HONDO

THIS IS GOD'S COUNTRY

REGULAR CITY COUNCIL MEETING
August 12, 2024 at 6:00 PM
City Council Chambers
1600 Avenue M, Hondo, TX

AGENDA

Notice is hereby given that a Regular City Council Meeting of the governing body of the City of Hondo will be held August 12, 2024 at 6:00 p.m. in the City Council Chambers, City Hall at 1600 Avenue M, Hondo, Texas, for the purpose of discussing matters incident and related to the City of Hondo.

The public may also access the meeting remotely through video/conference from your computer, tablet or smart phone at: https://boxcast.tv/channel/aetaajdf64jalxx2009a Persons may submit questions or comments for items on the agenda by email to: rdolphus@hondo-tx.org. Questions or comments submitted by email must be received by the city at least 1 hour prior to the scheduled start of the meeting in order to be presented to the City Council during the meeting.

The following items will be discussed, to-wit:

1. **CALL TO ORDER.**
2. **QUORUM CHECK.**
3. **INVOCATION BY PASTOR STEVE PEYTON, NEW FOUNTAIN METHODIST CHURCH.**
4. **PLEDGE OF ALLEGIANCE.**
5. **CITIZENS'/PUBLIC COMMENTS**
   Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda.

PROCLAMATIONS

6. **RECOGNIZE HONDO LITTLE LEAGUE BASEBALL & SOFTBALL SENIOR DIVISION ACCOMPLISHMENTS. (MAYOR MCANELLY)**

PRESENTATIONS

7. **CITY MANAGER'S REPORT. (JOHN NARON)**
   - **A. 2024-2025 HONDO ISD SCHOOL YEAR**
   - **B. UPDATE ON CURRENT PROJECTS**
   - **C. STAGE 3 WATER RESTRICTIONS**

CONSENT

The Consent Agenda is considered self-explanatory and will be enacted by the Council with one motion. There will be no separate discussion of these items unless they are removed from the Consent Agenda upon the request of the Mayor or a Council Member.

8. **CONSIDERATION AND APPROVAL OF THE JULY 22, 2024 REGULAR CITY COUNCIL MINUTES. (REBEKAH DOLPHUS, CITY SECRETARY)**

9. **CONSIDERATION AND APPROVAL OF THE 3RD QUARTER FINANCIAL REPORT FOR FY 2024. (CHRIS HILL, CHIEF FINANCE OFFICER)**

10. **CONSIDERATION AND APPROVAL OF THE 3RD QUARTER INVESTMENT REPORT FOR FY 2024. (CHRIS HILL, CHIEF FINANCE OFFICER)**

11. **CONSIDERATION AND APPROVAL OF VARIOUS APPOINTMENTS TO BOARDS AND COMMISSIONS. (MAYOR MCANELLY)**

12. **APPROVAL OF ORDINANCE NO. 1291-08-24 A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A BEAUTY/HAIR SALON ON PROPERTY ZONED AS RESIDENTIAL TWO DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AND EFFECTIVE DATE. (CODIFICATION OF ACTION TAKEN AT JULY 22, 2024 REGULAR CITY COUNCIL MEETING).**

13. **APPROVAL OF ORDINANCE NO. 1292-08-24 A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A WINDOW TINTING RETAIL SHOP ON PROPERTY ZONED AS CENTRAL BUSINESS DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE. (CODIFICATION OF ACTION TAKEN AT JULY 22, 2024 REGULAR CITY COUNCIL MEETING).**

OTHER BUSINESS

14. **DISCUSSION AND POSSIBLE RECONSIDERATION AND ACTION ON LONGEVITY AND CERTIFICATION PAY PROPOSALS THAT WERE DISCUSSED AND PASSED ON JULY 22, 2024 AT REGULAR CITY COUNCIL MEETING.**

15. **PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2024-2025. (CHRIS HILL, CHIEF FINANCE OFFICER)**

16. **DISCUSS AND CONSIDER ACTION ON SETTING THE PROPOSED PROPERTY TAX RATE AND SET PUBLIC HEARING DATE, TIME, AND LOCATION. (CHRIS HILL, CHIEF FINANCE OFFICER)**

17. **DISCUSS AND CONSIDER ACTION ON THE PROPOSED CITY OF HONDO WATER MASTER PLAN. (JOHN NARON, CITY MANAGER)**

18. **DISCUSS CHANGING THE AREA FROM 14TH STREET TO 18TH STREET AND AVENUE N TO AVENUE U TO R3.**

19. **ADJOURN.**

I hereby certify that the above Notice of Regular City Council Meeting of the governing body of the City of Hondo was posted on the bulletin board in City Hall, 1600 Avenue M, Hondo, Texas, at a place convenient and readily accessible to the general public at all times on August 9, 2024 at 11:00 a.m.

ATTEST:

Rebekah Dolphus
City Secretary

CITY OF HONDO
HONDO, TEXAS

The City Council of the City of Hondo reserves the right to convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code: Section 551.071 (Consultations with Attorney), Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations) on any of the above items.

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS
The City of Hondo City Council Meetings is available to all persons regardless of disability. If you require special assistance, contact the City Secretary forty-eight (48) hours prior to the meeting time at 830-426-3370.

Proclamation
City of Hondo, Texas
Honoring Hondo Little League Baseball Senior Division
August 12, 2024

***WHEREAS**, the Hondo Little League Baseball Senior Division has demonstrated exceptional skill, teamwork, and sportsmanship throughout the season; and*

***WHEREAS**, the team has achieved the distinguished titles of District 21 Champions, Section 3 Champions, and Texas West State Champions; and*

***WHEREAS**, the Hondo Little League Baseball Senior Division has proudly represented our community as United States Southwest Regional Tournament Qualifiers; and*

***WHEREAS**, the team has achieved an outstanding overall tournament record of 13 wins and only 2 losses, showcasing their dedication, perseverance, and excellence in the sport of baseball; and*

***WHEREAS**, these young athletes have brought great pride and honor to the City of Hondo, demonstrating the positive impact of youth sports on our community; and*

***WHEREAS**, the coaches, parents, and supporters of the Hondo Little League Baseball Senior Division have provided invaluable encouragement and guidance to these players, contributing to their success both on and off the field;*

***NOW, THEREFORE, BE IT RESOLVED** that I, John McAnelly Jr., Mayor of the City of Hondo, TX, with support of full city council and the citizens of Hondo, do hereby proclaim our heartfelt congratulations and commendations to the Hondo Little League Baseball Senior Division for their exemplary achievements in the 2024 season.*

***BE IT FURTHER RESOLVED** that the City of Hondo recognizes August 12, 2024, as **Hondo Little League Baseball Senior Division Day** in honor of their outstanding accomplishments and contributions to our community.*

***IN TESTIMONY WHEREOF**, I have hereunto set my hand and caused to be affixed the Great Seal of Hondo, TX, on this 12th day of August, 2024.*

ATTEST:

_____
John McAnelly Jr., Mayor

_____
Rebekah Dolphus, City Secretary

Proclamation
City of Hondo, Texas
Honoring Hondo Little League Softball Senior Division
August 12, 2024

WHEREAS*, the Hondo Little League Softball Senior Division has demonstrated exceptional skill, dedication, and sportsmanship throughout the 2024 season; and*

WHEREAS*, the team has achieved remarkable success, earning the titles of District 21 Champions and Section 3 Champions; and*

WHEREAS*, the Hondo Little League Softball Senior Division qualified for the Texas West State Tournament, showcasing their talents and competitive spirit on a larger stage; and*

WHEREAS*, the team finished the tournament with an admirable overall record of 5-2, reflecting their hard work, perseverance, and commitment to excellence; and*

WHEREAS*, the achievements of the Hondo Little League Softball Senior Division have brought pride and joy to our community, serving as an inspiration to young athletes and residents alike; and*

WHEREAS*, the City of Hondo recognizes and celebrates the outstanding contributions of the players, coaches, and families who have supported the team throughout the season;*

NOW, THEREFORE, BE IT RESOLVED *that I, John McAnelly Jr., Mayor of the City of Hondo, TX, with support of full city council and the citizens of Hondo, do hereby proclaim our heartfelt congratulations and commendations to the Hondo Little League Softball Senior Division for their exceptional accomplishments in the 2024 season.*

BE IT FURTHER RESOLVED *that the City of Hondo recognizes August 12, 2024, as* ***Hondo Little League Softball Senior Division Day*** *in honor of their outstanding achievements and the positive impact they have made on our community.*

IN TESTIMONY WHEREOF*, I have hereunto set my hand and caused to be affixed the Great Seal of Hondo, TX, on this 12th day of August, 2024.*

ATTEST:

_____
John McAnelly Jr., Mayor

_____
Rebekah Dolphus, City Secretary

HONDO

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City Council Communication

Title: **CITY MANAGER'S REPORT. (JOHN NARON)**
A. 2024-2025 HONDO ISD SCHOOL YEAR
B. UPDATE ON CURRENT PROJECTS
C. STAGE 3 WATER RESTRICTIONS

Date: August 12, 2024 ***From:*** John Naron, City Manager

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:
None

STAFF CONTACTS:

HONDO

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City Council Communication

Title: **CONSIDERATION AND APPROVAL OF THE JULY 22, 2024 REGULAR CITY COUNCIL MINUTES. (REBEKAH DOLPHUS, CITY SECRETARY)**
Date: August 12, 2024 ***From:*** Rebekah Dolphus, City Secretary

