Consulting Fees	27,000.00	27,000.00		25,000.00	738.41	7,351.75	29%	TEDC Conferences, Training Workshops, Webinars, PFIA Training, Software Technical Assistance, Rusk County Days Austin Trip, Admin Assistant Mileage.
65	7207		Non Engineering Studies	4,250.00	4,250.00		2,000.00				ETCOG Broadband Study Match
66	7208		Special Projects								
67	7209		BREP Matching Grant Program (Type B Program) (Placeholder)	-							Business Retention - Matching grants for current or new businesses in current industrial parks.
68			<b>Subtotal - Program Expenses</b>	<b>145,523.00</b>	<b>145,523.00</b>		<b>150,344.00</b>	<b>1,370.06</b>	<b>61,435.94</b>	41%	
69											
70	<b>Repairs and Maintenance (Non-Capital Expenses)</b>										
71	7302		Property Maintenance - Frisco Street Parcel (29 acres)	4,000.00	4,000.00		4,000.00	200.00	6,565.00	164%	Maintenance (Mowing, Clearing, Trimming, water detention, etc)
72	7303		Property Maintenance - Taylor Street/Greenbelt	1,000.00	1,000.00		600.00	200.00	350.00	58%	Greenbelt Maintenance
73	7304		Property Maintenance - Old Industrial Park				40,000.00				
74	7305		Property Maintenance - East Texas Regional Business Park	20,000.00	20,000.00		35,000.00	-	1,050.00	3%	Mowing, trimming, repairs & maintenance
75	7306		Monument and Wayfinding Sign - Industrial Park								Sign at CR 203 & Loop 571 (TXDOT Won't Allow)

## HEDCO - APPROVED BUDGET 2022-2023

	A	B	C	D	E	F	G	H	I	J	K
6				Approved	Final	APPROVED			Y-T-D		
7				Budget	Budget	BUDGET	1-Month Ended	2022-2023	2022-2023	% Of	
8	Acct.#		Description	2021-2022	2021-2022	2022-2023	6/30/2023	6/30/2023	Budget		<u>Notes</u>
76	7307		Railroad Preventative Maintenance (Ties)								To facilitate NETRMA Grant for RR ties. \$240,000 reimbursement <span style="color: red;">(Completed)</span>
77	7308		Remodel CAC Bldg & Furnishings								Remodel cost, conference table & chairs, wiring, furnishings
78	7309		Property Maintenance - Old City Hall Complex								
79			<b>Subtotal - Repairs and Maintenance (Non-Capital)</b>	25,000.00	25,000.00	79,600.00	400.00	7,965.00		10%	
80											
81			<b>TOTAL EXPENSES</b>	1,273,936.50	1,273,936.50	1,389,843.00	59,925.92	525,279.19		38%	
82											
83			<b>CAPITAL OUTLAY</b>								
84	7501		Purchase of Property for New Business Park	400,000.00	400,000.00	400,000.00					2019-20 Alford Parcel \$1,044,000, 2020-21 Richardson Parcel \$327,621.95. 2020-21 9.786 Acres \$39,144. <span style="color: red;">Future: Jim Allen Estate.</span>
85	7502		<b>East Texas Reg. Business Park - Capital Expenditures</b> - Utilities & Street Improvements, Land Clearing, Sidewalks, Pond improvements	2,500,000.00	2,500,000.00	3,800,000.00	480,307.73	2,103,327.96		55%	John Wright Construction, Few Land & Timber & Other Contractors \$4,900 moved to 7203 (Advertising)
86	7503		Grant Match for TCF Grant - Morris Street								TCF Program was Shelved by TX Ag Commission
87	7504		Speculative Building - Design and Construction								Engineer, design and construct a 20,000 sq ft building. <span style="color: red;">On HOLD</span>
88			<b>Total Capital Outlay</b>	2,900,000.00	2,900,000.00	4,200,000.00	480,307.73	2,103,327.96		50%	
89											
90			<b>TOTAL EXPENDITURES (Expenses + Capital Outlay)</b>	4,173,936.50	4,173,936.50	5,589,843.00	540,233.65	2,628,607.15		47%	
91			<b>Totals</b>								
92			<b>Total Revenues</b>	1,630,769.07	1,630,769.07	417,009.73	11,850.89	380,966.51		91%	
93			<b>(Less) Total Expenditures</b>	4,173,936.50	4,173,936.50	5,589,843.00	540,233.65	2,628,607.15		47%	
94			<b>Net Increase/Decrease In Unrestricted Net Assets</b>	(2,543,167.43)	(2,543,167.43)	(5,172,833.27)	(528,382.76)	(2,247,640.64)		43%	
95			<b>Receivable for Loan - Rusk County Rural Rail District</b>	-	13,333.34			-			(1-month) Receivables accrue on the Balance Sheet
96			<b>Total Available to Contribute to Fund Balance</b>	(2,543,167.43)	(2,529,834.09)	(5,172,833.27)	(528,382.76)	(2,247,640.64)		43%	Operating income less operating expenses
97											
98			<b>Potential Transfer From Fund Balance</b>								Projected Expenditures In Excess of Annual Income
99											
100			<b>FINAL BALANCE</b>	-2,543,167.43	-2,529,834.09	-5,172,833.27	-528,382.76	-2,247,640.64			

## HEDCO - Type B Financials 2022-2023

A	B	C	D	E	F	G	H	I
1	Last Edit Date:	July 19, 2023						
2	Budget approved:							
3	Budget approved:							
4	Budget amended:	July 18, 2023						
5	Bank Account Balance	<b>Type B Acct. # 4271963</b>			<b>\$ 2,175,587.02</b>		<b>6/30/2023</b>	
6								
7			<b>APPROVED</b>			<b>Y-T-D</b>		
8			<b>BUDGET</b>	<b>1-Month Ended</b>	<b>2022-2023</b>		<b>% Of</b>	
9	<b>Acct.#</b>	<b>Description</b>	<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>		<b>Budget</b>	<b>Notes</b>
10					9		<b>#REF!</b>	<i>Percent of year completed</i>
11	<b>REVENUE</b>							
12	3010	Sales Tax Revenues Type B	2,200,000.00	180,538.01	1,653,783.93		75%	Fiscal year receipts
13	3025	Interest Income - Type B	27,500.00	4,803.05	12,079.45		44%	
14	3090	Other (Misc) Revenue						
15		<b>TOTAL REVENUE</b>	<b>2,227,500.00</b>	<b>185,341.06</b>	<b>1,665,863.38</b>		75%	
16								
17	<b>EXPENDITURES</b>							
18	<b>Economic Development Expenses</b>							
19	6116	Henderson Canvas Products, Inc.						
20	6200	Business Incentives for new or existing businesses						
21	6190	Matching Grants for Business Retention -Ind. Park						
22								
23		<b>Total Economic Development Expenses</b>	-	-	-		#DIV/0!	
24								
25	<b>Supplies, Office Expenses and Professional Services</b>							

## HEDCO - Type B Financials 2022-2023

	A	B	C	D	E	F	G	H	I
7				<b>APPROVED</b>			Y-T-D		
8				<b>BUDGET</b>	1-Month Ended	2022-2023	%	Of	
9	<b>Acct.#</b>		<b>Description</b>	<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Budget</b>		<b>Notes</b>
26	6501		Accounting (Monthly Bookkeeping + Annual Audit)						
27	6502		Insurance - General Liability						
28	6503		Legal (Attorney)						
29	6504		Office Expenses						
30	6505		Postage & Shipping						
31	6506		Property Tax						
32	6507		Telephone, Cell (Admin)						
33	6508		Utilities - HEDCO Offices						
34	6509		Professional Services - Consulting Fees, Engineering, Design, Architectural <i>(Part of Capital</i>						
35			<b>Subtotal - Supplies, Office Expenses and Professional</b>	-	-	-	#REF!		
36									
37			<b>Personnel Expenses</b>						
38	7001		Contract Labor - Executive Director (with City)						
39	7002		Insurance Life - Adm. Asst.						
40	7003		Insurance Health - Adm. Asst.						
41	7004		Insurance Worker's Comp - Adm. Asst.						
42	7007		Retirement -Adm. Asst.						
43	7008		Salary - Adm. Asst.						
44	7009		Payroll Taxes - Adm Asst.						
45	7010		Contract Labor - Dir. of Marketing/Business Dev.						
46	7011		Insurance Health - Dir. of Marketing						
47	7020		Contract Labor - Administrative Assistant						

## HEDCO - Type B Financials 2022-2023

	A	B	C	D	E	F	G	H	I
7					<b>APPROVED</b>		<b>Y-T-D</b>		
8					<b>BUDGET</b>	<b>1-Month Ended</b>	<b>2022-2023</b>	<b>% Of</b>	
9	<b>Acct.#</b>		<b>Description</b>		<b>2022-2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Budget</b>	<b>Notes</b>
48			<b>Subtotal - Personnel Expenses</b>		-	-	-	#DIV/0!	
49									
50			<b>Program Expenses</b>						
51	7201		Website Annual License Fees						
52	7202		Website Development, Maintenance, Upgrades, etc.						
53	7203		Advertising and Marketing						
54	7204		Meetings and Entertainment						
55	7205		Dues, Memberships & Subscriptions						
56	7206		Training & Travel - Non-Marketing Conferences, Webinars, Seminars and Training (Including Travel)						
57	7207		Non Engineering Studies						
58	7208		Special Projects						
59	7209		BREP Matching Grant Program (Type B Program) (Placeholder)						
60			<b>Subtotal - Program Expenses</b>		-	-	-	#DIV/0!	
61									
62			<b>Repairs and Maintenance (Non-Capital Expenses)</b>						
63	7302		Property Maintenance - FISCO Street Parcel (29 acres)						
64	7303		Property Maintenance - Taylor Street/Greenbelt						
65	7304		Property Maintenance - Old Industrial Park						
66	7305		Property Maintenance - East Texas Regional Business Park						
67	7306		Monument and Wayfinding Sign - Industrial Park						
68	7307		Railroad Preventative Maintenance (Ties)						

## HEDCO - Type B Financials 2022-2023

	A	B	C	D	E	F	G	H	I
7					APPROVED		Y-T-D		
8					BUDGET	1-Month Ended	2022-2023	% Of	
9	Acct.#		Description		2022-2023	6/30/2023	6/30/2023	Budget	Notes
69	7308		Remodel CAC Bldg & Furnishings						
70			<b>Subtotal - Repairs and Maintenance (Non-Capital)</b>		-	-	-	#DIV/0!	
71									
72			<b>TOTAL EXPENSES</b>		-	-	-	#DIV/0!	
73									
74			<b>CAPITAL OUTLAY</b>						
75	7501		Purchase of Property for New Business Park						
76	7502		<b>East Texas Reg. Business Park - Capital Expenditures</b> - Utilities & Street Improvements, Land Clearing, Sidewalks, Pond improvements						
77	7503		Grant Match for TCF Grant - Morris Street						
78	7504		Speculative Building - Design and Construction						
79			<b>Total Capital Outlay</b>		-	-	-	#DIV/0!	
80									
81			<b>TOTAL EXPENDITURES (Expenses + Capital Outlay)</b>		-	-	-	#DIV/0!	
82									
83			<b>Totals</b>						
84			<b>Total Revenues</b>		2,227,500.00	185,341.06	1,665,863.38	75%	
85			(Less) Total Expenditures		-	-	-	#DIV/0!	
86			<b>Net Increase/Decrease In Unrestricted Net Assets</b>		2,227,500.00	185,341.06	1,665,863.38	75%	
87			<b>Total Available to Contribute to Fund Balance</b>		#REF!	#REF!	#REF!	#REF!	Operating income less operating expenses
88									

## HEDCO - Type B Financials 2022-2023

	A	B	C		E	F	G	H	I
7					APPROVED		Y-T-D		
8					BUDGET	1-Month Ended	2022-2023	% Of	
9	Acct.#		Description		2022-2023	6/30/2023	6/30/2023	Budget	<u>Notes</u>
89	<b>Potential Transfer From Fund Balance</b>								Projected Expenditures In Excess of Annual Income
90									
91	<b>FINAL BALANCE</b>				#REF!	#REF!	#REF!		
92									



# City Council

## Agenda Item # 5.

**SUBJECT:** Consideration and possible action upon route for Ebenezer Baptist Church 10K, 5K, and 1K Resurrection Run/walk scheduled for March 23, 2024, starting at 7 a.m. (Taylor/Chote)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Police Department

**CONTACT:** Chad Taylor

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**RECOMMENDED CITY COUNCIL ACTION:** It is the recommendation of the Police Department that the City Council approve the request from Kayla Tillison of Ebenezer Baptist Church

**ITEM SUMMARY:** It is the recommendation of the Police Department that the City Council approve the request from Kayla Tillison of Ebenezer Baptist Church for a 10k, 5k, 1k Run / Walk to be held on April 1, 2023, set up at 6 a.m. open to participant's at 7 a.m. The event will begin at corner of Fair Park Avenue and E Ragley. The race will end on Fair Park Avenue between the Skate Park and the Fair Park parking lot. Fair Park Avenue will need to be closed due to the finish line being located on Fair Park Avenue. The security will be handled by on-duty personnel and one-off duty officer stationed at the finish line on Fair Park Avenue.

The Fire Department and EMS will notify on-duty personnel of the event and will be prepared to assist if needed.

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. 8th Annual Resurrection Run Council Agenda Request for Event
2. 8th Annual Resurrection Run Routes (Spring 2024)

CITY OF HENDERSON

REQUEST FOR ITEM TO BE PLACED ON CITY COUNCIL AGENDA  
FOR FESTIVALS, PARADES, WALK-A-THONS, AND FUND RAISERS

Event Title: 8th Annual Resurrection Run & Easter Egg Hunt

Contact Person for Event: Kayla Tillison, race director

Telephone Number for Contact Person: 936-652-5222

Type of Event: 1K (within park), 5K (road), & 10K (road) race + Easter Egg Hunt

Date(s) of Event: March 23, 2024

Time(s) of Event: Setup at park 6AM, open to the public at 7AM,  
cleared-out at approximately 1PM at the latest

Proposed Route, if applicable: Attached

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Enclose Map for Verification)

Proposed Street Closures, if applicable: None

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Enclose Map for Verification)

Proposed Electrical Requirements, if applicable: None

\_\_\_\_\_  
\_\_\_\_\_

Proposed Service Personnel Needs (i.e. Police, Fire, Street):  
On-duty police on route, Fire, EMS at Lake Forest Park

\_\_\_\_\_  
\_\_\_\_\_

NOTE: Request must be submitted to the City Secretary's Office at least 30 days prior to event for approval by the City Council. Contact or representative must be present at Council Meeting to answer any questions which may arise.

*Kayla Tillison*  
7/27/2023



10K <https://www.mapmyrun.com/routes/view/4907471035>





# City Council

## Agenda Item # 6.

**SUBJECT:** Consideration and possible action upon Resolution 2023-07-03 making emergency repairs to the Central Fire Station Roof, a tabled item from the July 25th meeting. (Holland/Chote)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Fire Department

**CONTACT:** Rusty Chote, Fire Chief

---

**RECOMMENDED CITY COUNCIL ACTION:** Staff recommends Council approve the Construction Contract.

**ITEM SUMMARY:** On June 23<sup>rd</sup>, the City Manager authorized City Engineer Stokes and Associates to proceed with the engineering services necessary to make an emergency repair to the roof at Central Fire Station. The cost of the roof repairs is \$73,000 by Reneau Roofing. The council was made aware of this item at the Council meeting on July 6<sup>th</sup>, 2023, at which time staff indicated this agreement would come back to them for ratification.

**BACKGROUND INFORMATION:** The project was identified as an emergency because of the damage to the roof from the hailstorm and water damage to the attic area and ceiling grid. The roof leaks and condensation from the air conditioning duct work has caused the current insulation and ceiling grid to sustain water damage. This has been an ongoing issue for some time, but the problem has escalated since the hailstorm. Staff is concerned regarding the potential hazards that this could cause.

Current construction cost for the project is \$73,000. As long as construction costs remain close to what was estimated, staff plans to file the roof replacement

on insurance due to the hail damage and proceed with construction as soon as possible upon receipt of plans and permits.

**SPECIAL CONSIDERATIONS:** This is considered an emergency situation.

**SUPPORTING MATERIALS:**

1. Emergency Attic Repair RESOLUTION 2023-07-03

**RESOLUTION NO. 2023-07-03**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSON TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT WITH BIOMAX FOAM, FOR THE EMERGENCY REPLACEMENT OF INSUALTION AND CEILING GRID AT CENTAL STATION; RATIFYING THE EXECUTION OF THAT AGREEMENT BY THE CITY MANAGER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Henderson Texas, is a home rule city under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

**WHEREAS**, the City of Henderson, Texas, has identified the need to make emergency improvements to Central Station insulation and ceiling grid, necessary to ensure the prevention of future damage and,

**WHEREAS**, the City of Henderson has completed all necessary engineering for the project and secured all necessary approvals and permits; and,

**WHEREAS**, the city has secured a proposal from BioMax Foam, for the construction of the proposed improvements, including all necessary contractor provided insurance; and,

**WHEREAS**, because of the emergency nature of the project, after attorney review of the agreement, the City Manager authorized the contractor to proceed.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HENDERSON, TEXAS;**

**SECTION 1.**

That the City Council of the City of Henderson, Texas approves the terms and conditions of the Construction Contract with BioMax Foam and the budget estimate from Stokes & Associates attached as Exhibit A to this resolution.

**SECTION 2.**

That the execution of this contract is hereby ratified.

**SECTION 3.**

That this Resolution shall take effect immediately from and after its adoption and so resolved.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HENDERSON, TEXAS, this 25<sup>th</sup> day of July, 2023**

APPROVED:

ATTEST:

\_\_\_\_\_  
John "Buzz" Fullen, Mayor

\_\_\_\_\_  
Cheryl Jimerson, City Secretary



# City Council

## Agenda Item # 7.

**SUBJECT:** Consideration and possible action upon entering an interlocal agreement for Health Benefits with TX Health Benefits Pool.  
(Arnall/Abercrombie)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Administration

**CONTACT:** Jay Abercrombie, City Manager

---

**RECOMMENDED CITY COUNCIL ACTION:** Staff recommends approval of entering an interlocal agreement for Health Benefits with TX Health Benefits Pool.

**ITEM SUMMARY:** Annually, the City reviews bids for the various City provided employee insurances. The City is currently under a contract for Vision, Dental and Life & Disability. With the assistance of McAnally Wilkins Inc., the City renewed the health insurance contract and remained with TML Health which is now TX Health.

Under this renewal the total annual cost for Health insurance premiums to the city would be \$1,328,832.65.

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:** Open enrollment was this past Tuesday, August 15th, 2023

**SUPPORTING MATERIALS:**

1. Tx Health Benefit Verification Form



# Renewal Notice and Benefit Verification Form

## Henderson

Revision 1

Plan Year 10/01/2023 - 09/30/2024 (12 Months)

**IMPORTANT NOTICE:** A signed renewal is required by the due date in your cover letter. If TX Health Benefits Pool does not receive the fully executed renewal notice by the indicated due date, you will no longer have an option to change benefits which will result in renewal of the benefit plans listed below at the new rates and the current employer contributions.

### Medical

#### Employer Group Medical Plan

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	Rates	Current	New*
Coplay-5K-7K ER-DAW1&2	80/50	\$5000	\$10000	\$7000	\$30	EE Only:	\$568.60	\$616.20
						EE + Spouse:	\$1,107.70	\$1,204.34
						EE + Child(ren):	\$966.40	\$1,050.18
						EE + Family:	\$1,589.22	\$1,729.64

In Network Deductible applies towards In Network OOP.

Medical Plan Accumulators will be based on Plan Year.

\*Rates include a producer commission of \$45.32 PEPM paid to McAnally Wilkins, Inc..

### Monthly Employer Contribution Amounts

TX Health Benefits Pool requires 60% employer contribution toward employee medical – Minimum employer contribution is \$369.72.

Please enter your monthly employer contribution amounts for active employees here, in dollars or percentages:

Plan	EE Only:		EE+Spouse*:		EE+Child(ren)*:		EE+Family*:	
	Amount	% of Rate**	Amount	% of Rate**	Amount	% of Rate**	Amount	% of Rate**
Coplay-5K-7K ER-DAW1&2	\$ _____ or	<u>100</u> %	\$ _____ or	<u>70</u> %	\$ _____ or	<u>70</u> %	\$ _____ or	<u>70</u> %

\*If entering contributions in dollars, the dependent tier(s) must include the EE Only amount paid by employer in addition to any employer paid amounts for dependents. Percentages for dependent tier(s) will apply to the dependent tier amount less the EE Only amount.

\*\*NOTE: If a contribution percentage is provided, it will be rounded up to the nearest penny.

Are there different contributions based on other factors (ex: hourly vs salary, department or location based)? If so, please explain here:

### Pre-65 Retiree Medical

Yes - Rates Same as Active

Note: Pre-65 Retiree rates will be Direct Billed to the EMPLOYER.

### COBRA Eligibility and Administration (Continuation of Coverage)

COBRA Eligible? Yes

COBRA Administration through TX Health Benefits Pool? No

COBRA Administration through Third Party? No  Yes  If yes, please provide administrator: TexHealth, Inc.

### Benefit Waiting Period

1st of mo after 30 days

### Required Annual Eligibility and Enrollment Information

Please provide the following information:

1. Will you allow Employee Self Service (ESS) via TXHB Online for Open Enrollment and Qualifying Life Events? No  Yes

**Signature Section**

The undersigned employer hereby acknowledges that for an employee to receive coverage, TX Health Benefits Pool must receive enrollment information within thirty-one (31) days of the date of hire or within thirty-one (31) days of the coverage effective date, whichever is later, regardless of whether the Employer has a waiting period or a waiting and orientation period. If an enrollment is not submitted within this timeline, the employee cannot be added to the Plan until the next Open Enrollment period or a qualifying event occurs.

**Employer Member Additional Acknowledgements and Agreements**

1. Employer Member acknowledges and agrees that its signature on this Renewal Notice and Benefit Verification Form indicates its binding selections for renewal services through TX Health Benefits Pool.
2. Employer Member acknowledges that certain benefit service selections require completion and execution of additional forms and agreements and agrees that it will work with all due diligence and in good faith to complete, execute, and return all necessary forms and agreements to TX Health Benefits Pool prior to the beginning of the Group's open enrollment.
3. Employer Member acknowledges that TX Health Benefits Pool will only allow open enrollment for renewal services in good faith and without receiving all necessary signed benefit service forms and agreements if:
  - A. A signed Renewal Notice and Benefit Verification Form with all necessary Employer Member selections and information has been received; and
  - B. Employer Member has in good faith attempted but failed to approve and return the applicable benefit service forms and agreements timely.
4. Employer certifies that it has adopted an Employee Flexible Benefits Plan under Section 125 of the Internal Revenue Code. This Plan is offered to all eligible employees who are qualified by employment status.
5. Employer certifies that it will provide notice of the creditable status of the coverage it offers to new enrollees prior to the effective date of their coverage, as required by the Medicare Modernization Act.

**Please sign by the due date** and return this completed form via email to your Account Executive/Account Manager or TMLHealthMarketing@tmlhb.org.

75-6000555

Tax ID Number

*Karen Arnall*

Authorized Signature

7-7-23

Date

*Karen Arnall*

Printed Name

*Finance Director*

Title

The rates are based on census information five months prior to plan year. If the census changes by more than 10%, TX Health Benefits Pool reserves the right to revise rates due to census change and underwriting impact.

Rates are subject to change due to intervening events such as action taken by the TX Health Benefits Pool Board of Trustees, legislation passed during the plan year, or other events affecting benefits.

Supplemental benefits cannot be accessed without accessing the TX Health Benefits Pool Medical Benefit Plan.

YOUR RENEWAL QUOTE INCLUDES PROPRIETARY INFORMATION THAT SHOULD NOT BE SHARED WITH OTHER COMPETITORS OR USED TO CIRCUMVENT THE REQUIREMENTS OF TEXAS COMPETITIVE BIDDING LAWS. IN THE EVENT YOU RECEIVE A RENEWAL QUOTE AND LATER DECIDE TO ISSUE AN RFP, THE RENEWAL QUOTE MAY NOT BE SHARED WITH ANY OTHER COMPETITORS AS DOING SO WOULD DISADVANTAGE TX HEALTH BENEFITS POOL IN THE COMPETITIVE PROCESS. TX HEALTH BENEFITS POOL ALSO RESERVES THE RIGHT TO REVISE PREVIOUSLY ISSUED RATES IN RESPONSE TO YOUR RFP.



**MEDICAL COST PROJECTION**

Henderson - MHENDER1  
05/30/23  
MEMBER OPTION

Current Plan	2022-2023	2023-2024
	Current Rates	New Rates
	Copay-2500-6K ER	Copay-2500-6K ER
	80% / 50%	80% / 50%
	PPO	PPO
	\$2,500 In Ded	\$2,500 In Ded
	\$5,000 Out Ded	\$5,000 Out Ded
	\$6,000 In OOP	\$6,000 In OOP
	\$0 Teia Health Copay	\$0 Teia Health Copay
	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay
	DAW1&2 Rx Plan	DAW1&2 Rx Plan
	\$568.60	\$662.80
EE	\$1,107.70	\$1,298.94
EE + Spouse	\$966.40	\$1,132.20
EE + Child(ren)	\$1,589.22	\$1,867.14
EE + Family		

18% Increase

**New Plan Options**

2023-2024

Option 1	Option 2	Option 3	Option 4
12.74% Increase	10.92% Increase	9.66% Increase	8.37% Increase
Copay-3K-6K ER	Copay-3K-7K ER	Copay-4K-7K ER	Copay-5K-7K ER
80% / 50%	80% / 50%	80% / 50%	80% / 50%
PPO (copay)	PPO (copay)	PPO (copay)	PPO (copay)
\$3,000 In Ded	\$3,000 In Ded	\$4,000 In Ded	\$5,000 In Ded
\$6,000 Out Ded	\$6,000 Out Ded	\$8,000 Out Ded	\$10,000 Out Ded
\$6,000 In OOP	\$7,000 In OOP	\$7,000 In OOP	\$7,000 In OOP
\$0 Teia Health Copay	\$0 Teia Health Copay	\$0 Teia Health Copay	\$0 Teia Health Copay
\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay
DAW1&2 Rx Plan	DAW1&2 Rx Plan	DAW1&2 Rx Plan	DAW1&2 Rx Plan
\$641.06	\$630.70	\$623.52	\$616.20
\$1,254.80	\$1,233.76	\$1,219.20	\$1,204.34
\$1,093.94	\$1,075.70	\$1,063.06	\$1,050.18
\$1,803.00	\$1,772.42	\$1,751.26	\$1,729.64

Signature / Date

Signature / Date

Signature / Date

Signature / Date

Please sign & date option chosen:

Rates include a \$45.32 PEPM Agent/Broker Commission

**THIS DOES NOT COMPLETE THE RERATE PROCESS. YOU WILL NEED TO SIGN THE MEMBER OPTION AND RETURN TO YOUR MARKETING CONTACT BY 06/26/2023.**

**THEN A NEW RERATE NOTICE WILL BE GENERATED AND MAILED TO YOU. THE RERATE SHEET MUST BE SIGNED AND RECEIVED IN AUSTIN BY 07/01/2023 FOR THE NEW BENEFITS AND RATES TO BE EFFECTIVE FOR 10/01/2023.**

*The information contained in this option includes proprietary information that should not be shared with other competitors or used to circumvent the requirements of Texas Competitive Bidding laws.*

7/5/22



# City Council

## Agenda Item # 8.

**SUBJECT:** Open a public hearing on the City of Henderson's proposed 2023-24 Budget. (Mayor)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Administration

**CONTACT:** Jay Abercrombie, City Manager

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**RECOMMENDED CITY COUNCIL ACTION:**  
**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 9.

**SUBJECT:** Motion to close the budget public hearing. (Mayor)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Administration

**CONTACT:** Jay Abercrombie, City Manager

---

**RECOMMENDED CITY COUNCIL ACTION:** Make a motion to close the public hearing and stating time.

**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 10.

**SUBJECT:** Consideration and possible action upon taking a record vote for the proposed 2023 property tax rate. (Abercrombie/Jimerson)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** City Manager

**CONTACT:** Jay Abercrombie, City Manager

---

**RECOMMENDED CITY COUNCIL ACTION:** Approve the proposed tax rate.

**ITEM SUMMARY:** See attached notice

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. Public Hearing Notice

Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate and the voter-approval tax rate and the de minimis rate exceeds the voter-approval rate, as prescribed by Tax Code §§26.06(b-1) and 26.063(d).

# NOTICE OF PUBLIC HEARING ON TAX INCREASE

This notice applies to taxing units other than special taxing units or to a municipality with a population of less than 30,000 regardless of whether it is a special taxing unit.

A tax rate of \$ .541799 per \$100 valuation has been proposed by the governing body of City of Henderson

PROPOSED TAX RATE	<u>\$ .541799</u> per \$100
NO-NEW-REVENUE TAX RATE	<u>\$ .483768</u> per \$100
VOTER-APPROVAL TAX RATE	<u>\$ .494165</u> per \$100
DE MINIMIS RATE	<u>\$ .541799</u> per \$100

The no-new-revenue tax rate is the tax rate for the 2024 (current tax year) tax year that will raise the same amount of property tax revenue for City of Henderson (name of taxing unit) from the same properties in both the 2023 (preceding tax year) tax year and the 2024 (current tax year) tax year.

The voter-approval tax rate is the highest tax rate that City of Henderson (name of taxing unit) may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Henderson (name of taxing unit) exceeds the voter-approval tax rate for City of Henderson (name of taxing unit).

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Henderson (name of taxing unit), the rate that will raise \$500,000, and the current debt rate for City of Henderson (name of taxing unit).

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Henderson (name of taxing unit) is proposing to increase property taxes for the 2024 (current tax year) tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON September 5, 2023 at 6:00 p.m. (date and time) at 300 W. Main Street, Henderson, TX 75652 in the Council Chambers inside Municipal Services Complex (meeting place)

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate and does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code. If City of Henderson (name of taxing unit) adopts the proposed tax rate, City of Henderson (name of taxing unit) is not required to hold an election so that the voters may accept or reject the proposed tax rate and the qualified voters of the City of Henderson (name of taxing unit) may not petition the City of Henderson (name of taxing unit) to require an election to be held to determine whether to reduce the proposed tax rate.

**YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:**

Property tax amount = ( tax rate ) x ( taxable value of your property ) / 100

*(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)*

- FOR the proposal: \_\_\_\_\_
- AGAINST the proposal: \_\_\_\_\_
- PRESENT and not voting: \_\_\_\_\_
- ABSENT: \_\_\_\_\_

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by Rusk County Tax Assessor/Collector last year (name of taxing unit) to the taxes proposed to be imposed on the average residence homestead by Rusk County Tax Assessor/Collector this year. (name of taxing unit)

	2022	2023	Change
<b>Total tax rate (per \$100 of value)</b>	2022 adopted tax rate	2022 proposed tax rate	(Increase/Decrease) of (nominal difference between tax rate for preceding year and proposed tax rate for current year) per \$100, or (percentage difference between tax rate for preceding year and proposed tax rate for current year)%
<b>Average homestead taxable value</b>	2022 average taxable value of residence homestead	2023 average taxable value of residence homestead	(Increase/Decrease) of (percentage difference between average taxable value of residence homestead for preceding year and current year)%
<b>Tax on average homestead</b>	2022 amount of taxes on average taxable value of residence homestead	2023 amount of taxes on average taxable value of residence homestead	(Increase/Decrease) of (nominal difference between amount of taxes imposed on the average taxable value of a residence homestead in the preceding year and the amount of taxes proposed on the average taxable value of a residence homestead in the current year), or (percentage difference between taxes imposed for preceding year and taxes proposed for current year)%
<b>Total tax levy on all properties</b>	2022 levy	(2023 proposed rate x current total value)/100	(Increase/Decrease) of (nominal difference between preceding year levy and proposed levy for current year), or (percentage difference between preceding year levy and proposed levy for current year)%

***(If the tax assessor for the taxing unit maintains an internet website)***

For assistance with tax calculations, please contact the tax assessor for Rusk County Tax Assessor/Collector (name of taxing unit) at 903-657-0338 (telephone number) or npartin@ruskcountytexas.gov (email address), or visit ruskcountytax.com (internet website address) for more information.

