



City of Rockport
CITY COUNCIL WORKSHOP AGENDA
TUESDAY, MARCH 24, 2026 - 1:00 PM
CITY HALL
212 N. LIVE OAK
ROCKPORT, TEXAS 78382

Mayor Tim Jayroe
Mayor Pro Tern (Ward 4) Andrea Hattman
Councilmember (Ward 1) Stephanie Rangel

Councilmember (Ward 2) Matt Anderson
Councilmember (Ward 3) Brad Brundrett
Vanessa Shrauner, City Manager

Notice is hereby given that Rockport City Council will hold a WORKSHOP on Tuesday, March 24, 2026, at 1:00 PM. The meeting will be held in person in the Council Chambers in City Hall, 212 N. Live Oak, Rockport, Texas 78382. The live stream link to view the meeting is <https://rockporttx.portal.civicclerk.com/>.

The City Council welcomes citizen participation and comments at all City Council Meetings on an Agenda item or any subject matter.

Written comments submitted by 3:30 p.m. the day before the meeting.

- Complete the Speaker Card - locate the card online (<https://rockporttx.gov/FormCenter/Citizen-Participation-Form-7/Citizen-Participation-Form-52>)
- Written Comments received by the deadline may be read.

Sign up in person.

- Speaker's cards are located at the entrance of the meeting room and must be delivered to the City Secretary before the meeting begins.
- Any citizen with handouts should provide them to the City Secretary before the meeting. If you wish the City Council to receive your handouts for the meeting, please provide 8 copies; if not, the City Council will receive your handouts the following day.

Rules for Citizen Participation.

- Speakers will be limited to three minutes.
- While civic public criticism is not prohibited, disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

NOTE: The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for discussion. An announcement will be made based on the Executive Session discussion. The City Council may also publicly discuss any item listed on the agenda for the Executive Session.

Notice is hereby given that other elected or appointed officials may attend the City Council Meeting at the date and time above in numbers that may constitute a quorum. No action or minutes will be taken by such in attendance.

This facility is wheelchair-accessible and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours before this meeting. Please get in touch with the City Secretary's office at (361) 729-2213, ext. 225, or FAX (361) 790-5966 or email sgoodwin@rockporttx.gov for further information. Braille is not available.

I. CALL TO ORDER AND ROLL CALL

II. PLEDGE OF ALLEGIANCE

III. CITIZENS TO BE HEARD

Speaker participation instructions are provided in writing at the beginning of the agenda. NOTE: The Texas Open Meetings Act permits a member of the public or a member of the governmental body to raise a subject that has not been included in the notice for the meeting. However, any discussion of the subject must be limited to a proposal to place the subject on the agenda for a future meeting, and any response to a question posed to the City Council is limited to either a statement of specific factual information or a recitation of existing policy. TEX. GOV'T CODE § 551.042 has not been posted on the agenda.

IV. BUDGET WORKSHOP #2 AGENDA ITEMS

(While this statement is required under the new legislation, it reflects last year's budget since it is too early in the process to include any FY 2026–2027 budget figures.) The City provides the following information in compliance with Texas Government Code § 551.043(c): (i) a copy of the City's proposed budget may be located on the City's home page of its website and at FY2025-2026 Budget; and (ii) Taxpayer Impact Statement – For the median-valued homestead property a comparison of the current property tax bill in dollars pertaining to the property for the current fiscal year ("FY"), an estimate if the proposed budget is adopted for the upcoming FY, and an estimate of a balanced budget at the no-new-revenue tax rate for the upcoming FY is below: Median-Valued Homestead Property of \$338,830 Property Tax Bill in Dollars Current FY 2024/25 \$ 1,373.26 An estimate if the proposed budget is adopted for FY 2025/26 \$1,445.03 An estimate if a balanced budget is funded and adopted at the no-new-revenue tax rate for FY 2025/26 \$1,299.91

1. Presentation and discussion on water/wastewater studies and reports (Robbie Sorrell, Finance Director)
2. Discussion and review City Council Strategic Plan (Vanessa Shrauner, City Manager)
3. Hotel Occupancy Tax Discussion:
 - i. **4:00 p.m.** - Presentation from Bill Longley, General Counsel for Texas Municipal League
 - ii. Review of possible changes to the City's HOT Grant Program and next step

(Shelley Goodwin, City Secretary)

V. ADJOURN

CERTIFICATION

This is to certify that I, Shelley Goodwin, posted this Agenda at 4:55 p.m. on March 18, 2026, on the bulletin board of the City of Rockport City Hall, 212 N. Live Oak, Rockport, Texas 78382.



Shelley Goodwin, TRMC/MMC
City Secretary



AGENDA MEMO

DEPARTMENT: Finance/Utility Billing

TO: Mayor and City Council

FROM: Robbie Sorrell, Finance Director

MEETING DATE: March 24, 2026

CATEGORY: Presentation

CAPTION:

Presentation and discussion on water/wastewater studies and reports

SUMMARY:

The presentation includes recommendation of water purchase costs and water loss pass-through mechanism with utility cost recovery rates built around it. The purpose of this is to minimize the number of times utility studies have to be conducted in light expected escalating (how much?) water purchase costs. One of the main reasons for the follow-up study was that water purchase costs over the last two years have exceeded that built into the original study. Rockport has already experienced the drastic reduction in usage, but has yet to fully realize are the well & desal infrastructure and operational costs that will be passed-thru.

BACKGROUND:

The first Willdan Study was prepared was prepared in August of 2024, but did not take into Account Rockport going into Stage 3 water restrictions and losing up to 30% in year-over-year sales. Utilities operate on cost recovery basis and water purchase costs alone have increased 8% Jan, 2025 and 7% Jan 2026, alone.

FUNDING SOURCE:

Utility Rates, and Fees

FUNDING IMPACT:

Cost Recovery

STAFF RECOMMENDATION:

Staff recommends Council listen to presentation and consider recommendations.

STRATEGIC INITIATIVES:

Values: Integrity & Accountability Presentation

ATTACHMENTS:

1. 2026 02 10 Rockport Rate Study Update Council Meeting 2.0

APPROVAL/REVIEW:

Robbie Sorrell, Finance Director

Date: March 16, 2026

Shelley Goodwin, City Secretary

Date: March 16, 2026

Vanessa Shrauner, City Manager

Date: March 18, 2026



2026 Water and Wastewater Rate Study Update Council Presentation

*Preliminary and subject
to change*

February 2026

Revised: January 26, 2026



AGENDA

1. Background on Rates
2. Customers and Volumes
3. Current and Forecast Cost of Service
4. Proposed Rate Plans
5. Summary



The background of the slide is a blue-tinted photograph of industrial machinery. It features large pipes, valves, and mechanical components, likely part of a water treatment or manufacturing plant. The text is overlaid on this image.