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. Rough Draft 1

STAFF CONTACTS:

MINUTES

REGULAR CITY COUNCIL MEETING

Monday, July 22, 2024 @ 6:00PM
City Council Chambers, 1600 Avenue M Hondo, Texas

1. Call to order.
Mayor McAnelly called the meeting to order at 6:00 p.m.

2. Quorum check.
Mayor John McAnelly Jr., Councilman Brett Williams, Councilman Joe Claire, Mayor Pro Tem Jose "Porky" Ytuarte, Council Woman Rachel Ramirez, Councilman John E. Villa

Absent: None

Staff Present: City Manager John Naron, City Attorney Richard Lindner, Chief Finance Officer Chris Hill, City Secretary Rebekah Dolphus, IT Manager Josh Rodriguez, Public Relations & Recreation Director Jamie Kindred, Chief of Police Justin Soza, Director of Public Works Rene Saenz, Executive Director of Hondo EDC Sean Patty, Development Services Manager Uche Echeozo, Human Resources Manager Michele Thacker

3. Invocation by Pastor Ty Fitzpatrick, God's Country Fellowship Church.

4. Pledge of Allegiance.

5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda.*

Chavel Lopez, 1002 Avenue S, Hondo, Texas
- **Item 14, Longevity & Certification Pay. He is in favor of proposal.**
- **He believes living wage is $18-$19/hour and the City should give employees 5% raise for FY 2024-2025.**

CONSENT
The Consent Agenda is considered self-explanatory and will be enacted by the Council with one motion. There will be no separate discussion of these items unless they are removed from the Consent Agenda upon the request of the Mayor or a Council member.

Councilman Villa moved to approve items 6, 7, 8, & 9 on the Consent agenda; seconded by Councilman Ytuarte. Motion passes unanimously.

6. Consideration and approval of the July 8, 2024 Regular City Council minutes. (Rebekah Dolphus, City Secretary)

7. Consideration and approval of various appointments to Boards and Commissions. (Mayor McAnelly)
- Parks & Recreation Advisory Board – Raul Ytuarte
- Cemetery Advisory Board – Russ Renaud

8. Consideration and approval of Resolution No. 430-24 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, AUTHORIZING APPROVAL OF THE BUILDING CONTRACTOR AWARD FOR THE HOME PROGRAM THROUGH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS. (Jamie Kindred, Director of Public Relations & Recreation)

9. Consideration and approval of Hondo Economic Development Corporation By-Laws. (Sean Patty, Director of Marketing-BR&E)

OTHER BUSINESS

10. Final Plat request from Sylvester & Melissa Gallardo (owner/applicant)
20.27 Acres of land situated in the City of Hondo, in Medina County, Texas, with the legal description being, A0428 A. Gsell Survey 187. The property also known as Twin Estates Subdivision, is located in the 1500 block of 11th Street at the corner of Avenue P.
The property is generally located north of 11th Street and west of Avenue P within the Shoin Neighborhood and is identified as Assessor's Parcel Identification No. 4571.
A. Open Public Hearing
Public Hearing opened @ 6:05 p.m.
B. Staff Presentation (Uche Echeozo)
Mr. Echeozo, Development Services Manager, presented the Planning & Zoning Commission's July 15, 2024 deliberations and approval. He noted that the P&Z Commission has final approval over subdivision plats per the Ordinance.
C. Applicant Presentation
No presentation.
D. Public Comments (Limited to 3 minutes per person)
No public comments.
E. Adjourn Public Hearing.
Public Hearing adjourned @ 6:09 p.m.
F. Discussion and Possible Action on Final Plat request from Sylvester & Melissa Gallardo

Councilman Villa moved to approve Final Plat request from Sylvester & Melissa Gallardo on Twin Estates Subdivision; seconded by Councilman Williams. Motion passes unanimously.

11. Specific Use Permit request from Akhil Sunny (applicant) for a Bar & Grill.

.49 Acre tract of land, more or less, situated within the Corporate Limits of the City of Hondo, in Medina County, Texas, being a portion of Lot 13 and lots 14-18, block 20. The subject property is located at 1011 19th Street and is generally located south of 19th Street and east of Avenue K. Assessor's Parcel Identification No. 16426.

A. Open Public Hearing

Public Hearing opened @ 6:11 p.m.

B. Staff Presentation (Uche Echeozo)

Mr. Echeozo, Development Services Manager, presented the Planning & Zoning Commission's July 15, 2024 deliberations and noted that no decision was made because a motion to approve failed to receive a second, causing the motion to die.

C. Applicant Presentation

No presentation.

D. Public Comments (Limited to 3 minutes per person)

No public comments.

E. Adjourn Public Hearing

Public Hearing adjourned @ 6:13 p.m.

F. Discussion and possible action on Specific Use Permit request from Akhil Sunny (applicant) for a Bar & Grill

Council members expressed concern about the lack of a decision at the Planning & Zoning Commission Meeting and security issues. They noted it's not their responsibility to verify the source of officers, which need not be Hondo PD officers; this is the owner's responsibility upon accepting conditions. It was recommended by Mr. Naron, City Manager, that the Council provide guidance on monitoring criteria and define what constitutes "a lot" of calls.

Councilman Villa moved to deny the Specific Use Permit request from Akhil Sunny for a Bar & Grill; seconded by Council Woman Ramirez. Motion passes 4-0. Councilman Ytuarte abstained.

12. Specific Use Permit request from Annalisa Salazar (applicant) for a Beauty/Hair Salon.
.38 Acre tract of land, more or less, situated within the Corporate Limits of the City of Hondo, in Medina County, Texas, being lots 6 & 7, block 26. The subject property is located at 1301 20th Street and is generally located south of 20th Street and west of Avenue N. Assessor's Parcel Identification No. 16468.

A. Open Public Hearing

Public Hearing opened at 6:44 p.m.

B. Staff Presentation (Uche Echeozo)

Mr. Echeozo, Development Services Manager, presented the Planning & Zoning Commission's July 15, 2024 deliberations and approval is recommended with conditions for monitoring traffic and maintaining all licenses.

C. Applicant Presentation

No presentation.

D. Public Comments (Limited to 3 minutes per person)

No public comments.
E. Adjourn Public Hearing
Public Hearing adjourned @ 6:46 p.m.
F. Discussion and possible action on Specific Use Permit request from Annalisa Salazar (applicant) for a beauty/hair salon.

Council Woman Ramirez moved to approve the Specific Use Permit request from Annalisa Salazar for a beauty/hair salon with recommended conditions of approval: Monitor traffic impacts and a potential to relocate when the business expands, and maintaining all State Health and Safety laws including licensing issues; seconded by Councilman Villa. Motion passes unanimously.

13. Specific Use Permit request from Solarize Tint (applicant) for a Window Tinting Retail Shop .0473 Acre tract of land, more or less, situated within the Corporate Limits of the City of Hondo, in Medina County, Texas, being a portion of lot 18, block 21. The subject property is located at 1113 19th Street and is generally located south of 19th Street and east of Avenue M. Assessor's Parcel Identification No. 16436.
A. Open Public Hearing
Public Hearing opened @ 6:48 p.m.
B. Staff Presentation (Uche Echeozo)
Mr. Echeozo, Development Services Manager, presented the Planning & Zoning Commission's July 15, 2024 deliberations and approval is recommended. He advised the location is the old Amigo Bail Bonds building.
C. Applicant Presentation
Mr. Ruben Saucedo addressed City Council, stating that he has 36 years of experience and multiple locations in San Antonio, as well as in Floresville. He addressed concerns about the car wash, explaining that he is not willing to go through the additional hassles to open it. He specializes in car, tractor, and house window tinting. He plans to operate out of the back of the property and offer mobile services. The business will take appointments and be open during the week.
D. Public Comments (Limited to 3 minutes per person)
No public comments.
E. Adjourn Public Hearing
Public Hearing adjourned @ 6:55 p.m.
F. Discussion and possible action of Specific Use Permit request from Solarize Tint (applicant) for a Window Tinting Retail Shop.

Councilman Villa moved to approve the Specific Use Permit request from Solarize Tint for a Window Tinting Retail Shop with recommended conditions of approval: if he wants to introduce a car-washing service he must come back to Development Services for application review; seconded by Councilman Williams. Motion passes unanimously.

14. Discuss and consider action on longevity and certification pay proposals. (John Naron, City Manager)

Mr. Naron presented longevity pay of $10/month paid in December 2024 and license/certification pay for Water and Waste Water as follows; D=$130/month, C=$300/month, B=$400/month, and CDL=$130/month. License/certification pay will start on pay period following City Council meeting and if you are dual licensed one will pay 100% and the other will pay 50%.
Council expressed concern that employees in other areas could also seek additional pay for licenses/certifications that are part of their employment. Council also asked how often longevity pay is utilized in City government.

Councilman Villa moved to approve the longevity and license/certification pay as presented; seconded by Councilman Ytuarte. Motion passes unanimously.

15. Discuss and consider action on broadcasting City Council meetings.

Councilman Williams moved to continue broadcasting on BoxCast and add Facebook with comments; seconded by Councilman Ytuarte. Motion passes unanimously.