***(If the tax assessor for the taxing unit does not maintain an internet website)***

For assistance with tax calculations, please contact the tax assessor for \_\_\_\_\_ (name of taxing unit) at \_\_\_\_\_ (telephone number) or \_\_\_\_\_ (email address).



# City Council

## Agenda Item # 11.

**SUBJECT:** Consideration and possible action upon the Order of a Municipal Election to be held November 7, 2023. (Jimerson)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** City Secretary

**CONTACT:** Cheryl Jimerson

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**RECOMMENDED CITY COUNCIL ACTION:** Approve resolution ordering municipal election.

**ITEM SUMMARY:** In accordance with the Texas Election Code, Section 41.001, the Legislature prescribes the first Tuesday after the first Monday in November 2023 as one of the four uniform election dates for holding an election. Therefore, the City of Henderson General Election shall be held on Tuesday, the 7th day of November 2023; and,

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. Resolution 2023-08-02 Ordering General Election

**RESOLUTION NO. 2023-08-02**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSON TEXAS, ORDERING THE GENERAL ELECTION TO BE HELD NOVEMBER 7, 2023, TO ELECT THE FOLLOWING OFFICERS: COUNCIL MEMBER DISTRICT #1, COUNCIL MEMBER DISTRICT #4 and COUNCIL MEMBER DISTRICT 5; ESTABLISHING PARAMETERS FOR EARLY VOTING BY PERSONAL APPEARANCE, OBTAINING APPLICATION FOR BALLOT BY MAIL, AND LOCATION OF POLLING PLACE ON ELECTION DAY.**

**WHEREAS**, the City of Henderson Texas (The City), In accordance with the Texas Election Code, Section 41.001, the Legislature prescribes the first Tuesday after the first Monday in November 2023 as one of the four uniform election dates for holding an election. Therefore, the City of Henderson General Election shall be held on Tuesday, the 7th day of November 2023; and,

**WHEREAS**, as the laws of the State of Texas further provide that the Election Code of the State of Texas is applicable to said election, and in order to comply with said Code, an order shall be passed establishing the parameters for early voting by personal appearance, obtaining applications for ballot by mail, and designating the voting place in said election.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HENDERSON, TEXAS;**

**SECTION 1.**

That the Order of Election for Municipalities as prescribed by State of Texas in accordance to the Texas Election Code Sections 3.004, 3.006, 4.008, 85.004, and 85.007. has been ordered.

**SECTION 2.**

Early voting by personal appearance will be conducted each weekday at the Rusk County Election Office, 204 North Main Street, Henderson, Texas, between the hours and days as listed:

Mon. Oct. 23rd	8am -5pm	Mon. Oct. 30th	8am - 5pm
Tues. Oct. 24th	8am -5pm	Tues. Oct. 31st	8am - 5pm
Wed. Oct. 25th	8am -5pm	Wed. Nov. 1st	8am - 5pm
Thurs. Oct. 26th	8am -5pm	Thurs. Nov 2nd	7am - 7pm
Fri. Oct. 27th	8am -5pm	Fri. Nov. 3rd	7am - 7pm
Sat. Oct. 28th	9am-3pm		
Sun. Oct. 29th	<b>CLOSED</b>		
Tue. Nov 7 Election Day	7am- 7pm	At 1500 Lake Forest Parkway	In the Henderson Civic Center

**SECTION 3.**

Applications for ballot by mail shall be mailed to the Early Voting Clerk: Rusk County Elections Administrator, P.O. Box 668, Henderson, TX 75653. Said applications for ballot by mail must be received no later than the close of business on October 23, 2020.

**SECTION 4.**

Said election for Council Member District #1, #4, and #5 shall be held at the Rusk County Election Office, 204 North Main Street, Henderson, Texas.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HENDERSON, TEXAS, this 22ndth day of August 2023.**

**ATTEST:**

\_\_\_\_\_  
**John (Buzz) Fullen, Mayor**

\_\_\_\_\_  
**Cheryl Jimerson, City Secretary**



# City Council

## Agenda Item # 12.

**SUBJECT:** Conduct a Public Hearing on the proposed City of Henderson Property Assessed Clean Energy (PACE) program. (Mayor)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** City Secretary

**CONTACT:** Cheryl Jimerson

---

**RECOMMENDED CITY COUNCIL ACTION:** Staff recommends opening a public hearing and asking for any questions or comments on the PACE program and turning the floor over to Dub Taylor to answer any questions that may be asked.

**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 13.

**SUBJECT:** Motion to close the PACE program public hearing. (Mayor)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Administration

**CONTACT:** Cheryl Jimerson

---

**RECOMMENDED CITY COUNCIL ACTION:** Make a motion to close the public hearing.

**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 14.

**SUBJECT:** Consideration and possible action on Resolution 2023-08-01 Establishing the City of Henderson PACE program. (Jimerson)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** City Secretary

**CONTACT:** Cheryl Jimerson

---

**RECOMMENDED CITY COUNCIL ACTION:** Approval of Resolution 2023-08-01 Establishing the City of Henderson PACE program.

**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. Resolution 2023-08-01 Establishing the PACE Program

CITY OF HENDERSON CITY COUNCIL  
RESOLUTION 2023-08-01  
ESTABLISHING THE CITY OF HENDERSON PACE PROGRAM

STATE OF TEXAS                                   §  
  §  
CITY OF HENDERSON                           §

WHEREAS, the 83<sup>rd</sup> Regular Session of the Texas Legislature enacted the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 (the “PACE Act”), which allows the governing body of a local government, including a City or County, to designate an area of the territory of the local government as a region within which an authorized representative of a local government and the record owners of commercial, industrial, and large multifamily residential (5 or more dwelling units) real property may enter into written contracts to impose assessments on the property to repay the financing by the owners of permanent improvements fixed to the property intended to decrease energy or water consumption or demand;

WHEREAS, the installation or modification by property owners of qualified energy or water saving improvements to commercial, industrial, and large multifamily residential real property in the City will further the goals of energy and water conservation without cost to the public;

WHEREAS, the City Council finds that third-party financing of energy and water conserving projects through contractual assessments maintained by the City (“PACE financing”) furthers essential government purposes, including but not limited to, economic development, reducing energy consumption and costs, conserving water resources, and reducing greenhouse gas emissions;

WHEREAS, the City Council adopted a Resolution of Intent to establish a PACE program for the City on July 25, 2023 including a reference to the report on the proposed program prepared as required by Section 399.009 of the PACE Act and made the report available to the public on the City’s website and for inspection in the City Manager’s Office;

WHEREAS, the City Council finds that the administration of the PACE program by a qualified non-profit organization as an independent third-party Authorized Representative contracted by the City and compensated by application and administration fees paid by the participating property owners, will enable the program to be administered without use of City resources, will assure the objectives of impartiality and confidentiality of owner information, and will be convenient and advantageous to the City and

WHEREAS, the City Council also finds that because no City funds will be expended for PACE financing of the Authorized Representative’s services, the selection of such an independent third-party Authorized Representative is not subject to the Professional Services Procurement Act or other City purchasing requirements; and

WHEREAS, the City Council held a public hearing on August 22, 2023 at 6:00 pm at City Hall, 300 West Main Street, Henderson, Texas, at which the public hearing could comment on the proposed program, including the report available for public inspection as mentioned above and as required by Section 399.008(a)(2):

NOW THEREFORE, be it resolved by the City Council of the City of Henderson that:

1. Recitals. The recitals to this Resolution are true and correct and are incorporated into this resolution for all purposes.

2. Establishment of Program. The City hereby adopts this Resolution Establishing the City of Henderson Property Assessed Clean Energy Program (“The City of Henderson PACE”), herein called “the Program,” and finds that financing qualified projects through contractual assessments pursuant to the PACE Act is a valid public purpose and is convenient and advantageous to the City and its citizens.
3. Contractual Assessments. The City will, at the property owner’s request, impose contractual assessments on the property to repay PACE financing for qualified energy and water conserving projects available to owners of privately owned commercial, industrial, and large multifamily property.
4. Qualified Projects. The following types of projects are qualified projects for PACE financing that may be subject to such contractual assessments:

Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial, industrial, or residential real property with five (5) or more dwelling units, and (b) are intended to decrease energy or water consumption or demand, including a product, device, or interacting group of products or devices on the customer’s side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.

An assessment may not be imposed to repay the financing of facilities for undeveloped lots or lots undergoing development at the time of the assessment or the purchase or installation of products or devices not permanently fixed to real property.

5. Region. The entire geographic area within the City’s jurisdictional boundaries is included in the region where PACE financing and assessments can occur
6. Third- Party Financing. Financing for qualified projects under the Program will be provided by qualified third-party lenders chosen by the owners. Such lenders will execute written contracts with the Authorized Representative to service the debt through assessments, as required by the PACE Act. The contracts will provide for the lenders to determine the financial ability of owners to fulfill the financial obligations to be repaid through assessments, advance the funds to owners on such terms as are agreed between the lenders and the owners for the installation or modification of qualified projects, and service the debt secured by the assessments, directly or through a servicer, by collecting payments from the owners pursuant to financing documents executed between the lenders and the owners. The City will maintain and continue the assessments for the benefit of such lenders and will enforce the assessment lien for the benefit of a lender in the event of a default by an owner. The City will not, at this time, provide financing of any sort for the City of Henderson PACE program.
7. Authorized Representative. The City Council will designate Texas PACE Authority, a non-profit organization, to act as the Authorized Representative with authority to enter into written contracts with the record owners of real property in the City to impose assessments pursuant to the PACE Act to repay the financing of qualified projects on the owners’ property, to enter into written contracts with the parties that provide third-party financing for such projects to service the debts through assessments, and to file written notice of each contractual assessment in the real property records of Rusk County, all on behalf of the City. The Authorized Representative may make technical and conforming

updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute. The City Manager or his designee will be the liaison with the Authorized Representative.

8. Enforcement. The City will enforce the collection of past due assessments and may contract with a qualified law firm to assist in collection efforts.
9. Report. The final report on the City PACE program, prepared in accordance with Section 399.009 of the Texas Local Government Code is attached and incorporated into this resolution. The City will post the resolution and report on the City's website.
10. Amendment of Program. The City Council may amend the City PACE Program by resolution. However, another public hearing is required before the Program may be amended to provide for City financing of qualified improvements through assessments.

Adopted this 22nd day of August 2023.

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Honorable John Fullen, Mayor

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Honorable Wes Breitenberg  
Council Member, District 1

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Honorable Michael Searcy  
Council Member, District 2

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Honorable Henry Pace  
Mayor Pro Tem, Council Member, District 3

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Honorable Melissa Morton  
Commissioner, District 4

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Honorable Gina Juarez  
Council Member, District 5

**REPORT REQUIRED BY TEXAS LOCAL GOVERNMENT CODE SECTION 399.009**  
**FOR PROPOSED PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM**

This Report is adopted by the City Council for the City of Henderson, Texas (“**Local Government**”) Property Assessed Clean Energy (PACE) Program (**the “Program”**) in accordance with the requirements of the Property Assessed Clean Energy Act (**the “PACE Act”**) as set forth in Texas Local Government Code Chapter 399.

The Local Government and its constituents benefit when older existing buildings are modified with new technology and equipment that increases energy efficiency and reduces water consumption. As described in this Report, the Local Government is establishing the commercial PACE Program to encourage private sector investment in energy efficiency and water conservation. The PACE Program will be offered to property owners on a strictly voluntary basis and will not require the use of any public funds or resources.

Authorized under the PACE Act enacted in 2013, the PACE program is an innovative financing program that enables private sector owners of privately owned commercial, industrial, and multi-family residential properties with five or more dwelling units to obtain low-cost, long-term loans to pay for water conservation, energy-efficiency improvements, and renewable energy retrofits. PACE loans provide up to 100% financing of all project costs, with little or no up-front out-of-pocket cost to the owner. The Local Government has chosen to follow the administrative principles, program processes, and model documents of the uniform Texas PACE in a Box model program.<sup>1</sup>

Loans made under the PACE Program will be secured by assessments on the property that are voluntarily imposed by the owner. Assessments may be amortized over the projected life of the improvements. The utility cost savings derived from improvements financed with PACE loans are expected to equal or exceed the amount of the assessment. In turn, these improvements are able to generate positive cash flow upon installation because the debt service will be less than the savings.

PACE assessments are tied to the property and follow title from one owner to the next. Each owner is responsible only for payment of the assessments accruing during its period of ownership. When the property is sold, the payment obligation for the remaining balance of the assessment is transferred automatically to the next owner. As a result, the program will help property owners overcome market barriers that often discourage investment in energy efficiency and water conservation improvements.

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<sup>1</sup> <https://www.keepingpaceintexas.org/pace-in-a-box>

## 1. Eligible Properties

The Local Government's PACE program is a strictly voluntary program. All private sector owners of Eligible Properties located within the Local Government's PACE region may participate in PACE financing. "**Eligible Properties**" include commercial, industrial, and multi-family residential properties with five or more dwelling units. Government, residential<sup>2</sup>, and undeveloped property and property undergoing development at the time of the assessment are not Eligible Properties.

## 2. Qualified Improvements

PACE financing may be used to pay for Qualified Improvements to Eligible Properties. "**Qualified Improvements**" are permanent improvements intended to decrease water or energy consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that use energy technology to generate electricity, provide thermal energy, or regulate temperature. Under the PACE Act, products or devices that are not permanently fixed to real property are not considered to be Qualified Improvements.

The following items may constitute Qualified Improvements:

- High efficiency heating, ventilating and air conditioning ("HVAC") systems
- High efficiency chillers, boilers, and furnaces
- High efficiency water heating systems
- Energy management systems and controls
- Distributed generation systems
- High efficiency lighting system upgrades
- Building enclosure and envelope improvements
- Water conservation and wastewater recovery and reuse systems
- Combustion and burner upgrades
- Heat recovery and steam traps
- Water management systems and controls (indoor and outdoor)
- High efficiency irrigation equipment

## 3. Benefits of PACE to Property Owners

The PACE program will enable owners of Eligible Properties to overcome traditional barriers to capital investments in energy efficiency and water conservation improvements, such as unattractive returns on investment, split incentives between landlords and tenants, and uncertainty of recouping the investment upon sale of the property.

By financing Qualified Improvements through the program, property owners may achieve utility cost savings that exceed the amount of the assessment and reduce their exposure to utility price volatility. As a result, the value of the property will be enhanced, and the owner will only be obligated to pay the assessment installments that accrue during its period of ownership of the property. Additionally, by investing in energy efficiency and water conservation with PACE

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<sup>2</sup> This encompasses single family residential and any multi-family properties with fewer than five units.

financing, property owners may also qualify for various rebate, tax credit, and incentive programs offered by utility providers and state or federal governmental authorities to encourage these types of investments.

#### **4. Benefits of PACE to the Local Government**

Among other things, projects financed through PACE will:

- Enable property owners and occupants to save substantial amounts in utility costs,
- Reduce demand on the electricity grid
- Mitigate greenhouse gas emissions associated with energy generation
- Enhance the value and efficiency of existing buildings
- Boost the local economy by creating new job opportunities and new business opportunities for contractors, engineers, commercial lenders, professionals, and equipment vendors and manufactures
- Increase business retention and expansion in the PACE region by enabling cost effective energy and water saving updates to existing property
- Improve productivity through optimized energy usage
- Support the State's water conservation plan
- Better enable the Local Government to meet its water conservation goals

Finally, through the reduction in energy consumption as a result of the PACE program, there will be a decreased demand for power resulting in lower emissions from power plants. EPA regulations have significant impacts on air quality standards in Texas. Being non-attainment for priority pollutants in the Clean Air Act endangers federal transportation funding.

The PACE program requires minimal support from the Local Government. It is designed to be self-sustaining. Furthermore, because the PACE program is tax neutral, it achieves all of the benefits listed in this Report without imposing a burden on the Local Government's general fund.

The 84<sup>th</sup> Texas Legislature added a provision that explicitly shields the Local Government and its employees, members of the governing body of a local government, employees of a local government, and board members, executives, employees, and contractors of a third party who enter into a contract with a local government to provide administrative services for a program under this chapter.<sup>3</sup>

#### **5. The Benefits of PACE to Lenders**

PACE loans are attractive to lenders because they are very secure investments. Like a property tax lien, the assessment lien securing the PACE loan has priority over other liens on the property. Therefore, the risk of loss from non-payment of a PACE loan is low compared to most other types of loans. PACE assessments provide lenders with an attractive new product to assist

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<sup>3</sup> TX. Local Gov't Code §399.019. In the 85th legislature, HB 2654 clarified that the personal immunity provisions apply to all elected officials performing rights and duties under chapter 399 of the Local Government Code.

existing and new customers in addressing an almost universal pent-up demand for needed commercial and industrial property equipment modernization. In order to protect the interests of holders of existing mortgage loans on the property, the PACE Act requires their written consent to the PACE assessment as a condition to obtaining a PACE loan.

## **6. The Benefits of PACE to Contractors, Engineers, and Manufacturers**

PACE loans provide attractive sources of financing for water and energy saving retrofits and upgrades, thereby encouraging property owners to make substantial investments in existing commercial and industrial buildings. As a result, PACE will unlock business opportunities for contractors, engineers, and manufacturers throughout the commercial and industrial sectors.

## **7. Administration of the Local Government PACE Program**

Under the PACE Act, the establishment and operation of the program are considered to be governmental functions.<sup>4</sup> The PACE Act further authorizes the Local Government to enter into a contract with a third party to provide administrative services for the PACE program (the “*Authorized Representative*”). The Local Government will delegate administration of the PACE program to Texas PACE Authority, a qualified, non-profit organization that can administer the program at no cost to the Local Government.

The Authorized Representative’s role is to serve as an extension of the local government staff to provide oversight of the program to ensure best practices and consumer protections at the lowest possible cost to the property owner in a transparent and ethical manner and to provide education and outreach.

The Authorized Representative will be funded by administrative fees paid by the property owners establishing a PACE project, charitable grants or other authorized sources of revenue. The Authorized Representative will not receive compensation or reimbursement from the Local Government.

## **8. Eligible Lenders**

The PACE Act does not set criteria for financial institutions or investors to be PACE lenders. The Local Government will follow best practices of other PACE programs and the Texas PACE in a Box model program by recommending that lenders be:

- Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;
- Any insurance company authorized to conduct business in one or more states;
- Any registered investment company, registered business development company, or a Small Business Administration small business investment company;
- Any publicly traded entity; or
- Any private entity that:
  - Has a minimum net worth of \$5 million; and

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<sup>4</sup> TX Local Government Code §399.003(b)

- Has at least three years' experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years' experience in business or industrial lending or commercial real estate lending; and
- Can provide independent certification as to availability of funds; and
- All lenders must have the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts.

Any lender can participate in the PACE program as long as it is a financially stable entity with the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts. The property owner, not the Local Government or the Authorized Representative, selects the lender.

The Authorized Representative will not guarantee or imply that funding will automatically be provided from a third-party lender, imply or create any endorsement of, or responsibility for, any lender; or create any type of express or implied favoritism for any eligible lender.

## 9. Components of the PACE Program

As required under Section 399.009 of the PACE Act, the following describes all aspects of the PACE Program:

- a. Map of Region. A map of the boundaries of the region included in the program is attached to this Report as Exhibit 1. The region encompasses the Local Government limits.
- b. Form Contract with Owner. A form contract between the Local Government and the record owner of the Eligible Property is attached as Exhibit 2. It specifies the terms of the assessment under the PACE program and the financing to be provided by an Eligible Lender of the property owner's choosing.
- c. Form Contract with Lender. A form contract between the Local Government and the Eligible Lender chosen by a property owner is attached to this Report as Exhibit 3. It specifies the financing and servicing of the debt through assessments.

Form Notice of Contractual Assessment Lien. A form Notice of Assessment Lien to be filed by the Local Government with the County Clerk is attached to this Report as Exhibit 4.

- d. Qualified Improvement. The following types of projects are qualified improvements that may be subject to contractual assessments under the PACE program:

Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial,

industrial or residential real property with five (5) or more dwelling units;<sup>5</sup> and (b) are intended to decrease energy or water consumption or demand by installing a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.<sup>6</sup>

A sample list of potential Qualified Improvements appears in Section 2 above.

The PACE program may not be used to finance improvements to undeveloped lots or lots undergoing development at the time of the assessment, or for the purchase or installation of products or devices not permanently fixed to real property.<sup>7</sup>

- e. Authorized Representative. HB 3187 was signed into law on June 16, 2015. It authorizes the Local Government to delegate administration of the PACE program to a third-party "Authorized Representative." The Local Government may delegate all official administrative responsibilities, such as the execution of individual contracts with property owners and lenders, to an Authorized Representative. This relationship will be monitored and maintained by the [County Judge/City Manager] or [his/her] designee.
- f. Project Review. Track and provide a public overview with savings metrics for all PACE projects
- g. Plans for Insuring Sufficient Capital<sup>8</sup>. Lenders will extend loans to finance Qualified Improvements. Financing documents executed between owners and lenders will impose a contractual assessment on Eligible Property to repay the owner's financing of the Qualified Improvements. The lenders will ensure that property owners demonstrate the financial ability to fulfill the financial obligations to be repaid through contractual assessments.
- h. No Use of Bonds or Public Funds. The Local Government does not intend to issue bonds or use any other public monies to fund PACE projects. Property owners will obtain all financing from the Eligible Lenders they choose.
- i. Limit on Length of Loan. One of the statutory criteria of a PACE loan is that the assessment payment period cannot exceed the useful life of the Qualified Improvement that is the basis for the loan and assessment. As part of the application process, the property owners will submit an independent third-party review prepared by a licensed engineer showing the water or energy baseline

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<sup>5</sup> TX. Local Gov't Code §399.002(5).

<sup>6</sup> TX. Local Gov't Code §399.002(3).

<sup>7</sup> TX. Local Gov't Code §399.004.

<sup>8</sup> The Texas PACE Authority's website ([www.texaspaceauthority.org](http://www.texaspaceauthority.org)) offers a non-exhaustive list of interested and qualified lenders to assist property owners in funding PACE projects in Texas.

conditions and the projected water or energy savings. This review will aid the Authorized Representative in making a determination that the period of the requested assessment does not exceed the useful life of the Qualified Improvement.

- j. Application Process. The Authorized Representative will accept applications from property owners seeking to finance Qualified Improvements under the program. Each application must be accompanied by the required application fee and must include:
- (1) A description of the specific Qualified Improvements to be installed or modified on the property,
  - (2) A description of the specific real property to which the Qualified Improvements will be permanently fixed, and
  - (3) The total amount of financing, including any transaction costs, to be repaid through assessments.

Based on this information, the Authorized Representative may issue a preliminary letter indicating that, subject to verification of all requirements at closing, the proposed project appears to meet program requirements. Based on this preliminary letter, the property owner may initiate an independent third-party review of the project and submit the project to Eligible Lenders for approval of financing.

Once the above processes are completed, the property owner will submit the application to the Authorized Representative to obtain preliminary approval. The property owner is expected to produce the following documentation prior to closing on the PACE loan:

- (1) A Report conducted by a qualified, independent third-party reviewer, showing water or energy baseline conditions and the projected water or energy savings, or the amount of renewable energy generated attributable to the project;
  - (2) Such financial information about the owner and the property as the lender chosen by the owner deems necessary to determine that the owner has demonstrated the financial ability to fulfill the financial obligations to be paid through assessments; and
  - (3) All other information required by the Authorized Representative.
- k. Financial Eligibility Requirements. The Authorized Representative will determine whether the owner, the property and the improvements are eligible for financing under the program. The Eligible Lender chosen by the owner will determine whether the owner has demonstrated the financial ability to repay the financial obligations to be collected through contractual assessments. The statutory method<sup>9</sup> for ensuring such a demonstration of financial ability must be based on appropriate underwriting factors, including the following:

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<sup>9</sup> TX. Local Gov't Code §399.009(b).

- (1) verification that the person requesting to participate in the program is the legal record owner of the benefitted property,
- (2) the applicant is current on mortgage and property tax payments,
- (3) the applicant is not insolvent or in bankruptcy proceedings,
- (4) the title of the benefitted property is not in dispute; and
- (5) there is an appropriate ratio of the amount of the assessment to the assessed value of the property. The Local Government determines that it will follow the Texas PACE in a Box model program recommendation for determining the appropriate loan to assessed value of the property.

The Local Government determines to be eligible for PACE financing, the projected savings derived from the Qualified Improvement must be greater than the cost of the PACE assessment and lien over the life of the assessment (i.e., the Savings to Investment Ratio (SIR) should be greater than one,  $SIR > 1$ ). A third-party lender and a for profit-property owner may request a waiver in writing for a project with an  $SIR < 1$  and address the interests of tenants and future property owners. The Authorized Representative may consider factors in a variance request including:

- (a). Are there other environmental benefits such as air or water quality or resiliency that are not captured in the SIR analysis;
- (b) Will the proposed qualifying improvements generate environmental marketable credits that can be monetized?
- (c). What is the SIR calculation for the project (how far below 1?);
- (d). If the SIR is  $< 1$  over the term of the assessment, is the  $SIR > 1$  over the useful life of the equipment?
- (e). What is the impact of a variance request on affected third parties? and
- (f) Other information the owner and lender wish to submit regarding the impact of the qualified improvements on the company and the community.

l. Mortgage Holder Notice and Consent. As a condition to the execution of a written contract between the Authorized Representative and the property owner imposing an assessment under the program, the holder of any mortgage lien on the property must be given notice of the owner's intention to participate in the program on or before the 30<sup>th</sup> day before the date the contract is executed, and the owner must obtain the written consent of all mortgage holders.<sup>10</sup>

m. Imposition of Assessment. The Authorized Representative will enter into a written contract with the property owner, only after:

- (1) The property owner delivers to the Authorized Representative written consent of all mortgage lien holders;
- (2) The Authorized Representative's determination that the owner and the property are eligible to participate in the program, that the proposed improvements are reasonably likely to decrease energy or water

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<sup>10</sup> TX. Local Gov't Code §399.010.

consumption or demand, and that the period of the requested assessment does not exceed the useful life of the Qualified Improvements; and  
(3) The Eligible Lender notifies the Authorized Representative that the owner has demonstrated the financial ability to fulfill the financial obligations to be repaid through contractual assessments.

The contract will impose a contractual assessment on the owner's Eligible Property to repay the lender's financing of the Qualified Improvements. The Authorized Representative will file "A Notice of Contractual Assessment Lien," in substantially the form in Exhibit 4 in the Official Public Records of the County in which the property is located, as notice to the public of the assessment, from the date of filing. The contract and the notice must contain the amount of the assessment, the legal description of the property, the name of the property owner, and a reference to the statutory assessment lien provided under the PACE Act.

- n. Collection of Assessments. The execution of the written contract between the Local Government and the property owner and recording of the Notice of Contractual Assessment Lien incorporate the terms of the financing documents executed between the property owner and with the lender to repay the financing secured by the assessment. The third-party lender will advance financing to the owner, and the terms for repayment will be such terms as are agreed between the lender and the owner. Under the form lender contract attached as Exhibit 3, the lender or a designated servicer will agree to service the debt secured by the assessment.

With funds from the lender, the property owner can purchase directly the equipment and materials for the Qualified Improvement and contract directly, including through lease, power purchase agreement, or other service contract, for the installation or modification of the Qualified Improvements. Alternatively, the lender may make progress payments to the property owner as the Qualified Improvement is installed.

The lender will receive the owner's assessment payments to repay the debt and remit to the Authorized Representative any administrative fees. The lender will have the right to assign or transfer the right to receive the installments of the debt secured by the assessment, provided all of the following conditions are met:

- (1) The assignment or transfer is made to an Eligible Lender, as defined above;
- (2) The property owner and the Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future installments should be mailed at least 30 days before the next installment is due according to the schedule for repayment of the debt; and
- (3) The assignee or transferee, by operation of the financing documents or otherwise, written evidence of which shall be provided, assumes lender's obligations under the lender contract.

- o. Verification Review. After a Qualified Improvement is completed, the Authorized Representative will require the property owner to provide verification by a qualified independent third-party reviewer that the Qualified Improvement was properly completed and is operating as intended.<sup>11</sup> The verification report conclusively establishes that the improvement is a Qualified Improvement and the project is qualified under the PACE program.<sup>12</sup>
- p. Marketing and Education Services. The Program Administrator will provide service provider training workshops for contractors, engineers, property managers and other stakeholders, provide outreach and education for all stakeholders including presentations, conference booths and individual meetings, and provide written and electronic materials such as case studies, flyers, and webinars.
- q. The Local Government may subsequently enter into agreements with one or more other local governments or non-profit organizations that promote energy and water conservation and/or economic development to provide marketing and education services for the PACE program.
- r. Quality Assurance and Antifraud Measures. The Authorized Representative will institute quality assurance and antifraud measures for the Program. The Authorized Representative will review each PACE application for completeness and supporting documents through independent review and verification procedures. The application and required attachments will identify and supply the information necessary to ensure that the property owner, the property itself, and the proposed project all satisfy PACE program underwriting and technical standard requirements. Measures will be put in place to provide safeguards, including a review of the energy and water savings baseline and certification of compliance with the technical standards manual from an independent third-party reviewer (ITPR), who must be a registered professional engineer, before the project can proceed. This review will include a site visit, report, and a letter from the ITPR certifying that he or she has no financial interest in the project and is an independent reviewer. After the construction of the project is complete, an ITPR will conduct a final site inspection and determine whether the project was completed and is operating properly. The reviewer's certification will also include a statement that the reviewer is qualified and has no financial interest in the project.
- s. Delinquency. Under the terms of the form lender contract attached as Exhibit 3, if a property owner fails to pay an agreed installment when due on the PACE assessment, the lender will agree to take at least the following steps to collect the delinquent installment:

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<sup>11</sup> TX Local Gov't Code §399.011.