BACKGROUND ON RATES/CUSTOMERS/VOLUMES

RATE BACKGROUND | WATER & WASTEWATER

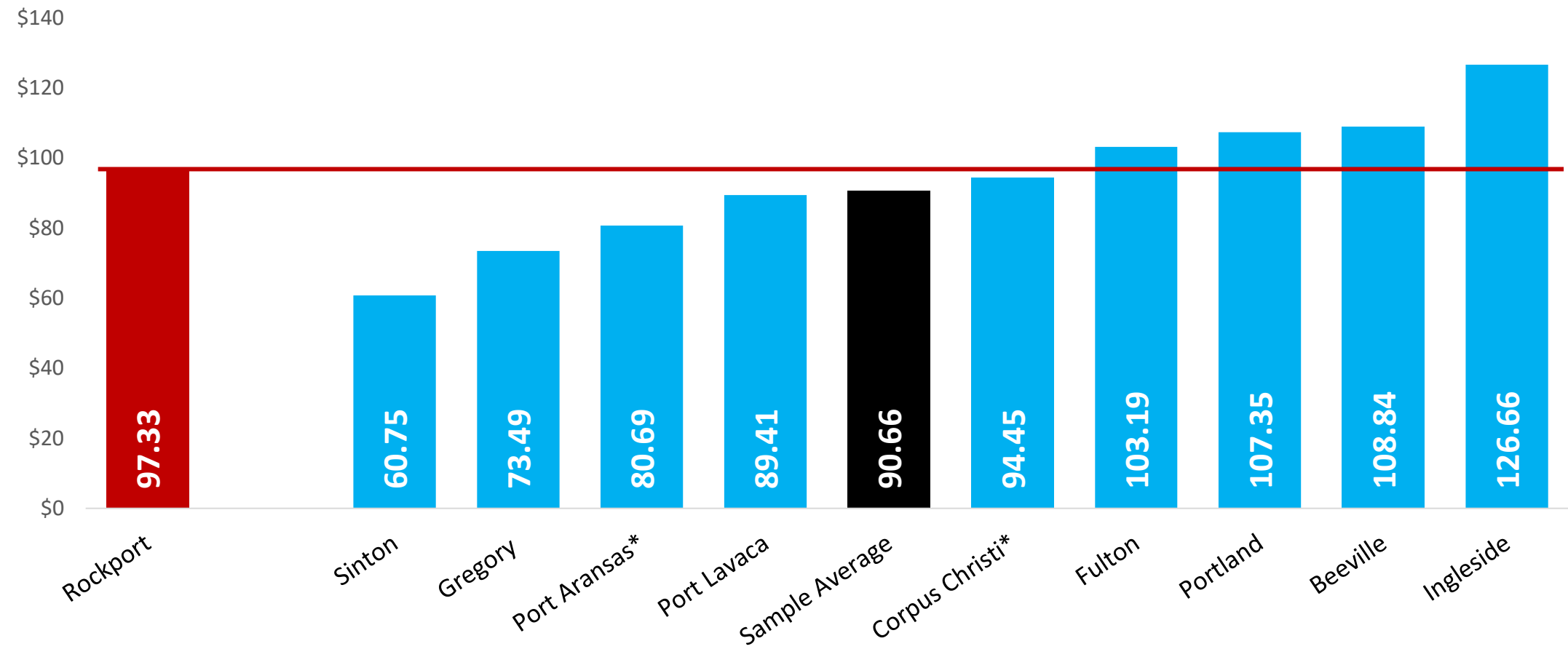


- Since the 2024 rate study was completed, several key factors impacting the utility have changed:
 - a significant decrease in water consumption due to implementation of Stage 3 water restrictions
 - SPMWD* rates are increasing faster than forecast
 - actual growth is slower than forecast
 - transfers to GF have increased
- These factors are driving the need to revise the existing rate plan