16. Discussion regarding status and review of zoning and Specific Use Permit for Hondo Beer Market located at 1710 Avenue M.
Mayor McAnelly stated that no action can be taken without a written notification of violation and recommendation from P&Z, along with Public Hearings, per Ordinance 1148. Mr. Naron, City Manager, suggested setting an acceptable number of disturbances or calls for updating Specific Use Permit (SUP) Ordinance, from this day forward. Amendments to SUP's can be made but not immediately. Councilman Ytuarte advocated for an annual review as required by the SUP, emphasizing Council's responsibility for safety at the location but no intent to shut down the bar. Councilman Williams proposed removing on-duty officers and bouncers, instead using licensed security facilities or off-duty officers and questioned how we can go about adjusting SUP. Mr. Lindner, City Attorney, explained aspects of the SUP's reference to local government code. Executive Session was recommended to discuss the Hondo Beer Market permit in question.

Councilman Villa moved to adjourn into Executive Session under Section 551.071 – Consultation with Attorney; seconded by Council Woman Ramirez. Motion passes unanimously.

The City Council of the City of Hondo convened into Executive Session @ 7:48 p.m.

The City Council of the City of Hondo reconvened into regular session @ 8:11 p.m.

18. Adjourn.

Councilman Villa moved to adjourn; seconded by Council Woman Ramirez. Motion passes unanimously.

Meeting adjourned at 8:12 p.m.

PASSED AND APPROVED THIS 12TH DAY OF AUGUST 2024.

_____
John McAnelly, Jr., Mayor

ATTEST:

_____
Rebekah Dolphus
City Secretary

HONDO

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City Council Communication

Title: **CONSIDERATION AND APPROVAL OF THE 3RD QUARTER FINANCIAL REPORT FOR FY 2024. (CHRIS HILL, CHIEF FINANCE OFFICER)**
Date: August 12, 2024 ***From:*** Chris Hill, Chief Finance Officer

INFORMATION:

Please see attached financial report for 3rd Quarter ended on June 30, 2024.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

The City Staff recommends approval/acceptance of the 3rd Quarter Financial Report for the 9-month period ended June 30, 2024, as presented.

MOTION:

Motion to approve the 3rd Quarter Financials for FY 2023/2024.

ATTACHMENTS:

1. Budget Report - June 2024
2. 3rdQtrFinancials

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

John Naron
City Manager
jnaron@hondo-tx.org

August 12, 2024

Mayor and Member of City Council
City of Hondo, Texas

We are pleased to present the third quarter budget report for the City of Hondo, Texas. The attached schedules reflect activity for the 9-month period ending June 30, 2024. This report reflects the first 9 months of the fiscal year or 75% of the year (for analysis please compare % of Budget to 75%) The semi-annual debt service payments due were paid on February 1. The second semi-annual debt service payments were made on August 1 after this report. Detailed fund summaries are included in this document.

This report is based upon the accounting records of the City of Hondo, Texas Finance Department.

General Fund

As the primary operating fund for the City, the General Fund accounts for revenues dedicated to general government activities. These revenues, primarily made up of taxes and fees, fund general administration, public safety, parks, recreation and public works functions. As of June 30, 2024, the general fund was at 73.71% of its budgeted revenues for the year. 99% of the property tax has been collected. Sales tax is trending down to flat over last year. The city has received its bond proceeds and have collected 100% of its user fees to date.

Expenditures in the general fund are trending under budget at 64.53%. The departments trending over budget are due to larger capital expenditures and annual payments in first 3 quarters but will meet budget by year end.

As of June 30, 2024, the City reported a $1.1M surplus in the general fund due to 99% of property taxes received compared to only 64% of expenditures to date and several departments are trending under budget.

Bond and Sinking Fund

This fund receives an allocation of the property tax levy and debt payment reimbursements from the Utility Funds (Electric, Water/Wastewater and Airport) and EDC. These resources are used to fund principal and interest payments on outstanding debt. Property taxes received were 96.19% of budget. February principal or interest payments were paid on February 1. The second semi-annual debt service payments were made on August 1 after this report. This fund projects to finish breakeven for the year.

Electric Fund

The Electric Fund accounts for the fees received and the cost of service to the electricity customers of Hondo.

Expenses are under budget for fiscal year 2023/2024 in the Electric fund. Revenue is currently at budget with the seasonal variations expected. Expenditures were below budget at 73.43% primarily due the capital items that have not yet been delivered. The fund is currently showing a surplus of $247,588 compared to budget.

Water and Wastewater Fund

The Water/Wastewater Fund accounts for the fees received to fund the cost of water and wastewater services in Hondo. Water and wastewater revenue are trending slightly under budget for the year due to seasonal fluctuations and declines in prison revenue and grant funds not yet received or 25% of their budgeted amounts. Expenditures are under budgeted amounts at 63.17% due to projects and grants. The fund is currently showing a deficit of $150,894 compared to budget.

Airport Fund

The City of Hondo Airport fund accounts for the activities of the South Texas Regional Airport and the related property. Revenue for annual farm land lease was received in first quarter and additional lease of water rights increased revenue. The Demolition expenses and offsetting insurance proceeds were completed in first quarter. The fund is currently showing a surplus of $28,832 over budget due to water lease to Water Fund and farm land lease.

Sanitation Fund

This fund accounts for the user charges to residential and commercial customers that finances the cost of this service. The collection and disposal services are performed under contract.

This fund is showing slight surplus of $23,402.

Economic Development Corporation

The Hondo EDC is a 4B Type Corporation established for the creation and retention of new or expanded business enterprises that create or retain primary jobs. The Corporation is also authorized to fund the maintenance and operating expenses of eligible projects.

The EDC collected 83% of budgeted sales tax for fiscal year 2023/2024. Interest/Investment revenue is currently above budget over 100% and staff expects this to continue for the remainder of the year. EDC has a surplus of $101,549 due to $114,575 of investment income.

As always, we welcome your comments and questions.

City of Hondo
Fiscal Year Overview: FY24
Period Ending: June 30, 2024

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General Fund

Revenue Summary

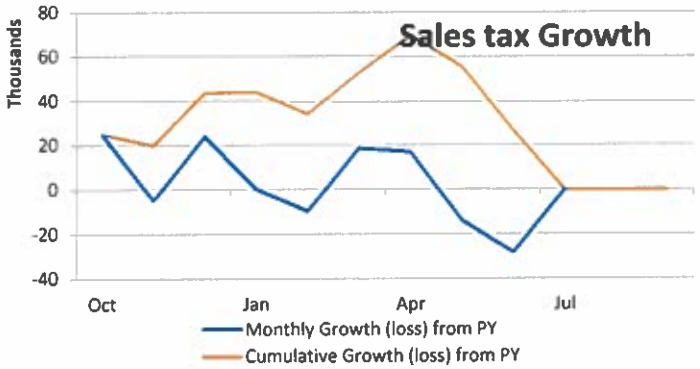
Past 12 Months	Budget	YTD	% of Budget
Property Tax	1,321,032	1,314,652	99.52%
Sales Tax	1,350,000	1,045,514	77.45%
User Fees	837,922	890,760	106.31%
Transfers	6,360,066	4,308,604	67.74%
Loan Proceeds	880,952	327,041	37.12%
Sale of Assets	20,000	15,275	76.38%
Grants	593,302	525,971	88.65%
Other Revenue	402,028	244,924	60.92%
Total Revenue	**11,765,302**	**8,672,742**	**73.71%**

Key Revenue Sources

Past 12 Months	Budget	YTD	% of Budget
Sales Tax	1,350,000	1,045,514	77.45%
Property Tax	1,321,032	1,314,652	99.52%
Court Fines & Fees	60,000	103,139	171.90%
Building & Permits	252,500	255,254	101.09%
Recreation Fees	75,000	40,692	54.26%
Golf Course	75,000	68,059	90.75%
Interest Income	300,000	230,589	76.86%

Expenditure Summary

Past 12 Months	Budget	YTD	% of Budget
Council	46,600	27,233	58.44%
Administration	1,110,841	405,820	36.53%
Tax	39,583	31,085	78.53%
Finance	438,643	305,817	69.72%
Police	3,043,258	2,027,683	66.63%
Legal & Courts	173,317	116,277	67.09%
Emergency Services	22,846	15,572	68.16%
Animal Control	225,688	138,918	61.55%
Streets	1,325,736	963,348	72.67%
Library	454,559	337,736	74.30%
Parks	913,930	587,794	64.31%
Facilities Division	552,136	333,791	60.45%
Recreation	816,671	443,079	54.25%
Golf Course	347,860	227,560	65.42%
Development Services	528,141	411,286	77.87%
City Secretary	136,837	69,943	51.11%
Non-profits	21,880	15,035	68.72%
Public Works	247,107	179,475	72.63%
Human Resources	116,120	77,641	66.86%
Information Technology	683,465	418,636	61.25%
Grants	496,861	443,477	89.26%
Total Expenditures	**11,742,078**	**7,577,207**	**64.53%**
Budet Surplus/Deficit	23,224	1,095,535	



Property Tax Breakdown (M&O & I&S)	
Original Roll	2,031,221
YTD Collections	1,997,787
% of Roll Collected	98.35%
Uncollected Balance	33,434

