

**MINUTES OF THE
HENDERSON CITY COUNCIL
Regular Scheduled Meeting**

January 20, 2026

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 Pace called the meeting to order at 6 p.m.

Council members present were Stephen Strong, Michael Searcy, Greg Jackson, and Gina Juarez. Lee Scoggins was not able to attend.

Staff members present were City Manager Jay Abercrombie, City Secretary Cheryl Jimerson, City Attorney Russell Brown, Chief of Police Chad Taylor, Fire Chief Sonny Yabarra, Director of Operations Davis Brown, Director of Utilities Randy Boyd, Director of Utility Infrastructure and Delivery David Hortman, Community Development Manager/Building Official Cliff McElfresh, Finance Director Stephanie Kimbrell, Animal Center Director Charissa Blake, Civic Center Manager Christina Gray, Executive Leadership Assistant/HR Specialist Hillary Faulkner, Communications and Marketing Coordinator Phedra Johnson, and HEDCO Director Bret Gardella.

INVOCATION AND PLEDGE OF ALLEGIANCE:

The Council Member Michael Searcy gave the invocation, Council Member Stephen Strong led the Pledges.

CITIZENS COMMENTS

Comments shall be limited to three (3) minutes and taken in the order they are received. By State law, no action may be taken on items not on the agenda.

John Cloutier on behalf of the Chamber of Commerce, wants to invite everyone out to the candidate forum. There will be a free taco bar for the attendees.

PRESENTATIONS/ANNOUNCEMENTS

Mayor Henry Pace presented Freddie Polk with a 9 year of service plaque for volunteering on the Board of Adjustments.

1. The team from UT would like to present to the council a look back at 2025 and share the latest clinical updates from our EMS Medical Director with the council.

Scott McCoy, Brian Short, and Yagnesh Desai Gave a presentation over the past year of EMS responses for the City of Henderson.

P1 Life-Threatening Calls was 533 a 97.7 Compliance report

P2/3 Non-Life-Threatening Calls was 2041 a 98.3 Compliance report

Air 1 responses from UT Henderson

97 Inter-facility flights

14 Scene flights

21 Hospital transfers Air 1 crew by ground, due to weather

Community Outreach over 144 hours of standby event coverage that includes HISD training classes and football games, National Night Out, 4th of July, Syrup Festival, Mardi Gras and Paint the Town Pink events.

There was a lot of good information on new technology and new equipment that has been rolled out.

CONSENT AGENDA

2. Consideration of possible action upon the minutes of the October 28, 2025, Council Meeting. (Jimerson)
3. Consideration of possible action upon the minutes of the November 18, 2025, Council Meeting. (Jimerson)

4. Consideration and possible action upon street closure for the Mardi Gras event.
5. Consideration of possible action upon the HEDCO financial's for the month(s) of October, 2025 & November 2025. (Gardella)

Council Member Michael Searcy asked to have his name removed from the October 28th meeting minutes. He was not able to attend that meeting, and made a motion to approve the consent agenda with that correction, duly seconded by Council Member Stephen Strong. The vote was unanimous.

COUNCIL BUSINESS – REGULAR SESSION

6. Consideration and possible action upon the final payment of \$126,890.30 on the extension of the East Side Sewer Main Replacement Project. (Neal/Hortman)
7. Consideration and possible action upon authorizing Stokes & Associates to file a Project Information Form (PIF) to the Texas Water Development Boards Clean Water State Revolving Fund for potential funding of the Lake Striker Water Infrastructure Improvements. (Neal/Hortman)

Neal Holland with Stokes and Associates updated the City Council on the potential funding of the Lake Striker Water Infrastructure Improvements. The City of Henderson (City) contracted with Stokes and Associates, Inc., Consultant Engineers to evaluate the feasibility of developing the Lake Striker Water Supply. This water supply is available for development in accordance with the Option Agreement for Water Purchase (Option Agreement) dated May 25, 2018, between the City and the owner/operator of Lake Striker, the Angelina and Nacogdoches Counties Water Control and Improvement District No. 1 (ANCWCID). The Option Agreement allows the City to develop for municipal use up to 7.4 million gallons per day (mgd) of untreated fresh water from Lake Striker.