<sup>12</sup> TX Local Government Code §399.011(a-1)

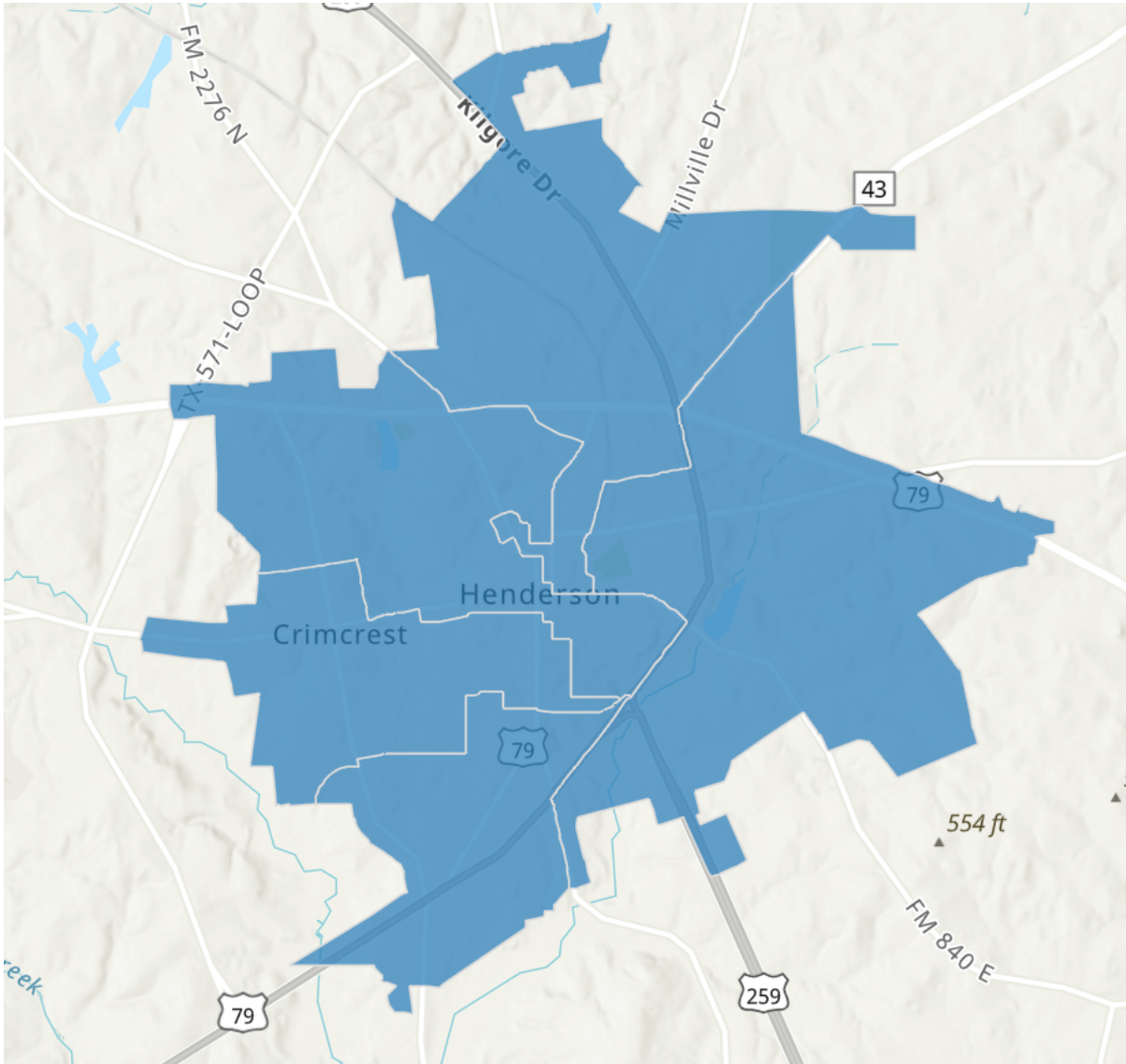
- (1) Mail to the owner a written notice of delinquency and demand for payment by both certified mail (return receipt requested) and first-class mail, and
- (2) Mail to the owner a second notice of delinquency and demand for payment by both certified mail (return receipt requested) and first-class mail, at least 30 days after the date of the first notice if the delinquency is continuing.

If the owner fails to cure the delinquency within 30 days after mailing the second notice of delinquency, the lender may notify the Authorized Representative of the owner's default. Pursuant to Texas Local Government Code Section 399.014(c), the Authorized Representative will initiate steps for the Local Government to enforce the assessment lien in the same manner as a property tax lien against real property may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, of the Texas Constitution. Delinquent installments will incur penalties and interest in the same manner and at the same rate as delinquent property taxes, according to Texas Local Government Code Section 399.014(d), and such statutory penalties and interest will be due to the Local Government to offset the cost of collection.

If the Local Government files suit to enforce collection, the Local Government may also recover costs and expenses, including attorney's fees, in a suit to collect a delinquent installment of an assessment in the same manner and at the same rate as in suit to collect a delinquent property tax. If a delinquent installment of an assessment is collected after the filing of a suit, the Local Government will remit to the lender the net amount of the delinquent installments and contractual interest collected and remit to the Authorized Representative the amount of any administrative fees collected but will retain any statutory penalties, interest, and attorney's fees collected.

**EXHIBIT 1**

**MAP OF CITY OF HENDERSON PACE REGION**



**EXHIBIT 2**  
**FORM OWNER CONTRACT**

## FORM PACE OWNER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY (“PACE”) OWNER CONTRACT including the attached exhibits (“**PACE Owner Contract**”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (“**Effective Date**”), by and between the City of Henderson, Texas (“**Local Government**”), and \_\_\_\_\_ (“**Property Owner**”). Local Government and Property Owner are hereafter referred to collectively as “the parties” or individually as “party.”

### RECITALS

A. The Property Assessed Clean Energy Act (“**PACE Act**”), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government’s jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated \_\_\_\_\_, adopted by the City Council (“**PACE Program**”), and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority as the representative of Local Government (“**Authorized Representative**”) authorized to enter into the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of the City of Henderson, Texas jurisdiction as a region (the “**Region**”) within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner’s property pursuant to the PACE Program.

C. Property Owner is the sole legal and record owner of the qualified “real property,” as defined in Section 399.002 of the PACE Act, within the Region located at \_\_\_\_\_, \_\_\_\_\_, Texas \_\_\_\_\_ - \_\_\_\_\_ (the “**Property**”) (the Property being more particularly described in the Notice of Contractual Assessment Lien, attached hereto as Exhibit A).

D. Pursuant to Project Application Number \_\_\_\_\_, Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as “qualified improvements”, as defined in Section 399.002 of the PACE Act (“**Qualified Improvements**”). The installation or modification of such Qualified Improvements on the Property will be a “qualified project” as defined in Section 399.002 of the PACE Act (the “**Project**”). Property Owner has requested that Local Government enter into this PACE Owner Contract pursuant to the

PACE Act and the PACE Program and has requested Local Government to impose an assessment (the “**Assessment**”) on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in the real property records of the county in which the Property is located (the “**Notice of Contractual Assessment Lien**”), to repay the financing of such Qualified Improvements. A copy of the Notice of Contractual Assessment Lien is attached hereto as Exhibit A and made a part hereof. The Property, Qualified Improvements and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. Financing for the Project (“**Financing**”) shall be provided to Property Owner by \_\_\_\_\_ (“**Lender**”), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 399.006(c) of the PACE Act (the “**PACE Lender Contract**”). The financing includes only those costs and fees for which an assessment may be imposed under Section 399.006(e) of the PACE Act. Local Government has agreed to maintain and continue the Assessment for the benefit of Lender until the Financing, all contractual interest due to Lender (“**Contractual Interest**”), any prepayment penalty, and any penalties, interest, fees, and costs due under or authorized by the PACE Act are paid in full and to release the Assessment upon notice from Lender of such payment, or to foreclose the lien securing the Assessment for the benefit of Lender upon notice from Lender of a default in payment by Property Owner.

F. As required by Section 399.010 of the PACE Act, Property Owner represents and warrants that it has notified the holder(s) of any mortgage lien on the Property at least thirty (30) days prior to the Effective Date of this PACE Owner Contract of Property Owner’s intention to participate in the PACE Program. The written consent of each mortgage holder to the Assessment was obtained on or prior to the Effective Date of this PACE Owner Contract and is attached hereto as Exhibit B and made a part hereof (“**Lender Consent(s)**”).

### AGREEMENT

The parties agree as follows:

1. Imposition of Assessment. In consideration for the Financing advanced or to be advanced to Property Owner by Lender for the Project under the PACE Program pursuant to the PACE Lender Contract, Property Owner hereby requests and agrees to the imposition by Local Government of the Assessment in the principal amount of \$ \_\_\_\_\_, as set forth in the Notice of Contractual Assessment Lien. In the event the actual total of costs and fees for which an assessment may be imposed under the PACE Act is different from the stated amount or any other term requires correction, Authorized Representative on behalf of Local Government, Property Owner, and Lender agree to execute an amended Owner Contract and Lender Contract, and thereafter Authorized Representative shall record an amended Notice of Contractual Assessment Lien. The Assessment includes the application and administration fees authorized by the PACE Program and Section 399.006(e) of the PACE Act. Property Owner promises and agrees to pay the Assessment, Contractual Interest thereon, any prepayment penalty, and all penalties, interest, fees, attorney’s fees, and costs due under or authorized by the PACE Act and the financing documents executed between Property Owner and Lender (the “**Financing Documents**”) described in or copies of which are attached as Exhibit C attached hereto and made a part hereof

by reference. Property Owner shall pay such amount in care of or as directed by Lender, in satisfaction of the Assessment imposed pursuant to this PACE Owner Contract and the PACE Act. Accordingly, Local Government hereby imposes the Assessment on the Property to pay the Financing of the Project, Contractual Interest, any prepayment penalty, and any penalties, interest, fees and costs due under or authorized by the PACE Act and the Financing Documents, in accordance with the requirements of the PACE Program and the provisions of the PACE Act.

2. Maintenance and Enforcement of Assessment. In consideration for Lender's agreement to advance Financing to Property Owner for the Project pursuant to the Financing Documents, Local Government agrees to maintain and continue the Assessment on the Property for the benefit of Lender until the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees, attorney's fees, and costs, due under or authorized by the PACE Act, PACE Program, and the Financing Documents are paid in full, and to release the Assessment upon notice from Lender of such payment. Upon written request of Lender, and with the written consent of Property Owner, Authorized Representative on behalf of Local Government may execute a partial release of the assessment lien and record the partial release. Local Government agrees to enforce the assessment lien against the Property at the request of Lender in the event of a default in payment by Property Owner, in accordance with the provisions set forth in paragraph 5. Authorized Representative shall deliver an annual notice of assessment to Property Owner by first-class mail or electronic mail each year until the Assessment is released. Any failure of Local Government or Authorized Representative to deliver an annual notice of assessment to Property Owner shall not affect the Assessment or Property's Owner's obligations under this PACE Owner Contract.

3. Installments. The Assessment and Contractual Interest thereon are due and payable to Lender in installments ("**Installments**"), according to the payment schedule set forth in the Financing Documents attached hereto as Exhibit C. The Assessment includes (1) an application fee paid by Property Owner to Authorized Representative at closing of the Financing, and (2) a recurring administration fee paid by Property Owner to Authorized Representative until the Assessment is released. The recurring administration fee amount shall be collected by Lender and paid to Authorized Representative not later than thirty (30) days after receipt by Lender, unless otherwise agreed to in writing by Authorized Representative.

(a) Notwithstanding the foregoing, in the event of a delinquency in the payment of any Installment, Lender shall, upon notice to Authorized Representative, withhold payment of any administration fee due to Authorized Representative in connection with such Installment until the Installment is paid. Property Owner agrees that any such temporary withholding shall not reduce the amount of the administration fees included in the Assessment or due to Authorized Representative. The amounts due to Authorized Representative are identified in Exhibit C hereto.

(b) If this is a US Department of Housing and Urban Development ("**HUD**") assisted or a Federal Housing Administration ("**FHA**") insured Project, then the Financing Documents shall provide for Installments to be escrowed in a manner acceptable to HUD or FHA lender and paid to Lender.

(c) When the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees and costs due under or authorized by the PACE Act and the Financing Documents, have been paid in full, Local Government's rights under this PACE Owner Contract shall cease and terminate, except for rights under Sections 18, 20, 21 and 22. Upon notice from Lender that all amounts due have been paid in full, Authorized Representative on behalf of Local Government, shall execute a release of the Assessment and this PACE Owner Contract and record the release. As required by Section 399.009(a)(8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project.

4. Assignment of Right to Receive Installments or Require Enforcement of Lien. Property Owner acknowledges that Lender has the right, without the consent of Property Owner, to assign or transfer the right to receive the Installments or require Local Government to enforce the assessment lien in the event of a default in payment, together with all corresponding obligations, provided that all of the following conditions are met:

(a) The assignment or transfer is made to a qualified lender as defined in the PACE Lender Contract;

(b) Property Owner, Authorized Representative, the holder(s) of any mortgage lien on the Property, and HUD, if this is a HUD assisted or FHA insured Project are notified in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed not less than 30 days before the next Installment is due according to the payment schedule included in the Financing Documents, and

(c) The assignee or transferee executes a written assumption agreement according to the Financing Documents of all of Lender's rights and obligations under the PACE Lender Contract related to the receipt of the Installments or the enforcement of the assessment lien and provides a copy of such assumption to Property Owner and Authorized Representative not later than 10 days after execution of the agreement.

Lender may assign or transfer the right to receive the Installments or the right to require enforcement of the assessment lien separately. Upon written notice of an assignment or transfer that complies with all of the foregoing conditions, the assignor shall be released of all of the rights and obligations of the Lender under such PACE Lender Contract accruing after the effective date of the assignment that are specified in the assignment or transfer document, and all of such rights and obligations shall be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments or require enforcement of the Assessment lien that does not comply with all of the foregoing conditions is void. Lender shall retain all of the rights and obligations of Lender under the PACE Lender Contract until such rights and obligations are assigned or transferred according to this section.

5. Lien Priority and Enforcement. Pursuant to Sections 399.014 and 399.015 of the PACE Act:

(a) Delinquent Installments shall incur penalties and interest on the principal of the Installment in the same manner and in the same amount as delinquent property taxes, pursuant to the statutes in effect at the time of default. Under current statutes, a delinquent Installment incurs a penalty of 6% of the principal amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an Installment delinquent on July 1 incurs a total penalty of 12% of the principal amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment shall also accrue interest on the principal of the Installment at the rate of 1% for each month or portion of a month that the Installment remains unpaid. Subject to paragraph 16 below, penalties, interest, fees, and costs payable under this paragraph shall be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees that become due pursuant to the Financing Documents, may be imposed and retained by Lender.

(b) The Assessment and any interest or penalties thereon,

(1) are a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located as provided by Section 399.013 of the PACE Act, until the Assessment, interest, or penalty is paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.

(c) Pursuant to Section 399.014(b) of the PACE Act, the lien created by the Assessment runs with the land, and any portion of the Assessment that has not yet become due shall not be eliminated by sale or transfer of the Property, or by foreclosure of (i) a property tax lien, or (ii) the lien for a delinquent Installment of the Assessment. Accordingly, Installments may not be accelerated in the event of default. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents shall be transferred to the succeeding owner without recourse to Lender, Local Government, or Authorized Representative.

(d) In the event of a default by Property Owner in payment of an Installment called for by the Financing Documents or the filing of a case under the U.S. Bankruptcy Code by or against Property Owner, the lien created by the Assessment shall be enforced by Local Government for the benefit of Lender, in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government shall be entitled to recover costs and expenses, including attorney's fees in the

amount of 15% of the total principal amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48, as amended from time-to-time, as in a suit to collect a delinquent property tax. Lender shall be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) As provided in Section 399.014(a-1) of the PACE Act, after the Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a “qualified improvement” or the Project is not a “qualified project”, as such terms are defined in Section 399.002 of the PACE Act.

6. Written Contract Required by PACE Act. This PACE Owner Contract constitutes a written contract for the Assessment between Property Owner and Local Government as required by Section 399.005 of the PACE Act. The Notice of Contractual Assessment Lien shall be recorded in the real property records of the county in which the Property is located as public notice of the contractual Assessment, in accordance with the requirements of Section 399.013 of the PACE Act.

7. Qualified Improvements. Property Owner agrees and warrants that all improvements purchased, constructed, or installed through the Financing obtained pursuant to this PACE Owner Contract shall be permanently affixed to the Property and shall transfer with the Property to the transferee in the event of a sale or transfer of the Property. Property Owner agrees to provide to Authorized Representative within 30 days after the completion of the Project a verification by an Independent Third Party Reviewer (“ITPR”) that the Project was properly completed and is operating as intended. Property Owner agrees that Lender may retain the final advance of Financing until such verification is submitted or require Property Owner to pay liquidated damages for a failure to do so, according to paragraph 23 below.

8. Water or Energy Savings. For so long as the Assessment encumbers the Property, Property Owner agrees, on or before January 31<sup>st</sup> of each year, to report to Authorized Representative the water or energy savings realized through the Project in accordance with the reporting requirements established by Authorized Representative.

9. Construction and Definitions. This PACE Owner Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the PACE Program or the PACE Act.

10. Binding Effect. This PACE Owner Contract is binding upon and inures to the benefit of the parties hereto and their respective heirs, representatives, agents, successors, and assigns.

11. Notices. Unless otherwise specifically provided herein, all notices and other communications required or permitted by this PACE Owner Contract shall be in writing and delivered by first-class mail or by electronic mail with written confirmation of receipt, addressed to the other party at the address stated below the signature of such party or at such other address

as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law and Venue. This PACE Owner Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas without regard to Texas' choice of law provisions. Venue for any disputes or suits between the parties arising from or related to this PACE Owner Contract shall be in a state court located in the Region, and the parties consent to the personal and subject matter jurisdiction of such state court.

13. Entire Agreement. This PACE Owner Contract, including its exhibits, constitutes the entire agreement between Local Government and Property Owner with respect to the subject matter hereof and may not be amended or altered in any manner except by a document in writing executed by both parties. If this is a HUD assisted or FHA insured Project, then HUD or FHA must also consent in writing to any amendment or alteration of this PACE Owner Contract, for as long as the Project remains HUD assisted or FHA insured.

14. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

15. Counterparts. This PACE Owner Contract may be executed in any number of counterparts, and each counterpart may be delivered on paper or by electronic transmission, all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

16. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and Contractual Interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law ("**Usury Limit**"). If the total amount of interest payable to Local Government and Contractual Interest payable to Lender exceeds the Usury Limit, the interest payable to Local Government shall be reduced and any interest in excess of the Usury Limit shall be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this PACE Owner Contract.

17. Costs. No provision of this PACE Owner Contract shall require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

18. Inspection and Audits. Local Government's representatives may perform, or have performed, (a) audits of Property Owner's documents, books and records, and (b) inspections of all places where Qualified Improvements are undertaken in connection with this PACE Owner Contract. Property Owner shall keep its documents, books and records available for this purpose for at least three (3) years after this PACE Owner Contract terminates. This provision does not affect the applicable statute of limitations.

19. Further Assurances. Property Owner further covenants and agrees to do, execute and deliver, or cause to be done, executed, and delivered all such further acts for implementing the intention of this PACE Owner Contract as may be reasonably necessary or required.

20. Release. PROPERTY OWNER AGREES TO AND SHALL RELEASE THE LOCAL GOVERNMENT, ITS AUTHORIZED REPRESENTATIVES, AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE “RELEASED PERSONS”) FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS PACE OWNER CONTRACT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE RELEASED PERSON’S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE RELEASED PERSON’S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, AND EVEN IF THE INJURY, DEATH, DAMAGE OR LOSS IS CAUSED BY THE RELEASED PERSON’S WRONGFUL ACTION OR INACTION.

21. Indemnification. TO THE MAXIMUM EXTENT ALLOWED BY LAW, PROPERTY OWNER SHALL INDEMNIFY AND HOLD LOCAL GOVERNMENT, ITS AUTHORIZED REPRESENTATIVES, AND THEIR RESPECTIVE AFFILIATES, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS (EACH SUCH PERSON HEREIN REFERRED TO AS AN “INDEMNITEE”) ABSOLUTELY HARMLESS FROM AND AGAINST ALL CLAIMS, LIABILITIES, LOSSES, DAMAGES, OBLIGATIONS OR RELATED EXPENSES INCURRED BY OR IMPOSED UPON OR ALLEGED TO BE DUE OF INDEMNITEE IN CONNECTION WITH THE EXECUTION OR DELIVERY OF THIS PACE OWNER CONTRACT, THE NOTICE OF CONTRACTUAL ASSESSMENT LIEN, THE FINANCING DOCUMENTS, AND ANY OTHER DOCUMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER, THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, OR, IN THE CASE OF ANY INDEMNITEE, THE ADMINISTRATION OF THIS PACE OWNER CONTRACT AND ANY OTHER AGREEMENTS RELATED TO THE PROJECT. However, If HUD later acquires title to all or any portion of Property pursuant to a foreclosure, deed in lieu of foreclosure, or otherwise, then notwithstanding anything in this PACE Owner Contract to the contrary, HUD shall not be obligated to indemnify any Indemnitee or entity or be liable for, or to carry out, any indemnity.

22. No Personal Liability. Pursuant to Section 399.019 of the PACE Act, the Property Owner acknowledges that the members of the governing body and employees of the Local Government, and board members, executives, employees, and contractors of the Authorized Representative are not personally liable as a result of exercising any rights or responsibilities under the PACE Program or any agreement in furtherance of the PACE Program.

23. Construction Terms. The Financing Documents executed by Lender and Property Owner must include a requirement that Lender shall withhold \_\_\_\_\_% of the Financing until verification that the Project was properly completed and is operating as intended is provided to Authorized Representative by an ITPR or Property Owner shall pay liquidated damages to Lender

of \$\_\_\_\_\_ per day for every day after 30 days following completion of the Project that such verification of completion is not provided. If verification of completion is not provided by Property Owner within 30 days after completion of the Project, such verification shall be submitted by Lender. If the PACE Lender Contract includes requirements related to the construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit D attached hereto and incorporated herein by reference. Such requirements may include, among other things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final Project completion.



**LOCAL GOVERNMENT:**

CITY OF HENDERSON, TEXAS

By: TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY  
dba TEXAS PACE AUTHORITY  
AUTHORIZED REPRESENTATIVE  
Pursuant to Tex. Local Gov't Code §399.006(b)

By: \_\_\_\_\_

Name: CHARLENE HEYDINGER

Title: PRESIDENT

Address: PO BOX 200368  
AUSTIN, TX 78720-0368

Email Address: admin@texaspaceauthority.org

**ACKNOWLEDGEMENT**

STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This PACE Owner Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on \_\_\_\_\_, 20\_\_ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation and as Authorized Representative for the Local Government.

\_\_\_\_\_  
\_\_\_\_\_  
(print name)

NOTARY PUBLIC, STATE OF TEXAS

**PACE OWNER CONTRACT EXHIBIT A**  
**NOTICE OF CONTRACTUAL ASSESSMENT LIEN**  
**PURSUANT TO**  
**PROPERTY ASSESSED CLEAN ENERGY ACT**

**PACE OWNER CONTRACT EXHIBIT B**

**LENDER CONSENT(S)**



**PACE OWNER CONTRACT EXHIBIT D**

**CONSTRUCTION TERMS**

**Retainage or Liquidated Damages:**

Lender shall retain \_\_\_\_\_% of the Financing until a report of completion by a qualified Independent Third Party Reviewer (“ITPR”) is provided to Authorized Representative.

**OR**

Property Owner shall pay liquidated damages to Lender of \$\_\_\_\_\_ per day for every day after 30 days following completion of the Project that such a report of completion is not provided. Lender shall then provide the report of completion to Authorized Representative.

**Additional Construction Terms**

<b>Date</b>	<b>Draw down Amount</b>	<b>Purpose</b>

**EXHIBIT 3**  
**FORM LENDER CONTRACT**

## FORM PACE LENDER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY (“PACE”) LENDER CONTRACT including the attached exhibit (“**PACE Lender Contract**”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, (“**Effective Date**”) by and between the City of Henderson, Texas (“**Local Government**”) and \_\_\_\_\_ (“**Lender**”). Local Government and Lender are hereafter referred to collectively as “the parties” or individually as “party.”

### RECITALS

A. The Property Assessed Clean Energy Act (“**PACE Act**”), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government’s jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated \_\_\_\_\_, adopted by the City Council (“**PACE Program**”), and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority as the representative of Local Government (“**Authorized Representative**”) authorized to enter into the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of the City of Henderson, Texas jurisdiction, including its extraterritorial jurisdiction, as a region (the “**Region**”) within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner’s property pursuant to the PACE Program.

C. Pursuant to Project Application Number \_\_\_\_\_, \_\_\_\_\_ (“**Property Owner**”), the sole legal and record owner of the following qualified “real property,” as defined in Section 399.002 of the PACE Act, within the Region has applied to Local Government to participate in the PACE Program with respect to certain real property located at \_\_\_\_\_, \_\_\_\_\_, Texas, \_\_\_\_\_ - \_\_\_\_\_ (the “**Property**”) (the Property being more particularly described in the Notice of Contractual Assessment Lien, attached hereto as Exhibit A to the PACE Owner Contract which appears below as Exhibit A to this PACE Lender Contract) by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as “qualified improvements”, as defined in Section 399.002 of the PACE Act (“**Qualified Improvements**”). The installation or modification of such Qualified Improvements on the Property will be a “qualified project” as defined in Section 399.002 of the PACE Act (the “**Project**”).

D. Property Owner and Local Government have entered into a written contract as required by Section 399.005 of the PACE Act, a copy of which is attached hereto as Exhibit A and made a part hereof (the “**PACE Owner Contract**”), in which Property Owner has requested that Local Government impose an assessment (the “**Assessment**”) on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in the real property records of the county in which the Property is located (the “**Notice of Contractual Assessment Lien**”), to repay the financing of such Qualified Improvements. A copy of the Notice of Contractual Assessment Lien is attached as Exhibit A to the PACE Owner Contract which appears below as Exhibit A to this PACE Lender Contract and made a part hereof. The Property, Qualified Improvements, and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. Financing for the Project (“**Financing**”) shall be provided to Property Owner by Lender in accordance with financing documents which are described in or copies of which are attached as Exhibit C to the PACE Owner Contract attached hereto as Exhibit A and made a part hereof (“**Financing Documents**”). Such Financing includes only those costs and fees for which an assessment may be imposed under Section 399.006(e) of the PACE Act. This PACE Lender Contract is entered into between Local Government and Lender as required by Section 399.006(c) of the PACE Act to provide for repayment of the Financing secured by the Assessment.

F. As required by Section 399.010 of the PACE Act, Property Owner has notified the holder(s) of any mortgage lien on the Property at least thirty (30) days prior to the effective date of the PACE Owner Contract of Property Owner’s intention to participate in the PACE Program. The written consent of each mortgage lien holder to the Assessment was obtained on or prior to the effective date of the PACE Owner Contract, as shown by the copy of such consent(s) attached as Exhibit B to the PACE Owner Contract which appears below as Exhibit A to this PACE Lender Contract (“**Lender Consent(s)**”).

### **AGREEMENT**

The parties agree as follows:

1. Maintenance and Enforcement of Assessment. Lender agrees to provide Financing for the Project in the total principal amount of \$ \_\_\_\_\_, according to the terms set out in the Financing Documents attached hereto as Exhibit C to the PACE Owner Contract attached as Exhibit A. In the event the actual total of costs and fees for which an assessment may be imposed under the PACE Act is different from the stated amount or any other term requires correction, Authorized Representative on behalf of Local Government, Property Owner, and Lender agree to execute an amended Owner Contract and Lender Contract, and thereafter Authorized Representative shall record an amended Notice of Contractual Assessment Lien. In consideration for the Financing provided or to be provided by Lender for the Project, and subject to the terms and conditions of this PACE Lender Contract, Local Government agrees to maintain and continue the Assessment for the benefit of Lender until the Assessment, all contractual interest due to Lender according to the Financing Documents (“**Contractual Interest**”), any prepayment penalty, and any penalties, interest, fees, attorney’s fees, and costs due under or authorized by the PACE Act and the Financing Documents are paid in full, and to release the Assessment upon notice from

Lender of such payment in full. Local Government shall not release, sell, assign or transfer the Assessment or the lien securing it without the prior written consent of Lender. Upon written request of Lender, and with the written consent of Property Owner, Authorized Representative on behalf of Local Government may execute a partial release of the assessment lien and record the partial release. Local Government agrees to enforce the assessment lien against the Property at the request of Lender in the event of a default in payment by Property Owner in accordance with the provisions set forth in paragraph 6 below. Local Government shall have no obligation to repurchase the Assessment and no liability to Lender should there be a default in the payment thereof or should there be any other loss or expense suffered by Lender or under any other circumstances.

2. Installments. The Assessment and Contractual Interest thereon are due and payable to Lender in installments (“**Installments**”) according to the payment schedule set forth in the Financing Documents attached hereto as Exhibit C to the PACE Owner Contract attached as Exhibit A. The Assessment includes (1) an application fee paid by Property Owner to Authorized Representative at closing of the Financing and (2) a recurring administration fee paid by Property Owner to Authorized Representative until the Assessment is released. The recurring administration fee amount shall be collected by Lender and paid to Authorized Representative not later than thirty (30) days after receipt by Lender, unless otherwise agreed to in writing by Authorized Representative. Notwithstanding the foregoing, in the event of delinquency in the payment of any Installment, Lender shall, upon notice to Authorized Representative, withhold payment of any amounts due to Authorized Representative in connection with such Installment until the Installment is paid. Lender agrees that any such temporary withholding shall not reduce the amount of administration fees included in the Assessment or due to Authorized Representative. The amounts due to Authorized Representative are identified in Exhibit C to the PACE Owner Contract attached hereto as Exhibit A. As required by Section 399.009(a)(8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project.

3. Assignment of Right to Receive Installments or Require Enforcement of Lien. Lender has the right, without the consent of Property Owner, to assign or transfer the right to receive the Installments or require Local Government to enforce the assessment lien in the event of a default in payment, together with the corresponding obligations, provided that all of the following conditions are met:

- (a) The assignment or transfer is made to a qualified lender, which may be one of the following:
  - (1) Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;
  - (2) Any insurance company authorized to conduct business in one or more states;
  - (3) Any registered investment company, registered business development company, or a Small Business Administration small business investment company;

- (4) Any publicly traded entity; or
- (5) Any private entity that:
  - (i) Has a minimum net worth of \$5 million;
  - (ii) Has at least three years' experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years' experience in business or industrial lending or commercial real estate lending;
  - (iii) Can provide independent certification as to availability of funds; and
  - (iv) Has the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts.
- (6) A financially stable entity, whether or not from the list above, with the ability to carry out, either directly or through a servicer, the obligations of this PACE Lender Contract related to the receipt and accounting of the Installments or the enforcement of the assessment lien.

(b) Lender shall notify Property Owner and Authorized Representative in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed not less than 30 days before the next Installment is due according to the payment schedule included in the Financing Documents. The Lender shall also notify the holder(s) of any mortgage lien at the mailing address in the Lender Consent(s), or a subsequent address provided by any mortgage lien holder and, if this is a US Department of Housing and Urban Development (“HUD”) assisted or a Federal Housing Administration (“FHA”) insured Project, at the address below or a subsequent address provided by HUD.

US Department of Housing and Urban Development  
Fort Worth Regional Office  
307 W. 7<sup>th</sup> St., Suite 1000  
Fort Worth, Texas 76102

(c) The assignee or transferee shall execute a written assumption agreement according to the Financing Documents of all of Lender's rights and obligations under this PACE Lender Contract related to the receipt of the Installments or enforcement of the assessment lien and provide a copy of such assumption to Property Owner and Authorized Representative not later than 10 days after execution of the agreement. Lender may assign or transfer the right to receive the Installments or the right to require enforcement of the assessment lien separately.