*San Patricio Municipal Water District

CURRENT MONTHLY CHARGES | 5K GAL WATER & 5K GAL WW



Rates as of October 2025
**2026 rates*

TEST YEAR ACCOUNTS | WATER & WASTEWATER



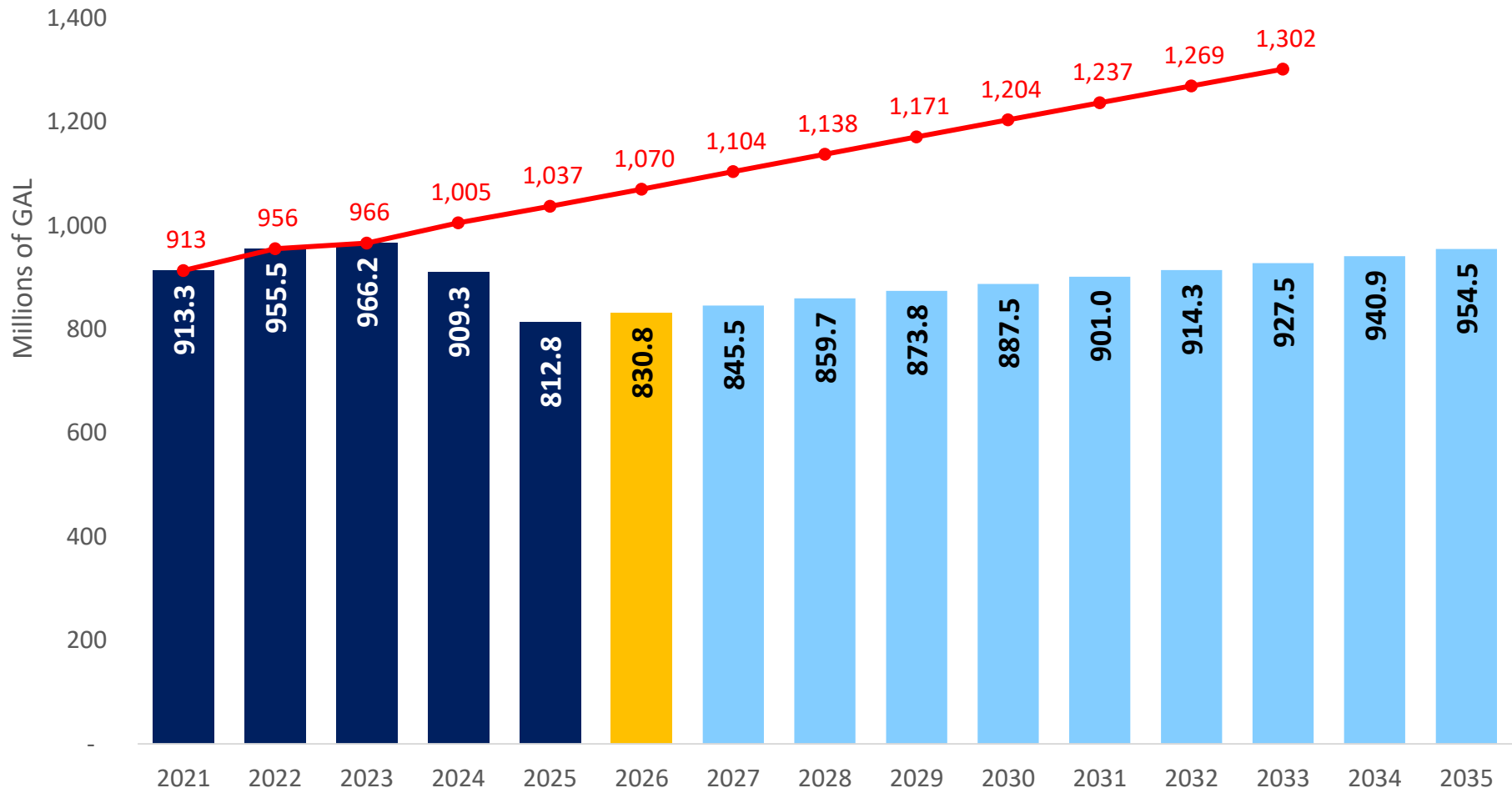
WATER Customer Accounts

<u>Inside City</u>	
Residential Inside	5,089
Commercial Inside	860
<u>Outside City</u>	
Residential Outside	4,098
Commercial Outside	481
<u>Copano Cove Water Co.</u>	1
Total	10,529

WASTEWATER Customer Accounts

<u>Inside City</u>	
Residential Inside	4,304
Non-Residential Inside	610
<u>Outside City</u>	
Residential Outside	781
Non- Residential Outside	84
<u>Sewer Only</u>	39
<u>Town of Fulton (Contracted Rate)</u>	839
Total	6,657

BILLED VOLUME FORECAST | WATER



Red line represents
2024 rate study
projections

Residential Monthly
Use per Account:
2024 – 5,982 gal
2026 – 4,348 gal

The background of the slide is a photograph of a water treatment plant, featuring large pipes, valves, and machinery. The image is overlaid with a semi-transparent blue filter. The text is centered in white, bold, uppercase letters.

WATER & WASTEWATER CURRENT AND FORECAST COST OF SERVICE

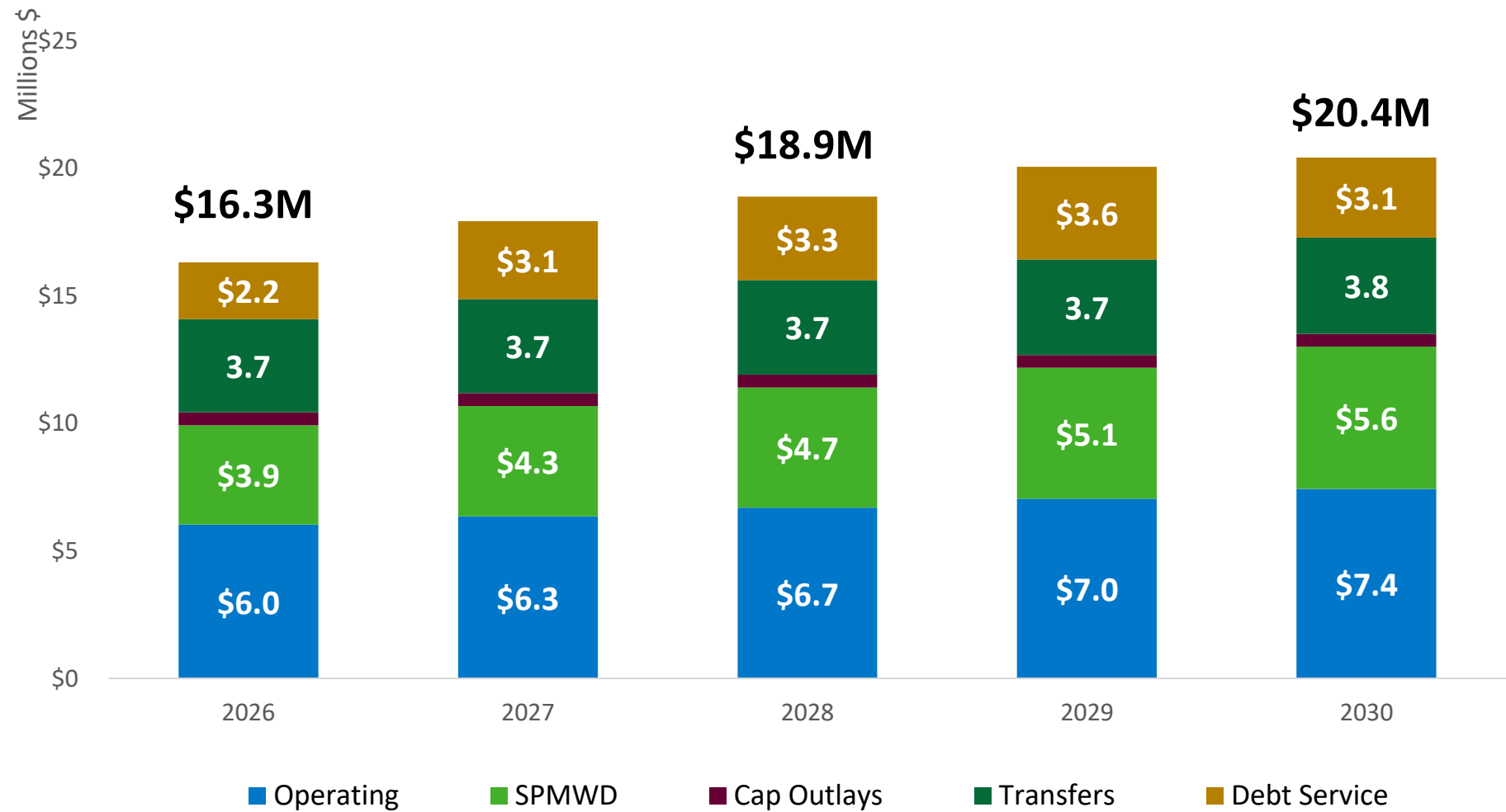
RATE PLAN KEY ASSUMPTIONS | WATER & WASTEWATER