City of Hondo, Texas
Electric Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Residential	4,250,000	3,187,500	3,206,248	18,748	75.44%
Commercial	4,368,000	3,276,000	3,500,094	224,094	80.13%
Industrial	700,000	525,000	504,883	(20,117)	72.13%
Penalties	100,000	75,000	83,500	8,500	83.50%
New Installs	25,000	18,750	88,075	69,325	352.30%
Loan Proceeds	350,000	262,500	-	(262,500)	0.00%
Other	122,861	92,146	100,387	8,634,691	81.71%
Total Revenues	**9,915,861**	**7,436,896**	**7,483,187**	**8,672,742**	**75.47%**
Expenses					
Personnel	772,109	579,082	443,166	(135,916)	57.40%
Supplies	392,150	294,113	127,913	(166,200)	32.62%
Other Services	5,229,603	3,922,202	4,092,170	169,968	78.25%
Capital Outlay	387,000	290,250	268,117	(22,133)	69.28%
Debt Service	84,073	63,055	63,055	0	75.00%
Transfers	2,988,238	2,241,179	2,241,179	-	75.00%
Total Expenses	**9,853,173**	**7,389,880**	**7,235,599**	**(154,281)**	**73.43%**
Revenue over (under) expense	**62,688**	**47,016**	**247,588**	**8,827,022**	

City of Hondo, Texas
Water & Wasterwater Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Operating Revenues					
Water					
Revenue	3,450,000	2,587,500	2,242,401	(345,099)	65.00%
EAA Aquifer Management	275,000	206,250	178,017	(28,233)	64.73%
Other Fees	118,927	89,195	103,336	14,141	86.89%
Wastewater					
Revenue	1,530,000	1,147,500	1,043,054	(104,446)	68.17%
Other Fees	27,500	20,625	22,544	1,919	81.98%
Interest	165,000	123,750	149,609	25,859	90.67%
Transfer in - Fund Balance	1,073,662	805,246	805,245	(1)	75.00%
Grants	1,297,688	973,266	319,154	(654,112)	24.59%
Total Revenues	**7,937,777**	**5,953,333**	**4,863,360**	**(1,089,973)**	**61.27%**
Expenses					
Water					
Personnel	584,723	438,542	365,184	(73,359)	62.45%
Supplies	331,550	248,663	187,106	(61,556)	56.43%
Other Services	467,275	350,456	284,318	(66,138)	60.85%
Capital Outlay	399,498	299,624	224,579	(75,045)	56.22%
Debt Service	570,384	427,788	427,788	0	75.00%
Transfers	1,502,465	1,126,848	1,167,273	40,425	77.69%
Total Water	3,855,895	2,891,921	2,656,248	(235,673)	68.89%
Wastewater					
Personnel	404,014	303,010	274,245	(28,765)	67.88%
Supplies	257,950	193,463	150,813	(42,649)	58.47%
Other Services	198,300	148,725	95,617	(53,108)	48.22%
Capital Outlay	395,000	296,250	290,019	(6,231)	73.42%
Transfers	879,995	659,996	659,996	(0)	75.00%
Total Wastewater	2,135,258	1,601,444	1,470,690	(130,753)	68.88%
Utility Billing					
Personnel	249,802	187,351	170,817	(16,534)	68.38%
Supplies	22,800	17,100	5,192	(11,908)	22.77%
Other Services	90,823	68,117	65,892	(2,225)	72.55%
Total Utility Billing	363,425	272,568	241,902	(30,667)	66.56%
Grants					
CDBG Grants	312,500	234,375	147,725	(86,650)	47.27%
Capital Outlay	68,000	51,000	49,250	(1,750)	72.43%
TWDB Projects	1,202,700	902,025	448,439	(453,586)	37.29%
Total Expenses	**7,937,777**	**5,953,333**	**5,014,254**	**(820,012)**	**63.17%**
Revenue over (under) expense	-	-	**(150,894)**	**(269,961)**	

City of Hondo, Texas
Airport Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Aviation					
Fuel	420,000	315,000	305,032	(9,968)	72.63%
Hangars	369,321	276,991	280,753	3,762	76.02%
Other	42,682	32,012	29,951	(2,061)	70.17%
Non-Aviation					
Other	175,168	131,376	180,006	48,630	102.76%
Transfer in - Fund Balance	-	-	166,841		
Grants	100,000	75,000	1,750	(73,250)	1.75%
Total Revenues	**1,107,171**	**830,378**	**964,333**	**(32,887)**	**87.10%**
Expenses					
Personnel	390,516	292,887	275,304	(17,583)	70.50%
Supplies	336,800	252,600	249,848	(2,752)	74.18%
Other Services	136,100	102,075	240,472	138,397	176.69%
Debt Service	56,315	42,236	52,222	9,986	92.73%
Transfers	44,791	33,593	33,593	-	75.00%
Grants	111,111	83,333	84,062	728	75.66%
Total Expenses	**1,075,633**	**806,725**	**935,500**	**128,775**	**86.97%**
Revenue over (under) expense	**31,538**	**23,653**	**28,832**	**(161,662)**	

City of Hondo, Texas
Sanitation Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Charges for Services					
Residential	700,000	525,000	551,693	26,693	78.81%
Commercial	850,000	637,500	694,748	57,248	81.74%
Penalties	14,000	10,500	12,293	1,793	87.81%
Miscellaneous	500	375	443	68	88.69%
Interest	25,000	18,750	10,770	(7,980)	43.08%
Total Revenues	**1,589,500**	**1,192,125**	**1,269,947**	**77,822**	**79.90%**
				8,517,098	
Expenses					
Services					
Residential	600,000	450,000	479,333	29,333	79.89%
Commercial	830,000	622,500	648,781	26,281	78.17%
Tires and TV Pickups	5,000	3,750	2,556	(1,194)	51.12%
Transfers	154,500	115,875	115,875	-	75.00%
Total Expenses	**1,589,500**	**1,192,125**	**1,246,545**	**54,420**	**78.42%**
Revenue over (under) expense	**-**	**-**	**23,402**	**23,402**	

City of Hondo, Texas
Bond Interest and Sinking Fund
Statement of Revenues and Expenditures
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Property Tax	710,190	532,642	683,135	150,493	96.19%
Transfers In					
EDC	133,823	100,367	100,367	-	75.00%
Electric Fund	84,073	63,055	63,055	0	75.00%
Water Fund	570,385	427,789	427,788	(1)	75.00%
Airport Fund	16,373	12,279	12,280	0	75.00%
Total Revenues	**1,514,844**	**1,136,133**	**1,286,625**	**150,492**	**84.93%**
Expenditures					
Principal Retirements					
2014 Refunding	181,000	135,750	181,000	45,250	100.00%
2016 CO	140,000	105,000	235,000	130,000	167.86%
2015 CO	235,000	176,250	-	(176,250)	0.00%
2017 CO	255,000	191,250	-	(191,250)	0.00%
2021 CO	75,000	56,250	75,000	18,750	(56,250)
2021 EDC Sales Tax	65,000	48,750	65,000	16,250	(48,750)
2022 Tax Notes	95,000	71,250	95,000	23,750	(71,250)
2022A Tax Notes	110,000	82,500	110,000	27,500	(82,500)
Interest					
Miscellaneous (payment to escrow)	2,800	2,100	2,100	-	75.00%
2014 Refunding	8,682	6,512	5,721	(790)	65.90%
2016 CO	60,252	45,189	11,465	(33,724)	19.03%
2015 CO	20,962	15,721	30,126	14,404	143.72%
2017 CO	97,621	73,215	48,810	(24,405)	50.00%
2021 CO	107,025	80,269	54,075	(26,194)	50.53%
2021 EDC Sales Tax	9,050	6,788	4,850	(1,938)	53.59%
2022 Tax Notes	9,266	6,949	4,956	(1,993)	53.49%
2022A Tax Notes	43,187	32,390	22,379	(10,011)	51.82%
Total Expenditures	**1,514,844**	**1,136,133**	**945,482**	**(190,651)**	**62.41%**
Revenue over (under) expenditures	**-**	**-**	**341,143**	**341,143**	

City of Hondo, Texas
Court Technology/Security Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Court Security Fee	1,200	900	120	(780)	10.00%
Court Technology Fees	1,700	1,275	176	(1,099)	10.35%
Interest Revenue	500	375	-	(375)	0.00%
Total Revenues	**3,400**	**2,550**	**296**	**(2,254)**	**8.71%**
Expenses					
Other Services	3,400	2,550	3,990	1,440	117.36%
Total Expenses	**3,400**	**2,550**	**3,990**	**1,440**	**117.36%**
Revenue over (under) expenses	**-**	**-**	**(3,694)**	**(3,694)**	

City of Hondo, Texas
Perpetual Care Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Revenues	20,000	15,000	19,100	4,100	95.50%
Interest Revenue	1,000	750	33,863		
Transfer in - Fund Balance	40,000	30,000	-	-	0.00%
Total Revenues	**61,000**	**45,750**	**52,963**	**4,100**	**86.82%**
Expenses					
Mowing Fees to General Fund	40,000	30,000	30,000	-	75.00%
Bank Fees	-	-	-	-	0.00%
Cemetery Cleanup	1,000	750	288		
Lawn Mower	20,000	15,000	20,000	5,000	100.00%
Total Expenses	**61,000**	**45,750**	**50,288**	**5,000**	**82.44%**
Revenue over (under) expenses	**-**	**-**	**2,675**	**(900)**	

City of Hondo, Texas
General Capital Projects
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Interest Revenue	-	-	94,041	94,041	0.00%
Transfer In	2,500,000	1,875,000	2,220,182	345,182	88.81%
Total Revenues	**2,500,000**	**1,875,000**	**2,314,223**	**439,223**	**92.57%**
Expenses					
Street Improvements	2,500,000	1,875,000	2,222,202	347,202	88.89%
Total Expenses	**2,500,000**	**1,875,000**	**2,222,202**	**347,202**	**88.89%**
Revenue over (under) expenses	**-**	**-**	**92,021**	**92,021**	