Upon written notice of an assignment or transfer that complies with all of the foregoing conditions, the assignor shall be released of all of the rights and obligations of the Lender under this PACE Lender Contract accruing after the effective date of the assignment that are specified in the assignment or transfer document, and all of such rights and obligations shall be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments or to require enforcement of the assessment lien that does not comply with all of the foregoing conditions is void. Lender shall retain all of the rights and obligations of Lender under this PACE Lender Contract until such rights and obligations are assigned or transferred according to this section.

4. Financing Responsibility. Lender assumes full responsibility for determining the financial ability of the Property Owner to repay the Financing, advancing the funds as set forth in the Financing Documents and performing Lender's obligations and responsibilities thereunder. In the event the assessment lien on the Property is enforced by foreclosure as provided below, Lender shall have no further obligations to Property Owner with respect to the Installments that were the subject of the foreclosure, but Lender shall retain the rights to enforcement of the lien for any Installments that are not eliminated by the foreclosure, and the succeeding owner of the Property shall be subject to such lien.

5. Lien Priority and Enforcement. As provided in the PACE Owner Contract and Sections 399.014 and 399.015 of the PACE Act:

(a) Delinquent Installments shall incur penalties and interest on the principal of the Installment in the same manner and in the same amount as delinquent property taxes, pursuant to the statutes in effect at the time of default. Under the current statutes a delinquent Installment incurs a penalty of 6% of the principal amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an Installment delinquent on July 1 incurs a total penalty of 12% of the principal amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment shall also accrue interest on the principal of the Installment at the rate of 1% for each month or portion of a month that the Installment remains unpaid. Subject to paragraph 17 below, penalties, interest, fees, and costs payable under this paragraph shall be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees and charges that become due pursuant to the Financing Documents may be imposed and retained by Lender.

(b) The Assessment and any interest or penalties thereon,

(1) are a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, as provided by Section 399.013 of the PACE Act, until the Assessment, interest, or penalty is paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.

(c) Pursuant to Section 399.014(b) of the PACE Act, the lien created by the Assessment runs with the land, and any portion of the Assessment that has not yet become due shall not be eliminated by foreclosure of (i) a property tax lien, or (ii) the lien for a delinquent Installment of the Assessment. Accordingly, Installments may not be accelerated in the event of default. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents shall be transferred to the succeeding owner without recourse to Lender, Local Government or Authorized Representative.

(d) In the event of a default by Property Owner in payment of an Installment called for by the Financing Documents or the filing of a case under the U.S. Bankruptcy Code by or against Property Owner, the lien created by the Assessment shall be enforced by Local Government for the benefit of Lender according to paragraph 6(c) below in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government shall be entitled to recover costs and expenses, including attorney's fees in the amount of 15% of the total principal amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48 as in a suit to collect a delinquent property tax. Lender shall be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) As provided in Section 399.014(a-1) of the PACE Act, after written notice of the Assessment is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a "qualified improvement" or the Project is not a "qualified project", as such terms are defined in Section 399.002 of the PACE Act.

## 6. Servicing and Enforcement of Assessment.

(a) Servicing. The Installments and other amounts due under the Financing Documents shall be billed, collected, received, and disbursed in accordance with the procedures set out in the Financing Documents. Lender or its designee shall be responsible for all servicing duties other than those specifically undertaken by Local Government in this PACE Lender Contract. If this is a HUD assisted or FHA insured Project, then the Financing Documents (i) shall provide for Installments to be escrowed in a manner acceptable to HUD or FHA lender and paid to Lender, and (ii) not make Installments more frequent than semi-annually. Authorized Representative shall deliver an annual notice of assessment to Property Owner by first-class mail or electronic mail each year until the Assessment is released. Any failure of Local Government or Authorized Representative to

deliver an annual notice of assessment to Property Owner shall not affect the Assessment or Property Owner's obligations under the PACE Owner Contract.

(b) Remittances. Each of the parties covenants and agrees to promptly remit to the other party any payments incorrectly received by such party with respect to the Assessment after the execution of this PACE Lender Contract.

(c) Default and Enforcement. In the event of a default in payment of any Installment according to the Financing Documents, Lender agrees to take at least the following steps to collect the delinquent Installment:

(1) Mail a written notice of delinquency and demand for payment to the Property Owner by both certified mail, return receipt requested, and first-class mail. Lender shall mail a copy of the first notice of delinquency to the holder(s) of any mortgage lien on the Property, to HUD if this is a HUD assisted or FHA insured Project; and to Freddie Mac if the lien is held by Freddie Mac.

(2) Mail a second notice of delinquency and demand for payment to the Property Owner by both certified mail, return receipt requested, and first-class mail at least 30 days after the date of the first notice if the delinquency is continuing; and Lender shall also mail a copy of the second notice of delinquency to the holder(s) of any mortgage lien on the Property, to HUD if this is a HUD assisted or FHA insured Project, and to Freddie Mac if the lien is held by Freddie Mac.

The holder(s) of any mortgage lien on the Property, HUD, if this is a HUD assisted or FHA insured Project, and Freddie Mac if the mortgage lien is held by Freddie Mac, shall have not less than a 60-day notice and right to cure the delinquency by paying the amount of the delinquent Installment.

If Property Owner or other parties with the right to cure under this contract fails to cure the delinquency on or before the 30<sup>th</sup> day after the mailing of the second notice of delinquency, Lender or its designee may notify Authorized Representative in writing of a default in payment by Property Owner. Upon receipt of such notice and after doing its own due diligence, Authorized Representative shall certify the default to Local Government, which shall then enforce the assessment lien for the benefit of Lender pursuant to Sec. 399.014(c) of the PACE Act, in the same manner as a property tax lien against real property may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution. However, if a case under the U.S. Bankruptcy Code is filed by or against Property Owner or if the enforcement of the assessment lien is prevented by the order of a court, Local Government shall notify Authorized Representative and shall file a proof of claim for the balance of the Assessment, accrued interest and penalties, and all costs and expenses, including attorney's fees, as authorized by Section 399.014 of the PACE Act. Authorized Representative shall notify Lender of the filing of the proof of claim. Lender shall not be required to mail a notice of delinquency to Property Owner or a notice of default to Local Government. Lender shall reimburse Local Government for any costs and expenses, including attorney's fees, required to file and present the claim.

(d) Priority. Pursuant to Sec. 399.014(a)(2) of the PACE Act, if the assessment lien is enforced by foreclosure or collected through a bankruptcy or similar proceeding, the delinquent Installment(s) and any interest, costs, or penalties on them shall have the same priority status as a secured claim for any other ad valorem tax. The parties understand that the assessment lien is a statutory tax lien under Sec. 399.014 of the PACE Act.

(e) Final Payment and Release. When the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees, attorney fees, or costs due under or authorized by the PACE Act or the Financing Documents have been paid in full, Local Government's rights under the PACE Owner Contract shall cease and terminate. Upon notice from Lender that all amounts due have been paid in full, Authorized Representative on behalf of Local Government, shall execute a release of the Assessment and the PACE Owner Contract and record the release.

(f) Limitations on Local Government's Actions. Local Government shall not enter into any amendment or modification of or deviation from the PACE Owner Contract without the prior written consent of Lender. Local Government or Authorized Representative shall not institute any legal action with respect to the PACE Owner Contract, the Assessment, or the assessment lien without the prior written request of Lender.

(g) Limitations of Local Government's Obligations. Local Government undertakes to perform only such duties as are specifically set forth in this PACE Lender Contract, and no implied duties on the part of Local Government are to be read into this PACE Lender Contract. Local Government shall not be deemed to have a fiduciary or other similar relationship with Lender. Local Government may request written instructions for action from Lender and refrain from taking action until it receives satisfactory written instructions. Local Government shall have no liability to any person for following such instructions, regardless of whether they are to act or refrain from acting.

(h) Costs. No provisions of this PACE Lender Contract shall require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

7. Lender's Warranties and Representations. With respect to this PACE Lender Contract, Lender hereby warrants and represents that on the Effective Date of this PACE Lender Contract:

(a) Lender is a qualified lender under the PACE Program, as defined in paragraph 3(a) above, and is fully qualified under the PACE Program to enter into this PACE Lender Contract and the Financing Documents;

(b) Lender has independently and without reliance upon Local Government conducted its own credit evaluation, reviewed such information as it has deemed adequate and appropriate, and made its own analysis of the PACE Owner Contract, the Project, and

Property Owner's financial ability to perform the financial obligations set out in the Financing Documents; and

(c) Lender has not relied upon any investigation or analysis conducted by, advice or communication from, or any warranty or representation by Local Government, Authorized Representative, or any agent or employee of Local Government or Authorized Representative, express or implied, concerning the financial condition of the Property Owner or the tax or economic benefits of an investment in the Assessment.

8. Written Contract Required by the PACE Act. This PACE Lender Contract constitutes a written contract between Local Government and Lender, as required under Section 399.006(c) of the PACE Act.

9. Construction and Definitions. This PACE Lender Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the PACE Program, or the PACE Act.

10. Binding Effect. This PACE Lender Contract is binding upon and inures to the benefit of the parties hereto and their respective representatives, agents, successors, and assigns.

11. Notices. Unless otherwise specifically provided herein, all notices and other communications required or permitted hereunder shall be in writing and delivered by first-class mail or by electronic mail with written confirmation of receipt, addressed to the other party at the address stated below the signature of such party or at such other address as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law and Venue. This PACE Lender Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas without regard to Texas' choice of law provisions. Venue for any disputes or suits between the parties arising from or related to this PACE Lender Contract shall be in a state court located in the Region, and the parties consent to the personal and subject matter jurisdiction of such state court.

13. Entire Agreement. This PACE Lender Contract, including its exhibit, constitutes the entire agreement between Local Government and Lender with respect to the subject matter hereof and shall not be amended or altered in any manner except by a document in writing executed by both parties. If this is a HUD assisted or FHA insured Project, then HUD or FHA must also consent in writing to any amendment or alteration of this PACE Lender Contract, for as long as the Project remains HUD assisted or FHA insured.

14. Further Assurances. Lender further covenants and agrees to do, execute and deliver, or cause to be done, executed, and delivered all such further acts for implementing the intention of this PACE Lender Contract as may be reasonably necessary or required.

15. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

16. Counterparts. This PACE Lender Contract may be executed in any number of counterparts, and each counterpart may be delivered on paper or by electronic transmission, all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

17. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and Contractual Interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law (the “**Usury Limit**”). If the total amount of interest payable to Local Government and Contractual Interest payable to Lender exceeds the Usury Limit, interest payable to Local Government shall be reduced and any interest in excess of the Usury Limit shall be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this PACE Lender Contract.

18. Certification. Local Government certifies that the PACE Program has been duly adopted and is in full force and effect on the Effective Date of this PACE Lender Contract. Property Owner has represented to Lender and Local Government that the Project is a “qualified project” as defined in the PACE Program and Section 399.002 of the PACE Act. The Assessment has been imposed on the Property as a lien in accordance with the PACE Owner Contract and the PACE Act. Local Government has not assigned or transferred any interest in the Assessment or the PACE Owner Contract.

19. Inspection and Audits. Local Government’s representatives may perform, or have performed, audits of Lender’s documents, books and records. Lender shall keep its documents, books and records available for this purpose for at least three (3) years after this PACE Lender Contract terminates. This provision does not affect the applicable statute of limitations.

20. No Personal Liability. Pursuant to Section 399.019 of the PACE Act, the Lender acknowledges that the members of the governing body and employees of the Local Government, and board members, executives, employees, and contractors of the Authorized Representative are not personally liable as a result of exercising any rights or responsibilities under the PACE Program or any agreement in furtherance of the PACE Program.

21. Construction Terms. The Financing Documents executed by Lender and Property Owner must include a requirement that Lender shall withhold \_\_\_\_\_% of the Financing until verification is provided to Authorized Representative by an Independent Third Party Reviewer (“ITPR”) that the Project was properly completed and is operating as intended, or Property Owner shall pay liquidated damages to Lender of \$\_\_\_\_\_ per day for every day after 30 days following completion of the Project that such verification of completion is not provided. If verification of completion is not provided by Property Owner on or before the 30<sup>th</sup> day after completion of the Project, such verification shall be submitted by Lender. If this PACE Lender Contract includes any additional requirements related to construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit D of the PACE Owner Contract attached hereto as Exhibit A and incorporated herein by reference. Such requirements may include, among other

things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final Project completion.



**LOCAL GOVERNMENT:**

CITY OF HENDERSON, TEXAS

By: TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY  
dba TEXAS PACE AUTHORITY  
AUTHORIZED REPRESENTATIVE  
Pursuant to Tex. Local Gov't Code §399.006(b)

By: \_\_\_\_\_

Name: CHARLENE HEYDINGER

Title: PRESIDENT

Address: PO BOX 200368  
AUSTIN, TX 78720-0368

Email Address: admin@texaspaceauthority.org

**ACKNOWLEDGEMENT**

STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This PACE Lender Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on \_\_\_\_\_, 20\_\_ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation and as Authorized Representative for the Local Government.

\_\_\_\_\_  
\_\_\_\_\_  
(print name)

NOTARY PUBLIC, STATE OF TEXAS

**PACE LENDER CONTRACT EXHIBIT A**

**PACE OWNER CONTRACT**

**EXHIBIT 4**

**FORM NOTICE OF CONTRACTUAL ASSESSMENT LIEN**  
**PURSUANT TO PROPERTY ASSESSED CLEAN ENERGY ACT**

**FORM NOTICE OF CONTRACTUAL ASSESSMENT LIEN  
PURSUANT TO  
PROPERTY ASSESSED CLEAN ENERGY ACT**

STATE OF TEXAS           §  
  §  
COUNTY OF RUSK       §

**RECITALS**

A. The Property Assessed Clean Energy Act (“**PACE Act**”), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government’s jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand. Unless otherwise expressly provided herein, all terms used herein have the same meanings ascribed to them in the PACE Act.

B. The City of Henderson, Texas (“**Local Government**”) has established a program under the PACE Act pursuant to a resolution dated \_\_\_\_\_, adopted by the City Council (“**PACE Program**”), and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, as the representative of Local Government (“**Authorized Representative**”) authorized to enter into and enforce the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of Henderson, Texas jurisdiction as a region (the “**Region**”) within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner’s property pursuant to the PACE Program.

C. \_\_\_\_\_ (“**Property Owner**”) is the sole legal and record owner of the qualified “real property,” as defined in Section 399.002 of the PACE Act, within the Region located at \_\_\_\_\_, \_\_\_\_\_, Texas \_\_\_\_ - \_\_\_\_ and more fully described in Exhibit A attached hereto and made a part hereof (the “**Property**”).

D. Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements described in Exhibit B attached hereto and made a part hereof, which are intended to decrease water or energy consumption or demand and which are or will be fixed to the Property as “qualified improvements”, as defined in Section 399.002 of the PACE Act (“**Qualified Improvements**”). The installation or modification of such Qualified Improvements on the Property will be a

“qualified project” as defined in Section 399.002 of the PACE Act (the “**Project**”). Property Owner has entered into a written contract (the “**PACE Owner Contract**”) with Local Government pursuant to the PACE Act and the PACE Program and has requested Local Government to impose an assessment on the Property to repay the financing of such Qualified Improvements.

E. The financing of such Qualified Improvements shall be provided to Property Owner by \_\_\_\_\_ (“**Lender**”), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by the PACE Program and Section 399.006(c) of the PACE Act (the “**PACE Lender Contract**”). Lender shall be responsible for all servicing duties other than those specifically undertaken by Local Government in the PACE Lender Contract.

THEREFORE, Local Government hereby gives notice to the public pursuant to Section 399.013 of the PACE Act that it has imposed an assessment on the Property in the principal amount of \$ \_\_\_\_\_ (the “**Assessment**”). The Assessment includes only those costs and fees for which an assessment may be imposed under Section 399.006(e) of the PACE Act. In the event that the actual total of costs and fees for which an assessment may be imposed is different from the amount stated or any other term requires correction, Authorized Representative on behalf of Local Government, Property Owner, and Lender agree to execute an amended Owner Contract and Lender Contract, and thereafter Authorized Representative shall record an amended Notice of Contractual Assessment Lien.

The Assessment and contractual interest thereon due to the Lender (“**Contractual Interest**”) are due and payable in installments (“**Installments**”) in accordance with the terms and payment schedule included in the financing documents executed between Property Owner and Lender that are described in or copies of which are attached hereto as Exhibit C (the “**Financing Documents**”).

Pursuant to Section 399.014 of the PACE Act,

1. The Assessment, including any interest, costs, fees, attorney fees, or penalties accrued thereon,
  - (i) are a first and prior lien against the Property from the date on which this Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, until the Assessment, interest, or penalty is paid; and
  - (ii) such lien, if enforced by foreclosure or collected through bankruptcy or similar proceeding, has the same priority status as a lien for any other ad valorem tax, pursuant to Section 399.014(a)(2) of the PACE Act.
2. Pursuant to Section 399.014(b) of the PACE Act, the lien created by the Assessment runs with the land, and any portion of the Assessment that has not yet become due shall not be eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for a delinquent Installment of the Assessment. Accordingly, Installments may not be accelerated in the event of default. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner’s obligations under the Financing

Documents shall be transferred to the succeeding owner without recourse to Local Government, or Authorized Representative.

3. As provided in Section 399.014(a-1) of the PACE Act, after this Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a “qualified improvement” or the Project is not a “qualified project”, as such terms are defined in Section 399.002 of the PACE Act.

EXECUTED on \_\_\_\_\_, \_\_\_\_\_

**LOCAL GOVERNMENT:**

CITY OF HENDERSON, TEXAS

By: TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY  
dba TEXAS PACE AUTHORITY  
AUTHORIZED REPRESENTATIVE  
Pursuant to Tex. Local Gov't Code §399.006(b)

By: \_\_\_\_\_

Name: CHARLENE HEYDINGER

Title: PRESIDENT

Address: PO BOX 200368  
AUSTIN, TX 78720-0368

Email Address: admin@texaspaceauthority.org

**ACKNOWLEDGEMENT**

STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This Notice of Contractual Assessment Lien pursuant to Property Assessed Clean Energy Act was acknowledged before me on \_\_\_\_\_, 20\_\_ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation and as Authorized Representative for the Local Government.

\_\_\_\_\_  
\_\_\_\_\_  
(print name)

NOTARY PUBLIC, STATE OF TEXAS

**PACE NOTICE OF LIEN EXHIBIT A**

**PROPERTY DESCRIPTION**

**PACE NOTICE OF LIEN EXHIBIT B**  
**QUALIFIED IMPROVEMENTS**



INDEXING INSTRUCTION:

Grantor: \_\_\_\_\_, Property Owner  
Grantees: \_\_\_\_\_, Local Government  
                  \_\_\_\_\_, Lender

After recording, return to: Texas PACE Authority  
Charlene Heydinger  
PO Box 200368  
Austin, TX 78720-0368



# City Council

## Agenda Item # 15.

**SUBJECT:** Consideration and possible action approving a professional services agreement with Texas PACE Authority to administer the City of Henderson PACE Program. (Jimerson)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** City Secretary

**CONTACT:** Cheryl Jimerson

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**RECOMMENDED CITY COUNCIL ACTION:** Approval of the Professional Services Agreement (PSA) with PACE to administer the program.

**ITEM SUMMARY:**

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. Henderson - PSA

**PROFESSIONAL SERVICES AGREEMENT  
BY AND BETWEEN [THE CITY OF HENDERSON, TEXAS AND  
TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY**

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered by and between **the City of Henderson, Texas**, hereinafter referred to as "**Local Government**", and **TEXAS PROPERTY ASSESSED CLEAN ENERGY (PACE) AUTHORITY (d/b/a Texas PACE Authority)**, a Texas non-profit business association, hereinafter referred to as "**Services Provider**" to be effective from and after the date as provided herein.

**WITNESSETH:**

**WHEREAS**, the City Council of **Local Government** desires to engage the services of a qualified professional to administer a Texas Property Assessed Clean Energy program for **Local Government** pursuant to the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 ("**PACE Act**"), and serve as Authorized Representative pursuant to Tex. Local Gov't Code §399.006(b), hereinafter referred to as the "**Program**"; and

**WHEREAS**, **Services Provider** desires to render such services for **Local Government** upon the terms and conditions provided herein –

**NOW, THEREFORE**, for and in consideration of the covenants contained herein, and for the mutual benefits to be obtained hereby, the parties hereto agree as follows:

**I. ENGAGEMENT**

**Local Government** hereby agrees to retain **Services Provider** to serve as administrator of **Local Government's Program** and **Services Provider** agrees to perform such services in accordance with the terms and conditions of this Agreement.

**II. SCOPE OF SERVICES**

The parties agree that **Services Provider** shall perform such services as are further described in **Exhibit "A"** (collectively "**Scope of Services**"). The parties understand and agree that deviations or modifications in the **Scope of Services** may be authorized from time to time by **Local Government** but said authorization must be made in writing and mutually agreed to by both parties.

Prior to commencing Services under this Agreement, Services Provider agrees to deliver the following to Local Government:

- (a) A PACE Program Guidelines, in English and Spanish, that describes the program requirements and project process and fees; and

(b) Certification the Services Provider will adhere to the PACE in a Box underwriting and technical standards as updated from time-to-time.

### **III. TERM OF AGREEMENT**

The initial term of this Agreement shall commence on the date both Local Government and Services Provider have executed this Agreement.

Notwithstanding the termination of this Agreement, **Services Provider** shall be permitted to continue administration of any third-party agreements under the **Program** commenced prior to termination of this Agreement, and to continue recovering any compensation due **Services Provider** for services performed prior to termination in accordance with Section IV of this Agreement.

### **IV. COMPENSATION AND EXPENSES**

**Services Provider** shall be paid for performance of the **Scope of Services** set forth in Exhibit "A", in accordance with the compensation schedule set forth in Exhibit "B" hereto. . All payments to **Services Provider** shall be made by participants in the **Program** in accordance with the PACE Act, and **Local Government** shall have no obligation to pay **Services Provider** for performance of the **Scope of Services**.

### **V. INSURANCE**

**Services Provider** agrees to meet all insurance requirements, and to require all consultants who perform work for **Services Provider** to meet all insurance requirements, as set forth in **Exhibit "C"** to this Agreement.

### **VI. INDEMNIFICATION**

**SERVICES PROVIDER AGREES TO INDEMNIFY AND HOLD LOCAL GOVERNMENT AND ITS RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, FINES, PENALTIES, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM OR VIOLATIONS FOR WHICH RECOVERY OF DAMAGES, FINES, OR PENALTIES IS SOUGHT FROM LOCAL GOVERNMENT ARISING OUT OF OR OCCASIONED BY SERVICES PROVIDER 'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, VIOLATIONS OF LAW BY SERVICES PROVIDER, OR BY, GROSSLY NEGLIGENT, OR STRICTLY LIABLE ACT OR OMISSION OF THE SERVICES PROVIDER, ITS OFFICERS, AGENTS, EMPLOYEES, INVITEES, SUBCONTRACTORS, OR SUB-SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY TO THE EXTENT RESULTING FROM THE CONCURRENT NEGLIGENCE OF LOCAL GOVERNMENT, AND ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS. LOCAL GOVERNMENT DOES NOT WAIVE ANY**

GOVERNMENTAL IMMUNITY OR OTHER DEFENSES AVAILABLE TO IT UNDER TEXAS OR FEDERAL LAW. NO PARTY SHALL BE LIABLE FOR ANY NON-DIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT. EACH PARTY AGREES TO BE RESPONSIBLE FOR ITS OWN ATTORNEY FEES AND LEGAL COSTS. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

#### VII. INDEPENDENT CONTRACTOR

**Services Provider** covenants and agrees that it is an independent contractor and not an officer, agent, servant or employee of **Local Government**; that it shall have exclusive control of and exclusive right to control the details of the services performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, subcontractors and consultants; that the doctrine of respondeat superior shall not apply as between **Local Government** and **Services Provider**, its officers, agents, employees, contractors, subcontractors and consultants, and nothing herein shall be construed as creating a partnership or joint enterprise between **Local Government** and **Services Provider**.

#### VIII. ASSIGNMENT AND SUBLETTING

**Services Provider** agrees that this Agreement shall not be assigned without the prior written consent of **Local Government**, except to an Affiliate of **Services Provider**. Affiliate shall mean (1) any corporation or other entity controlling, controlled by, or under common control with (directly or indirectly) **Services Provider**, including, without limitation, any parent corporation controlling **Services Provider** or any subsidiary that **Services Provider** controls; (2) the surviving corporation resulting from the merger or consolidation of **Services Provider**; or (3) any person or entity which acquires all of the assets of **Services Provider** as a going concern. **Services Provider** shall be permitted to enter into subcontracts for performance of portions of the **Scope of Services**; however, **Services Provider** shall not subcontract the entirety of the **Scope of Services** to a single subcontractor without **Local Government's** consent. **Services Provider** further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve the **Services Provider** from its full obligations to **Local Government** as provided by this Agreement.

#### IX. AUDITS AND RECORDS

**Services Provider** agrees that **Local Government** or its duly authorized representatives shall, until the expiration of three (3) years after termination under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of **Services Provider** which are directly pertinent to the

services performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. **Services Provider** agrees that **Local Government** shall have access during normal business hours and days to all necessary **Services Provider's** facilities and shall be provided adequate and appropriate workspace in order to conduct audits in compliance with the provisions of this section. **Local Government** shall give **Services Provider** reasonable advance notice of intended audits.

#### **X. CONTRACT TERMINATION**

The parties agree that **Local Government** and **Services Provider** shall have the right to terminate this Agreement upon thirty (30) days prior written notice to the other party. In the event of such termination, **Services Provider** shall deliver to **Local Government** upon request all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by **Services Provider** in connection with this Agreement. In the event of termination, **Services Provider** shall be compensated in accordance with Section III of this Agreement with respect to any third-party agreements under administration by **Services Provider** at the time of termination.

#### **XI. COMPLETE AGREEMENT**

This Agreement, including the Exhibits lettered "A" through "C", constitute the entire agreement by and between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings. This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument.

#### **XII. AMENDMENTS**

Amendments to this agreement may be made at any time upon mutual agreement by **Local Government** and **Services Provider**.

#### **XIII. MAILING OF NOTICES**

Unless instructed otherwise in writing, **Services Provider** agrees that all notices or communications to **Local Government** permitted or required under this Agreement shall be addressed to **Local Government** at the following address:

The City of Henderson, Texas

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Local Government** agrees that all notices or communications to **Services Provider** permitted or required under this Agreement shall be addressed to **Services Provider** at the following address:

Texas Property Assessed Clean Energy Authority  
Attn: Charlene Heydinger  
PO Box 200368  
Austin TX 78720-0368

All notices or communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date such notice or communication is posted by the sending party.

#### **XIV. AUTHORITY TO SIGN**

The undersigned officers and/or agents of the parties represent and warrant they are the legally authorized officials and have the necessary authority to execute this Agreement on behalf of the parties and to bind them to this Agreement.

#### **XV. MISCELLANEOUS**

A. This is a contract for the purchase of personal or professional services and is therefore exempt from any competitive bidding requirements of **Local Government**.

B. Paragraph Headings:

The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provision in this Agreement.

C. Agreement Interpretation:

This is a negotiated Agreement, should any part be in dispute, the parties agree that the terms of the Agreement shall not be construed more favorably for either party.

D. Venue and Governing Law:

The parties agree that the laws of the State of Texas shall govern this Agreement, without regard to any choice of law statutes, and that it is performable in Rusk County, Texas. The parties consent to exclusive venue shall lie in Rusk County, Texas.

E. Successors and Assigns:

**Local Government** and **Services Provider** and their partners, successors, and lawful assigns are hereby bound to the terms and conditions of this Agreement.

F. Severability:

In the event a term, condition, or provision of this Agreement is determined to be void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect.

G. Effective Date:

This Agreement shall be effective from and after the date of execution by the last signatory hereto as evidenced below.

**SIGNED** on the date indicated below.

**CITY OF HENDERSON, TEXAS**

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:  
\_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_  
Attorney

**TEXAS PROPERTY ASSESSED  
CLEAN ENERGY AUTHORITY**

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

Name: Charlene Heydinger

Title: President

## Exhibit "A" Scope of Services

The **Services Provider** will perform the following services in the administration of the **Program**:

### Community Outreach

In furtherance of community outreach efforts, Services Provider will:

- Maintain a website with a page specific to the Program that tallies the cumulative economic and environmental impact of PACE projects closed under the Program;

- Maintain a project database;

- Respond to inquiries from property owners, vendors, contractors, consultants, and the general public;

- Publish the Service Provider's PACE Program Guide in English and Spanish on the Program website;

- Publish the most current version of the PACE in a Box Technical Standards Manual on the **Program** website;

- List interested, qualified lenders on the **Program** website to enable property owners to identify potential sources of private third-party financing;

- Arrange for training of contractors, independent third-party reviewers ("ITPR"), and other stakeholders on how to apply for PACE financing and comply with the PACE in a Box Technical Standards Manual;

- List interested trained service providers on the Program website to enable property owners to identify potential contractors, architects, engineers, and other consultants and advisors; and

- Establish quality assurance measures.

Services Provider will also maintain uniform documents, forms, and contracts. Periodic updates to the standard form documents are necessary as the program evolves, incorporating best practices and standardizing the PACE documents across various PACE programs. The Authorized Representative is authorized to, and is tasked with maintaining the form documents and making technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the Texas PACE Act.

### Application and Approval Process

Publish a preliminary application form on the Program website.

Provide a Project Application Form based on PACE-in-a-Box model application form upon request to interested parties.

Review submitted Application forms for administrative completeness and notify the applicants of any missing information.

Maintain the confidentiality of confidential owner information.

Maintain the PACE application process, including:

Accept and review the property owner's completed application. When the project meets eligibility requirements, provide written indication that the project meets PACE standards at this stage (subject to verification of all requirements at closing).

Inform the property owner of his or her responsibilities in the process, including hiring a third-party reviewer, obtaining a lender, determining final project scope and completing and submitting a closing verification package.

Conduct a Pre-Closing Verification, which will confirm the statutorily required eligibility requirements of the owner including that the property owner:

- Is the legal property owner of the benefited property;
- Is current on mortgage and tax payments;
- Is not insolvent or the subject of bankruptcy proceedings;
- Holds clear title to the property and it is not in dispute; and
- Has written consent of any pre-existing mortgage lien holder to the proposed PACE assessment.

Require independent third-party verification of expected energy or water savings resulting from a project (provided by ITPR retained by applicant), according to the PACE-in-a-Box Technical Standards Manual. This review will include a:

- Site visit,
- Report stating the savings (energy, demand, and/or water) and expected project life are reasonable and in compliance with PACE in a Box program guidelines; and
- Letter from the ITPR certifying that he/she has no financial interest in the project and is an independent reviewer.

Require independent third-party verification, according to the PACE-in-a-Box Technical Services Manual, that the period of an assessment does not exceed the expected life of the improvements or thoroughly review waiver application and justification (provided by ITPR retained by applicant);

Require lender to confirm in writing its determination, based on underwriting factors established by the lender, that the owner has demonstrated the financial ability to repay the financial obligations to be repaid through assessment.

Require the owner to notify the holder of any mortgage lien on the property of the owner's intention to participate in the **Program** not less than 30 days before closing and obtain the lienholder's written consent prior to the imposition of the PACE assessment;

Review and finalize the terms of every Owner Contract and Lender Contract prior to execution; The Contract must contain:

- Amount of the assessment;

- The legal description of the property;
- The name of the property owner; and
- A reference to the statutory assessment lien provided under the PACE Act.