- Most operating expenses will increase by 3% per year
 - Certain expenses will increase with volume and customer growth (i.e. maintenance, electricity, and chemicals)
- SPMWD rate increases by 7% annually
- Annual transfer to GF for salaries, building maintenance and Franchise Fees
- 2026-2030 new CIP debt reduced from \$50 million (2024 study) to \$25 million



FORECAST COST OF SERVICE CHART | WATER & WASTEWATER



WATER & WASTEWATER RATE PLAN ALTERNATIVE A | REDUCED DEBT

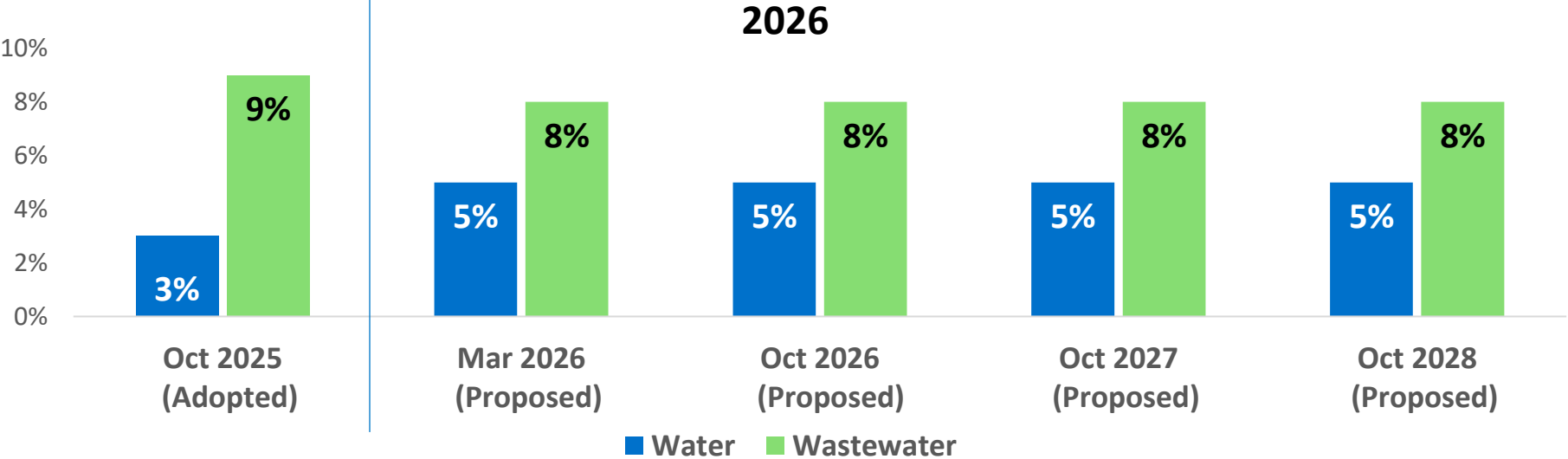
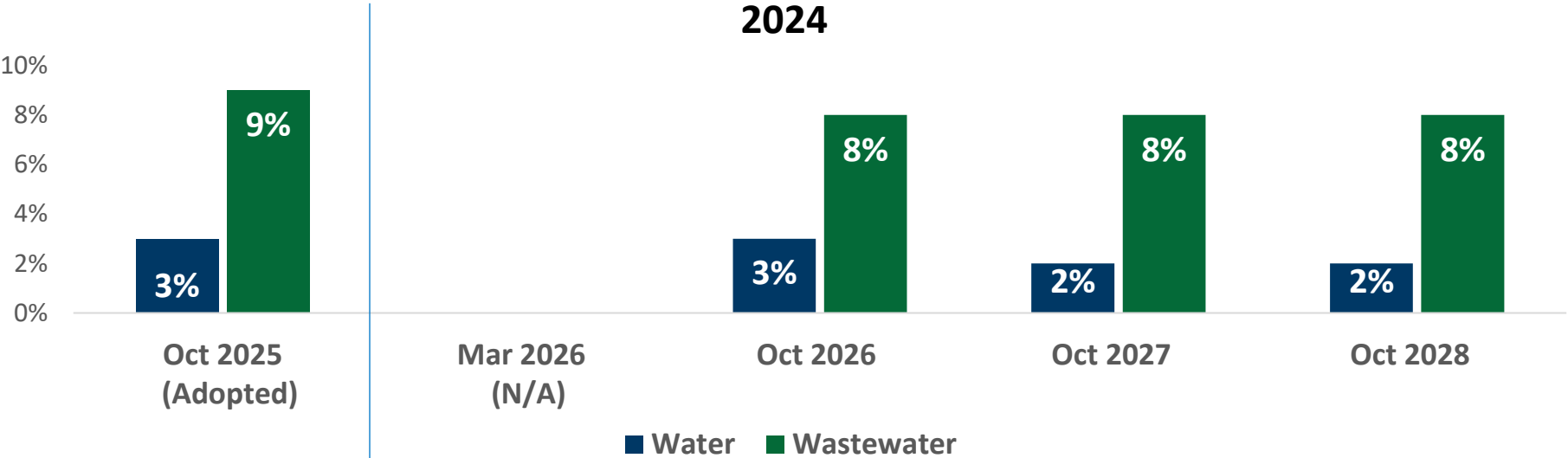
ALTERNATIVE A – NO PASS THROUGH



- Two adjustments required in 2026 (March and October)
- Annual adjustments in Oct 2027 and Oct 2028
- OCL water rates remain unchanged until October 2026
- OCL wastewater rates increase concurrently with ICL wastewater rates beginning in March 2026
- utility fund balance drawdown (+/- \$1.1M) in FY2026-2028