City of Hondo, Texas
Economic Development Corporation
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Sales Tax	625,000	468,750	522,757	54,007	83.64%
Miscellaneous	315,557	236,668	171,362	(65,306)	54.30%
Interest Revenue	98,095	73,571	114,575	41,004	116.80%
Total Revenues	**1,038,652**	**778,989**	**808,693**	**29,705**	**77.86%**
Expenses					
Personnel	260,105	195,079	163,361	(31,718)	62.81%
Supplies	6,000	4,500	2,313	(2,187)	38.55%
Other Services	638,724	479,043	441,104	(37,939)	69.06%
Debt Service	133,823	100,367	100,367	-	75.00%
Total Expenses	**1,038,652**	**778,989**	**707,145**	**(71,844)**	**68.08%**
Revenue over (under) expenses	-	-	**101,549**	**101,549**	

City of Hondo, Texas
South Texas Regional Training Center
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
SWTJC Rent	49,405	37,054	37,054	(0)	75.00%
Alamo Workforce Office Lease	23,747	17,810	17,810	(0)	75.00%
Monthly Utility	10,068	7,551	6,317	(1,234)	62.74%
Admin Services & Support	20,280	15,210	15,210	-	75.00%
Miscellaneous	24,650	18,488	17,725	(763)	71.91%
Total Revenues	**213,150**	**159,863**	**152,866**	**(6,997)**	**71.72%**
Expenses					
Personnel	133,893	100,420	76,021	(24,399)	56.78%
Supplies	7,700	5,775	4,426	(1,349)	57.48%
Other Services	65,285	48,964	32,472	(16,492)	49.74%
Capital Outlay	6,272	4,704	-	(4,704)	0.00%
Total Expenses	**213,150**	**159,863**	**112,919**	**(46,943)**	**52.98%**
Revenue over (under) expenses	**-**	**-**	**39,946**	**39,946**	

City of Hondo, Texas
Hotel/Motel Tax Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Hotel/Motel Tax Revenues	135,000	101,250	78,338	(22,912)	58.03%
Interest Revenue	-	-	-	-	0.00%
Total Revenues	**135,000**	**101,250**	**78,338**	**(22,912)**	**58.03%**
Expenses					
Hondo Chamber of Commerce	65,000	48,750	48,750	-	75.00%
Medina County Museum	7,500	5,625	3,750	(1,875)	50.00%
Rodeo Association	10,000	7,500	5,000	(2,500)	50.00%
Medina Livestock Assoc	5,000	3,750	2,500	(1,250)	50.00%
Transfers	47,500	35,625	23,750	(11,875)	50.00%
Total Expenses	**135,000**	**101,250**	**83,750**	**(17,500)**	**62.04%**
Revenue over (under) expenses	**-**	**-**	**(5,412)**	**(5,412)**	

City of Hondo, Texas
Water Resource Fund
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Water Resource Revenues	30,000	22,500	23,416	916	78.05%
Interest Revenue	-	-	-	-	0.00%
Total Revenues	**30,000**	**22,500**	**23,416**	**916**	**78.05%**
Expenses					
Transfers	30,000	22,500	64,747	42,247	215.82%
Total Expenses	**30,000**	**22,500**	**64,747**	**42,247**	**215.82%**
Revenue over (under) expenses	**-**	**-**	**(41,331)**	**(41,331)**	

City of Hondo, Texas
Fair Hall & Livestock
Statement of Revenues and Expenses
Budget to Actual

June 30, 2024

	Budget	YTD Budget	YTD Actual	Variance	% of Budget
Revenues					
Fair Building Rental	32,500	24,375	27,000	2,625	83.08%
Fair Building Deposits	-	-	1,743	1,743	0.00%
Interest Income	-	-	-	-	0.00%
Transfers	47,500	35,625	23,750	(11,875)	50.00%
Total Revenues	**80,000**	**60,000**	**52,493**	**(7,507)**	**65.62%**
Expenses					
Personnel	-	-	-	-	0.00%
Supplies	59,000	44,250	41,254	(2,996)	69.92%
Other Services	21,000	15,750	13,790	(1,960)	65.67%
Total Expenses	**80,000**	**60,000**	**55,045**	**(4,955)**	**68.81%**
Revenue over (under) expenses	**-**	**-**	**(2,551)**	**(2,551)**	

HONDO

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City Council Communication

Title: **CONSIDERATION AND APPROVAL OF THE 3RD QUARTER INVESTMENT REPORT FOR FY 2024. (CHRIS HILL, CHIEF FINANCE OFFICER)**
Date: August 12, 2024 ***From:*** Chris Hill, Chief Finance Officer

INFORMATION:

In an effort to keep the City Council, staff and public informed of the receipt of quarterly interest earned on the City of Hondo's Investments, the 3rd Quarter Investment Report for the Fiscal Year ending September 30, 2024, is presented for review.

FINANCIAL IMPACT:

The City increased earnings with the investment strategy to use TexPool Prime, US Treasuries and local CDs. The quarterly earnings for the 3rd quarter ended June 30, 2024 was **$283,207** which is another strong quarter, for YTD total for 9 months of **$746,446** for the Fiscal Year 2023/2024.

The quarterly investment reports will be reviewed by the City of Hondo external auditor during the annual financial audit.

STAFF RECOMMENDATION:

The City Staff recommends approval/acceptance of the 3rd Quarter Investment Report for the 9-month period ended June 30, 2024, as presented.

MOTION:

Move to approve the 3rd Quarter Investment Report for the fiscal year ending September 30, 2024.

ATTACHMENTS:

1. June 2024 Quarter Investment report signed

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

John Naron
City Manager
jnaron@hondo-tx.org

City of Hondo
Investment Inventory Report
3rd Quarter Report
June 30, 2024

HONDO
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Security	Owner	Avg. Rate/ Yield	Next Maturity	Original Amt.	Ending Balance	Ending Market	QTD Earnings
				-			
Water Rights - Owned (Fund 3)	Fund 03	0.00%		$ 199,540.60	$ 199,540.60	$ 199,540.60	
Investment Fund - General	TXN	1.00%	N/A	500,840.48	501,463.36	501,463.36	$ 622.88
Texpool - General Fund	Texpool	5.46%	N/A	4,250,000.00	4,807,836.55	4,807,836.55	$ 64,901.15
Texpool - Electric	Texpool	5.46%	N/A	1,500,000.00	1,618,015.44	1,618,015.44	$ 21,841.65
Texpool - Water & Wastewater	Texpool	5.46%	N/A	2,375,000.00	2,577,408.60	2,577,408.60	$ 34,792.53
Texpool - General Street Capital Projects	Texpool	5.46%	N/A	1,875,000.00	1,828,578.53	1,828,578.53	$ 24,684.04
US Maturity T-Bills - 2024 Bond Cos	T-Bills	5.23%	8/27/2024	9,914,766.67	9,914,766.67	9,914,766.67	$ -
CD Investment - EDC	CD - TXN - 4344	4.76%	7/16/2024	2,300,000.00	2,347,350.00	2,347,350.00	$ 18,958.56
CD Investment - 2024 Bond Cos	CD - TXN - 4794	4.76%	6/27/2024	10,000,000.00	-	-	$ 79,708.85
CD Investment - Water and Wastewater	CD - TXN - 4485	4.76%	8/1/2024	1,200,000.00	1,223,615.48	1,223,615.48	$ 11,367.77
CD Investment - Sanitation	CD - TXN - 4485	4.76%	8/1/2024	450,000.00	455,741.35	455,741.35	$ 4,233.98
CD Investment - Perptual Care Fund	CD - TXN - 4485	4.76%	8/1/2024	550,000.00	557,307.18	557,307.18	$ 5,177.56
CD Investment - General Fund	CD - TXN - 4485	4.76%	8/1/2024	1,200,000.00	1,228,920.33	1,213,262.11	$ 11,271.58
CD Investment - ARPA	CD - TXN - 4485	4.76%	8/1/2024	600,000.00	607,829.11	607,829.11	$ 5,646.92
TOTAL Investments and Interest Earnings				**$ 36,715,607.15**	**$ 27,668,832.60**	**$ 27,653,174.38**	**$ 283,207.46**

WEIGHTED AVERAGE MATURITY		
(Interest Bearing Only)	BOOK VALUE	DAYS TO MAT.
Texpool Prime	$ 10,831,839	33
TXN CD (No penalty early withdrawal)		

Fund Totals of Investments		
General Fund	23.59%	6,522,562.02
Perpetual Care	2.02%	557,307.18
Gen. Street Cap Proj.	6.61%	1,828,578.53
Water & Wastewater	13.75%	3,801,024.08
EDC	8.49%	2,347,350.00
Sanitation	1.65%	455,741.35
ARPA	2.20%	607,829.11
2024 Bond Cos	35.85%	9,914,766.67
Electric	5.85%	1,618,015.44
INVESTMENT TOTALS		$ 27,653,174.38

This report is in compliance with the City's Investment Policy Section V. and the Reporting and Texas Government Code Section 2256.023.