HISTORY AND GENERAL INFORMATION OF LAKE STRIKER WATER SUPPLY

Lake Striker is located on Striker Creek in Cherokee and Rusk Counties midway between Jacksonville and Henderson as shown on Exhibit 1. The watershed of Lake Striker is 182 square miles in size. The lake surface is approximately 4 miles long from the dam to the upper end of the lake and is one mile wide at its widest point. Texas Utilities and Abitibi Paper Company used Lake Striker water for industrial purposes since its inception. Abitibi Paper Company cancelled its contract with ANCWCID in 2004. This cancellation made 16 mgd of water available for other users. The Board of Directors of ANCWCID made a decision to be "Good Stewards of East Texas Water" and offered the water to several municipalities located near Lake Striker. The goal for ANCWCID is to keep East Texas Water in East Texas. In 2006, the City of Henderson initially contracted with ANCWCID in an Option Agreement whereby the City had the right to use up to 4.0 mgd of untreated freshwater from Lake Striker. The Option Agreement was renewed in 2011 and 2017. The current Option Agreement was renewed in 2018 with an authorized water supply for the City of up to 7.4 mgd.

EXISTING SURFACE WATER SUPPLY WITH SABINE RIVER AUTHORITY

In 1994, the City entered into a Water Supply Agreement with the Sabine River Authority (SRA) whereby the SRA provides a 4.5 mgd raw water supply to the City. The City owns and operates a 4.5 mgd surface water treatment plant (WTP) located about two miles north of the north city limits as shown on Exhibit 1.

The City of Henderson and the City of Kilgore, through an interlocal agreement, jointly use the existing Kilgore Raw Water Pump Station (RWPS) at the Sabine River and a 24-inch diameter Raw Water Transmission Pipeline (RWTP) to deliver river water to the Kilgore WTP site. The City of Henderson owns a RWPS at the Kilgore WTP and pumps raw water to the Henderson WTP raw water storage reservoir via Henderson's 24-inch diameter RWTP of approximately 17 miles length.

EXISTING GROUNDWATER SUPPLY

Groundwater pumped from the Wilcox Aquifer has been, and continues to be, the primary source of municipal water supply

Based on current (year 2025) well pump capacity provided by the City, total current groundwater pumping capacity is 4.8 mgd. Current firm pumping capacity (capacity with the largest well considered inoperative) is 3.9 mgd. In Table 3 of the 1991 Harden report, estimated total well pumping capacity in summer months (when the groundwater table is at its lowest level) for the 8 wells still in service was 5.5 mgd. The 1991 firm pumping capacity was 4.4 mgd. The current (year 2025) total and firm pumping capacities are approximately 12% less than that reported in the 1991

Harden report. However, it should be noted that only 5 of the City's 8 wells are used on a regular basis due to water quality and treatability problems.

CURRENT WATER DEMANDS

Daily water production records for groundwater and surface water sources were furnished by the City for the period from January 2022 through October 2025 and are contained in Appendix 1. It should be noted, this 46-month period is a relatively short time for evaluating historical water demands and does not accurately depict drought conditions. Exhibit 2 shows a graphic presentation of these records.

Based on groundwater and surface water pumping records provided by the City, the Average Daily Demand for potable water is 2.6 mgd (1.9 mgd for groundwater and 0.7 mgd for surface water). The Maximum Day Demand is 4.4 mgd (2.3 mgd groundwater and 2.1 mgd surface water) for this period and occurred on August 7, 2023.

The City's current water supply production capacity is 3.9 mgd from the groundwater supply and 4.5 mgd from the surface water supply for a total production capacity of 8.4 mgd which substantially exceeds the current Maximum Day Demand of 4.4 mgd. Based on this data, the City's existing water supply system currently has significant excess capacity.

ALTERNATIVE PLANS FOR DEVELOPMENT OF LAKE STRIKER WATER SUPPLY

Three Alternative Plans for development of the 7.4 mgd Lake Striker Water Supply were identified and evaluated. Alternatives 1, 2 and 3 are shown in Exhibits 3, 4 and 5, respectively, and are summarized as follows:

Alternative 1 delivers Lake Striker raw water to the City's existing Northside WTP for treatment of raw water and distribution of treated water. This alternative consists of the following primary components:

1. a Raw Water Pump Station at Lake Striker
2. 27.1 miles of 24-inch diameter pipeline from the Raw Water Pump Station to the existing Raw Water Storage Reservoir located at the existing Northside Water Treatment Plant
3. an intermediate Booster Pump Station at an appropriate location along the pipeline
4. expansion of the Northside Water Treatment Plant capacity from its current capacity of 4.5 mgd to an ultimate capacity of 11.9 mgd (4.5 mgd plus 7.4 mgd)
5. 2.8 miles of 18-inch diameter Treated Water Pipeline from the Northside Water Treatment Plant to the City's existing water distribution system at the intersection of US 259 and SH 322

Alternative 2 delivers Lake Striker raw water to a new Westside Water Treatment Plant for treatment of raw water and distribution of treated water. This alternative plan consists of:

1. a Raw Water Pump Station at Lake Striker
2. 18.1 to 20.1 miles (depending on the location of the new Westside WTP) of 24-inch diameter pipeline from the Raw Water Pump Station to a storage reservoir at the location of a new Westside WTP
3. a new Westside WTP, located generally along Loop 571 between US 79 and SH 64 as shown in Exhibit 2, with an ultimate capacity of 7.4 mgd
4. an intermediate Booster Pump Station at an appropriate location along the pipeline
5. 2.2 to 4.2 miles (depending on the location of the new Westside WTP) of 18-inch diameter treated water pipeline from the Westside WTP to the City's existing water distribution system at the intersection of SH 64 and Loop 571.

Alternative 3 delivers Lake Striker raw water to a new Water Treatment Plant located at Lake Striker for treatment of raw water and distribution of treated water. The Alternative 3 treatment plant could serve as a regional water treatment plant providing treated water to Henderson and other potential water customers nearby. This alternative plan consists of:

1. a Raw Water Pump Station at Lake Striker
2. a new Water Treatment Plant at Lake Striker with an ultimate capacity of 7.4 mgd
3. 21.2 miles of 24-inch diameter pipeline from the WTP to a treated water High Service Pump Station with two ground storage tanks located near the intersection of SH 64 and Loop 571
4. an intermediate Booster Pump Station at an appropriate location along the treated water pipeline
5. approximately 0.2 miles of 18-inch diameter treated water pipeline from the High Service Pump Station to the City's existing water distribution system at the intersection of SH 64 and Loop 571

Exhibits 3, 4 and 5 show the location of the primary components of each alternative plan. The Raw Water Pump Station for each alternative is at the same location on Lake Striker near the Lake Striker Dam. The pipeline routings are along existing county roads, US Highway 79, Loop 571, and State Highway 322. The Alternative 2 Westside WTP would probably be located somewhere along Loop 571 between US Highway 79 and State Highway 64.

Exhibits 3, 4 and 5 also show the ground profile along the pipeline and a preliminary hydraulic profile for each alternative plan. As shown on Exhibits 3, 4 and 5, high ground along Loop 571 is a controlling design factor for selection of Raw Water pumps and motors. Encompass 3.0 pump selection software was used for preliminary pump selections.

Each alternative plan is based on three phases of development of the full 7.4 mgd Lake Striker water supply as follows:

1. Phase 1 will provide the Raw Water Pump Station with 2 initial raw water pumps, a 24-inch diameter pipeline sized for the maximum 7.4 mgd Option Agreement capacity, and initial WTP capacity of 2.0 mgd.
2. When additional water supply capacity is needed, Phase 2 will consist of an additional 2.0 mgd WTP capacity or greater capacity if needed.
3. Phase 3 will provide additional capacity up to the 7.4 mgd maximum capacity of the Option Agreement. Phase 3 includes replacing the Raw Water Pump Station Phase 1 and Phase 2 pumps with higher capacity pumps, installing an intermediate BPS at an appropriate location along the pipeline, and installing additional WTP capacity up to the full 7.4 mgd capacity of the Option Agreement.

PRELIMINARY OPINION OF PROBABLE PROJECT COST

A Preliminary Opinion of Probable Project Cost (OPPC) for Phase 1 facilities was developed for each alternative plan. The Preliminary OPPCs are based on current pricing for project components as determined from recent construction bid tabulations for similar projects; quotes from pipe suppliers for alternative pipe materials; and quotes from equipment suppliers for pumps, motors, valves, etc.

A summary of the Preliminary OPPCs is shown in Tables 2, 3 and 4 for Alternatives 1, 2 and 3, respectively. Alternative 2 has the lowest Preliminary OPPC of \$46.8 million followed by Alternative 3 at \$52.5 million and Alternative 1 at \$56.2 million.