SCENARIO OVERVIEW | 2026 VS 2024 RECOMMENDATIONS



PROPOSED RATE PLAN | ALTERNATIVE A | WATER INSIDE CITY



		Current Oct-25	Proposed				
			Mar-26	Oct-26	Oct-27	Oct-28	
WATER							
Residential Inside							
<u>Base Charge</u>							
	3/4"	\$ 24.12	\$ 25.33	\$ 26.60	\$ 27.93	\$ 29.32	
	1"	29.15	30.60	32.13	33.74	35.43	
	1 1/2"	53.98	56.68	59.51	62.49	65.61	
	2"	83.81	88.00	92.40	97.02	101.87	
	3"	163.37	171.54	180.11	189.12	198.58	
	4"	252.88	265.52	278.80	292.74	307.38	
	6"	252.88	265.52	278.80	292.74	307.38	
<u>Volume Rate Per 1,000 Gal</u>							
	1,501 10,000	6.47	6.79	7.13	7.49	7.86	
	10,001 15,000	7.58	7.96	8.36	8.78	9.22	
	15,001 Above	8.61	9.04	9.50	9.97	10.47	
Commercial Inside							
<u>Base Charge</u>							
	3/4"	\$ 25.61	\$ 26.89	\$ 28.24	\$ 29.65	\$ 31.13	
	1"	30.95	32.49	34.12	35.82	37.62	
	1 1/2"	57.31	60.17	63.18	66.34	69.66	
	2"	88.98	93.43	98.11	103.01	108.16	
	3"	173.46	182.13	191.24	200.80	210.84	
	4"	268.51	281.93	296.03	310.83	326.37	
	6"	268.51	281.93	296.03	310.83	326.37	
<u>Volume Rate Per 1,000 Gal</u>							
	1,501 10,000	6.87	7.21	7.57	7.95	8.35	
	10,001 15,000	8.04	8.45	8.87	9.31	9.78	
	15,001 Above	9.15	9.61	10.09	10.59	11.12	
Copano Cove Water Co.							
<u>Volume Rate Per 1,000 Gal</u>							
	- Above	7.42	7.79	8.18	8.59	9.02	

PROPOSED RATE PLAN | ALTERNATIVE A | WATER OUTSIDE CITY



		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
WATER						
Residential Outside						
<u>Base Charge</u>						
3/4"		\$ 29.95	\$ 29.95	\$ 31.92	\$ 33.51	\$ 35.19
1"		36.21	36.21	38.56	40.49	42.51
1 1/2"		67.62	67.62	71.41	74.98	78.73
2"		104.68	104.68	110.88	116.43	122.25
3"		204.36	204.36	216.14	226.94	238.29
4"		316.45	316.45	334.56	351.29	368.85
6"		316.45	316.45	334.56	351.29	368.85
<u>Volume Rate Per 1,000 Gal</u>						
1,501	10,000	8.16	8.16	8.56	8.99	9.44
10,001	15,000	9.59	9.59	10.03	10.54	11.06
15,001	Above	10.90	10.90	11.39	11.96	12.56
Commercial Outside						
<u>Base Charge</u>						
3/4"		\$ 29.95	\$ 29.95	\$ 33.89	\$ 35.58	\$ 37.36
1"		36.21	36.21	40.94	42.99	45.14
1 1/2"		67.62	67.62	75.82	79.61	83.59
2"		104.68	104.68	117.73	123.61	129.79
3"		204.36	204.36	229.49	240.96	253.01
4"		316.45	316.45	355.23	373.00	391.65
6"		316.45	316.45	355.23	373.00	391.65
<u>Volume Rate Per 1,000 Gal</u>						
1,501	10,000	8.16	8.16	9.08	9.54	10.02
10,001	15,000	9.59	9.59	10.64	11.18	11.73
15,001	Above	10.90	10.90	12.10	12.71	13.34

PROPOSED RATE PLAN | ALTERNATIVE A&B | WASTEWATER INSIDE CITY



		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
WASTEWATER						
Residential Inside						
<u>Base Charge</u>						
	3/4"	\$ 30.64	\$ 33.09	\$ 35.74	\$ 38.60	\$ 41.69
	1:" and Above	34.95	37.75	40.77	44.03	47.55
<u>Volume Rate Per 1,000 Gal</u>						
	1,501 5,000	5.69	6.15	6.64	7.17	7.74
	5,001 Above	6.68	7.21	7.79	8.41	9.08
Non-Residential Inside						
<u>Base Charge</u>						
	3/4"	\$ 35.22	\$ 38.03	\$ 41.08	\$ 44.36	\$ 47.91
	1"	44.00	47.51	51.32	55.42	59.86
	1 1/2"	52.82	57.05	61.61	66.54	71.87
	2"	70.43	76.07	82.15	88.72	95.82
	3"	140.87	152.14	164.31	177.46	191.66
	4" and Above	220.10	237.70	256.72	277.26	299.44
<u>Volume Rate Per 1,000 Gal</u>						
	1,501 5,000	6.46	6.98	7.54	8.14	8.79
	5,001 Above	7.58	8.19	8.84	9.55	10.31
Sewer Only (ICL)						
<u>Base Charge</u>						
	Res. Inside	55.10	59.51	64.27	69.42	74.97
	Non -Res. Inside	62.72	67.74	73.16	79.01	85.33
	Comm. Opps. Inside	273.10	294.94	318.54	344.02	371.54

PROPOSED RATE PLAN | ALTERNATIVE A&B | WASTEWATER OUTSIDE CITY



			Current Oct-25	Proposed			
				Mar-26	Oct-26	Oct-27	Oct-28
WASTEWATER							
Residential Outside							
<u>Base Charge</u>							
	3/4"		36.77	39.71	42.89	46.32	50.02
	1:" and Above		41.94	45.30	48.92	52.84	57.07
<u>Volume Rate Per 1,000 Gal</u>							
	1,501	5,000	6.83	7.38	7.97	8.60	9.29
	5,001	Above	8.01	8.65	9.35	10.09	10.90
Non- Residential Outside							
<u>Base Charge</u>							
	3/4"		\$ 42.26	\$ 45.64	\$ 49.29	\$ 53.23	\$ 57.49
	1"		52.79	57.02	61.58	66.51	71.83
	1 1/2"		63.39	68.46	73.94	79.85	86.24
	2"		84.52	91.28	98.58	106.47	114.98
	3"		169.05	182.57	197.18	212.95	229.99
	4" and Above		264.11	285.24	308.06	332.71	359.33
<u>Volume Rate Per 1,000 Gal</u>							
	1,501	5,000	7.76	8.38	9.05	9.77	10.55
	5,001	Above	9.10	9.82	10.61	11.46	12.38
Sewer Only (OCL)							
<u>Base Charge</u>							
	Res. - Outside		66.12	71.41	77.13	83.30	89.96
	Non -Res. Outside		75.26	81.28	87.79	94.81	102.40
	Comm. Opps. Outside		327.72	353.93	382.25	412.83	445.85

IMPACT ON MONTHLY BILLS | ALTERNATIVE A | INSIDE CITY



		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
Residential Monthly Charges Inside -- 3/4"						
5,000 Water	Total	\$ 97.33	\$ 103.71	\$ 110.54	\$ 117.83	\$ 125.63
5,000 WW	Increase -- \$		6.38	6.82	7.30	7.80
	Increase -- %		6.6%	6.6%	6.6%	6.6%
10,000 Water	Total	\$ 163.06	\$ 173.74	\$ 185.14	\$ 197.34	\$ 210.38
10,000 WW	Increase -- \$		10.67	11.41	12.19	13.04
	Increase -- %		6.5%	6.6%	6.6%	6.6%
Commercial Monthly Charges Inside -- 2"						
25,000 Water	Total	\$ 523.71	\$ 557.23	\$ 593.02	\$ 631.23	\$ 672.04
25,000 WW	Increase -- \$		33.52	35.79	38.21	40.81
	Increase -- %		6.4%	6.4%	6.4%	6.5%