Collect and retain owner application fees as compensation for administrative services.

Perform closing verification reviews and schedule assessment transaction closings when all requirements are met. Such closing verification must include:

- The report conducted by a qualified independent third-party reviewer of water or energy baseline conditions and the projected water or energy savings attributable to the project;
- Such financial information about the owner and the property as the lender chosen by the owner deems necessary to determine that the owner has demonstrated the financial ability to fulfill the financial obligations to be paid through assessments; and
- All other information required by the **Services Provider**.

Coordinate and take part in assessment transaction closings.

Execute contracts under the **Program** as authorized on behalf of **Local Government**.

Arrange for recordation of a Notice of Contractual Assessment Lien for each approved project in the Official Public Records of the county where the project is located; The Notice must contain:

- Amount of the assessment;
- The legal description of the property;
- The name of the property owner; and
- A reference to the statutory assessment lien provided under the PACE Act.

Require independent post-closing third-party verification (by ITPR retained by Applicant or Lender) that each project was properly completed and is operating as intended.

Collect and retain administration fees collected by lenders from owners that receive PACE financing.

### Management and Reporting

Manage communications with lenders regarding assessment servicing, payment, and default.

Upon notification by a lender of an owner's default in payment of an assessment and the lender's compliance with the requirements of the Lender Contract on collection after default, notify the **Local Government** to enforce the assessment lien in accordance with law and the agreements between the parties.

Receive and store owner reports on energy and water savings.

Maintain the form contracts and make technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute.

At the request of property owners, prepare annual notices of assessment to be issued by **Local Government** to the owners, stating the total amount of the payments due on each assessment in the coming calendar year according to the owner contract and the financing documents.

Determine the amounts of the application and administration fees to be paid by owners.

Produce annual report on Texas PACE financing usage and the resulting energy and water savings enabled through PACE Assessments. The annual report shall also document how obligations under this Scope of Services were fulfilled during the prior year. For example, list training, outreach, education, efforts to reach underserved communities and stakeholders.

**Exhibit “B”**  
Compensation and Fees

**Service Provider** shall determine the amounts of the uniform application and administration fees to be paid by property Owners participating in the **Program**. Such fees will not exceed the fees below:

- An Application Fee of the greater of:
  - \$2,000.00; or
  - Amounting to
    - 1% of the total project cost of the first \$5 million,
    - plus 0.5% of the marginal amount above \$5 million and \$20 million, and
    - 0.25% of the marginal amount above \$20 million.

To be paid as follows:

- \$500.00 per project at the time of application submittal; and
  - the balance of the full remaining application fee paid at closing.
- A recurring Administration Fee of 0.08% of the outstanding principal balance, which amount shall be collected by lender and paid to the **Services Provider** as provided in the Owner Contract and the financing documents. This fee can also be capitalized and paid at closing. If paid under a negotiated regular schedule to the lender by the property owner, the lender shall pay this fee to **Services Provider** at the time of each payment by the property owner in accordance with the financing documents. This recurring Administration Fee is earned at closing and survives termination of this Agreement. In the event a lender, property owner, or other party pays the Local Government in error, the Local Government agrees to forward the fee, without deduction, to Services Provider within ten days of receipt.
  - When an existing PACE Assessment is amended, the above Application Fee will be calculated on the difference between the original project cost and updated project cost, or \$2,000, whichever is larger. An initial \$500 will be paid with the amendment application. When applicable, the recurring Administration Fee will be reset accordingly.

Project cost is defined as the total assessment amount less the TPA application fee.

- No amounts shall be due by **Local Government** to **Services Provider**.

- **Exhibit “C”**

Insurance Requirements

<b>COVERAGE</b>	<b>LIMIT OF LIABILITY</b>
Employer's Liability	\$500,000 per occurrence
General Liability	Bodily Injury and Property Damage, Combined Limits of \$500,000 each Occurrence, and \$1,000,000 aggregate



# City Council

## Agenda Item # 16.

**SUBJECT:** Consideration and possible action rescinding the Juvenile Curfew Ordinance # 2023-04-04 to comply with HB 1819. (Taylor)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Police Department

**CONTACT:** Chad Taylor

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**RECOMMENDED CITY COUNCIL ACTION:** Rescind the Juvenile Curfew Ordinance # 2023-04-04 to comply with HB 1819.

**ITEM SUMMARY:** Texas House Bill 1819 will make the Curfew Ordinances illegal in the State of Texas and goes into effect on September 1, 2023.

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 17.

**SUBJECT:** Consideration and possible action upon the Civic Center Board re-appointment of five members and one appointment for Civic Center Advisory Board Members (S. Kimbrell)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Civic Center

**CONTACT:** Stephanie Kimbrell, Civic Center Manager

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**RECOMMENDED CITY COUNCIL ACTION:** Staff recommends Council accepting the re-appointment of David Hill, Nancy Preston, Jean Stokes, Lee Ann Mills and Bill Garmon and the appointment of Deborah Kangerga to the Civic Center Advisory Committee.

**ITEM SUMMARY:** The members of the Civic Center Advisory Committee terms expired May 1, 2022 and May 1, 2023. Their original appointment date was April and May of 2010. David Hill, Nancy Preston, and Deborah Kangerga (taking Debbie Mann's place as Mrs. Mann moved to a different town) will serve a one-year term to expire May 1, 2024. Jean Stokes, Lee Ann Mills and Bill Garmon will serve a two-year term to expire May 1, 2025.

All of the members except Debbie Mann wish to remain on the Committee.

**BACKGROUND INFORMATION:** The Civic Center Advisory Committee was established with a Resolution dated 12-19-2007. This committee is composed of 6 members who are recommended by the Board and appointed by City Council. The members are set up with two-year, staggered terms. One-half of its members have terms which expired on May 1, 2022. The remaining one-half of its member's terms expired on May 1, 2023. There are no term limits for this Board.

The City Manager, Mayor and the Civic Center Manager are working closely with this Board to keep them informed of the Civic Center's progress and changes. The Board has expressed appreciation for our efforts.

**SPECIAL CONSIDERATIONS:** n/a

**SUPPORTING MATERIALS:** None



# City Council

## Agenda Item # 18.

**SUBJECT:** Consideration and possible action upon amending the HEDCO Bylaws. (Clary)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** HEDCO

**CONTACT:** John Clary, HEDCO Director

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**RECOMMENDED CITY COUNCIL ACTION:** Approval of Bylaws pending a recommendation from the HEDCO Board

**ITEM SUMMARY:** HEDCO Board meets on August 22, 2023 at 3:00 PM and will have a recommendation ready for council.

**BACKGROUND INFORMATION:** With HEDCO Corporation changing to a Type B designation, the Bylaws needed to be updated.

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. 4. HEDCO - Type B Bylaws 2023

# **HENDERSON ECONOMIC DEVELOPMENT CORPORATION AMENDED CORPORATE BYLAWS**

**Adopted \_\_\_\_\_, 2023**

These Bylaws (hereinafter referred to as the “Bylaws”) govern the affairs of the Henderson Economic Development Corporation, a public instrumentality and a non-profit Type B economic development corporation (hereinafter referred to as the “Corporation”) created under Chapter 505 of the Texas Local Government Code (hereinafter referred to as the “Act”).

## **ARTICLE I. Purpose**

**1.01** The Corporation is organized exclusively for the purpose of benefiting and accomplishing public purposes of the City of Henderson, Texas, by promoting, assisting and enhancing economic development activities for the City as provided by Chapter 505 of the Texas Local Government Code. The Corporation has no members and is a non-stock corporation.

## **ARTICLE II. Registered Office and Agent**

**2.01** The registered office of the Corporation shall be maintained in the City of Henderson Rusk County, Texas, where the Corporation shall maintain a registered office and the registered agent as provided in the Act. The Board of Directors shall be authorized to establish additional offices as well, and to change the location of any office of the Corporation.

## **ARTICLE III. Board of Directors**

### **3.01 Management of the Corporation and General Powers**

The affairs of the Corporation shall be managed by a Board of Directors appointed by the Mayor and City Council of Henderson. All voting rights shall be vested solely in the Board, whose members shall serve without compensation. In addition to the powers and authorities expressly conferred upon them by these Bylaws, the Board of Directors may exercise all such powers of the Corporation and do all lawful acts and things as are not prohibited by the statute or by the Charter of the City of Henderson or by these Bylaws. Without prejudice to such general powers and other powers conferred by statute, by the Charter and by these Bylaws, it is expressly declared that the Board of Directors shall have the following powers, to wit:

- (A) To purchase, or otherwise acquire for the Corporation, any property, rights, or privileges which the Corporation is authorized to acquire, at such price or consideration and generally on such terms and conditions as they think fit; and at their discretion to pay therefore either wholly or partly in money, stock, bonds, debentures, or other securities of the Corporation as may be lawful;
- (B) To create, make, and issue notes, mortgages, bonds, deeds of trust, trust agreements, and negotiable or transferrable instruments and securities, secured by mortgage or deed of trust on any real property of the Corporation to otherwise, and to do every other act or thing necessary to affect the same;
- (C) To sell or lease the real or personal property of the Corporation on such terms as the Board may see fit and to execute all deeds, leases, and other

conveyances or contracts that may be necessary for carrying out the purposes of this Corporation;

- (D) To contract with other existing private corporations to carry out economic development programs consistent with the purposes and duties as set out in these Bylaws and the Act and
- (E) To exercise any and all other powers granted by Chapter 505 of the Texas Local Government Code and any amendments thereto.

### **3.02 Selection**

The Board shall be composed of seven (7) Directors who shall serve at the pleasure of the City Council. At least one (1) Director shall be an executive officer employed by VeraBank, Henderson Federal Savings Bank, Texas Bank or Origin Bank or their successors (the "Bank Director"). The Bank Director shall be selected from the foregoing institutions (or their successors) in the order listed above. Additional Local banking institutions may be added to the rotation upon application to the Board and approval by the Board & City Council. All Directors will be selected based on interest in the work of the Corporation, special expertise and civic service.

### **3.03 Terms of Office**

The term of office for each Director shall be two (2) years. The terms of the Directors shall be staggered so that the terms of not less than three (3) Directors shall expire each year. Any Director may resign from the Board prior to the expiration of its term of office.

### **3.04 Vacancies**

Any vacancy occurring in the Board of Directors shall be filled by appointment of the City Council of Henderson so as to continue the staggered terms as set forth in Section 3.03 above.

### **3.05 Board Attendance**

Unless special consideration is granted by the Board to accommodate Directors who are temporarily inactive for good cause, any Director who is absent from three (3) consecutive regular or special meetings of the Board may be asked to resign.

### **3.06 Duties of Directors**

Directors shall exercise ordinary business judgment in managing the affairs of The Corporation. Directors shall act as fiduciaries with respect to the interest of the citizens of Henderson. In acting in their official capacity as Directors of this Corporation, Director shall act in good faith and take actions they reasonably believe to be in the best interest of the Corporation and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Corporation's best interests, or would be unlawful.

## **ARTICLE IV. Officers**

### **4.01 Officer Positions**

The officers of the Corporation shall be a President of the Board, a Vice-President, a Secretary and a Treasurer, all of whom shall be members of the Board. No two offices may be held by the same person. The officers shall have all powers specified in the Bylaws, as amended from time to time, and all powers authorized under the Act and the Texas Non-Profit Corporation Act or its successor.

### **4.02 Election and Terms of Office**

The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the fiscal year or as soon thereafter as conveniently possible, provided the President shall be a hold-over director who has served at least one year. If there is no such hold-over Director eligible for President, the President shall be elected from the existing Board. Each officer shall hold office until a successor is duly elected and qualified. An officer may be elected to succeed himself or herself in the same office one (1) time. Vacancies in officer positions may be filled by the Board of Directors for their unexpired position of the officer's term.

### **4.03 President**

The President shall be the chief executive officer of the Corporation. He or she shall generally supervise and control all of the business and affairs of the Corporation and shall preside at meetings of the Board of Directors. The President shall perform all

duties incident to the office and other duties prescribed from time to time by the Board of Directors. He or she may execute deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed. However, he or she may not execute instruments on behalf of the Corporation if this power is expressly delegated to another officer or agent of the Corporation by the Board of Directors, the Bylaws, or statute. The President shall appoint, with majority approval of the Board, the members of all standing and other committees, unless composition is otherwise provided for in the Bylaws, and all committee chairs.

#### **4.04 Vice-President**

In the absence of the President, or in the event of his or her inability to act, the Vice-President shall perform the duties of the President. When so acting, the Vice-President shall have all power of and be subject to all the same restrictions as upon the President. The Vice-President shall also perform other duties as from time to time may be assigned to him or her by the President.

#### **4.05 Secretary**

The Secretary shall be the custodian of the corporate records. The Secretary shall record and keep or cause to be recorded and kept all votes and minutes of the meetings of the Board. The Secretary shall further give or cause to be given notice of all meetings of the Board of Directors and its committees, and shall perform such other duties as may be prescribed by the Board of Directors or President. The

Secretary may designate one or more Assistant Secretaries who may be employees of the Corporation to assist in the administration of the Corporate records.

#### **4.06 Treasurer**

The Treasurer shall perform such duties as are usually incumbent upon such office. He or she shall see that proper and accurate accounts are kept of the financial condition of the Corporation and that proper books are maintained for their orderly entry. He or she shall insure that the financial decisions adopted by the Board are duly followed, and that an independent audit is made of the accounts of the Corporation at the end of each fiscal year. He or she or his or her designee shall report the financial condition of the Corporation at each regular meeting of the Board and City Council from time to time for approval. The Treasurer shall further perform any other duties the President assigns from time to time. Disbursements of the funds of the Corporation shall be by check, and all checks shall be dually signed in a manner consistent with the guidelines recommended by the Treasurer and approved by the Board of Directors. All persons authorized to disburse or manage the funds of the Corporation shall be bonded in such sum as the Board of Directors may require.

#### **4.07 Executive Director**

The Board of Directors shall have the power to appoint an Executive Director. The Executive Director shall be the general manager and chief administrative officer of the Corporation, and subject to the supervision of the Board, shall perform such

duties as may be incident to his or her office or specifically delegated to him or her by the Board. The Executive Director shall serve at the pleasure of the Board and receive such compensation as the Board may determine from time to time. The Executive Director, as general manager and, chief administrative officer, shall be responsible for policy and program implementation and for all operations of the agency, including hiring, supervising and dismissing employees as well as defining and assigning their work. The Executive Director shall be a non-voting, ex-officio member of the Board of Directors and any other committees created by the Board of Directors. The Executive Director shall compile and submit to the Board regular reports and recommendations regarding the programs, policies and business affairs of the Corporation.

## **ARTICLE V. Board Committees**

### **5.01 Committees Authorized**

The Board of Directors may establish and delegate specified authority to additional standing and ad hoc committees from time to time. A committee may include persons who are not directors of the Corporation. The Board of Directors may establish qualifications for membership on a committee. Committee members shall serve at the pleasure of the Board and may be removed by the Board of Directors. In addition, the Board of Directors may authorize subcommittees from time to time and charge them with clear and specific duties. Subcommittees will operate under the general rules governing the Board committees and the general oversight of the Executive Director and Vice-President or Board Committee Chair.

The establishment of a committee shall not relieve the Board of Directors, or any individual director of any responsibility imposed by the Bylaws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to

- (A) Amend the Articles of Incorporation;
- (B) Adopt a plan of merger or a plan of consolidation with another corporation;
- (C) Authorize the sale, lease, exchange or mortgage of any of the property and assets of the Corporation;
- (D) Authorize the voluntary dissolution of the Corporation;
- (E) Revoke proceedings for the voluntary dissolution of the Corporation;
- (F) Adopt a plan for the distribution of the assets of the Corporation;
- (G) Amend, alter, or repeal the Bylaws;
- (H) Elect, appoint or remove a member of a committee or director or officer of the Corporation;
- (I) Approve any transaction to which the Corporation is a party or undertake any action that involves a potential conflict of interest as defined in paragraph 8.04 below;
- (J) Take any action outside the scope of authority delegated to it by the Board of Directors;
- (K) Take final action on a matter that requires approval of the Board of Directors;

- (L) Commit Corporation funds without the prior approval of the Board of Directors or
- (M) Undertake any other matters appropriate to the authority of the Board of Directors.

### **5.02 Committee Terms**

The members of each standing committee shall serve until the next annual meeting of the Board and/or until successors are appointed by an incoming President, unless the Committee is terminated or a member is removed, resigns, or ceases to qualify as a member. Vacancies on committees may be filled in the same manner as the original appointment.

### **5.03 Rules**

Each committee or subcommittee may adopt rules for its own operation not inconsistent with the Bylaws or with rules adopted by the Board of Directors. A decision or recommendation of any committee or subcommittee shall be subject to approval by a quorum of the full Board.

## **ARTICLE VI. Meetings**

### **6.01 Regular Meetings**

The Board of Directors shall provide for at least four (4) regular meetings annually by resolution stating the time and place of such meetings. All regular meetings will be held in the corporate city limits of the City of Henderson.

## **6.02 Annual Meeting**

The first meeting of the Corporation's fiscal year shall be designated as the Annual Meeting. It shall be held at a time and place designated by the Board.

## **6.03 Special Meetings**

Special meetings of the Board of Directors may be called by the Mayor or at the request of the President or upon written request of at least three (3) Directors. Any notice of a special meeting shall contain a summary of the business or proposals to be brought before the special meeting. Should a Director's request for a special meeting be submitted to the President and filed in the Executive Director's office by three (3) Directors, the President shall determine and notify all directors in writing of the date, time, and place of the special meeting within three (3) days of the receipt of the Directors' request. If at any time during a meeting a quorum does not exist, no business shall be transacted.

## **6.04 Notice**

Written or printed notice of each regular meeting of the Board of Directors shall be delivered to each Director by email or other means not less than three (3) days before the date of the meeting. If mailed, a notice shall be deemed to be delivered when deposited in the U. S. mail addressed to the person at his or her address as it appears in the records of the Corporation, with postage paid. The notice shall state the place, date, and time of the meeting. In the case of special meetings, notice shall be issued

to the Directors by email or in person at least three (3) days before the date of the meeting, and in addition to the place, date, and time, shall include who called the meeting and the purpose for which the special meeting is called. Attendance of a Director at a meeting shall constitute a waiver of notice of that meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

#### **6.05 Quorum**

Four (4) Directors currently serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

#### **6.06 Action of Board of Directors**

The vote of a majority of the Directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors.

#### **6.07 Proxies**

A Director may not vote by proxy.

#### **6.08 Open Meetings**

All meetings and deliberations of the Board shall be called, convened, held and conducted in accordance with the Texas Open Meetings Act, TEX. GOV'T CODE Chapter 551, as amended.

## **ARTICLE VII. Corporate Duties, Transactions & Responsibilities**

### **7.01 Program of Work**

The Board of Directors shall research, develop, prepare and submit to the City Council for its approval an annual Program of Work which shall set out goals and objectives of the Corporation for the economic development of the City, and any other similar goals and objectives deemed appropriate by the Board and the City Council. The Board shall review and update the Program of Work each year prior to submission of the annual budget required by other provisions of these bylaws.

### **7.02 Annual Corporate Budget**

At least sixty (60) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until the same has been approved by the City Council.

### **7.03 Limitations on Expenditures**

The Corporation shall spend no more than ten percent (10%) of the annual Corporate revenues for promotional purposes. The Corporation may carry forward, year to year, the unused amounts set aside for promotional purposes.

#### **7.04 Deposit and Investment of Corporate Funds**

All Proceeds from the issuance of bonds, notes, or other debt instruments issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their issuance. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City of Henderson. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds there from for use by and for the purposes of the Corporation upon the signature of its Treasurer and such other members as the Board shall designate. The Board shall also provide for the reconciliation and investment of such funds and accounts. If agreed to by separate contract between the City and the Corporation, the accounts, reconciliation, and investment of such funds and accounts may be performed by the finance department of the City of Henderson. The Corporation shall pay reasonable compensation for such services to the City.

#### **7.05 Contracts**

The Board of Directors may by official action authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts

and instruments. All contracts shall be approved by the Henderson City Council prior to acceptance and execution by the Corporation.

#### **7.06 Gifts**

The Board of Directors may accept on behalf of the Corporation any gift or bequest provided for the general purposes of or for any special purpose of the Corporation. Special funds shall include all funds from government contracts and gifts designated by a donor for special purposes. All other funds shall be general funds.

#### **7.07 Potential Conflicts of Interest**

The members of the Board of Directors are subject to the conflicts of interest requirements of Chapter 171 of the Local Government Code, and any other applicable state law concerning conflicts of interest. In the event that a Director is aware of a conflict of interest or potential conflict of interest, with regard to any particular vote, the Director shall bring the same to the attention of the meeting and shall abstain from the vote, unless the Board determines that no conflict of interest exists. Any Director may bring to the attention of the meeting any apparent conflict of interest or potential conflict of interest of any other Director, in which case the Board shall determine whether a true conflict of interest exists before any vote shall be taken regarding that particular matter. The Director as to whom a question of conflict of interest has been raised shall refrain from voting with regard to the determination as to whether a true conflict exists.”

## **7.08 Prohibited Acts**

As long as the Corporation is in existence, no director, officer or committee member of the Corporation shall:

- (A) Do any act in violation of the Bylaws or a binding obligation of the Corporation;
- (B) Do any act with the intention of harming the Corporation or any of its operations;
- (C) Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Corporation;
- (D) Receive an improper personal or business benefit from the operation of the Corporation;
- (E) Use the assets of the Corporation, directly or indirectly, for any purpose other than carrying on the business of the Corporation;
- (F) Wrongfully transfer or dispose of Corporation property, including intangible property such as goodwill;
- (G) Use the name of the Corporation (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of the Corporation's business;

- (H) Disclose any of the Corporation business practices, trade secrets or any other information not generally known to the business community to any person not authorized to receive it;
- (I) Commit Corporation funds without the prior approval of the Board of Directors or
- (J) Commit any unauthorized act.

Provided further, however, that the Corporation shall not have the power to own or operate any project as a business other than as lessor, seller or lender or pursuant to the requirements of any trust agreement securing the credit transaction. In addition, the user pursuant to any lease, sale, or loan agreement relating to a project shall be considered to be the owner of the project for the purposes of the application of any ad valorem, sales, and use taxes or any other taxes levied or imposed by the State of Texas or any political subdivision of the State of Texas. The purchase and holding of mortgages, deeds of trust, or other security interests and contracting for any servicing thereof shall not be deemed the operation of a project.

## **ARTICLE VIII. Books, Records, Audits**

### **8.01 Maintenance of Records**

The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. In addition to proper financial records, the Corporation shall keep correct and complete minutes of

all board and committee meetings and all records required by the City of Henderson, by contracting agents, or by funding sources.

### **8.02 Compliance with State Law**

All records shall be kept and administered in accordance with the Texas Public Information Act, TEX. GOV'T CODE Chapter 552, as amended, and Chapter 201 of the Texas Local Government Code.

### **8.03 Inspection**

Any member of the City Council of Henderson, director or officer of the Corporation may inspect and receive copies of all books and records of the Corporation required to be kept by the Bylaws. Any person entitled to inspect and copy the Corporation's books and records may do so through his or her attorney or other fully authorized representative. The Board of Directors may establish reasonable fees for copying the Corporation's books and records by members. Consistent with the obligations and limitations of the Texas Public Information Act, the Corporation shall provide requested copies of books or records no later than ten (10) working days after the Corporation's receipt of proper written notice.

### **8.04 Audit**

The Corporation shall cause its books, records, accounts, and financial statements, and all other activities for the previous fiscal year to be audited at least once each year by an outside independent certified public accounting firm selected by the

Corporation. Any such audit shall be performed in accordance with generally accepted auditing procedures (GAAP) and shall include a written management letter which details suggested management controls and operating efficiencies. The management letter shall include, but not be limited to, recommendations for improving cost reductions, recommendations for increasing revenues, and recommendations for increasing productivity and safeguarding assets. Each audit shall be prepared and submitted annually to the City Council of the City of Henderson, Texas, for approval within one hundred eighty (180) days after the end of the Corporation's fiscal year. Any such audit shall be performed at the expense of the Corporation.

#### **ARTICLE IX. Fiscal Year**

**9.01** The fiscal year of the Corporation shall run concurrently with the City of Henderson beginning on the first day of October and ending on the last day of September in each year.

#### **ARTICLE X. Amendments to Bylaws**

##### **10.01 Amendments**

The Board of Directors, by the affirmative vote of no less than a super majority (5 out of 7 members) of the Board, may alter, amend, or repeal the Bylaws or adopt new Bylaws at any regular meeting, or any special meeting, providing that notice be given not less than three (3) days prior to any such meeting and that such notice contain a

copy of the proposed amendment or amendments. Said amendments shall be effective only upon approval by the City Council of the City of Henderson, Texas.

### **10.02 Legal Construction**

If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability of any such provision shall not affect any other provision and these Bylaws shall be construed as if such invalid, illegal, or unenforceable provision had not been included.

## **ARTICLE XI. Indemnification & Insurance**

### **11.01 Corporation to Indemnify**

The Corporation shall indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorney's fees) actually and necessarily incurred by said officer or director in connection with any claim asserted against said officer or director by action in court or otherwise by reason of such person being or having been a director or officer, except in relation to matters as to which said person shall have been guilty of gross negligence or gross misconduct in respect of the matter in which indemnity is sought.

### **11.02 Corporation May Provide Insurance**

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation to insure such person against any liability asserted against said person by reason of such person

being or having been a director, officer, employee, or agent of the Corporation. The premium for such insurance shall be paid for by the Corporation.

**ARTICLE XII. Parliamentary Authority**

**12.01** Robert’s Rules of Order, Newly Revised, shall be the parliamentary authority for all matters of procedure not specifically covered by the Bylaws or any specific rules of procedure adopted by this Board.

**ARTICLE XIII. Dissolution of the Corporation**

**13.01** The Corporation is a non-profit corporation. Upon dissolution, all of the Corporation’s debts shall be paid first and then the assets shall be distributed to the City of Henderson, Texas.

**Henderson Economic Development Corporation**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

Name: \_\_\_\_\_

Title: President of the Corporation

**ATTEST:**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: Secretary of the Corporation

**APPROVED** by majority vote of the Henderson City Council present on the \_\_\_\_\_ day of \_\_\_\_\_, 2023 and made effective immediately.

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: Secretary of the City of Henderson



# City Council

## Agenda Item # 19.

**SUBJECT:** Consideration and possible action upon HEDCO Program of Work for fiscal year 2023-2024.(Clary)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** HEDCO

**CONTACT:** John Clary, HEDCO Director

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**RECOMMENDED CITY COUNCIL ACTION:** To approve the Program of Work for fiscal year 2023-2024

**ITEM SUMMARY:** Program of Work details what projects are within the proposed budget for fiscal year 2023-2024.

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. HEDCO PROGRAM OF WORK 2023-2024 Proposed



## HEDCO PROGRAM OF WORK – 2023-2024

### 1) **ABOUT THE CORPORATION**

Henderson Economic Development Corporation (HEDCO) is a Texas non-profit corporation, managed by a seven-member Board of Directors whose members are appointed by, and serve at the pleasure of the Henderson City Council. The everyday oversight is the responsibility of the Executive Director and staff. The corporation was created under Section 4A of the Development Corporation Act of 1979 and governed by Article 5190.6, Revised Civil Statutes of the State of Texas, as now existing or as may be amended. HEDCO was established in January 1992 by a vote of the citizens of Henderson, Texas. Following a City of Henderson referendum in November 2021, HEDCO is a Type B Economic Development Corporation and has established a seven-member board, bylaws and articles of incorporation as mandated for Type B Economic Development Corporations. HEDCO is also an IRS 501c6 Non-Profit Organization.

### 2) **MISSION STATEMENT**

HEDCO'S mission is to advance opportunities that enhance and expand the economy of the city of Henderson, thereby creating new economic value, adding full-time job opportunities, and improving quality of life for the citizens.

### 3) **STRATEGIC GOALS OF HEDCO**

- a. Aggressively pursue every business lead.
  - Business Retention and Expansion: To encourage, support and financially assist in the retention and expansion of all existing Henderson businesses and industries
  - Business Attraction: To attract new companies interested in relocating to Henderson, with a priority to those creating primary jobs. Promote available sites and buildings, financial incentives, technically skilled workforce, and other support services. (See Section 11)
- b. Economic Diversification: Henderson's economy is undergoing major changes due to the decline of coal mining and energy production. Changes are also occurring in the retail sector due to the proliferation of online shopping options. HEDCO will work with community partners to encourage, support, and financially assist in the diversification of the economy to sustain Henderson's viability and growth as a community for the foreseeable future.

HEDCO will also explore opportunities that will help expand tourism; including nature tourism (i.e. bike/walking paths) in the area.



- c. Rail Service: Rail served industrial sites are very rare in northeast Texas and therefore rail service is an opportunity most other northeast Texas communities do not have. HEDCO will work closely with Rusk County Rural Rail District and the short-line operator, Blacklands Railroad, in promoting and growing industrial rail service.
- d. Quality of Life: Encourage activities which contribute to the overall quality of life in Henderson.
- e. Henderson is severely lacking in available residential properties. Inability of people to find housing locally stifles industrial and retail growth, Henderson ISD growth and improvements, and other development opportunities. HEDCO will work with the City, and community-at-large to engage residential developers to develop new single family homes, duplexes and an apartment complex within Henderson.

#### 4) **ONGOING ECONOMIC DEVELOPMENT PROJECTS**

- Continuing infrastructure development in the East Texas Regional Business Park
- West Fraser Wood Products expansion
- Completing a sale of ±8 acres on Frisco Street for a RV & Boat storage facility
- Purchase of the 86-acre Jim Allen Estate property
- Tyler Pipe Transload Station
- Provalus
- SWEPCO
- A new industry anticipated on CR 203/Industrial Drive

#### 5) **HUMAN CAPITAL**

Events in 2020-21 related to the Covid-19 Pandemic have changed the employment landscape locally, nationwide and even globally in ways that could never have been imagined three years ago. Far reaching issues exist that are driven nationally and globally, yet directly affect Henderson, Texas.

Workforce issues include shortages of workers in many industries, changes in worker's expectations, remote work and escalation of migration of workers (people) seeking better quality of life, lower taxes, better housing and other factors.

Since many businesses are experiencing a shortage of employees, the objective in 2022-2023 has shifted somewhat from job creation to worker attraction and job retention.

***In many ways, today's economic development program of work starts with workforce!***



**HEDCO will**

- a. Encourage a high-quality education in Henderson ISD and actively promote HISD as a “destination school district in East Texas”.
- b. Encourage more higher education availability in Henderson through dual credit courses and regular courses by partnering with Kilgore College and 4-year universities.
- c. Support job training opportunities and education for high demand job categories such as health sciences, technology, engineering, robotics, CDL, culinary, or other vocations.
- d. Seek training grant opportunities such as the High Demand Job Training Grant, the Texas Industry Partnership Grant, Skills Development Fund and provide matching grant funds to the extent the local business, HISD and/or Kilgore College need and want to expand applicable local training opportunities.
- e. When the timing is right, work with the HISD and other educational providers to develop and construct a regional training center for higher education and CTE workforce training.
- f. Support a project for Kilgore College to provide Logistics and Manufacturing / Production training inside Bradshaw State Jail (This program was previously developed but put on hold when Bradshaw Jail was closed due to Covid)
- g. Promote remote work opportunities for those seeking a higher quality of life. They can live in Henderson and work remotely for companies out of the area.
- h. Drive a strong message to shop local as much as possible.