Annual Operation and Maintenance (O&M) costs associated with each alternative are considered to be similar since each alternative has similar primary components consisting of Raw Water Pump Stations of the same capacity, pipelines of the same size and capacity with variable lengths of between 21 to 30 miles, and WTPs of the same 2.0 mgd initial capacity. Costs for electric power for pumping will vary somewhat with Alternative 3 having lower power cost than Alternatives 1 and 2. As shown in Table 1, static pumping heads are estimated to be 472 feet for Alternative 1, 407 feet for Alternative 2, and 337 feet for Alternative 3.

RECOMMENDATIONS

Based primarily on the OPPCs for Alternatives 1, 2 and 3 evaluated in this feasibility study and presented herein, Alternative 2 is recommended for development of the Lake Striker Water Supply. The following are key points in favor of Alternative 2:

- The Alternative 2 OPPC of \$46.8 million is \$9.4 million (17%) less than the Alternative 1 OPPC of \$56.2 million.
- The Alternative 2 OPPC of \$46.8 million is \$5.7 million less (11%) than the Alternative 3 OPPC of \$52.5 million.
- The Alternative 2 WTP site location is closer to projected growth of Henderson in the City of Henderson 2050 Comprehensive Plan (Kimley Horn, 2023) which minimizes capital and O&M costs for required water distribution improvements to serve projected growth.
- Based on estimated static pumping head, Alternative 2 power cost for pumping is predicted to be 10% to 15% less than Alternative 1. All other O&M costs are considered comparable.
- Alternative 3 requires maintenance of a disinfectant residual in a 21.2 mile long treated water pipeline while Alternatives 1 and 2 do not require a disinfectant residual for raw water pipelines.

Should the City desire to move forward with Alternative 2 as recommended, a TWDB Project Information Form (PIF) should be submitted to the TWDB to begin the process of applying for funding. A TWDB PIF is due March 1st of every year for ranking of applicants. Applicant scoring will be provided in late summer of the same year. A Preliminary Engineering Study & Report will be required to further refine the project design and to accompany a

formal TWDB funding application.

Council Member Gina Juarez made a motion to approve Alternative 2 development of the Lake Striker Water Supply , duly seconded by Council Member Micahel Searcy. The vote was unanimous.

8. Consideration and possible action upon authorizing the Mayor to create and appoint a rate study task force for water. (Hortman)

Director of Infrastructure and Delivery David Hortman and City Manager Jay Abercrombie explained to the Council there is a need to put a water rate study task force in place and asked the Council to authorize the Mayor to create this task force.

Council Member Michael Searcy made a motion to authorize the Mayor to appoint a rate study task force for water, duly seconded by Council Member Stephen Strong. The vote was unanimous.

9. Consideration and possible action upon authorizing the Finance Director, Stephanie Kimbrell, as an authorized signer on all the City of Henderson accounts with all Financial Institutions. (Abercrombie)

City Manager Jay Abercrombie explained when the City promoted Finance Director Stephanie Kimbrell we neglected to make her an authorized signer on all the City of Henderson's accounts with all Financial Institutions.

Council Member Michael Searcy made a motion to authorize Stephanie Kimbrell as a signer on all the City of Henderson's accounts with all Financial Institutions, duly seconded by Council Member Gina Juarez. The vote was unanimous.

10. Consideration and possible action upon a recommendation for a vacancy on the Main Street Board. (Jimerson)

City Secretary Cheryl Jimerson, after the interviewing process, the committee recommended Lisa McConnell to fill the unexpired term from the resignation of Brook Dover.

Council Member Gina Juarez made a motion to approve Lisa McConnell to fill an unexpired term on the Main Street Board, duly seconded by Council Member Michael Searcy. The vote was unanimous.

11. Consideration and possible action upon a recommendation for a vacancy and a reappointment on the Planning and Zoning Board. (Jimerson)

City Secretary Cheryl Jimerson, after the interviewing process over the phone, recommended Martha McDougal to fill the vacancy and the reappointment of the Chairperson Johnny Walker to the Planning and Zoning Commission.

Council Member Michael Searcy made a motion to approve Martha McDougal to fill the vacancy and the reappointment of Chairperson Johnny Walker, duly seconded by Council Member Stephen Strong. The vote was unanimous.

12. Consideration and possible action upon a recommendation to replace a member on the Board of Adjustments with an alternate. (Jimerson)

City Secretary Cheryl Jimerson recommended moving Reggie Weatherton from an alternate to a member on the Board of Adjustments. This will leave a position as an alternate open, that will be filled at a later date.