Christopher Hill, Chief Financial Officer

HONDO

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City Council Communication

Title: **CONSIDERATION AND APPROVAL OF VARIOUS APPOINTMENTS TO BOARDS AND COMMISSIONS. (MAYOR MCANELLY)**
Date: August 12, 2024 ***From:*** Mayor John McAnelly, Mayor

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. Mayor Board and Commission Appointments

STAFF CONTACTS:

Appointment of various boards and commission
Date August 8, 2024 From: Mayor McAnelly

The City of Hondo is served by various Advisory Boards and Commissions. Citizens accept these unpaid appointments and serve up to three two-year terms. Today we have one who has agreed to serve.

Enrique Hernandez has agreed to serve on our Parks and Recreation Advisory Board.

As Mayor I recommend the re-appointment of this citizen.

HONDO

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City Council Communication

Title: **APPROVAL OF ORDINANCE NO. 1291-08-24 A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A BEAUTY/HAIR SALON ON PROPERTY ZONED AS RESIDENTIAL TWO DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AND EFFECTIVE DATE. (CODIFICATION OF ACTION TAKEN AT JULY 22, 2024 REGULAR CITY COUNCIL MEETING).**
Date: August 12, 2024 ***From:***

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. 1291-08-24 Salazar Beauty Salon SUP

STAFF CONTACTS:

ORDINANCE NO. 1291-08-24

A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A BEAUTY/HAIR SALON ON PROPERTY ZONED AS RESIDENTIAL TWO DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE.

WHEREAS, the City of Hondo, Texas ("City") is a home-rule municipality empowered by Chapter 211 of the Texas Local Government Code to establish a zoning ordinance establishing zoning districts and permissible land uses within the incorporated limits of the City; and

WHEREAS, the City Council has previously adopted zoning regulations by the passage of Ordinance No. 1148-01-18 in 2018 which permitted certain uses in Residential Districts by approval of a Specific Use Permit ("SUP"); and

WHEREAS, on June 4, 2024, Annalisa Salazar, together with her parents, Amy and Gary Salazar, owners of the property situated at 1301 20th Street, Hondo, Texas (the "Property," described further herein), applied for an SUP for the location and operation of a beauty/hair salon on the Property which is zoned Residential Two ("R2"); and

WHEREAS, two public hearings were held to discuss the SUP application described herein; with the first public hearing being conducted by the Planning & Zoning Commission on Monday, July 15, 2024 at 6:00 PM CST and the second public hearing being conducted by City Council on Monday, July 22, 2024 at 6:00 PM CST, each being conducted for the purpose of providing all interested persons the opportunity to be heard concerning the proposed SUP described herein; and

WHEREAS, legal notice notifying the public of both public hearings on the requested SUP was posted on the City's official website and published in the ***Hondo Anvil Herald***, a newspaper of general circulation in the City of Hondo, on June 20, 2024, with said publication provided more than fifteen (15) days prior to the public hearing before the City Council; and

WHEREAS, written notice of the above public hearings before the Planning & Zoning Commission and the City Council were sent to each owner of real property, as indicated on the approved tax roll of the City of Hondo, within 200 feet of the property to be rezoned, with said notice provided more than ten (10) days prior to the initial public hearing of the City Council as cited above; and

WHEREAS, the Planning and Zoning Commission, having considered this SUP application following due notice and a public hearing, and having considered all required factors and made all required findings set forth in the Texas Local Government Code and Code Ordinances, approved by majority vote to recommend to City Council that the SUP be approved; and

WHEREAS, the City Council, having considered this SUP application following due notice and a public hearing, and having considered all required factors and made all required findings set forth in Texas Local Government Code and Code Ordinances, has determined that this SUP should be approved subject to certain terms and conditions set forth herein; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

Section 1. Specific Use Permit Approved. Applicant is hereby granted a SUP, pursuant to Section 3.12 of the City's Unified Development Code, to locate and operate a beauty/hair salon at a location on the Property, located at 1301 20th Street, Hondo, Texas 78861 and identified as Medina County Assessor's Parcel Identification No. 16468. The Property is further described as a 0.38-acre tract of land, being Lots 6 and 7, Block 26, of the City of Hondo, according to the map or plat thereof recorded in Volume 1, Page 127, Plat Records, Medina County, Texas.

The SUP is subject to and conditioned upon the following special conditions:

a. A business operating under this SUP must be in full conformance with all State health and safety laws, regulations, and licensing requirements.
b. Monitoring traffic impacts and a potential to relocate when the business expands.

Section 2. Public Purpose. The City Council finds that the SUP herein approved complies with all applicable rules and regulations set forth in the City's Code of Ordinances and other law and is consistent with the City's Comprehensive Master Plan.

Section 3. Incorporation of Recitals. The City Council hereby finds the recitals in the preamble of this Ordinance to be true and correct and incorporates them as findings of fact.

Section 4. Repealer. All ordinances, parts of ordinances, or resolutions in conflict herewith are hereby repealed to the extent of such conflict with all remaining portions not conflicting being saved from repeal herein.

Section 5. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared void.

Section 6. Revocation of Specific Use Permit. The SUP granted herein may be suspended, revoked, or modified by the City Council, after public hearing, notice and report by the Planning and Zoning Commission pursuant to Chapter 211 of the Texas Local Government Code to determine whether any condition, stipulation, or term of the approval of the SUP has been violated. In addition and without any public hearing or action, this SUP may be automatically revoked and terminated if the Property is no longer owned by Amy and Gary Salazar.

Section 7. Effective Date. This Ordinance shall become effective immediately following passage by City Council.

PASSED and APPROVED this, the 12th day of August, 2024.

By: _____
JOHN MCANELLY JR.
MAYOR

ATTEST:

_____
REBEKAH DOLPHUS
CITY SECRETARY

HONDO

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City Council Communication

Title: **APPROVAL OF ORDINANCE NO. 1292-08-24 A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A WINDOW TINTING RETAIL SHOP ON PROPERTY ZONED AS CENTRAL BUSINESS DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE. (CODIFICATION OF ACTION TAKEN AT JULY 22, 2024 REGULAR CITY COUNCIL MEETING).**

Date: August 12, 2024 ***From:***

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. 1292-08-24 Solarize Tint SUP

STAFF CONTACTS:

ORDINANCE NO. 1292-08-24

A ZONING ORDINANCE OF THE CITY OF HONDO, TEXAS GRANTING A SPECIFIC USE PERMIT FOR THE LOCATION AND OPERATION OF A WINDOW TINTING RETAIL SHOP ON PROPERTY ZONED AS CENTRAL BUSINESS DISTRICT, AS AUTHORIZED BY SECTION 3.12 OF THE UNIFIED DEVELOPMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE.

WHEREAS, the City of Hondo, Texas ("City") is a home-rule municipality empowered by Chapter 211 of the Texas Local Government Code to establish a zoning ordinance establishing zoning districts and permissible land uses within the incorporated limits of the City; and

WHEREAS, the City Council has previously adopted zoning regulations by the passage of Ordinance No. 1148-01-18 in 2018 which permitted certain uses in Central Business Districts by approval of a Specific Use Permit ("SUP"); and

WHEREAS, Ruben Saucedo, on behalf of Solarize Tint, the lessee of the property situated at 1113 19th Street, Hondo, Texas (the "Property," described further herein), applied for an SUP for the location and operation of a window tinting retail shop on the Property which is zoned Central Business District ("CBD") on May 14, 2024, as authorized by the Property's owner; and

WHEREAS, two public hearings were held to discuss the SUP application described herein; with the first public hearing being conducted by the Planning & Zoning Commission on Monday, July 15, 2024 at 6:00 PM CST and the second public hearing being conducted by City Council on Monday, July 22, 2024 at 6:00 PM CST, each being conducted for the purpose of providing all interested persons the opportunity to be heard concerning the proposed SUP described herein; and

WHEREAS, legal notice notifying the public of both public hearings on the requested SUP was posted on the City's official website and published in the ***Hondo Anvil Herald***, a newspaper of general circulation in the City of Hondo, on June 20, 2024, with said publication provided more than fifteen (15) days prior to the public hearing before the City Council; and

WHEREAS, written notice of the above public hearings before the Planning & Zoning Commission and the City Council were sent to each owner of real property, as indicated on the approved tax roll of the City of Hondo, within 200 feet of the property to be rezoned, with said notice provided more than ten (10) days prior to the initial public hearing of the City Council as cited above; and

WHEREAS, the Planning and Zoning Commission, having considered this SUP application following due notice and a public hearing, and having considered all required factors and made all required findings set forth in the Texas Local Government Code and Code Ordinances, approved by majority vote to recommend to City Council that the SUP be approved; and

WHEREAS, the City Council, having considered this SUP application following due notice and a public hearing, and having considered all required factors and made all required findings set forth in Texas Local Government Code and Code Ordinances, has determined that this SUP should be approved subject to certain terms and conditions set forth herein; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

Section 1. Specific Use Permit Approved. Applicant is hereby granted a SUP, pursuant to Section 3.12 of the City's Unified Development Code, to locate and operate a window tinting retail shop at a location on the Property, located at 1113 19th Street, Hondo, Texas 78861 and identified as Medina County Assessor's Parcel Identification No. 16436. Said Property being further described as a 0.473 acre tract of land, more or less, being a portion of Lot 18, Block 21 within the corporate limits of the City of Hondo, Medina County, Texas.

The SUP is subject to and conditioned upon the following special conditions:

a. Car-washing services are NOT to be performed on the Property and will require a new application.

Section 2. Public Purpose. The City Council finds that the SUP herein approved complies with all applicable rules and regulations set forth in the City's Code of Ordinances and other law and is consistent with the City's Comprehensive Master Plan.