**6) HENDERSON INDUSTRIAL PARK**

- a. Encourage improvements to the appearance of Henderson Industrial Park. This would include building and grounds improvements by companies and better right-of-way maintenance by property owners.



- b. Seek commitments from the City and County and explore potential grants to fund reconstruction of CR 203/Morris Street from Industrial Dr. to Loop 571. The road needs to be improved and widened to be able to carry more traffic and to support truck traffic. Primary funding parties may be HEDCO, City of Henderson and Rusk County.
- c. Austin Ave is a street with three names. Maps (such as Google Maps) often show Austin Ave, County Road 201 and Wade Street. HEDCO seeks to change the name of this street to one of the above names to reduce conflicts, especially for truck drivers. This has become even more important after Industrial Drive was closed for the West Fraser plant improvements.

**7) East Texas Regional Business Park**

Continue development of the East Texas Regional Business Park. HEDCO has acquired over 300 acres outside Loop 571 between SH 323 and FM 2276 for a new business park named, The East Texas Regional Business Park.

A masterplan for the park has been completed and Stokes Engineering has completed engineering & development plans for infrastructure in the park. Water & Sewer construction began in October 2021 and is complete. Street Construction expected to be complete by the end of 2023. Fiber, natural gas and electric installation will follow the street construction.

**8) Frisco Street Property**

HEDCO will continue to market the approximately 16 acres it still owns on Frisco Street.

**8) Additional Development Opportunities**

**Rail Served Sites** - HEDCO still seeks opportunities to develop rail served sites, or sites with the possibility to be rail served. To that end, in 2020 HEDCO filed a Partition Lawsuit against the many heirs of the Jim Allen Estate and is in the process of acquiring this property, which is surveyed out to be approximately 86-acres. Portions of this property can be developed with rail service. The lawsuit is nearing completion. Upon completion, HEDCO will begin masterplanning and development of the acreage.

**Rusk County Airport**

- a. Rusk County Airport is an important economic development asset to our community and county and the airport manager maintains a waiting list for those wanting to lease hanger space.



- b. Continue to work with the County, Rusk County Airport and TXDOT Aviation to extend the runway at Rusk County Airport to 5,000 feet and as part of the construction project, add Jet A fuel for purchase, and add hanger space.
- c. Be a resource as needed to work with the Airport Manager and the County to extend additional water, sewer and high-speed internet infrastructure to Rusk County Airport area.

**9) Marketing and Community**

- a. Everybody is part of the Henderson marketing team: Every Citizen.
- b. Continue to grow and improve the HEDCO brand.
- c. Continue to expand and evolve the HEDCO marketing efforts under the direction of HEDCO's new Director of Marketing and Business Development and other staff.
- d. Continue to update and expand the HEDCO website with useful data, maps and available properties.
- e. Continue an organizational focus to push high quality content and videos out on social media, HEDCO YouTube Channel, the HEDCO website and other avenues that may present themselves.
- f. Market Available Properties
  - 1. Maintain the Available Properties section of the website so that it is current.
  - 2. Market the Frisco St. sites with signage, listing on website, proactive marketing to real estate brokers and other avenues.
  - 3. Ramp up targeted marketing of the East Texas Regional Business Park.
  - 4. Market other available commercial and industrial properties and buildings (not owned by HEDCO) on the HEDCO website as is deemed appropriate.
- g. Continually look for opportunities to market regionally.
- h. Participate regionally in *NETEDR* (North East Texas Economic Developers Roundtable).
- i. Participate regionally with *The Right Corner*, a regional marketing organization (associated with SWEPCO), including trade shows and other marketing opportunities.
- j. Maintain membership with *Team Texas* and participate in trade shows, road shows and other State supported marketing opportunities.
- k. Maintain a billboard on I-20 and update it with a fresh message at least annually.
- l. Site Selection Consultants and Commercial Real Estate Brokers:
  - 1. Communicate and engage with site selection consultants across the nation, particularly by email through the Site Consultants Marketing List (purchased) and other mediums.
  - 2. Maintain communication with commercial real estate brokers in the region.
- m. Engage with other consultants that provide site selection services particularly brokers and site selection firms in the Dallas Fort Worth area.



- n. Work with the Henderson Main Street Program to encourage downtown development, particularly redevelopment of the former 1<sup>st</sup> National Bank Building.

**10) Leadership**

- a. Provide Leadership – The community expects us to provide local leadership, and we do.
- b. Maintain a strong community presence by participating with the Chamber of Commerce, City of Henderson, Main Street, HISD and other community organizations.
- c. Maintain a schedule to personally visit industrial and other businesses in the community (Business Retention and Expansion Program) (BREP).
- d. Continue to sponsor an annual Business Appreciation Luncheon and recognize a business each year.
- e. Maintain a Social Media program, particularly with HEDCO’s Facebook Business Page and share job postings and information. Push Facebook messages to a broader audience as needed.

***Note: This should be considered a “living document” and is therefore, subject to edits.***

***Approved by HEDCO Board \_\_\_\_\_***

***Approved by Henderson City Council \_\_\_\_\_***



# City Council

## Agenda Item # 20.

**SUBJECT:** Consideration and possible action upon HEDCO Budget for fiscal year 2023-2024.(Clary)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** HEDCO

**CONTACT:** John Clary, HEDCO Director

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**RECOMMENDED CITY COUNCIL ACTION:** Approval of HEDCO proposed budget for fiscal year 2023-2024.

**ITEM SUMMARY:** HEDCO Board meets on August 22, 2023 at 3:00 PM and will have a recommendation ready for council.

**BACKGROUND INFORMATION:**

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. HEDCO Proposed-Working BUDGET 2023-2024

## HEDCO - Proposed Budget 2023-2024 Working Draft

Approved by HEDCO Board - Date						
Approved by City Council - Date						
		Final	APPROVED	2022-23	Proposed	Notes
		Activity	BUDGET	Actual Through	Budget	
Acct.#	Description	2021-2022	2022-2023	7/31/2023	2023-24	
		12	12	10		
<b>REVENUE</b>						
3010	Sales Tax Revenues (All Type B)	1,954,621.48	1,750,000.00	1,860,457.77	1,910,000.00	
3025	Interest Income - Bank Type A			140,225.15	130,000.00	\$4+ million in A
3025	Interest Income - Bank Type B	47,313.33	25,000.00	17,442.39	69,000.00	\$2.3 million in B
3030	Land Sales -Old Industrial Park		123,246.60	123,246.60		Likely sale of land to K&L? See Acct. 6123
3051	NETRMA Grant Reimbursement	240,000.00				NETRMA Grant for RR ties is a reimbursement. <b>Completed</b>
3059	Lease Income - Texas Materials Group - 7.60 Ac. + 29.16 Ac. (formerly Oldcastle)	14,401.00	19,200.00	12,800.00		Lease <b>terminated early</b> with Texas Materials Group. Expected to sell to K&L Recycling. Sale price unknown at this time.
3090	Other (Misc) Revenue	21,189.07		115,463.13		2022-23 Winly Foods reimbursement on previous incentive
<b>Total Revenue</b>		<b>2,277,524.88</b>	<b>1,917,446.60</b>	<b>2,269,635.04</b>	<b>2,109,000.00</b>	
* Footnote	Note Recivable from Rusk County Rural Rail District - Not Included in Budget Totals	13,333.34				Notes receivable accrue on the balance sheet vs.the budget at. \$6,666.67 per month. <b>Pmt. Deferred for 15 years until 2037.</b>

## HEDCO - Proposed Budget 2023-2024 Working Draft

Approved by HEDCO Board - Date						
Approved by City Council - Date						
		Final	APPROVED	2022-23	Proposed	Notes
		Activity	BUDGET	Actual Through	Budget	
Acct.#	Description	2021-2022	2022-2023	7/31/2023	2023-24	
<b>EXPENDITURES</b>						
<b>Economic Development Projects</b>						
6106	Project Winly Foods, LLC	50,000.00				Active - Incentive Agreement \$400,000 -100 jobs signed 9/5/2017, 5-years. <b>Completed - See revenue line item 3090</b>
6114	Project High Demand Job Training Grant #3	74,996.65				Applied for and received \$150,000. \$75,000 HEDCO match. <b>Grant is complete.</b>
6116	Henderson Canvas Products (Tarpworks)					Job creation incentive, 6-jobs @ \$5,000 /job. Forgiveable loan executed March 2021. <b>\$30,000 forgivable Loan in A/R</b>
6117	Project High Demand Job Training Grant #4	74,988.18				Applied for and received \$150,000. \$75,000 HEDCO match. <b>Grant is complete.</b>
6119	Project High Demand Job Training Grant #5				50,000.00	<b>Application approved. Match for Technology and IT training funds.</b>
6120	Project Provalus Incentives			57,166.16	270,000.00	Renovation of old city hall complex for Provalus. Max exposure is \$325,000 for the project. Expended \$57,000 to date.
6121	Misc Infrastructure Projects Henderson Industrial Park					
6122	US 259 South Infrastructure (Christus)				750,000.00	<b>Infrastructure for new Christus Clinic and future development on US 259 South</b>
6123	Project K&L Recycling				190,000.00	Est. Combination Revenue, Expenditures & Incentives for K&L Recycling
6124	Project SWEPCO				(173,559.00)	Sale of 10 acres in business park.
6190	NEW - BREP Matching Grants for Business Retention - Industrial Park		150,000.00		150,000.00	Proposed new matching grant program for existing busines improvements - Henderson Industrial Park.
6200	Business Incentives for new or existing businesses		350,000.00	4,000.00	350,000.00	(Placeholder) Development Incentives for New or Existing Businesses.* * \$4,000 was for sewer for Blazer Electric
<b>Totals - Economic Development Expenses</b>		<b>199,984.83</b>	<b>500,000.00</b>	<b>61,166.16</b>	<b>1,586,441.00</b>	

## HEDCO - Proposed Budget 2023-2024 Working Draft

Approved by HEDCO Board - Date						
Approved by City Council - Date						
		Final	APPROVED	2022-23	Proposed	Notes
		Activity	BUDGET	Actual Through	Budget	
Acct.#	Description	2021-2022	2022-2023	7/31/2023	2023-24	
<b>Supplies, Office Expenses and Professional Services</b>						
6501	Accounting (Monthly Bookkeeping + Annual Audit)	10,265.00	12,000.00	9,040.00	14,000.00	PB&J Accounting, Auditor Morgan LaGrone CPA
6502	Insurance - General Liability	1,500.00	1,500.00	1,500.00	1,500.00	City of Henderson Liability premium to HEDCO. Lump sum annual payment.
6503	Legal (Attorney)	26,310.01	30,000.00	32,454.57	35,000.00	Legal fees
6504	Office Expenses	2,573.94	1,500.00	2,533.03	2,500.00	Office supplies, copy paper, printer cartridges, computers, printer, furniture, bookshelves, storage, etc.
6505	Postage & Shipping	100.00	100.00	226.20	250.00	Stamps, Fed-Ex, UPS
6506	Property Tax			70.53	75.00	Business property tax on copy machine
6507	Telephone, Cell (Admin)	600.00	600.00	500.00	600.00	Cell phone allowance for Adm. Asst.
6508	Utilities - HEDCO Offices					None expected
6509	Professional Services - Engineering, Design, Architectural (Part of Capital Expenses)	348,794.94	225,000.00	187,955.36	225,000.00	Engineering Masterplanning New Business Park, Property Surveys, Phase 1 Environmentals, Asbestos Testing, Road and Utility Design new business park.
<b>Totals - Supplies, Office Expenses &amp; Professional Services</b>		<b>390,143.89</b>	<b>270,700.00</b>	<b>234,279.69</b>	<b>278,925.00</b>	
<b>Personnel Expenses</b>						
7001	Contract Labor (w/City) - Executive Director	124,828.74	161,539.00	127,776.46	161,539.00	Salary, Insurance, Retirement, Cell Phone, Car Allowance, W/H invoiced by City of Henderson,
7002	Insurance Life - Adm. Asst.	1,153.00	1,200.00	4,176.14		Life Insurance - Adm. Asst. Karen Smith
7003	Insurance Health - Adm. Asst.	4,977.63	5,044.00	3,760.35		Medical Insurance - Adm. Asst. Karen Smith
7004	Insurance Worker's Comp - Adm. Asst.	260.48	396.00	381.52		Hartford Ins.
7006	Relocation Expenses - Dir. of Marketing	1,598.47				
7007	Retirement - Adm. Asst.	4,356.19	4,000.00	3,957.98		Admin Assistant- Kansas City Life
7008	Salary - Administrative Assistant	48,323.87	49,850.00	45,549.63		Admin Assistant
7009	Payroll Taxes - Adm Asst.	4,147.47	4,950.00	4,126.45		Admin Assistant
7010	Contract Labor (w/ City) - Dir. of Marketing/Business Dev.	89,454.13	108,280.00	59,622.94	89,500.00	Salary, Insurance, Retirement, Cell Phone, Car Allowance, W/H invoiced by City of Henderson.
7011	Health Insurance - Dir of Marketing			3,062.22	5,250.00	
7020	Contract Labor (w/ City) (New) Admin. Assistant				70,500.00	New line item for admin asst to be run though the City
	Contract Labor (w/ City) (New) Part Time				30,000.00	New potential part time position (maybe) for Business Retention
		<b>279,099.98</b>	<b>335,259.00</b>	<b>252,413.69</b>	<b>356,789.00</b>	

## HEDCO - Proposed Budget 2023-2024 Working Draft

Approved by HEDCO Board - Date						
Approved by City Council - Date						
		Final	APPROVED	2022-23	Proposed	Notes
		Activity	BUDGET	Actual Through	Budget	
Acct.#	Description	2021-2022	2022-2023	7/31/2023	2023-24	
<b>Program Expenses</b>						
7201	Website Annual License Fees	3,074.00	9,400.00	3,074.00	3,074.00	Annual License Fee to ED Suite. Invoiced Nov 31 annually.
7202	Website Development, Maintenance, Upgrades, etc.	12,094.00	12,094.00	13,095.00	5,000.00	For 2023-24, Website maintenance by EDSuite
7203	Advertising and Marketing	66,601.97	70,100.00	34,423.16	70,000.00	Print ads, Direct mail or email, Marketing travel, Trade shows, Sponsorships, Printed flyers & brochures, Marketing signage, Videos, Billboard, Site Location Partnership, Public Notices, + Business Park Coming Soon Signs
7204	Meetings and Entertainment	4,504.77	14,500.00	3,918.52	12,000.00	Meeting refreshments, BREP meals, Prospect Hosting, Industry Appreciation Luncheon (speaker, food, decorations)
7205	Dues, Memberships & Subscriptions	17,792.74	17,250.00	6,300.32	10,000.00	Chamber of Commerce, TEDC, Rotary, Team Texas, ICSC, NETEDR, Adobe AcrobatDC (2), Place Marketing, also Computer Programs & Subscriptions.
7206	Travel & Training - Non-Marketing Conferences, Webinars, Seminars and Training (Including Travel), Admin. Asst. Mileage	14,002.01	25,000.00	7,792.46	12,000.00	TEDC Conferences, Training Workshops, Webinars, PFIA Training, Software Technical Assistance, Rusk County Days Austin Trip, Admin Assistant Mileage.
7207	Non Engineering Studies	5,200.00	2,000.00		-	ETCOG Broadband Study Match
7208	Special Projects				-	
		<b>123,269.49</b>	<b>150,344.00</b>	<b>68,603.46</b>	<b>112,074.00</b>	
<b>Repairs and Maintenance (Non-Capital Expenses)</b>						
7302	Property Maintenance - Frisco Street Parcel (16 acres)	1,800.00	4,000.00	3,565.00	2,500.00	Maintenance (Mowing, Clearing, Trimming, water detention, etc)
7303	Property Maintenance - Taylor Street Greenbelt	500.00	600.00	500.00	500.00	HEDCO Owned Taylor Street Greenbelt Maintenance/Mowing
7304	Property Maintenance - Old Industrial Park		40,000.00	34,513.75		Materials for upgrading 2 RR Crossings. (Blacklands RR to provide labor.)
7305	Property Maintenance - East Texas Regional Business Park		20,000.00	51,100.00	75,000.00	Mowing, trimming, repairs & maintenance <b>NOT</b> related to new construction
7306	Monument and Wayfinding Sign - Industrial Park				-	Sign at CR 203 & Loop 571 (TXDOT Won't Allow)
	Property maintenance, clearing & pipeline move - Jim Allen Estate				400,000.00	Includes clearing of the property and relocation of the gas gathering line.
7308	Remodel 500 W Main St Bldg & Furnishings					Building now leased to Provalus
7309	Property Maintenance - Old City Hall Complex			1,701.34	10,000.00	Buildings now leased to Provalus - Grounds maint. Primarily.
		<b>2,300.00</b>	<b>64,600.00</b>	<b>89,678.75</b>	<b>488,000.00</b>	
<b>TOTAL EXPENSES</b>		<b>994,798.19</b>	<b>1,320,903.00</b>	<b>706,141.75</b>	<b>2,822,229.00</b>	

## HEDCO - Proposed Budget 2023-2024 Working Draft

Approved by HEDCO Board - Date						
Approved by City Council - Date						
		Final	APPROVED	2022-23	Proposed	Notes
		Activity	BUDGET	Actual Through	Budget	
Acct.#	Description	2021-2022	2022-2023	7/31/2023	2023-24	
<b>CAPITAL OUTLAY</b>						
7501	Purchase of Jim Allen Estate for New Business Park - Purchase of Colley Tracts for Business Park (28 Acres)	-	400,000.00		234,000.00	Jim Allen Estate. (If purchased, it will move to a Capital Account) 2019-20 Alford Parcel \$1,044,000, 2020-21 Richardson Parcel \$327,621.95. 2020-21 9.786 Acres \$39,144. Colley Parcel 28 AC (\$130,000)
7502	<b>East Texas Reg. Business Park - Capital Expenditures</b> - Utilities & Street Improvements, Land Clearing, Sidewalks, Pond improvements	1,356,786.53	3,800,000.00	2,575,387.07	1,037,933.50	Street & Utility Construction: For budget view purposes only. Will move the capital expenses to a Capital Account and out of this expense account.
7504	Speculative Building - Design and Construction					Engineer, design and construct a 20,000 sq ft building. <b>Need to Discuss With Board, 20,000 x 180=\$3.6 million</b>
7506	CR 203 Industrial Drive Improvements (Rebuild)				2,000,000.00	\$2 million placeholder for HEDCO share of cost of rebuilding CR 203
	<b>Total Capital Outlay</b>	<b>1,356,786.53</b>	<b>4,200,000.00</b>	<b>2,575,387.07</b>	<b>3,271,933.50</b>	
<b>TOTAL EXPENDITURES (Expenses + Capital Outlay)</b>		<b>2,351,584.72</b>	<b>5,520,903.00</b>	<b>3,281,528.82</b>	<b>6,094,162.50</b>	
<b>Totals</b>						
	Total Revenue	2,277,524.88	1,917,446.60	2,269,635.04	2,109,000.00	
	Total Expenses	2,351,584.72	5,520,903.00	3,281,528.82	6,094,162.50	
<b>Net Increase/Decrease In Unrestricted Net Assets</b>		<b>(74,059.84)</b>	<b>(3,603,456.40)</b>	<b>(1,011,893.78)</b>	<b>(3,985,162.50)</b>	Total Revenue less Expenses



# City Council

## Agenda Item # 21.

**SUBJECT:** Consideration and possible action upon the dedication of Bane Blvd. to the City of Henderson. (Hughes)

**MEETING DATE:** August 22, 2023

**DEPARTMENT:** Community Development

**CONTACT:** Billy Hughes, P & Z Coordinator

---

**RECOMMENDED CITY COUNCIL ACTION:** : Staff recommends that Council approve the dedication of this new street to the city and approve the name of this new street as Bane Blvd.

**ITEM SUMMARY:** Consider and approve the dedication of a newly constructed street to the City of Henderson from Bane Investment Holdings. The curb and gutter were designed and built as specified in the City's sub-division ordinances (Chapter Two-II.A.1.a). The sub-grade and flex base were placed and compacted then core samples were tested by Teracon and test results submitted for approval. These test results were then forwarded to Neal Holland with Stokes and Associates. Mr. Holland reviewed the test results and confirmed that the construction of this street did meet the standards set forth in the City's Subdivision Ordinances.

**BACKGROUND INFORMATION:** The developer, BIH, obtained a permit from TxDOT for a new entrance to his business off US Hiwy 79E on February 23,2023 and began construction on the street.

Mr. Bane requested that this parcel be removed from the Planned Development and re-zoned to General Commercial (C2). Council approved this request on April 18, 2023.

Mr. Bane is requesting that council approve the dedication of this new street to the City. There is a warranty period of 1 year on the materials and

workmanship on this street.

**SPECIAL CONSIDERATIONS:**

**SUPPORTING MATERIALS:**

1. Supporting documents for new street

# BIH BANE INVESTMENT —HOLDINGS—

903-657-7777 ♦ 100 Bane Blvd. Henderson, TX 75654 ♦ www.BIHRealty.com

August 16, 2023

RE: Request of dedication of city street

Bane Investment Holdings, LLC (BIH) request the dedication of a new city street that was built and designed to the City of Henderson's subdivision specifications and guidelines.

BIH request the city council to approve the dedication, and the name of the street to be named **Bane Boulevard**.

BIH also acknowledges the street construction and materials will be warrantied by BIH for 1 year after the dedication.

Best regards,



Brant Bane  
Bane Investment Holdings, LLC  
100 Bane Blvd.  
Henderson, Texas 75654



August 16, 2023

Mr. Billy Hughes, Planning and Zoning Coordinator  
City of Henderson  
300 West Main  
Henderson, Texas 75652

RE: Bane Investment Holdings  
Driveway Dedication  
100 Bane Blvd.

Dear Billy,

I was recently contacted by Mr. Brant Bane, President of Bane Investment Holdings, LLC, regarding a new driveway that was recently installed at his business at 100 Bane Blvd. on US 79 north. In order for Mr. Bane to obtain a street address for this new office it required that he install a new driveway that would be served off of US 79 North. Mr. Bane obtained a TxDOT permit for construction of this access drive. He also provided me with documentation to support that the work was constructed in accordance with City of Henderson standards for construction of driveways. Therefore, it is my recommendation this driveway be accepted by the City.



Please call or email me if you have any questions or if you would like to discuss this further.

Sincerely,

*Neal Holland*  
Neal Holland, President

Enclosure

Electronic Copy: Mr. Brant Bane

**Roy L. Lemley**  
**Registered Professional Land Surveyor No.3677**  
**2510 Ramblewood, Henderson, Texas 75652**  
**Office: 903-722-4149 FIRM No.101103-00**  
**Email:roy@roylemleysurveyor.com**

Field Notes for  
Bane Boulevard Annexation  
0.054 Acres

**GENERAL DESCRIPTION**

All that certain tract or parcel of land being a part of the A.P. Vaughn Survey, A-802, Rusk County, Texas, being 0.054 acres by this survey and being the same land generally referred to in a plat conveying Lot 1, Block A from Med travel II, LLC to bane Investment Holdings, LLC in an Assumption Deed recorded in Volume 3907, Pg.210 (OPRRCT), said Bane Boulevard described as follows;

**COMMENCING** from a 1/2" iron rod found on the North ROW of U.S. Highway 79 for the Southeast corner of said Lot 1, Blk.A.

**THENCE** N 72°35'04"W for a distance of 36.18' along the South line of said Lot and the North ROW of said highway to a point to the place of beginning at the Northeast corner of Bane Boulevard.

**THENCE** S 15°16'21" W across State ROW land for a distance of 68.38'to a point for the Southeast corner of Bane Boulevard at the edge of pavement of U.S. Highway No.79.


**THENCE** N 72°17'59" W for a distance of 46.59'to a point at the North edge of Pavement of U.S. Highway 79 and being the Southwest corner of Bane Boulevard.

**THENCE** N 17°55'57" E for a distance of 68.11'to a point on the North ROW of U.S. Highway 79 for the Northwest corner of Bane Boulevard.

**THENCE** S 72°35'04" E for a distance of 43.42'to the place of beginning and containing 0.07 acres of land.

(Bearing Orientation Based on Ave. RTK GPS Coordinates NAD83, NCZ(4202).

Witness my hand and seal this the 1<sup>st</sup> day of August, 2023.

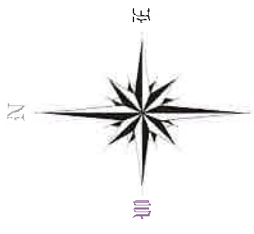


Roy L. Lemley  
RPLS No.3677  
Page 1 of 2



**A.P.VAUGHN SURVEY, A-802**

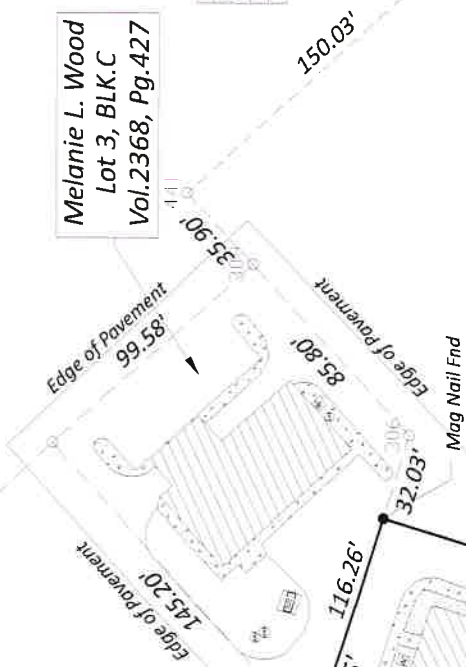
Medtravel Development, LP  
Called 7.76 Ac. (Undeveloped)  
(See Vol.2847, Pg.750 for Description)



Call Table

LINE	BEARING	DISTANCE
1	S 15°10'21" W	68.38'
2	N 72°17'59" W	46.49'
3	N 17°03'45" E	68.11'
4	S 72°35'04" E	43.02'

Melanie L. Wood  
Lot 3, BLK.C  
Vol.2368, Pg.427



**SURVEY FOR**  
**BANE INVESTMENT**  
**HOLDINGS, LLC**  
**LOT 1, BLOCK A (0.86 Ac.)**  
**BROOKRIDGE SUBDIVISION**  
(Sleeve 360) Plat Records  
Restrictions - Vol. 2362, Pg.715  
**A.P.VAUGHN SURVEY, A-802**  
**RUSK COUNTY, TEXAS**

**Scale: 1"=50' August 1, 2023**

**CERTIFICATE:**  
I, Roy L. Lemley, RPLS No.3677, hereby certify that the above plat correctly represents the results of a survey on the ground by me and is true and correct to the best of my knowledge and belief.  
Witness my hand and seal this 1st day of August, 2023.

*Roy L. Lemley*  
Roy L. Lemley - Registered Professional Land Surveyor No.3677  
2510 Ramblewad, Henderson, Texas 75652  
Office & Cell: 903-722-4149 Job No.022308 FIRM 101103-00  
Email:roy@roylemleysurveyor.com



Med Travel Developments, LP  
LOT 2, BLK.B  
Vol.2380, Pg.706

Med Travel II, LLC  
Lot 1, Blk.A  
Vol.2381, Pg.708  
0.86 Acres  
(This survey)

See Page 2  
Attached Field  
Notes

**US HIGHWAY 79**

and Attached as Pages 1 of 2.  
Article IV, 4.04 Setbacks:  
(Not Specified) Vol.2352, Pg.715.

b.No.022308 Bearing Orientation: (TSPCS)NAD83 NCZ(4202).



## Permit to Construct Access Driveway Facilities on Highway Right of Way

<b>PERMIT NUMBER: 03US7923423</b>			
<b>REQUESTOR</b>		<b>GPS*</b>	
		<b>LATITUDE, LONGITUDE</b>	
		32.165714°, -94.779845°	
		<b>ROADWAY</b>	
		<b>HWY NAME</b>	U.S. 79
		<b>FOR TxDOT'S USE</b>	
		<b>CONTROL</b>	0246
		<b>SECTION</b>	01
<b>NAME</b>	Brant Bane		
<b>MAILING ADDRESS</b>	824 N. Marshall St.		
<b>CITY, STATE, ZIP</b>	Henderson, TX 75652		
<b>PHONE NUMBER</b>	903-658-7777		

\*GLOBAL POSITIONING SYSTEM COORDINATES AT INTERSECTION OF DRIVEWAY CENTERLINE WITH ABUTTING ROADWAY

Is this parcel in current litigation with the State of Texas?  YES  NO

The Texas Department of Transportation, hereinafter called the State, hereby authorizes Brant Bane, hereinafter called the Permittee, to  construct /  reconstruct a Commercial (residential, convenience store, retail mall, farm, etc.) access driveway on the highway right of way abutting highway number US 79 in Rusk County, located 32.165714°, -94.779845°

USE ADDITIONAL SHEETS AS NEEDED

This permit is subject to the Access Driveway Policy described on page 2 and the following:

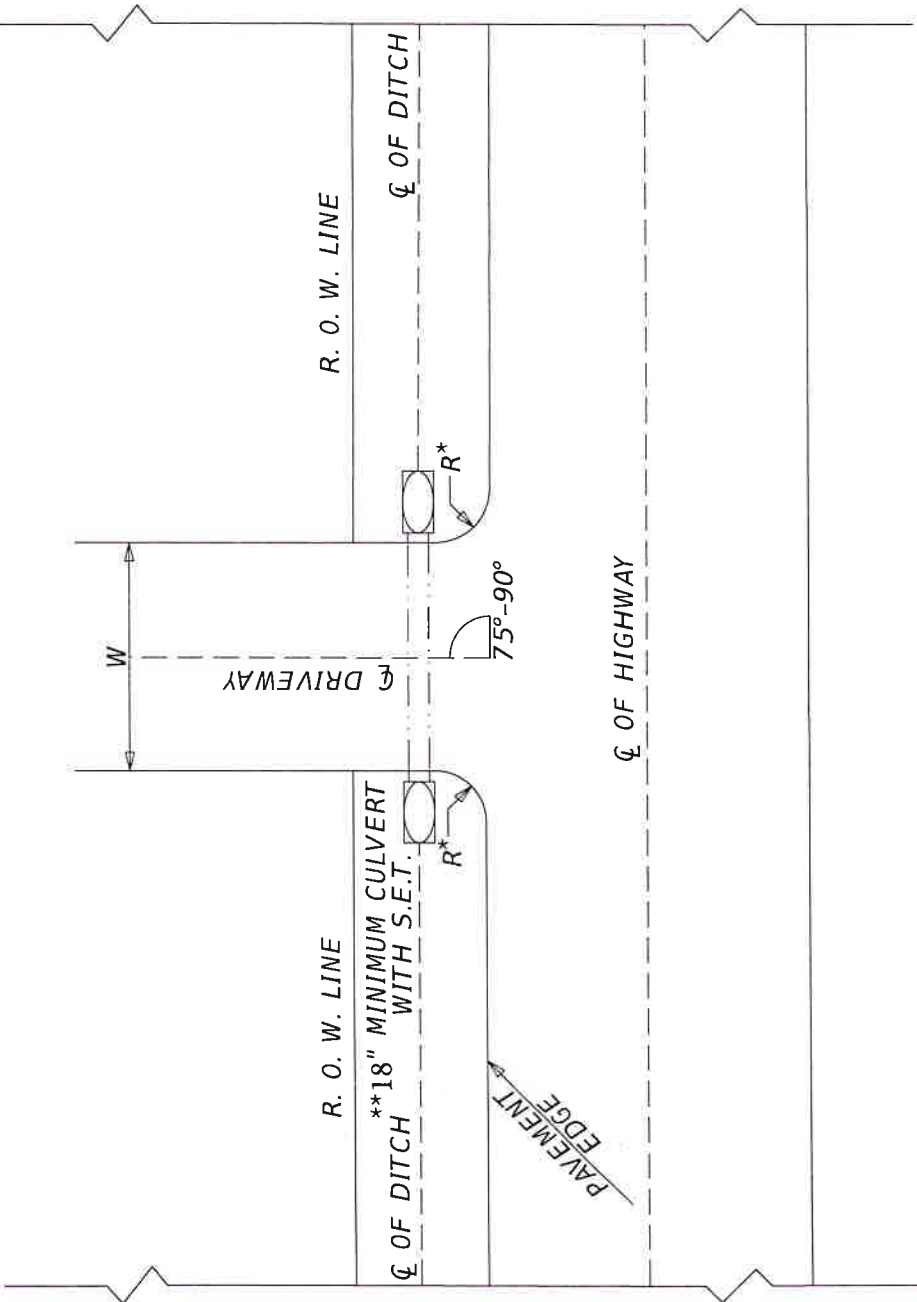
1. The undersigned hereby agrees to comply with the terms and conditions set forth in this permit for construction and maintenance of an access driveway on the state highway right of way.
2. The Permittee represents that the design of the facilities, as shown in the attached sketch, is in accordance with the Roadway Design Manual, Hydraulic Design Manual and the access management standards set forth in the Access Management Manual (except as otherwise permitted by an approved variance).
3. Construction of the driveway shall be in accordance with the attached design sketch, and is subject to inspection and approval by the State.
4. Maintenance of facilities constructed hereunder shall be the responsibility of the Permittee, and the State reserves the right to require any changes, maintenance or repairs as may be necessary to provide protection of life or property on or adjacent to the highway. Changes in design will be made only with prior written approval of the State.
5. The Permittee shall hold harmless the State and its duly appointed agents and employees against any action for personal injury or property damage related to the driveway permitted hereunder.
6. Except for regulatory and guide signs at county roads and city streets, the Permittee shall not erect any sign on or extending over any portion of the highway right of way. The Permittee shall ensure that any vehicle service fixtures such as fuel pumps, vendor stands, or tanks shall be located at least 12 feet from the right of way line to ensure that any vehicle services from these fixtures will be off the highway right of way.
7. The State reserves the right to require a new access driveway permit in the event of: (i) a material change in land use, driveway traffic volume or vehicle types using the driveway, or (ii) reconstruction or other modification of the highway facility by the State.
8. The State may revoke this permit upon violation of any provision of this permit by the Permittee.
9. This permit will become null and void if the above-referenced driveway facilities are not constructed within six (6) months from the issuance date of this permit.
10. The Permittee will contact the State's representative Mark Hall telephone, (903 ) 657-4521, at least twenty-four (24) hours prior to beginning the work authorized by this permit.
11. The requesting Permittee will be provided instructions on the appeal process if this permit request is denied by the State.