Council Member Gina Juarez made a motion to approve Reggie Weatherton as a member of the Board of Adjustments, duly seconded by Council Member Greg Jackson. The vote was unanimous.

13. Consideration and possible action upon the appointment of a Charter Review Committee. (Jimerson)

City Secretary Cheryl Jimerson stated she believes it is time for the City of Henderson to consider updating the City Charter. If the Council agrees, we need to get a charter committee together with a calendar of meetings to go through the charter and make decisions on what items need to be updated and go to the citizens to vote on during the November 2026 election.

During my certification classes, Charter Amendment Elections were presented to us by two different cities, La Grange population approximately 4,600 and Lufkin population approximately 34,000.

Both cities had a Charter Committee that consisted of the City Manager, City Secretary, City Attorney, Mayor, Mayor Pro tem and two alternates.

Council Member Gina Juarez made a motion to approve a Charter Review Committee as listed above, duly seconded by Council Member Stephen Strong. The vote was unanimous.

14. Consideration and possible action upon performance agreement between HEDCO & Velvin Production Company. (Gardella)

HEDCO Director Bret Gardella explained the performance agreement as pretty straightforward. Velvin Oil was established in 1964. The third generation ownership will be operating two new businesses. This will also help the railroad district. It will be a five-year plan of a five million dollar project. It will support about fifteen employees.

Council Member Gina Juarez made a motion to approve the performance agreement between HEDCO and Velvin Productions, duly seconded by Council Member Stephen Strong. The vote was unanimous.

15. Consideration and possible action upon the HEDCO 2026 By-Law Amendments. (Gardella)

HEDCO Director Bret Gardella explained this was an opportunity to look at the Bylaws for any outdated concepts. Example It states we must write checks when we all know businesses are starting to get away from accepting checks and are going to ACH transactions. The banking rotation will be leaving Orgin Bank out of the rotation because the position of the bank requires an Executive position who would also be the treasurer of HEDCO, There are a lot of corrections of punctuation and spelling, etc.

Council Member Gina Juarez stated that an executive at some banks is a loan officer and at other banks, an executive may be a Board member. City Manager Jay Abercrombie and City Attorney Russell Brown agreed Executive needs to be defined.

Council Member Stephen Strong made a motion to table this item until next month to bring the Bylaws back with a definition of Executive, duly seconded by Council Member Michael Searcy. The vote was unanimous.

16. Consideration and possible action upon a minor plat application received by Norman and Gretchen Walton to combine three lots located at the intersection of Peach St and US 79 for development purposes (Breitenberg)

Wes Breitenberg explained that the Waltons want to combine the three lots and need the lots combined to be able to build a larger facility.

Council Member Michael Searcy made a motion to approve the minor plat, duly seconded by Council Member Stephen Strong. The vote was unanimous.

17. Consideration and possible action on a minor plat application received by Sam Arellano to divide a parcel of land located at 301 Yandle Dr into three lots for development purposes (Breitenberg)

Wes Breitenberg explained that 301 Yandle Drive is a very large lot. The Arellano's want to subdivide this lot into three lots for development.

Council Member Michael Searcy made a motion to approve the minor plat, duly seconded by Council Member Stephen Strong. The vote was unanimous.

DEPARTMENTAL REPORTS:

18. 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 for October 2025 & November 2025.

L. Director of Operations Departmental Reports below.

Civic Center
Main Street/Tourism
Municipal Court

Council had no questions or comments on the monthly reports

BOARDS AND COMMISSIONS

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

HEDCO Meeting Minutes for November & December 2025.

Council had no questions or comments on the Board meeting minutes.

EXECUTIVE SESSION:

19. Convene into executive session to consult with the City Attorney in accordance with Vernon's Texas Government Code Annotated, Chapter 551, section 087.

Mayor Pace convened into executive session at 7:25 P.m.

REGULAR SESSION:

20. Convene into regular session and necessary action as a result of the closed session.


Mayor Pace reconvened into regular session stating there was no action to take.

ADJOURNMENT

21. Adjourn

Council Member Gina Juarez made a motion to adjourn at 9:58 p.m., duly seconded by Council Member Michael Searcy. The vote was unanimous.

ATTEST:



Cheryl Jimerson, City Secretary

APPROVED:



Henry Pace, Mayor