Section 3. Incorporation of Recitals. The City Council hereby finds the recitals in the preamble of this Ordinance to be true and correct and incorporates them as findings of fact.

Section 4. Repealer. All ordinances, parts of ordinances, or resolutions in conflict herewith are hereby repealed to the extent of such conflict with all remaining portions not conflicting being saved from repeal herein.

Section 5. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared void.

Section 6. Revocation of Specific Use Permit. The SUP granted herein may be suspended, revoked, or modified by the City Council, after public hearing, notice and report by the Planning and Zoning Commission pursuant to Chapter 211 of the Texas Local Government Code to determine whether any condition, stipulation, or term of the approval of the SUP has been violated.

Section 7. Effective Date. This Ordinance shall become effective immediately following passage by City Council.

PASSED and APPROVED this, the 12th day of August, 2024.

By: _____
JOHN MCANELLY JR.
MAYOR

ATTEST:

_____
REBEKAH DOLPHUS
CITY SECRETARY

HONDO

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City Council Communication

Title: **DISCUSSION AND POSSIBLE RECONSIDERATION AND ACTION ON LONGEVITY AND CERTIFICATION PAY PROPOSALS THAT WERE DISCUSSED AND PASSED ON JULY 22, 2024 AT REGULAR CITY COUNCIL MEETING.**
Date: August 12, 2024 ***From:***

INFORMATION:

Dear Council,

It is my understanding there is some desire to re-open this item. Because this item was passed so recently, I think it would be cleaner if it was treated as a reconsideration, rather than a new item.

Re-opening the item would start with someone who voted in favor on July 22 making a "motion to reconsider the action taken on longevity and certification pay proposals that were passed on July 22, 2024 at Regular City Council Meeting."

A. If it gets no second: the item stays the same from July 22 meeting

B. If it gets a second: vote on motion to reconsider.

A. Vote fails: the item stays the same from July 22 meeting

B. Vote wins: the item is re-opened and new discussion and action.

A. Once it is reopened there would be new discussion and a new motion would be needed on the longevity and certification pay proposals: Motion to reject proposal, motion to accept proposal, motion to accept proposal with modification

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. CITY OF HONDO LONGEVITY AND CERTIFICATION PAY CHANGES

STAFF CONTACTS:

CITY OF HONDO
PROPOSAL
2024-2025 LONGEVITY PAY

CURRENT POLICY EXCERPT: 8.08 YEARS OF SERVICE (LONGEVITY) - The City Council, at its discretion, may authorize full-time employees to receive longevity pay. The decision as to whether such payments will be made and the amount will be determined by all circumstances considered appropriate by the Council, including, without limitation, the financial condition of the City. If made, this payment will normally occur in December. Employees who have taken a leave of absence in excess of twelve (12) weeks, for any reason, in a calendar year, or who retire, resign, or are discharged before December of the applicable year will not be considered for any such benefit in that year.

HISTORY:

- Last Longevity rate: $3 per month
- Last date paid out: December 2023
- Last Increase: n/a

PROPOSAL: $10 per month paid in December 2024

EXAMPLES:

Years	MONTHS	X $10
1	12	$ 120.00
5	60	$ 600.00
7	84	$ 840.00
13.5	162	$ 1,620.00
15	180	$ 1,800.00
20	240	$ 2,400.00

CITY OF HONDO

PROPOSAL

CERTIFICATION/LICENSURE PAY

HISTORY: SOME EMPLOYEES CURRENTLY RECEIVE A $25 PER PAY PERIOD LICENSE PAY.

LAST INCREASE: unknown

CURRENT POLICY EXCERPT WITH PROPOSED REVISION: 8.09 EDUCATIONAL OPPORTUNITIES: …Various employees may be required by the City to maintain an active license/certification as a qualification for their positions. The cost of training associated with maintaining their license/certification status, *e.g.,* continuing education, as required by the State of Texas or Federal regulations will be borne by the City. The City Manager, at his/her sole discretion, may authorize such training to be conducted during normal working hours. ~~This provision does not authorize the payment of expenses related to initially obtaining a license or certification.~~

WATER AND WASTEWATER CERTIFICATIONS

License	Monthly	Annual
D	130	1560
C	300	3600
B	400	4800
CDL	130	1560

It is a great advantage for the City of Hondo to have employees who are Dual-Licensed for Water and Waste Water. Accordingly, we propose paying 50% for any secondary certification. Their initial, or most job-related certification, will be primary.

Example: Waste Water worker has a WW-B license and they later earn a W-C license. The initial license pays $4,800 at 100% and the secondary license earns 50% of $3,600 ($1,800) for a total licensure pay of $6,600 annually.

EFFECTIVE DATE: PAY PERIOD FOLLOWING APPROVAL BY THE CITY COUNCIL

HONDO

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City Council Communication

Title: **PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2024-2025. (CHRIS HILL, CHIEF FINANCE OFFICER)**
Date: August 12, 2024 ***From:*** Chris Hill, Chief Finance Officer

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. SummaryBudget081224

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

John Naron
City Manager
jnaron@hondo-tx.org

EXHIBIT A

HONDO
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8/12/24

City of Hondo FY 2024-2025 Proposed Budget Comparison

Fund Comparison between FY 2024 and FY 2025 Proposed

	FY 2024	FY 2025	Difference	
Revenues				
General Fund	5,019,204	5,854,060	834,856	Property Tax / Court
Electric Fund	9,535,861	10,306,662	770,801	2023 Rate Increase
Water Fund	6,642,399	6,082,394	(560,004)	Grants / Spatz Project
Airport Fund	1,107,171	1,140,232	33,061	
Bond Fund	710,190	823,808	113,618	2024 Bonds
Sanitation Fund	1,589,500	1,685,500	96,000	CPI Increase
Court Technology/Court Security	3,400	4,250	850	
Perpetual Care Fund	61,000	66,000	5,000	
EDC Fund	1,038,652	897,677	(140,975)	PY Carryover Projects
STRTC Fund	148,150	121,855	(26,295)	Transfers
Hotel/Motel Tax Fund	135,000	135,000	-	
Water Resource Fund	30,000	30,000	-	
Fair Hall & Livestock Fund	32,500	32,500	-	
Total Revenues	**$ 26,053,026**	**$ 27,179,939**	**$ 1,126,912**	
			4%	
Expenses				
General Fund	11,618,294	12,016,610	398,316	Streets
Electric Fund	6,789,299	7,166,285	376,986	Power Offset by Capital
Water Fund	4,931,034	2,919,786	(2,011,248)	AMI Meters / Projects
Airport Fund	1,014,469	1,061,118	46,648	
Bond Fund	1,514,844	2,550,604	1,035,761	2024 Bonds
Sanitation Fund	1,435,000	1,510,000	75,000	CPI Increase
Court Technology/Court Security Fund	3,400	4,250	850	
Perpetual Care Fund	21,000	21,000	-	
EDC Fund	809,829	631,157	(178,672)	PY Carryover Projects
STRTC Fund	213,150	121,855	(91,296)	Reduction Personnel
Hotel/Motel Tax Fund	87,500	87,500	-	
Water Resource Fund	30,000	30,000	-	
Fair Hall & Livestock Fund	80,000	49,775	(30,225)	Building Maint in Bonds
Total Expenses	**$ 28,547,819**	**$ 28,169,939**	**$ (377,880)**	
			-1%	
Other Sources (Uses) of Funds				
American Rescue Funds	347,689	600,000	252,311	Remaining Projects
Transfer In	-	-	-	
2022 Tax Notes Remaining	1,393,640	390,000	(1,003,640)	City Hall Remodel
TWDB Water Funds	600,000	-	(600,000)	
2021 Tax Notes Remaining	185,000	-	(185,000)	
Total Other Sources (Uses) of Funds	**$ 2,526,329**	**$ 990,000**	**$ (1,536,329)**	
Surplus (Deficit)	**$ 31,537**	**$ 0**	**$ (31,538)**	

HONDO

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City Council Communication

Title: **DISCUSS AND CONSIDER ACTION ON SETTING THE PROPOSED PROPERTY TAX RATE AND SET PUBLIC HEARING DATE, TIME, AND LOCATION. (CHRIS HILL, CHIEF FINANCE OFFICER)**
Date: August 12, 2024 ***From:*** Chris Hill, Chief Finance Officer

INFORMATION:

- Budget Workshops were held on July 23 and 24 and August 6 to review the FY 2024/2025 Budget and Property Tax Rate. The proposed budget has proposed property tax of $.48. The rate is above the no-new-revenue tax rate of $.4199 but below the voter-approval tax rate of $.4948. The rates are given per $100 property value.

- The Hondo Proposed Property Tax Rate of $.48 is lower than the majority of the comparable cities and taxing authorities in the area.

FINANCIAL IMPACT:

See attached recap.

STAFF RECOMMENDATION:

City Staff recommends city council approve budget plan for property tax rate at $.48 and set a public hearing on August 26, 2024 at 6PM as part of the regular city council agenda in the City Hall Chambers.

MOTION:

Take a Roll Call Vote on the proposed property tax rate of $.48 and set a public hearing on August 26, 2024 at 6PM in the City Hall Chambers.