The undersigned hereby agrees to comply with the terms and conditions set forth in this permit for construction and maintenance of an access driveway on the highway right of way.

Date: 2/23/2023

Signed: Brant Bane Brant Bane  
DocuSigned by: 58C48D1A66D554A3  
 (Property owner or owner's representative)

<u>2/23/2023</u>	
Date of Issuance	<u>Stacy Wylie</u> <span style="float: right;">Stacy Wylie</span> <small>DocuSigned by: 205B4CE34A06466</small> District Engineer, or designee Approval
Date of Issuance as per Variance to AMM	District Engineer, or designee Approval
Date of Denial	District Engineer Denial (No Delegation)



\*R - minimum radius:  
 - residential = 15ft  
 - commercial = 25ft

\*\*18" minimum culvert, if  
 culvert pipe is needed.

Permit Number:  
 03US7923423

Owner:  
 Brant Bane

Address:  
 824 N. Marshall St.  
 Henderson, TX 75652

GPS Coordinates:  
 03US7923423

ACCESS DRIVEWAY  
 SKETCH TEMPLATE

DRIVEWAY GENERAL NOTES

Width:	24'
Radii:	40'
Culvert:	18" minimum
Surface Treatment:	Non-Erodiable




**Untitled Map**

Write a description for your map.



**LEGEND**

 Approximate Observation Area

Project No.	k7231013
Scale:	NTS
File Name:	K7231013.0001
Date:	03/23/2023



13145 Kallian Avenue Tyler, Texas 79703  
(903) 593-7252 (phone)

**PROOFROLL OBSERVATI**

BIH Realty Ne  
Hwy 79, Hender

# FIELD DENSITY TESTING REPORT

**Report Number:** K7231013.0001  
**Service Date:** 03/23/23  
**Report Date:** 03/24/23



13145 Kallan Ave  
Tyler, TX 75703-6520  
903-593-7252

## Client

Bane Investment Holdings LLC  
Attn: Brant Bane  
100 Zeid Blvd  
Henderson, TX 75652

## Project

Bane Investment New Paving  
100 Zeid Blvd  
Henderson, TX 75652

Project Number: K7231013



## Services:

**Terracon Rep.:**  
**Reported To:**  
**Contractor:**  
**Report Distribution:**

**Start/Stop:**

**Reviewed By:**

Douglas Palmer  
Senior Project Manager

The tests were performed in general accordance with applicable ASTM, AASHTO, or DOT test methods. This report is exclusively for the use of the client indicated above and shall not be reproduced except in full without the written consent of our company. Test results transmitted herein are only applicable to the actual samples tested at the location(s) referenced and are not necessarily indicative of the properties of other apparently similar or identical materials.

# FIELD DENSITY TESTING REPORT



**Report Number:** K7231013.0001  
**Service Date:** 03/23/23  
**Report Date:** 03/24/23

13145 Kallan Ave  
Tyler, TX 75703-6520  
903-593-7252

## Client

Bane Investment Holdings LLC  
Attn: Brant Bane  
100 Zeid Blvd  
Henderson, TX 75652

## Project

Bane Investment New Paving  
100 Zeid Blvd  
Henderson, TX 75652

Project Number: K7231013



## Services:

**Terracon Rep.:**

**Reported To:**

**Contractor:**

**Report Distribution:**

**Start/Stop:**

**Reviewed By:**

Douglas Palmer  
Senior Project Manager

The tests were performed in general accordance with applicable ASTM, AASHTO, or DOT test methods. This report is exclusively for the use of the client indicated above and shall not be reproduced except in full without the written consent of our company. Test results transmitted herein are only applicable to the actual samples tested at the location(s) referenced and are not necessarily indicative of the properties of other apparently similar or identical materials.

# LABORATORY COMPACTION CHARACTERISTICS OF SOIL REPORT

Report Number: K7231013.0001A  
 Service Date: 03/23/23  
 Report Date: 03/24/23



13145 Kallan Ave  
 Tyler, TX 75703-6520  
 903-593-7252

## Client

Bane Investment Holdings LLC  
 Attn: Brant Bane  
 100 Zeid Blvd  
 Henderson, TX 75652

## Project

Bane Investment New Paving  
 100 Zeid Blvd  
 Henderson, TX 75652

Project Number: K7231013

## Material Information

Source of Material: On Site  
 Proposed Use: Crushed Concrete for Driveway

## Sample Information

Sample Date: 03/23/23  
 Sampled By: Douglas Palmer  
 Sample Location: Stockpilt

Sample Description: Gray Crushed Concrete

## Laboratory Test Data

Test Procedure: ASTM D1557  
 Test Method: Method C  
 Sample Preparation: Dry  
 Rammer Type: Mechanical

Liquid Limit:  
 Plastic Limit:  
 Plasticity Index:  
 In-Place Moisture (%):

Result	Specifications
--------	----------------

Oversized Particles (%): 32.1  
 Moisture (%): 5.0  
 Sieve for Oversize Fraction: 3/4

Assumed Bulk Specific Gravity of Oversized Particles: 2.7

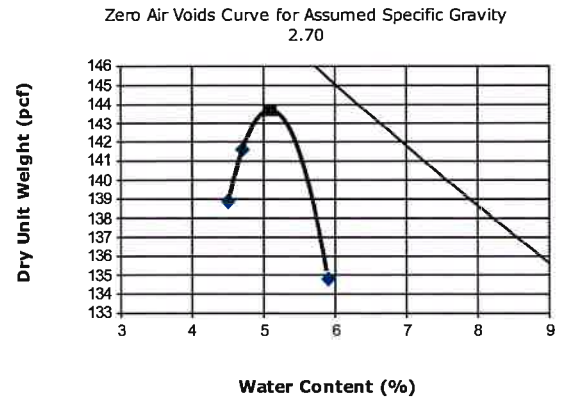
### Corrected for Oversized Particles (ASTM D4718)

Maximum Dry Unit Weight (pcf): 143.7  
 Optimum Water Content (%): 5.1

### Uncorrected Values

Maximum Dry Unit Weight (pcf): 136.9  
 Optimum Water Content (%): 5.2

## USCS:



## Comments:

## Services:

Terracon Rep.: Mark Thornton

Reported To:

Contractor:

Report Distribution:

Reviewed By:

Douglas Palmer  
 Senior Project Manager

Test Methods: ASTM D698, ASTM D4318, ASTM D4647, ASTM D4718

The tests were performed in general accordance with applicable ASTM, AASHTO, or DOT test methods. This report is exclusively for the use of the client indicated above and shall not be reproduced except in full without the written consent of our company. Test results transmitted herein are only applicable to the actual samples tested at the location(s) referenced and are not necessarily indicative of the properties of other apparently similar or identical materials.



# UT Health East Texas

## City of Henderson

### July 2023

#### Emergency Calls Compliance

Compliance  
96.03

Calls  
126

Late  
5

**Run# - 63657 – Priority 1 – Heart Problem  
Total Response Time – 09 minutes 59 seconds**

**Delay due to crew long out of chute time.**

**Run# - 65600 – Priority 1 – Interfacility  
Total Response Time – 11 minutes 09 seconds**

**Delay due to crew long out of chute time.**

**Run# - Priority 1 – Interfacility  
Total Response Time – 13 minutes 37 seconds**

**Delay due to crew long out of chute time.**

**Run# - 65445 – Priority 2 – Psychiatric  
Total Response Time – 11 minutes 10 seconds**

**Delay due to crew long out of chute time**

**Run# - 66778 – Priority 2 – Unconscious**  
**Total Response Time – 11 minutes 23 seconds**  
**Delay due to crew long out of chute time.**

# HENDERSON FIRE DEPARTMENT

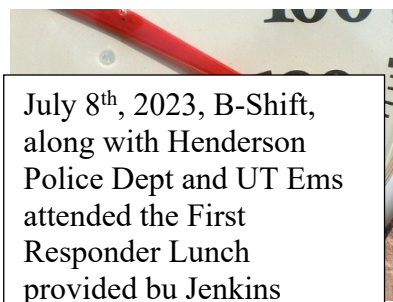


## July 2023 Monthly Report

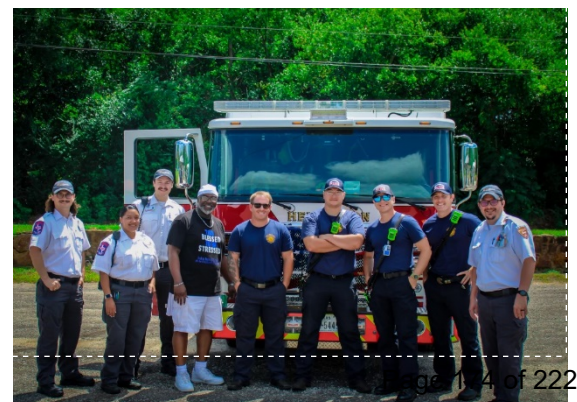
### July 2023 Call Log

- Fire Calls: 69
- Medical Calls: 41
- Total Calls: 110
- Inspections: 60
- Hydrants: 92

July 4, 2023, HFD A-shift and Chief Chote attended the annual Freedom Fest and fireworks display at Lake Forest Park. HFD was on standby to assist UT EMS with any medical calls at the event. Firefighters were also at the location in case of emergency during the fireworks presentation and watering down the fireworks display boxes for MPA fireworks after the event was over.



July 8<sup>th</sup>, 2023, B-Shift, along with Henderson Police Dept and UT Ems attended the First Responder Lunch provided by Jenkins Memorial C.M.E. Church and Garmon Funeral Home. They were able to meet some members of the church, enjoy some music and some good food. A good time was had by all that attended.





participated in the Boys & Girls Club “water day” for their summer program. This is one thing, and we are not sure who enjoys it more, the firefighters or the kids. It was a fun and happy faces during our visit. This is something we really look forward to doing with the community a little.



July 29, 2023. B shift attended the grand opening at Pro Fitness. Lunch was provided and there were many of the community that came out that we were able to meet. We let the children see the firetrucks and get their pictures taken by the trucks.



\*\* July 24-28, 2023, HFD Firefighters Cal Walton and Kaleb Horne attended the Annual Summer TEEEX Fire School located at the Texas A & M Fire Academy. Each summer, HFD sends some of its firefighters to the TEEEX Fire School for hands on fire training. This year, the firefighters attended the Strategy & Tactics Unique to Firefighting (S.T.U.F.F.) class. The class dealt with daily firefighting duties, scene command, standardized radio protocol and several other topics. The information was broad but very beneficial.



# HENDERSON FIRE DEPARTMENT

401 West Main St.  
 Henderson, Texas 75654  
 903-657-6551

Rusty Chote, Fire Chief  
 Sonny Ybarra, Deputy Fire Chief

## MONTHLY REPORT FOR JULY 2023

<u>TYPE OF CALL</u>	<u>CITY</u>	<u>COUNTY</u>
<i>OTHER FIRES (Industrial/other)</i>	2	0
<i>STRUCTURE FIRES</i>	0	0
<i>VEHICLE FIRES</i>	0	3
<i>GRASS FIRES</i>	3	9
<i>ELECTRICAL FIRES</i>	3	0
<i>COOKING FIRES (KITCHEN)</i>	0	0
<i>POWER LINES</i>	2	0
<i>SMOKE CHECKS</i>	0	1
<i>ACCIDENTS (JAWS)</i>	0	1
<i>MVC'S (No Extrication)</i>	4	6
<i>AIRCRAFT STAND-BY</i>	0	2
<i>FUEL SPILLS/GAS LEAKS</i>	1	0
<i>RESCUE</i>	0	0
<i>MEDICAL CALLS</i>	33	8
<i>ALARM MALFUNCTIONS</i>	3	0
<i>FALSE ALARMS</i>	4	1
<i>DISPATCHED AND CANCELED ENROUTE</i>	6	6
<i>UNAUTHORIZED BURNING</i>	6	0
<i>CONTROL BURN (COUNTY ONLY)</i>	1	1
<i>ASSIST OTHER DEPARTMENTS</i>	0	1
<i>MISCELLANEOUS CALLS/PUBLIC SERVICE</i>	3	1
<b>TOTAL</b>	<b>71</b>	<b>39</b>
<b>MILEAGE</b>	<b>191</b>	<b>374.8</b>
<b>MANHOURS</b>	<b>98.00</b>	<b>82.50</b>
<b>TOTAL CALLS</b>		<b>110</b>
<b>TOTAL MILEAGE</b>		<b>565.80</b>
<b>TOTAL MANHOURS</b>		<b>180.50</b>
<b>TRAINING</b> Paid 61 Vol 20	<b>Total</b>	<b>81</b>
<b>INSPECTIONS</b>		<b>60</b>
<b>FIRE PREVENTION PROGRAMS</b>		<b>0</b>
<b>PUBLIC RELATIONS EVENTS</b>		<b>2</b>
<b>HYDRANT MAINTENANCE</b>		<b>92</b>
<b>WATER USAGE</b>		<b>4,500</b>

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
							2022										
<b>CALLS FOR SERVICE</b>	925	813	770	819	764	802	738	671	753	878	1176	1160	1139	988	1001	1037	1030
<b>OFFICER INITIATED CFS</b>	95	77	98	92	96	86	66	53	105	209	486	484	414	388	289	362	295
<b>DISPATCHED CFS</b>	830	736	672	727	668	716	672	618	648	669	690	676	725	600	712	675	735
<b>TRAFFIC CITATIONS</b>	107	113	9	90	84	71	87	59	124	90	59	53	58	71	51	58	48
<b>WRITTEN WARNINGS</b>	239	251	331	267	323	327	338	275	490	425	286	274	182	234	168	240	152
<b>ARREST</b>	75	59	58	98	62	59	42	47	62	33	23	31	35	21	31	38	35
<b>ACCIDENTS</b>	27	29	33	15	24	22	23	14	24	17	21	28	29	21	37	19	44
<b>DWI ARREST</b>	2	2	1	5	3	0	1	3	1	1	4	3	0	2	1	2	3
<b>(included above)</b>																	
<b>INCIDENT REPORTS</b>																	
<b>SENT TO CID</b>	339	286	264	299	264	290	265	256	258	191	226	230	181	204	231	229	249
<b>ASSIGNED</b>	299	269	241	240	235	216	240	228	201	191	226	230	181	204	231	229	249
<b>SUSPENDED</b>	91	146	156	137	117	98	143	118	105	70	75	86	98	78	53	126	90
<b>CLEARED</b>	166	54	90	77	55	96	63	85	95	112	95	109	56	145	135	121	112
<b>BURGLARY</b>	12	9	4	15	18	15	10	12	4	1	5	5	2	19	15	7	14
<b>ROBBERY</b>	0	0	1	0	1	1	2	1	0	1	1	4	0	0	0	0	1
<b>ASSAULT</b>	37	31	36	33	27	40	27	26	23	12	10	31	22	19	32	28	27
<b>POCS / POM*</b>	4	8	11	6	11	12	5	9	6	2	3	3	4	2	0	3	0
<b>SEXUAL ASSAULT</b>	0	0	0	0	5	1	1	2	1	2	1	1	0	0	0	4	0

\* Includes marijuana, cocaine, etc.

Dec	Jan	Feb	Mar	April	May	June	July
975	991	970	1092	1047	1077	1102	1133
321	299	371	364	331	304	362	424
654	692	599	728	716	773	740	709
25	42	53	94	29	74	64	73
185	187	231	241	134	185	170	225
25	30	31	31	28	27	38	23
35	50	35	39	41	39	46	37
2	3	1	1	1	0	1	2
212	247	179	240	204	233	280	212
212	247	179	240	204	233	280	212
71	86	59	120	141	59	141	117
80	84	55	111	102	89	70	127
17	14	3	7	10	23	15	13
3	0	0	2	1	1	0	1
31	26	15	41	29	32	28	21
1	2	3	2	2	1	2	1
0	0	2	0	3	2	3	1

**Compatibility Report for Copy of Jan 2022 Monthly Report -  
.xls  
Run on 02/02/2022 16:35**

If the workbook is saved in an earlier file format or opened in an earlier version of Microsoft Excel, the listed features will not be available.

**Minor loss of fidelity**

**# of  
occurrences**                      **Version**

Some cells or styles in this workbook contain formatting that is not supported by the selected file format. These formats will be converted to the closest format available.	17	Excel 97-2003
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# Henderson Police Department

800 Lake Forest Parkway

Henderson, Texas 75652

Phone: 903-657-3512 Fax: 903-657-3345

*Integrity ° Respect ° Accountability ° Courage ° Professionalism ° Dedication ° Service*

**08/01/2023**

To: City Council  
From: Chad Taylor, Chief  
Ref: Training Report

## **Training report for the month of July**

Total number of officers with license certification 3

Total number of officers moved from basic to intermediate – 0

Total number of officers moved to advanced – 0

Total number of officers moved to master- 0

Total number of Telecommunicators with a temporary license – 2

Total number of Telecommunicators moved from temporary license to basic-0

Total number of Telecommunicators moved from basic to intermediate-0

Total number of Telecommunicators moved from advance to master-0

Total Proficiency level moves - 0

Approximate hours of training hours for the month of July-187.50

Information provided by Sgt. Charles Helton – Training/Community Outreach Coordinator



# Memo

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**To:** Jay Abercrombie, City Manager

**From:** Chad Taylor, Chief of Police

**cc:** Cheryl Jimerson, City Secretary

**Date:** August 1, 2023

**Re:** Henderson Police Department Monthly Report



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Attached to this memo please find the monthly activity report from the Police Department for July.

The Henderson Police Department had an eventful month during July. We had numerous events that encouraged our Officers to meet and greet with the citizens in our community. Our department participated in the Freedom Festival and several local businesses ribbon cuttings. We are excited that our dispatch center received new Radio consoles to replace our old ones which were outdated. The purchase of these consoles were made possible through a Texas Eastern 911 Grant and will benefit all of our first responders. Our department has hired several new employees and we are in the process of hiring more.

July 4, 2023 – Chief Taylor and Officers helping to set up for the Freedom Festival and Detective Randolph patrolling the park.



July 6, 2023 – Detective Cory Downey being sworn in at City Hall.



July 6, 2023 – Ribbon Cutting at the new Jonali's Décor & More with Charles Helton.



July 13, 2023- Sgt. Reese, Officer Diosdado, and Detective Randolph at Mid-Morning Coffee in Walmart.



July 27, 2023 – Ribbon Cutting at Wallace & Sons with Charles Helton



July 28, 2023 – Coffee with Cops at Herchel's with the Police Department.



July 28, 2023 – Chief Taylor with Mariyah Zhukova who went door to door selling Children’s Educational books.





City of Henderson  
Animal Center  
And Protection

## Memo

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**To:** Jay Abercrombie, City Manager

**From:** Charissa Pool, Animal Center and Animal Protection Director

**cc:** Cheryl Jimerson, City Secretary

**Date:** August 22, 2023

**Re:** Henderson Animal Center and Protection Monthly Report

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Attached to this memo, please find the monthly activity report from Henderson Animal Center and Protection for July 2023.



# Henderson Animal Center and Protection

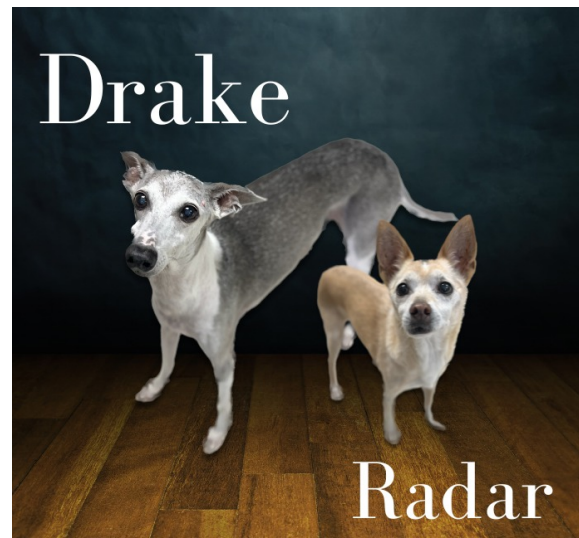
## July 2023



We had quite a few medical bottle babies this month:



We had several bonded pairs that we were able to be adopted together!



We shared 4<sup>th</sup> of July safety tips for pet owners:

## JULY 4<sup>TH</sup> PET SAFETY

- Collar, tag and microchip with up-to-date information
- Acclimate your pet to noises and lights
- Secure your fences and exit doors
- Leave pets at home with a safe space
- Keep party/picnic foods out of pets' reach
- Be aware of warm weather hazards
- Clean up fireworks debris



We welcomed Sydney and Ryleigh to the team!



The Pro-Am Trainer Challenge dog selection has started!

HENDERSON TX ANIMAL CENTER'S

2023 **PRO-AM** Trainer Challenge

**AMATEUR**

**PROFESSIONAL**

REGISTER TODAY!



Sam and Cupid have gone to their foster training homes and are getting ready for the competition!



Fairway and Farrah Nicole photography have signed up to be Platinum sponsors!

HENDERSON TX ANIMAL CENTER'S  
2023 **PRO-AM**  
3 Trainer Challenge

*Farrah Nicole*  
PHOTOGRAPHY  
PLATINUM SPONSOR

Winners of the Amateur and Professional divisions will win a mini photoshoot. From Farrah Nicole Photography!

HENDERSON TX ANIMAL CENTER'S  
2023 **PRO-AM**  
3 Trainer Challenge

**FAIRWAY**  
FORD HENDERSON

PLATINUM SPONSOR

Here are some happy outcomes for the month!









# Henderson Animal Center and Protection

## Monthly Report

Month of: JULY

Year: 2023

### Inside City Limits

Number of Dogs:	6	Year to Date:	57
Number of Cats:	4	Year to Date:	95
Number of Others:	0	Year to Date:	0
<b>TOTAL Number of Animals:</b>	<b>10</b>	<b>Year to Date:</b>	<b>152</b>

### ACOPU

Number of Dogs:	8	Year to Date:	127
Number of Cats:	10	Year to Date:	80
Number of Others:	9	Year to Date:	51
<b>TOTAL Number of Animals:</b>	<b>27</b>	<b>Year to Date:</b>	<b>258</b>

### Outside City Limits

Number of Dogs:	4	Year to Date:	75
Number of Cats:	11	Year to Date:	126
Number of Others:	0	Year to Date:	10
<b>TOTAL Number of Animals:</b>	<b>15</b>	<b>Year to Date:</b>	<b>211</b>

### Rusk County Sheriff's Department

Number of Dogs:	0	Year to Date:	6
Number of Cats:	0	Year to Date:	0
Number of Others:	0	Year to Date:	0
<b>TOTAL Number of Animals:</b>	<b>0</b>	<b>Year to Date:</b>	<b>6</b>

### City of Overton

Number of Dogs:	0	Year to Date:	1
Number of Cats:	0	Year to Date:	2
Number of Others:	0	Year to Date:	0
<b>TOTAL Number of Animals:</b>	<b>0</b>	<b>Year to Date:</b>	<b>3</b>

### City of Tatum

Number of Dogs:	0	Year to Date:	0
Number of Cats:	0	Year to Date:	0
Number of Others:	0	Year to Date:	0
<b>TOTAL Number of Animals:</b>	<b>0</b>	<b>Year to Date:</b>	<b>0</b>

### **City of New London**

Number of Dogs:	0	Year to Date:	1
Number of Cats:	0	Year to Date:	1
Number of Others:	0	Year to Date:	0
<b>TOTAL Number of Animals:</b>	<b>0</b>	<b>Year to Date:</b>	<b>2</b>

### **TOTAL of Animals Received**

Number of Dogs:	18	Year to Date:	258
Number of Cats:	25	Year to Date:	302
Number of Others:	9	Year to Date:	61
<b>TOTAL this Month:</b>	<b>52</b>	<b>Year to Date:</b>	<b>621</b>

### **Animals Reclaimed**

Number of Dogs:	1	Year to Date:	58
Number of Cats:	0	Year to Date:	2
Number of Others:	0	Year to Date:	3
<b>TOTAL this Month:</b>	<b>1</b>	<b>Year to Date:</b>	<b>63</b>

### **Animals Adopted**

Number of Dogs:	15	Year to Date:	168
Number of Cats:	22	Year to Date:	283
Number of Others:	0	Year to Date:	16
<b>TOTAL this Month:</b>	<b>37</b>	<b>Year to Date:</b>	<b>467</b>

<i>Monthly Adoption Breakdown:</i>	<i>Dogs Adopted:</i>	9	<i>Dogs Rescued:</i>	6
	<i>Cats Adopted:</i>	3	<i>Cats Rescued:</i>	19
	<i>Others Adopted:</i>	0	<i>Others Rescued:</i>	0

### **Animals Euthanized**

Number of Dogs:	1	Year to Date:	17
Number of Cats:	1	Year to Date:	6
Number of Others:	0	Year to Date:	0
<b>TOTAL this Month:</b>	<b>2</b>	<b>Year to Date:</b>	<b>23</b>

<i>Monthly Euthanasia Breakdown</i>	<i>Sick:</i>	<i>Injured:</i>	<i>Aggressive:</i>
<i>Dogs:</i>	0	1	0
<i>Cats:</i>	1	0	0
<i>Other: (Non-Wildlife)</i>	0	0	0

<b><u>Animals Held for Rabies Quarantine:</u></b>	<b>0</b>	<b>Year to Date:</b>	<b>29</b>
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<b><u>Animals Tested for Rabies:</u></b>	<b>1</b>	<b>Year to Date:</b>	<b>18</b>
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<b><u>Animal Complaints Received:</u></b>	<b>563+</b>	<b>Year to Date:</b>	<b>6,219+</b>
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<b><u>Deceased on Arrival (disposal):</u></b>	<b>2</b>	<b>Year to Date:</b>	<b>42</b>
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<b><u>Died in Care:</u></b>	<b>1</b>	<b>Year to Date:</b>	<b>12</b>
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### **Animal Protection Activity**

<b>Warnings Issued:</b>	<b>10</b>	<b>Year to Date:</b>	<b>174</b>
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<b>Citations/Complaints signed:</b>	<b>2</b>	<b>Year to Date:</b>	<b>70</b>
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<b>Calls for Service during hours:</b>	<b>56</b>	<b>Year to Date:</b>	<b>651</b>
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<b>Calls for Service after hours:</b>	<b>4</b>	<b>Year to Date:</b>	<b>27</b>
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<b>Seizures:</b>	<b>0</b>	<b>Year to Date:</b>	<b>2</b>
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<b>Wildlife Euthanasia (sick or injured):</b>	<b>0</b>	<b>Year to Date:</b>	<b>0</b>
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<b>Wildlife Release:</b>	<b>8</b>	<b>Year to Date:</b>	<b>23</b>
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<b>Traps Set:</b>	<b>27</b>	<b>Year to Date:</b>	<b>159</b>
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### **CITY WAITING LIST:**

<b>TOTAL ADDED this Month:</b>	<b>9</b>	<b>Year to Date:</b>	<b>365</b>
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### **COUNTY WAITING LIST:**

<b>TOTAL ADDED this Month:</b>	<b>244</b>	<b>Year to Date:</b>	<b>2,823</b>
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### **UNKNOWN ADDRESS WAITING LIST:**

<b>TOTAL ADDED this Month:</b>	<b>3</b>	<b>Year to Date:</b>	<b>117</b>
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### **TOTAL ANIMALS ON WAITING LIST:**

<b>TOTAL ADDED this Month:</b>	<b>256</b>	<b>Year to Date:</b>	<b>1760</b>
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**Community Development Department**

300 West Main Street  
 Henderson, Tx 75652  
 Phone: 903-392-0786  
 Fax: 903-657-0015

# Monthly Report

**To:** Mayor and City Council Members  
**From:** Cliff McElfresh/Billy Hughes  
**RE:** Summary for the Month of July, 2023

MONTHLY TOTALS BUILDING CONSTRUCTION VALUE: July, 23 \$2,526,822.89  
 MONTHLY TOTALS BUILDING CONSTRUCTION VALUE: July, 2022 \$559,185.00  
 ANNUAL TOTAL BUILDING CONSTRUCTION VALUE: TO DATE 2023 \$20,413,453.20  
 ANNUAL TOTAL BUILDING CONSTRUCTION VALUE: Thru July 2022 \$3,825,063.00

**BUILDING INSPECTORS REPORT**

**CODE ENFORCEMENT REPORT**

Building Inspections	12	Food Establishment Inspections	9
Electrical Inspections	21	Food Truck/Trailer Permits	12
Plumbing Inspections	16	High Grass & Weeds	14
Mechanical Inspections	4	Junk Vehicles	2
Stop Work Orders	2	Illegal Signs	2
Other-Driveway, slab, etc.	8	Sub-Standard Structure Inspections/Notifications	4
Residential Plan Review	1	Illegal Dumping /Road debris/Illegal storage	1
Commercial Plan Review	3	Restaurant Grease Trap Inspection	26
Sign Permits Review	4	Abatements	1
Certificate of Occupancy	4	Other	11

<b>Commercial Building Permits Issued</b>	<b>1</b>
<b>Residential Building Permits Issued</b>	<b>12</b>
<b>Residential Demo Permits Issued</b>	<b>1</b>
<b>Residential Roof Permits Issued</b>	<b>79</b>
<b>Commercial Roof Permits issued</b>	<b>2</b>
<b>Commercial Demo Permit Issued</b>	<b>0</b>

**Planning & Zoning:** The Planning & Zoning Commission did not meet in may.

**Board of Adjustments:** The Board of Adjustments Met on July 11,2023 to consider an application for a variance to the setback standards in the R4 district.