IMPACT ON MONTHLY BILLS | ALTERNATIVE A | OUTSIDE CITY



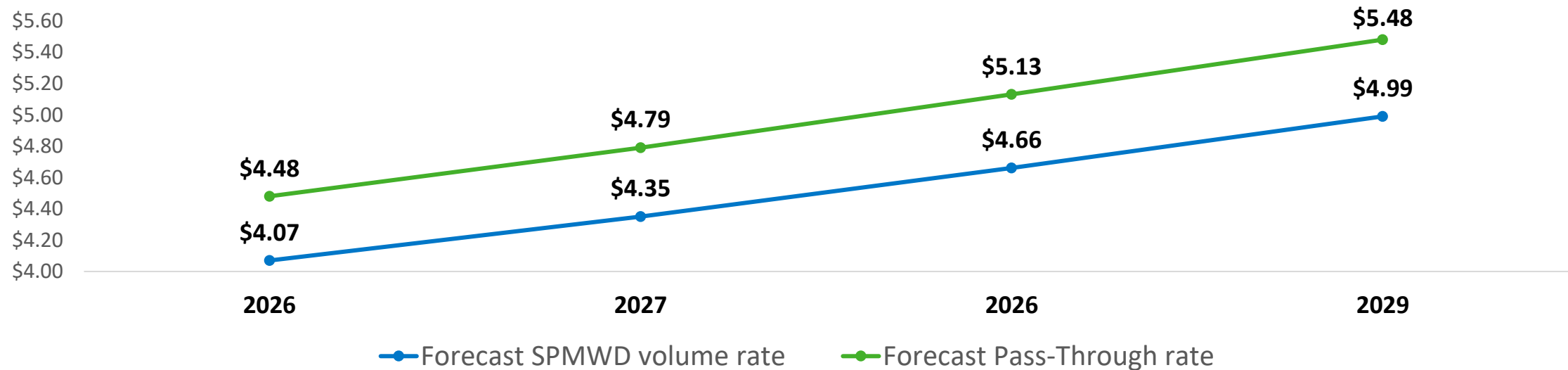
		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
Residential Monthly Charges Outside -- 3/4"						
5,000 Water	Total	\$ 119.18	\$ 124.04	\$ 132.64	\$ 141.40	\$ 150.76
5,000 WW	Increase -- \$		4.85	8.61	8.76	9.36
	Increase -- %		4.1%	6.9%	6.6%	6.6%
10,000 Water	Total	\$ 200.04	\$ 208.10	\$ 222.17	\$ 236.80	\$ 252.45
10,000 WW	Increase -- \$		8.06	14.07	14.63	15.65
	Increase -- %		4.0%	6.8%	6.6%	6.6%
Commercial Monthly Charges Outside -- 2"						
25,000 Water	Total	\$ 624.57	\$ 648.06	\$ 711.62	\$ 757.48	\$ 806.45
25,000 WW	Increase -- \$		23.49	63.56	45.85	48.97
	Increase -- %		3.8%	9.8%	6.4%	6.5%

WATER & WASTEWATER
ALTERNATIVE B | REDUCED DEBT + PASS-THROUGH RATE

ALTERNATIVE B | PASS-THROUGH RATE OVERVIEW



- This alternative uses the same cost assumptions as Alternative A
- It introduces a water pass-through rate per 1,000 gal of water usage to account for fluctuation in wholesale water prices and enable the City to quickly adjust rates based on actual costs
- Pass-through rate equals to SPMWD volume rate +10%, to account for water loss
- Rate is to be adjusted each time SPMWD adjusts its rate



NOTE: represents forecast; actual pass-through rate is based on actual adopted SPMWD rate

PROPOSED RATE PLAN | ALTERNATIVE B | WATER INSIDE CITY



This Alternative introduces a pass-through rate for each 1,000 gal of water (=SPWMD volume rate +10%)

The chart reflects a forecast pass-through rate based on the information available to the project team at the time of study. The final pass-through rate will be determined based on the actual SPMWD volume rate in effect.

		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
WATER						
Residential Inside						
<u>Base Charge</u>						
3/4"		\$ 24.12	\$ 25.33	\$ 26.60	\$ 27.93	\$ 29.32
1"		29.15	30.60	32.13	33.74	35.43
1 1/2"		53.98	56.68	59.51	62.49	65.61
2"		83.81	88.00	92.40	97.02	101.87
3"		163.37	171.54	180.11	189.12	198.58
4"		252.88	265.52	278.80	292.74	307.38
6"		252.88	265.52	278.80	292.74	307.38
<u>Volume Rate Per 1,000 Gal</u>						
1,501	10,000	6.47	2.40	2.52	2.65	2.78
10,001	15,000	7.58	3.60	3.78	3.97	4.17
15,001	Above	8.61	4.68	4.91	5.16	5.42
Plus Pass-Through Rate Per 1,000 Gallons (SPMWD Rate +10%)			\$ 4.48	\$ 4.79	\$ 5.13	\$ 5.48
Commercial Inside						
<u>Base Charge</u>						
3/4"		\$ 25.61	\$ 26.89	\$ 28.24	\$ 29.65	\$ 31.13
1"		30.95	32.49	34.12	35.82	37.62
1 1/2"		57.31	60.17	63.18	66.34	69.66
2"		88.98	93.43	98.11	103.01	108.16
3"		173.46	182.13	191.24	200.80	210.84
4"		268.51	281.93	296.03	310.83	326.37
6"		268.51	281.93	296.03	310.83	326.37
<u>Volume Rate Per 1,000 Gal</u>						
1,501	10,000	6.87	2.75	2.89	3.03	3.18
10,001	15,000	8.04	4.13	4.33	4.55	4.78
15,001	Above	9.15	5.36	5.63	5.91	6.21
Plus Pass-Through Rate Per 1,000 Gallons (SPMWD Rate +10%)			\$ 4.48	\$ 4.79	\$ 5.13	\$ 5.48
Copano Cove Water Co.						
<u>Volume Rate Per 1,000 Gal</u>						
-	Above	7.42	7.79	8.18	8.59	9.02

PROPOSED RATE PLAN | ALTERNATIVE B | WATER OUTSIDE CITY



The rate plan fully funds all aspects of the water utility based on the existing market conditions and assumptions.