**Items of interest:** Construction is proceeding on 2 new commercial buildings and a multi-family townhome. West Fraser is still working on their infrastructure and progressing at a good pace. A new Cell Phone store will soon be opening its doors soon.

**Submitted by: Cliff McElfresh, Community Development Mgr.**

**Date:08/07/2023**

**Billy Hughes, Planning and Zoning Administrator**



To: Jay Abercrombie, City Manager  
From: Kirk Kimbrell, Director of Public Services

# July 2023 Public Services Monthly Report



## **Special Projects and Updates:**

- Frontier & Sparklight fiber optic is currently being installed throughout the city. Public Services has a crew dedicated to locating the City's utilities during the installation to protect City water, sewer, and storm sewer infrastructure.
- New water meters are being installed throughout the city by Performance Services. Approximately 2,200 new meters have been installed.
- Keep Henderson Beautiful won their 4<sup>th</sup> Governor's Community Achievement Award and are currently in the planning phase of beautification work on the traffic star and along HWY 79.
- Continually updating GIS mapping throughout the city.
- Assisting City of Overton with utilities distribution and sewer collection system maintenance.
- Public Services supervisors attended Leadership Training provided by Express Pros Personnel.
- Clearing property on the West side of Lake Forest Park for development.

## **Maintenance Work:**

July 1<sup>st</sup> – 8<sup>th</sup>, 2023

- Street & Utility crews – Build new dog kennels at the Animal Center, utility locates for fiber optic installation throughout town, clean storm drain boxes on Boren and Lion St with vacuum truck, replace storm drain on Lion St from Boren to Sunset Ave, pressure wash gazebo and pavilions at Lake Forest Park, cleared property on west side of Lake Forest Lake.
- Parks and Recreation – Mow parks, cemeteries, and city-owned properties, spray selective and non-selective herbicide, prepare Lake Forest Park for the Freedom Festival, trimmed low hanging limbs at Lakewood Cemetery, leveled graves and headstones at Lakewood Cemetery.
- Buildings and Grounds Maintenance – Set up Civic Center for events, distributed pond dye in Lake Forest Lake for Freedom Festival, replaced thermostat and tightened belts on Civic Center air conditioners, set up park for Freedom Festival, finished RCPA Cat Building electrical wiring, repaired

air handler at City Hall, met contractor about ethernet wiring at the Animal Center, cleared blockage in floor drain at Fair Park Restroom, picked up Animal Center air filter from Barsco.

### July 9<sup>th</sup> –15<sup>th</sup>, 2023

- Street & Utility Crews – Build new dog kennels at the Animal Center, utility locates for fiber optic installation throughout town, replace storm drain on Lion St from Boren to Sunset Ave, asphalt repair in Urgent Care parking lot from storm drain repair, trim low hanging limbs in ROW's, patched potholes throughout town.
- Parks and Recreation - Mow parks, cemeteries, and city-owned properties, spray selective and non-selective herbicide, update/convert cemetery records to GIS.
- Buildings and Ground Maintenance – Set up Civic Center for events, cleaned graffiti off sidewalks at Yates Park, hung whiteboard at City Hall in Laura's Office, checked cameras at the Water Treatment Plant, adjusted door closer at City Hall, made and installed street signs for Bob Allen, Harkless, Oliver, Nacogdoches HWY, and HWY 79, repaired light in front of CNB on West Main, reset time clock on Lake Forest fountain, repaired globe light on South Marshall, repaired light and globe at Fair Park skate park.

### July 16<sup>th</sup> – 22<sup>nd</sup>, 2023

- Street & Utility Crews – Build new dog kennels at the Animal Center, patch potholes throughout town, utility locates for fiber optic installation throughout town, formed and poured sidewalk at 202 Village St, formed and poured concrete curb on Lion St, finished and cleaned up Lion St from storm drain replacement, formed and poured concrete on South Marshall @ College, graded drainage ditch on Bell St, trimmed low hanging limbs in ROW's.
- Parks and Recreation - Mow parks, cemeteries, and city-owned properties, sprayed selective and non-selective herbicides on City maintained properties, update/convert cemetery records to GIS.
- Buildings and Grounds Maintenance – Inventory and stock restrooms at the Civic Center, cleared blockage in air conditioner drain at the Police Department, cleaned and set up the Civic Center for Events, repaired leaking booster pump at the Civic Center, repaired leaking air conditioner at the Civic Center, repaired air conditioner condenser at Fire Station #1, replaced pressure tank in women's restroom at the Police Department.

July 23<sup>rd</sup> – 31<sup>st</sup>, 2023

- Street & Utility Crews – Build new dog kennels at the Animal Center patched potholes throughout town, utility locates for fiber optic installation throughout town, patched potholes throughout town, formed and poured concrete on Lion St, repaired water leak at 305 West Main, hauled used water meters to scrap iron yard, patched potholes throughout town.
- Parks and Recreation - Mow parks, cemeteries, and city-owned properties, spray selective and non-selective herbicide, update/convert cemetery records to GIS, picked up fallen tree limbs at Lakewood Cemetery.
- Buildings and Grounds Maintenance – Serviced air conditioner at Fire Station #2, installed hot water booster pump at the Civic Center, repaired street light wiring on S Main, installed stop sign on Webb @ Russell St, repaired broken table leg at the Civic Center, repaired light globe at old City Hall, tested clock controller on Heritage Square, inventory and make street signs for Downtown Historical District, repaired leaking faucet in the Civic Center break area, replaced kitchen light fuses at old City Hall.



July 2023 WATER PRODUCTION/ WASTEWATER TREATMENT



WELLS	61.791 MG
SURFACEWATER	46.704 MG
COMPLAINTS	8 complaints due to Meter being changed
FIRE HYDRANTS FLUSHED	16
GALLONS FLUSHED	0.215



NORTHSIDE WASTEWATER TREATED	9.140 MG
SLUDGE	21 cubic yards
SOUTHSIDE WASTEWATER TREATED	45.811 MG
SLUDGE REMOVED	240 cubic yards
MONTHLY RAIN FALL	1.0 inches



3,142 New meters installed as of 08/11/2023

Updated every Tuesday



The pictures above are of the Clarifiers #2 at the Surface Water Treatment Plant and of the Ground Storage Tank at Willow Lake Pump Station.



To: City of Henderson Council Members  
Jay Abercrombie, City Manager

From: Karen Arnall, Finance Director

Subject: Monthly Report

Date: August 17, 2023

- Investment Report for Jun 2023-see attached report
- Hotel-Motel Occupancy Tax for Jun 2023-see attached report

### Water/Sewer/Garbage Billing Recap Month Ending 6/30/2023

Type of service	Amount Billed	Consumption Billed	Count	
Garbage	\$ 171,494.86	-	5,432	-
Sales tax on garbage	\$ 12,821.84	-		-
Sewer Charges	\$ 267,854.82	55,037,770	4,433	-
Water Charges	\$ 333,904.67	82,198,770	4,771	
Sprinkler	\$ 19,494.03	3,701,130	356	-
Penalty	\$ 9715.14	-	942	-
Water Taps	\$ 600.00	-	1	-
Sewer Taps	\$ 550.00	-	1	-
Service Chg/Back Flow	\$ 267.00	-	3	
<b>Total Billing</b>	<b>\$ 816,702.36</b>	<b>140,937,670</b>	<b>15,939</b>	

**INVESTMENT SUMMARY REPORT  
OCTOBER 1, 2022-JUNE 30, 2023**

FUND	AMOUNT											INT	
	INVESTED OCT 1,2022	Oct Change	Nov Change	Dec Change	Jan Change	Feb Change	Mar Change	Apr Change	May Change	Jun Change	TOTAL INVESTED	RECEIVED IN JUN	Y-T-D INTEREST
GENERAL FUND	1,468,776	-1,213,659.00	412,788.00	-233,006.00	912,151.00	1,419,522.00	-673,975.00	-627,205.00	308,630.00	-508,164.00	1,265,858	11,022	64,861
GF-RESTRICTED	66,498	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66,498		
GF-MIN. RESERVE	1,800,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,800,000		
GF-MISC A/R	210,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	210,000		
GENERAL -DEBT	265,191	20,911.00	38,572.00	46,629.00	312,276.00	172,934.00	-136,709.00	7,971.00	8,790.00	6,673.00	743,238	1,071	7,888
GENERAL CONSTR.	179,597	-31,117.00	-30,535.00	-19,445.00	-58,906.00	39,633.00	-22,605.00	872.00	37,857.00	-67,010.00	28,341	95	1,028
EQUIPMENT REPL	365,316	141.00	648.00	741.00	792.00	755.00	859.00	146,845.00	998.00	974.00	518,069	974	6,823
STREET & DRAINAGE	293,160	-142,356.00	-12,048.00	-6,522.00	35,299.00	-83,092.00	-20,195.00	61,768.00	42,730.00	-159,958.00	8,786	42	545
CEMETERY FUND	57,590	1,432.00	1,434.00	437.00	1,439.00	436.00	1,242.00	1,039.00	844.00	1,021.00	66,914	43	347
ANIMAL SHELTER	34,003	-306.00	409.00	14.00	955.00	-1,504.00	2,406.00	2,008.00	1,681.00	1,860.00	41,526	16	134
WS FUND	353,122	-3,278.00	146,478.00	-144,561.00	342,360.00	-157,218.00	-138,576.00	-45,780.00	-27,932.00	182,518.00	507,133	2,563	20,091
WS MIN.RESERVE	800,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	800,000		
WS- DEBT SERVICE	21,322	9.00	10.00	11.00	11.00	37,000.00	-28,744.00	14.00	15.00	14.00	29,662		
WS-RESTRICTED	106,592	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	106,592		
WS CONSTR.	153,331	-1,893.00	65.00	2,610.00	70.00	-137,261.00	5,791.00	65,606.00	115.00	47.00	88,481	47	459
MAIN STREET	22,542	-686.00	-176.00	-642.00	-932.00	1,726.00	-4,279.00	11,661.00	202.00	-1,865.00	27,551	11	80
TOURISM	150,243	9,557.00	13,532.00	-208.00	-5,717.00	9,235.00	5,133.00	17,878.00	25,772.00	-24,023.00	201,402	78	654
CIVIC CENTER	82	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	83	1	1
INSURANCE RESERVE	11,419	4.00	5.00	4.00	4.00	4.00	5.00	4.00	4.00	5.00	11,458	4	36
2018 BOND SERIES	892,356	1,374.00	-5,363.00	-8,500.00	1,684.00	1,893.00	2,153.00	2,185.00	2,363.00	2,309.00	892,454	2,308	17,747
<b>TOTALS</b>	<b>7,251,140</b>	<b>-1,359,867.00</b>	<b>565,819.00</b>	<b>-362,438.00</b>	<b>1,541,486.00</b>	<b>1,304,064.00</b>	<b>-1,007,494.00</b>	<b>-355,134.00</b>	<b>402,069.00</b>	<b>-565,599.00</b>	<b>7,414,046.00</b>	<b>18,275</b>	<b>120,694</b>

This report is in compliance with our investment strategies as approved by council and the Public Investment Act.

Director of Finance, Karen Amall

City Manager, Jay Abercrombie

**Hotel-Motel Occupancy Tax  
Monthly Reporting for  
Jun 2023**

<b>DATE RECEIVED</b>	<b>TAX FOR MONTH</b>	<b>HOTEL NAME</b>	<b>TAXABLE MONTHLY RECEIPTS</b>	<b>7% TAX</b>	<b>1% RETAINER</b>	<b>AMOUNT PAID</b>
7/6/2023	Jun	Baymont Inn	132,405.88	9,268.41	92.68	9,175.73
7/6/2023	Jun	Budget Inn (Sawan LLC)	29,971.08	2,097.98	20.98	2,077.00
7/17/2023	Jun	Economy Inn	1,530.97	107.17	1.07	106.10
7/4/2023	Jun	Holiday inn Express(Jayani Investments)	140,342.00	9,823.94	98.24	9,725.70
7/4/2023	Jun	Woodlawn Hills (Patel & Sons LTD)	38,125.00	2,668.75	26.69	2,642.06
7/6/2023	Jun	Motel 6	105,703.44	7,399.24	73.99	7,325.25
		<b>Totals</b>	448,078.37	31,365.49	313.65	31,051.83

## HEDCO SALES TAX RECEIPTS HISTORY

Sales Month	Check Received Month								
		1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000
AUGUST	OCTOBER		38,548	36,197	37,403	43,615	43,743	45,133	43,378
SEPTEMBER	NOVEMBER		58,170	59,062	53,862	54,472	61,268	67,745	60,108
OCTOBER	DECEMBER	26,898	34,289	33,121	31,637	45,934	44,271	46,166	55,469
NOVEMBER	JANUARY	34,466	40,048	50,644	35,998	36,900	39,058	40,237	44,788
DECEMBER	FEBRUARY	66,400	65,598	63,055	57,486	67,599	72,385	79,705	65,828
JANUARY	MARCH	32,279	31,172	33,161	35,558	42,066	37,413	38,909	47,912
FEBRUARY	APRIL	30,617	34,455	33,221	45,104	40,731	40,610	45,303	46,995
MARCH	MAY	55,433	52,448	53,933	54,102	57,676	61,795	66,026	65,237
APRIL	JUNE	35,656	36,285	35,147	40,376	42,114	50,487	48,953	46,288
MAY	JULY	35,704	35,612	37,804	38,755	42,613	44,454	48,043	50,643
JUNE	AUGUST	56,455	60,479	57,700	61,328	60,099	68,203	60,864	65,906
JULY	SEPTEMBER	35,503	33,121	36,831	49,029	49,767	48,094	45,344	49,843
TOTAL		409,411	520,225	529,876	540,638	583,586	611,781	632,428	642,395
Average Monthly Sales Tax:		40,941	43,352	44,156	45,053	48,632	50,982	52,702	53,533
Annual % Change Over the Previous Year			27.07%	1.86%	2.03%	7.94%	4.83%	3.37%	1.58%

Sales Month	Check Received Month								
		2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
AUGUST	OCTOBER	49,572	58,284	48,837	56,577	54,801	82,519	85,356	87,078
SEPTEMBER	NOVEMBER	59,757	73,834	64,109	70,315	72,264	80,573	100,384	121,188
OCTOBER	DECEMBER	57,388	55,476	48,859	48,045	54,868	66,909	75,575	83,539
NOVEMBER	JANUARY	47,961	48,417	46,007	48,377	55,768	75,685	72,105	88,099
DECEMBER	FEBRUARY	73,487	81,480	64,590	76,014	81,875	102,065	111,520	141,454
JANUARY	MARCH	48,080	42,784	44,274	51,551	51,428	67,088	71,346	57,698
FEBRUARY	APRIL	46,582	46,678	44,678	50,425	62,545	77,568	77,833	84,927
MARCH	MAY	66,004	65,071	63,256	70,803	80,858	91,113	112,557	113,913
APRIL	JUNE	54,487	50,901	51,519	54,893	60,060	79,527	94,809	92,131
MAY	JULY	54,980	49,222	49,936	51,277	61,354	82,635	90,307	110,175
JUNE	AUGUST	71,779	71,920	67,805	73,543	88,459	98,619	118,741	124,099
JULY	SEPTEMBER	53,936	51,693	58,630	52,730	63,193	72,496	81,438	105,559
TOTAL		684,013	695,760	652,500	\$ 704,550	787,473	976,797	1,091,971	1,209,860
Average Monthly Sales Tax:		57,001	57,980	54,375	\$ 58,713	65,623	81,400	90,998	100,822
Annual % Change Over the Previous Year		6.48%	1.72%	-6.22%	7.98%	11.77%	24.04%	11.79%	10.80%

## HEDCO SALES TAX RECEIPTS HISTORY

Sales Month	Check	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
	Received Month								
AUGUST	OCTOBER	111,268	76,298	87,499	\$ 84,071	92,147	114,011	116,949	121,718
SEPTEMBER	NOVEMBER	134,059	97,160	106,938	\$ 106,441	114,084	119,394	148,033	149,725
OCTOBER	DECEMBER	128,139	74,526	85,724	\$ 85,001	93,729	99,139	119,562	120,511
NOVEMBER	JANUARY	118,278	75,375	80,897	\$ 86,133	91,079	92,381	109,862	108,103
DECEMBER	FEBRUARY	146,434	96,298	120,034	\$ 120,338	121,444	133,265	147,853	145,156
JANUARY	MARCH	101,087	72,740	73,132	\$ 83,391	83,926	93,906	106,330	101,430
FEBRUARY	APRIL	101,860	72,550	72,002	\$ 90,348	94,535	96,345	113,852	112,599
MARCH	MAY	120,755	106,538	111,326	\$ 126,183	118,964	135,024	140,828	142,354
APRIL	JUNE	96,023	83,877	82,698	\$ 95,591	100,456	113,739	116,123	104,961
MAY	JULY	94,426	78,745	79,889	\$ 101,797	103,080	129,549	110,049	101,897
JUNE	AUGUST	113,557	110,237	116,504	\$ 120,043	122,602	141,380	140,858	132,394
JULY	SEPTEMBER	75,248	79,339	85,237	\$ 88,084	98,996	114,067	125,934	101,024
TOTAL		1,341,134	1,023,683	1,101,880	\$ 1,187,421	1,235,042	1,382,200	1,496,233	1,441,872
Average Monthly Sales Tax:		111,761	85,307	91,823	\$ 98,952	102,920	115,183	124,686	120,156
Annual % Change Over the Previous Year		0.11	-23.67%	7.64%	7.76%	4.01%	11.92%	8.25%	-3.63%

Sales Month	Check	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
	Received Month								
AUGUST	OCTOBER	108,069	99,446	113,001	\$ 94,789	119,769	136,754	163,729	
SEPTEMBER	NOVEMBER	132,067	124,141	138,028	\$ 142,246	141,434	177,944	208,295	
OCTOBER	DECEMBER	100,965	95,324	114,866	\$ 113,405	113,333	143,064	167,491	
NOVEMBER	JANUARY	96,254	100,353	110,701	\$ 110,843	112,738	145,911	168,489	
DECEMBER	FEBRUARY	123,378	147,969	139,736	\$ 141,342	161,211	185,516	227,918	
JANUARY	MARCH	101,565	97,139	105,806	\$ 113,262	116,200	140,154	138,614	
FEBRUARY	APRIL	97,772	102,039	102,197	\$ 106,063	99,301	127,489	169,500	
MARCH	MAY	151,778	148,855	141,682	\$ 147,519	168,499	230,335	229,210	
APRIL	<b>JUNE</b>	99,509	128,332	111,569	\$ 130,329	143,875	157,730	<b>180,538</b>	
MAY	JULY	98,978	111,018	118,162	\$ 150,050	147,755	155,829		
JUNE	AUGUST	111,408	141,389	135,709	\$ 169,353	168,612	192,135		
JULY	SEPTEMBER	93,383	114,001	124,498	\$ 115,717	139,587	161,760		
TOTAL		1,315,126	1,410,006	1,455,955	\$ 1,534,918	1,632,314	1,954,621	1,653,784	-
Average Monthly Sales Tax:		109,594	117,501	121,330	\$ 127,910	136,026	162,885	183,754	#DIV/0!
Annual % Change Over the Previous Year		-0.09	7.21%	3.26%	5.42%	6.35%	19.75%	-15.39%	-100.00%

## CIVIC CENTER/PAVILION MONTHLY REPORT

**JULY**

**2023**

### CIVIC CENTER

#### **Rental**

Entire Hall	8	Valdez wedding, Mexican Consulate (5 days), Montelongo Quince, HISD Convocation Crossroads Employee luncheon, moreland bday party, aguilar 1st communion, minter reunion, bowman oil,
1/3 Hall	7	TDSHS zoonosis, cahill anniversary,
2/3 Hall	3	New Life, funeral, church anniversary,
Reception Room	11	Keeling party, Saldana party, Freedom Fest meeting, Pres meeting, garrett party, russo, HMMH reunion, wilkerson shower, MS meet, Brundage shower, parker shower
Board Room	3	Body Shop Wellness (x2), hughes bday party,
TOTAL	<b>32</b>	

### PAVILIONS

#### **Rental**

Yates Park	5	Bazaldua, 1st Meth Preschool (x3), Charvis, Leuschner, Cibrian, Foster, Grounds, New Life, Flanagan,
Fair Park	10	Hanles, Neal, Stoddard, Thomas
Lake Forest-Lion	2	Pledger, HISD
Lake Forest-Mann	1	HISD
Lake Forest-Azalea	2	Pool, HISD
Lake Forest-Gazebo	2	Wall, HISD
Lake Forest-Plaza	2	New Life Church, HISD
TOTAL	<b>24</b>	

**JULY 2023**

## **FREEDOM FEST.**

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This month was off to a quick start with Freedom Fest. I had 9 food/snack vendors sign up for the event this year, and a few of them sold out toward the end of the night. Full Armor's smash burgers were a big hit, and they enjoyed their first year at the festival. This year I also ordered a new inflatable water slide with two lanes, which kept lines moving quicker. Overall it was a great event, and a beautiful evening.



## **SYRUP FESTIVAL PREP.**

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On July 6th I posted the vendor application for the Syrup Festival on our Facebook page. Overnight we had more than 70 vendors sign up, and applications have continued to roll in throughout the month. This month I finalized entertainment for the festival and met with our new car show organizers to discuss their ideas.

## MAIN STREET & PRESERVATION

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The incoming members of the Main Street Advisory Board and Preservation Committee were sworn in on July 7th and quickly got to work reviewing proposed signage for two downtown businesses. The Promo/Design Committee also met to discuss bids for the mural project. This month I also completed and submitted our Texas Main Street Quarterly Report.



## MONTHLY OVERVIEW

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July 3rd - Freedom Fest. Meeting

July 4th - Freedom Fest.

July 5th - Customer Service Training

July 7th - Preservation Committee Meeting

July 11th - Customer Service Training

July 12th - Main Street America "Summer School" Webinar

July 13th - Texas Main Street Quarterly Reporting Meeting

July 20th - Main Street Board Meeting

- Preservation Committee Meeting
- Promotion & Design Committee Meeting
- Freedom Festival Debrief Meeting

July 28th - Texas Main Street Quarterly Report Submitted

July 31st - Syrup Festival Car Show Meeting

The Organization Committee and Economic Revitalization Committee did not meet during the month of July.



# Monthly Report

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**To:** Mayor and City Council Members

**From:** Cristina Soriano, Juvenile Case Manager

**Date:** August 17, 2023

**Re:** July 2023 Monthly Report

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## MUNICIPAL COURT

Fines collected for 2022-2023 year – \$137,939.60 from 5390 transactions

Fines collected for 2021-2022 year- 165,193.14 from 5829 transactions

Fines Collected July 2023 - \$11,832.60 from 477 transactions

Fines Collected July 2022 – \$11,598.95 from 412 transactions

Virtual open Court Cases Scheduled 26 Appeared 8 by virtual and including walk-ins

**August 16, 2023**

The Henderson Cemetery Board met on the above date at 10:00 a.m. with Chairman John Dulin presiding. Members present included John Dulin, Scott Crawford, Lisa Wallace, and Elidia Ramirez.

Admin Assistant Supervisor/Accounts Payable/Purchasing Coordinator, Laura Farquhar served as the Board Secretary.

Motion was made by member Lisa Wallace and seconded by Scott Crawford with a unanimous vote to approve the minutes from the April 19, 2023, meeting.

Graham Hall- looks good.

Flanagan- John Dulin said that Mr. Adams is almost finished getting the marker done. He said it will be able to have 185-190 words on it.

Lakewood- Scott Crawford said he was wondering if anything has been done about the deed and rules and regulations by Jay Abercrombie, City Manager, yet. He said it has been six months. Kirk Kimbrell made a note to check on it. Buzz Fullen, City Mayor, said that the city will have some information on it before the January 17, 2024 meeting. John Dublin had gone out to Lakewood Cemetery and taken pictures of some graves that need to be cleaned up. He was wondering if we could remove the stuff that is in violation of the cemetery rules and put a sign there that lets them know they are in violation of the rules and regulations. He suggested giving the items back the first time, then throwing them away the second time. The signs warning of a cemetery clean up were brought up again. The board is wondering if the Police Department could put Lakewood Cemetery on extra parole. It was suggested putting the cemetery on extra parole in the early mornings and late nights. The board feels like this would stop some of the stuff being out. John Dublin asked Laura Farquhar to please find all the old cemetery board meeting minutes. He is wanting to archive all the minutes.

Old City- Laura Farquhar asked the board if they remembered from the April 19, 2023, it was brought up that if you want to bury someone at Old City Cemetery, you must show ownership of the plot. All fees that apply at Lakewood Cemetery apply to Old City Cemetery. You must pay for the plot if you cannot show ownership. All internment fees must be paid also. The board said yes, they remember. The plot and internment fees must be paid.

Lisa Wallace made the motion to adjourn the meeting. Scott Crawford seconded the motion. Meeting adjourned at 10:52 a.m.

Next meeting will be January 17, 2024, at 10:00 a.m.

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Chairman John Dulin

**MINUTES**  
**HENDERSON MAIN STREET ADVISORY BOARD MEETING**  
Thursday, July 20, 2023–Noon, Henderson Civic Center Rec. Rm.  
1500 Lake Forest Parkway, Henderson, Texas 75652

**Board Members:**

Brant Bane  
Kelly Bumgardner  
Misty Evans  
Bonnie Geddie  
Leon Harris

**Ex-Officio Members:**

Kaitlin Smith  
Stephanie Kimbrell  
Donna Crawford

Call to order by Leon Harris

1. Citizen Presentation – none
2. Downtown Association Report – Donna Crawford shared information about the upcoming Fall Fling and general discussion followed regarding the Art Walk.
3. Kelly Bumgardner made a motion to accept minutes from the May 23, 2023, Board Meeting. Bonnie Geddie seconded. All were in favor.
4. Bonnie Geddie made a motion to accept the June 2023 financial report. Kelly Bumgardner seconded. All were in favor.
5. Bonnie Geddie made a motion to accept the Façade/Sign Grant Application as submitted for 113 E. Main St. Kelly Bumgardner seconded. All were in favor.
6. Committee Reports:
  - a. Organization – none/did not meet
  - b. Economic Restructuring – none/did not meet
  - c. Promotion & Design – none/did not meet
7. Main St. Coordinator Report – Kaitlin Smith recapped information about the upcoming Art Walk and board member orientation.
8. President’s Report – Leon Harris shared an update on the installation of the Strand sign.
9. Next Board Meeting, Tuesday, August 22, 2023
10. Kelly Bumgardner made a motion to adjourn. Brant Bane seconded. All were in favor.

**Submitted By:** Kaitlin Smith, Tourism & Main Street Coordinator

**Approved By:** \_\_\_\_\_



## MINUTES – REGULAR SPECIAL MEETING

### HENDERSON HISTORIC LANDMARK PRESERVATION COMMITTEE

Friday, July 7, 2023 at 12:00pm  
Henderson Civic Center Reception Room  
1500 Lake Forest Parkway  
Henderson, Texas 75652

#### Committee Members:

Art Rousseau, Chairman  
Bonnie Geddie  
Brant Bane  
Gabriel Gearheart  
Kelly Bumgardner  
Leon Harris  
Michael Loosier  
Misty Evans

#### Ex-Officio Members:

Kaitlin Smith, Tourism & Main Street Coordinator  
Stephanie Kimbrell, Civic Center Manager  
Cheryl Jimerson, City Secretary

1. Call to Order by Art Rousseau, meeting was then turned over to Cheryl Jimerson.
2. Cheryl Jimerson presented a service award to Art Rousseau and made mention of awards for other outgoing members.
3. Cheryl Jimerson issued the Oath of Office to incoming members who were present.
4. Kaitlin Smith issued Accountability Agreements to incoming members who were present.
5. Orientation Workshop – Members briefly reviewed design guidelines for the Henderson Historic Landmark Preservation Committee.
6. Adjourn Workshop – Leon Harris made a motion to adjourn. Bonnie Geddie seconded. All were in favor.
7. Reconvene for Regular Meeting at 12:19pm
8. Citizen Presentation – None
9. Consider and act upon: October 3, 2022, Minutes – Bonnie Geddie made a motion to accept minutes as presented. Brant Bane seconded. All were in favor.
10. Consider and act upon: Façade/Sign Modification Application – 101 N. Jackson – Ryan Maddox was present as representative. Kelly Bumgardner made a motion to accept the application as presented. Brant Bane seconded. All were in favor.
11. Consider and act upon: Façade/Sign Modification Application – 103 N. Jackson – Bonnie Geddie explained the entity is under new management and general discussion was had regarding the use of an existing sign from the applicant's current building. Brant Bane made a motion to deny using the proposed sign due to concerns of existing condition. Bonnie Geddie seconded. All were in favor.
12. Leon Harris motion to adjourn. Brant Bane seconded. All were in favor.

**Submitted By:** Kaitlin Smith, Main Street Coordinator

**Approved By:** \_\_\_\_\_



## MINUTES – REGULAR SPECIAL MEETING

### HENDERSON HISTORIC LANDMARK PRESERVATION COMMITTEE

Thursday, July 20, 2023 at 12:00pm  
Henderson Civic Center Reception Room  
1500 Lake Forest Parkway  
Henderson, Texas 75652

#### Committee Members:

Bonnie Geddie  
Brant Bane  
Gabriel Gearheart  
Kelly Bumgardner  
Leon Harris  
Michael Loosier  
Misty Evans

#### Ex-Officio Members:

Kaitlin Smith, Tourism & Main Street Coordinator  
Stephanie Kimbrell, Civic Center Manager

1. Call to Order by Leon Harris.
2. Citizen Presentation - none
3. Consider and act upon: July 7, 2023, Minutes – Bonnie Geddie made a motion to accept the minutes with an amendment to item #11. Notations were made and are on file. Kelly Bumgardner seconded. All were in favor.
4. Consider and act upon: Façade/Sign Modification Application – 103 N. Jackson – Kelly Bumgardner made a motion to approve the painting of the façade as proposed and signage with the following change made: yellow color to be changed to white or cream. Bonnie Geddie seconded. All were in favor.
5. Brant Bane motion to adjourn. Kelly Bumgardner seconded. All were in favor.

**Submitted By:** Kaitlin Smith, Tourism & Main Street Coordinator

**Approved By:** \_\_\_\_\_