		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
WATER						
Residential Outside						
<u>Base Charge</u>						
	3/4"	\$ 29.95	\$ 29.95	\$ 31.92	\$ 33.51	\$ 35.19
	1"	36.21	36.21	38.56	40.49	42.51
	1 1/2"	67.62	67.62	71.41	74.98	78.73
	2"	104.68	104.68	110.88	116.43	122.25
	3"	204.36	204.36	216.14	226.94	238.29
	4"	316.45	316.45	334.56	351.29	368.85
	6"	316.45	316.45	334.56	351.29	368.85
<u>Volume Rate Per 1,000 Gal</u>						
	1,501 10,000	8.16	8.16	3.02	3.18	3.33
	10,001 15,000	9.59	9.59	4.54	4.76	5.00
	15,001 Above	10.90	10.90	5.90	6.19	6.50
Plus Pass-Through Rate Per 1,000 Gallons (SPMWD Rate +10%)			\$ -	\$ 4.79	\$ 5.13	\$ 5.48
Commercial Outside						
<u>Base Charge</u>						
	3/4"	\$ 29.95	\$ 29.95	\$ 33.89	\$ 35.58	\$ 37.36
	1"	36.21	36.21	40.94	42.99	45.14
	1 1/2"	67.62	67.62	75.82	79.61	83.59
	2"	104.68	104.68	117.73	123.61	129.79
	3"	204.36	204.36	229.49	240.96	253.01
	4"	316.45	316.45	355.23	373.00	391.65
	6"	316.45	316.45	355.23	373.00	391.65
<u>Volume Rate Per 1,000 Gal</u>						
	1,501 10,000	8.16	8.16	3.47	3.64	3.82
	10,001 15,000	9.59	9.59	5.20	5.46	5.73
	15,001 Above	10.90	10.90	6.76	7.09	7.45
Plus Pass-Through Rate Per 1,000 Gallons (SPMWD Rate +10%)			\$ -	\$ 4.79	\$ 5.13	\$ 5.48

IMPACT ON MONTHLY BILLS | ALTERNATIVE B | INSIDE CITY



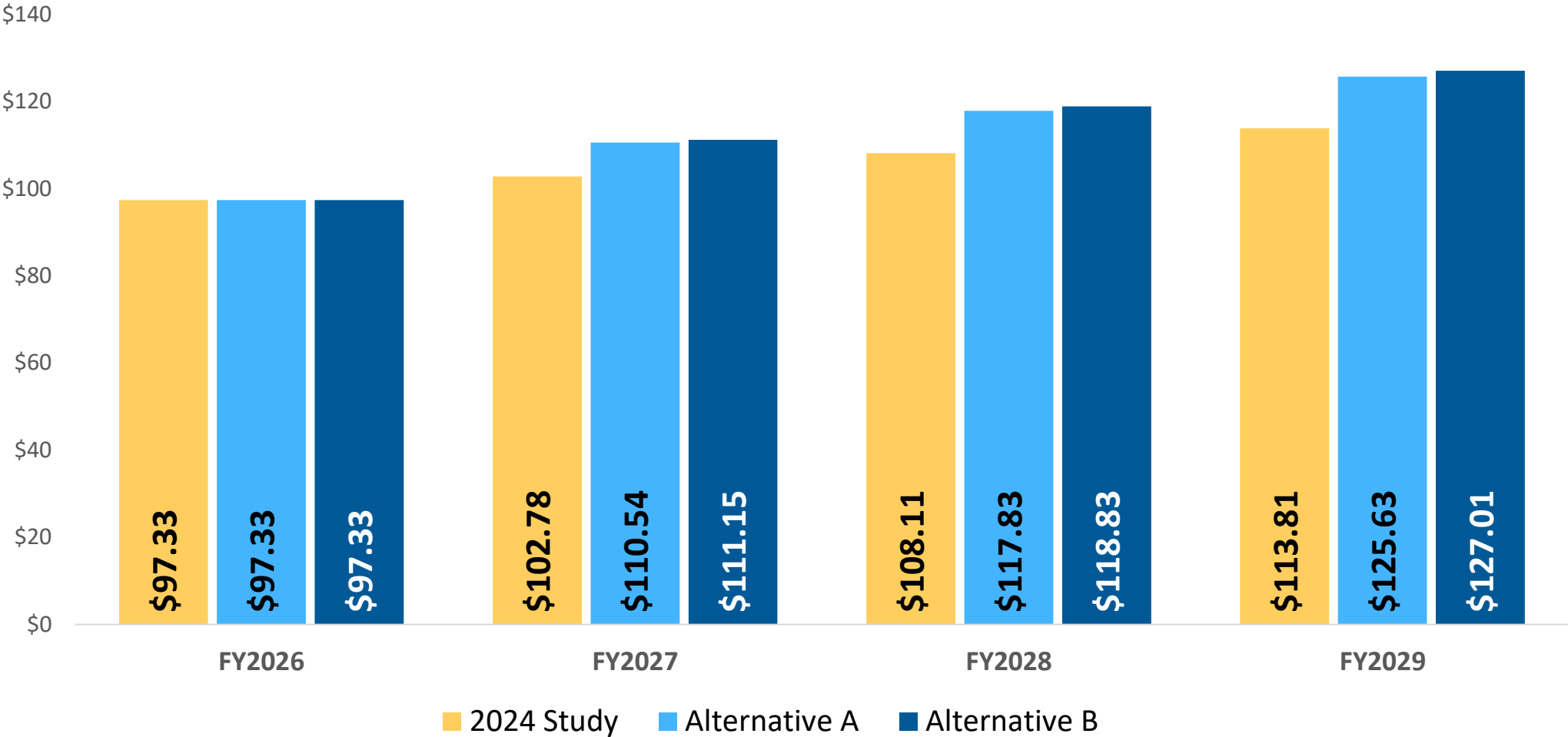
		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
Residential Monthly Charges Inside -- 3/4"						
5,000 Water	Total	\$ 97.33	\$ 104.01	\$ 111.15	\$ 118.83	\$ 127.01
5,000 WW	Increase -- \$		6.69	7.14	7.68	8.18
	Increase -- %		6.9%	6.9%	6.9%	6.9%
10,000 Water	Total	\$ 163.06	\$ 174.47	\$ 186.64	\$ 199.77	\$ 213.72
10,000 WW	Increase -- \$		11.41	12.17	13.12	13.96
	Increase -- %		7.0%	7.0%	7.0%	7.0%
Commercial Monthly Charges Inside -- 2"						
25,000 Water	Total	\$ 523.71	\$ 560.56	\$ 598.54	\$ 639.39	\$ 682.80
25,000 WW	Increase -- \$		36.86	37.98	40.85	43.41
	Increase -- %		7.0%	6.8%	6.8%	6.8%

IMPACT ON MONTHLY BILLS | ALTERNATIVE B | OUTSIDE CITY

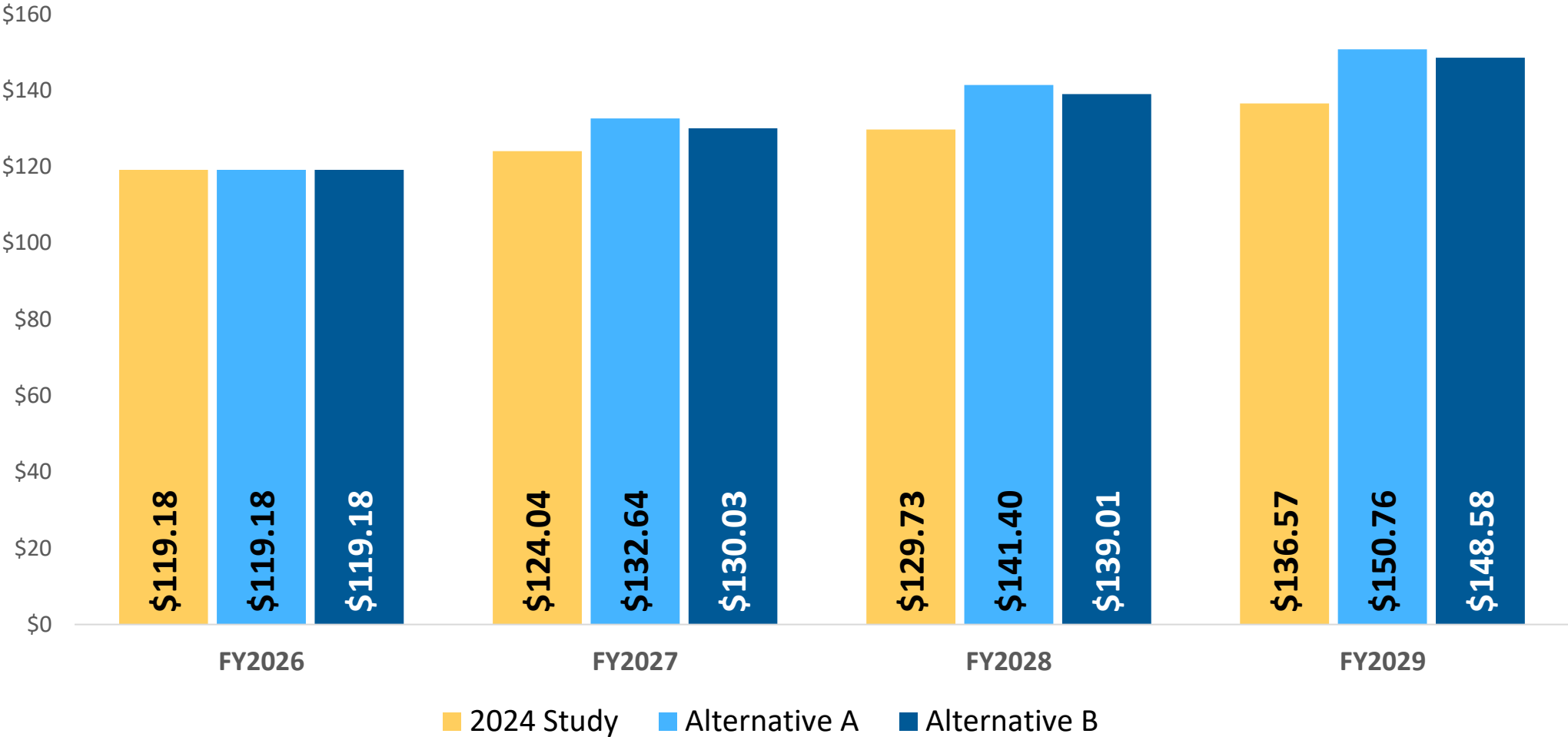


		Current Oct-25	Proposed			
			Mar-26	Oct-26	Oct-27	Oct-28
Residential Monthly Charges Outside -- 3/4"						
5,000 Water	Total	\$ 119.18	\$ 124.04	\$ 130.03	\$ 139.01	\$ 148.58
5,000 WW	Increase -- \$		4.85	6.00	8.98	9.57
	Increase -- %		4.1%	4.8%	6.9%	6.9%
10,000 Water	Total	\$ 200.04	\$ 208.10	\$ 215.83	\$ 231.00	\$ 247.15
10,000 WW	Increase -- \$		8.06	7.73	15.17	16.15
	Increase -- %		4.0%	3.7%	7.0%	7.0%
Commercial Monthly Charges Outside -- 2"						
25,000 Water	Total	\$ 624.57	\$ 648.06	\$ 695.74	\$ 743.16	\$ 793.61
25,000 WW	Increase -- \$		23.49	47.67	47.42	50.45
	Increase -- %		3.8%	7.4%	6.8%	6.8%

TYPICAL RESIDENTIAL BILL | 5K GAL WATER & 5K WW | INSIDE CITY



TYPICAL RESIDENTIAL BILL | 5K GAL WATER & 5K WW | OUTSIDE CITY





QUESTIONS & DISCUSSION

DISCLOSURE



Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.



AGENDA MEMO

DEPARTMENT: City Manager

TO: Mayor and City Council

FROM: Vanessa Shrauner, City Manager

MEETING DATE: March 24, 2026

CATEGORY: Presentation

CAPTION:

Discussion and review City Council Strategic Plan

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FUNDING IMPACT:

STAFF RECOMMENDATION:

STRATEGIC INITIATIVES:

Presentation

ATTACHMENTS:

None

APPROVAL/REVIEW:

Shelley Goodwin, City Secretary

Date: March 16, 2026

Vanessa Shrauner, City Manager

Date: March 18, 2026



AGENDA MEMO

DEPARTMENT: City Secretary

TO: Mayor and City Council

FROM: Shelley Goodwin, City Secretary

MEETING DATE: March 24, 2026

CATEGORY: Presentation

CAPTION:

Hotel Occupancy Tax Discussion:

- i. **4:00 p.m.** - Presentation from Bill Longley, General Counsel for Texas Municipal League
 - ii. Review of possible changes to the City's HOT Grant Program and next step
-

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FUNDING IMPACT:

STAFF RECOMMENDATION:

STRATEGIC INITIATIVES:

Presentation

ATTACHMENTS:

None

APPROVAL/REVIEW:

Shelley Goodwin, City Secretary

Date: March 16, 2026

Vanessa Shrauner, City Manager

Date: March 18, 2026