ATTACHMENTS:

1. 1 TITLE & TAX Page to Budget 2024-2025

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

John Naron
City Manager
jnaron@hondo-tx.org

CITY OF HONDO, TEXAS
FISCAL YEAR 2024-2025
ANNUAL BUDGET

Mayor
John McAnelly

Council Members
Brett Williams, Place1
Joe Claire, Place 2
Jose "Porky" Ytuarte, Place 3
Rachel Ramirez, Place 4
John E. Villa, Place 5

City Manager
John Naron

This budget will raise more total revenue from property taxes than last year's budget by an amount of $359,446 which is an 17% increase, and of that amount the revenue to be raised from new property added to the tax roll this year is $64,120.

The members of the governing body voted on XXXXXX at a City Council meeting the adoption of the budget as follows:

Council Members FOR:
AGAINST: None
PRESENT and not voting:
ABSENT:

TAX RATE	ADOPTED FY 2023-24	PROPOSED FY 2024-25
Property Tax Rate	.4370	.4800
No New Revenue Tax Rate	.4385	.4199
No New Revenue M&O Tax Rate	.2858	.2751
Voter Approval Tax Rate	.4861	.4948
Debt Tax Rate	.1512	.1630

The total amount of Municipal debt obligated secured by property taxes for the City of Hondo is $823,807.

HONDO

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City Council Communication

Title: **DISCUSS AND CONSIDER ACTION ON THE PROPOSED CITY OF HONDO WATER MASTER PLAN. (JOHN NARON, CITY MANAGER)**
Date: August 12, 2024 ***From:*** John Naron, City Manager

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

1. 2024.07.24 Hondo 2024 Water Master Plan - Proposal

STAFF CONTACTS:

4833 Spicewood Springs Road, Suite 204
Austin, TX 78759
512.342.6868

July 24, 2024

Rene Saenz, Public Works Director
City of Hondo
1000 Avenue Y
Hondo, TX 78861

via email only
rsaenz@hondo-tx.org

RE: ***City of Hondo***
2024 Water Master Plan
Proposal for Professional Engineering Services

Dear Mr. Saenz,

KSA Engineers, Inc., (KSA) is pleased to present this letter to serve as our understanding of the proposed project and the scope of the professional engineering services necessary to assist you with completion of the work. This proposal is not a contract for professional services. Upon acceptance of the proposal, KSA will prepare and submit a professional services agreement to be executed by both parties.

It is our understanding that the City desires a Water Master Plan, which will generally consist of the following:

- Review of Hondo's land use plan and population projections,
- Analysis of projected water demands,
- Review of existing water system and capacities,
- Analysis and discussion of current and future groundwater supply requirements,
- Update and build-out of water distribution system hydraulic model, and
- Development of long-term capital improvements plan (CIP) for water infrastructure

A list of capital improvements will be used by the City for long-term planning, particularly as the City experiences growth on its western side. The water model will be used as a near-term and master planning tool. As a near-term tool the water model will assist in determining if the system has sufficient capacity while considering residential and commercial service extension requests. As a master planning tool, the model will be combined with growth projections to identify system bottlenecks and evaluate expansion projects from the present to full buildout.

A water model of the City's water distribution system was originally developed by CDS Muery Services in 2008. The model was last updated in 2013 by KSA using WaterCAD water modeling software. It is our understanding that there have been modifications to the water system since that time, which should be included in the updated model, and that there are other inaccurate features that require revision or updating to accurately represent the existing system. Our proposed scope of services is detailed below.

Scope of Services

KSA proposes to provide professional services in accordance with a Professional Services Agreement (Agreement) which will be subsequently prepared following your acceptance of the information presented in this proposal. The tasks under this phase described in the Agreement will be described as follows:

A. Review Land Use Plan provided by the City and Population Projections

B. Review Projected Water Demands

C. Water System Capacity Analysis

1. Update and summarize the following system capacities and compare to TCEQ requirements, as applicable:
    a. Storage Capacity
    b. Pump Capacity
    c. Minimum Waterline Size
    d. Water System Demands
2. Develop future capacity requirements for above-listed items

D. Groundwater Supply

1. Summarize per TCEQ source water capacity requirements.
2. Project future groundwater requirements.
3. Summarize groundwater supply issues and alternatives

E. Water Model Development and Update

1. Collect and review existing system maps, documents and relevant technical reports from the City.
2. Review subdivision drawings on file at the City that have been developed since the last model update.
3. Confirm all pressure plane boundaries and control valve locations are reflected accurately in the model based on information provided by the City.
4. Review of recent system operational data to further define the dynamics of the water system. Information to be provided by the City to KSA includes:
    a. Most up to date water system mapping and known changes or discrepancies in existing mapping.
    b. Water billing data in a sortable, Excel compatible file by meter address or tax parcel ID number, and master meter reading data, broken down by residential and non-residential use. This will allow the assignment of appropriate demands to various areas of the water system. This information will be critical for the largest water customers, such as the correctional facilities.
    c. Pump curves for all pump systems as available.
    d. The last five years of well production data showing the quantity of water supplied to the distribution system with hourly data points.
    e. Pressure reducing valve (PRV) locations and settings.
    f. Identification of any known operational shortcomings or problem areas.
    g. Record data from SCADA in Excel format from three separate historical peak 24-hour periods (known “peak days”) that include:
        1) Metered flow from all wells,
        2) Booster pumping flows, and
        3) Simultaneous tank levels in the system.
5. Based on the information available, prepare an updated existing water system map including a schematic layout of the water system, pipe sizes, PRVs, master meters, storage tanks.
6. Update the model with the following to create a new existing scenario:
    a. Physical changes to the distribution system so that the water distribution system network matches the current conditions to the best of our knowledge.

b. Add demands to the model to reflect major new non-residential customers that have been added to the system since the last model update in 2013.
c. Adjust the number of customer connections to the system to match current conditions.
d. Adjust pump capacities, PRV settings and operational settings in the model as necessary to match current capacities and settings using information from the City staff.
e. Develop peak and average day diurnal curves from SCADA information as available, to use as a model input.
f. Conduct hydraulic calibration of the model within the limitations of the acquired data. Calibration will be limited to water demand. KSA will report on the level of calibration achieved by comparing field data provided by the City to model outputs.

7. Generate full buildout model scenario:

a. Add projected demands into model, assess system impact, and identify potential projects to support system growth as part of the master plan.

F. Preliminary Model Findings and Draft Project List (Deliverable 1) that will include the following:

1. Generate preliminary water model findings memo and list of potential expansion projects needed to serve the system in full buildout. Memo will include a draft of the updated existing water system map.

2. Present preliminary findings memo to the City on a Teams call. The City's feedback on this presentation will be incorporated into the final Master Plan and proposed Capital Improvements Plan.

G. Water Master Plan Report (Deliverable 2) that will include the following:

1. Summarize modifications made to the model, results of calibration efforts, and results of modeling efforts.

2. Summarize existing system capacities and any deficiencies.

3. Provide final existing water system map.

4. Provide recommendations to improve the water system where regulatory / capacity deficiencies exist.

5. Summarize requirements for future groundwater source expansions and possible methods of meeting water demands.

6. Generate Capital Improvements Plan for projected buildout.

7. Prepare exhibit showing full buildout water system.

Exclusions

The following services are excluded from this proposal but can be added to the scope and a fee negotiated if desired:

- Field surveys for control valve location, control valve setting checks, pressure measurements, fire hydrant testing, or other system component testing or locating.
- Record searches for water demands or development outside of information furnished by the City.
- Additional calibration of model using data outside of that provided for the initial calibration.
- Substantial modification of full buildout model scenario or proposed projects between preliminary model findings memo and water master plan.
- Schedule of projects and/or phasing within Master Plan.
- Usage of modeling software outside of Bentley WaterCAD.

- Model scenarios outside of the existing and full buildout scenarios outlined above.
- Generating water demand or population projections using data outside of commonly available sources such as the Texas Water Development Board or US Census.
- Interviews with landowners, developers, or existing water users.
- Siting additional water wells.
- Interviews with water rights holders, acquisition of new groundwater rights, groundwater hydrogeology, well siting or permitting, groundwater well piloting or design, or any extensive groundwater feasibility study. That work will be set aside as a future capital project if necessary.

Compensation

We propose to perform the services described for the above outlined scope for the following lump sum fee:

Water Master Plan	**$ 97,000**

Schedule

We propose to perform the services described for the above outlined scope in accordance with the following schedule:

		Duration
Preliminary Model Findings and Draft Project List		27 weeks
Final Water Master Plan		12 weeks
	Total Project Duration	**39 weeks**

Notes:
1. Duration from date of notice to proceed.
2. Project schedule does not include extended times for Owner or stakeholder review.

Next Steps

Please let us know if this proposal is acceptable. This proposal is not a contract for professional services. Upon acceptance of the proposal, KSA will prepare and submit a professional services agreement to be executed by both parties. KSA appreciates the opportunity to provide the above proposal for your review. Please let us know of any questions you may have.

Respectfully,
KSA Engineers, Inc.

B. Alan Phillips, P.E.
Senior Project Manager

Cc: John Naron, City of Hondo
Jeremiah Jerey Socarras, City of Hondo
Robbin Kersey, KSA Engineers
John Reidy, P.E., KSA Engineers

HONDO

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City Council Communication

Title: **DISCUSS CHANGING THE AREA FROM 14TH STREET TO 18TH STREET AND AVENUE N TO AVENUE U TO R3.**
Date: August 12, 2024 ***From:***

INFORMATION:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

MOTION:

ATTACHMENTS:

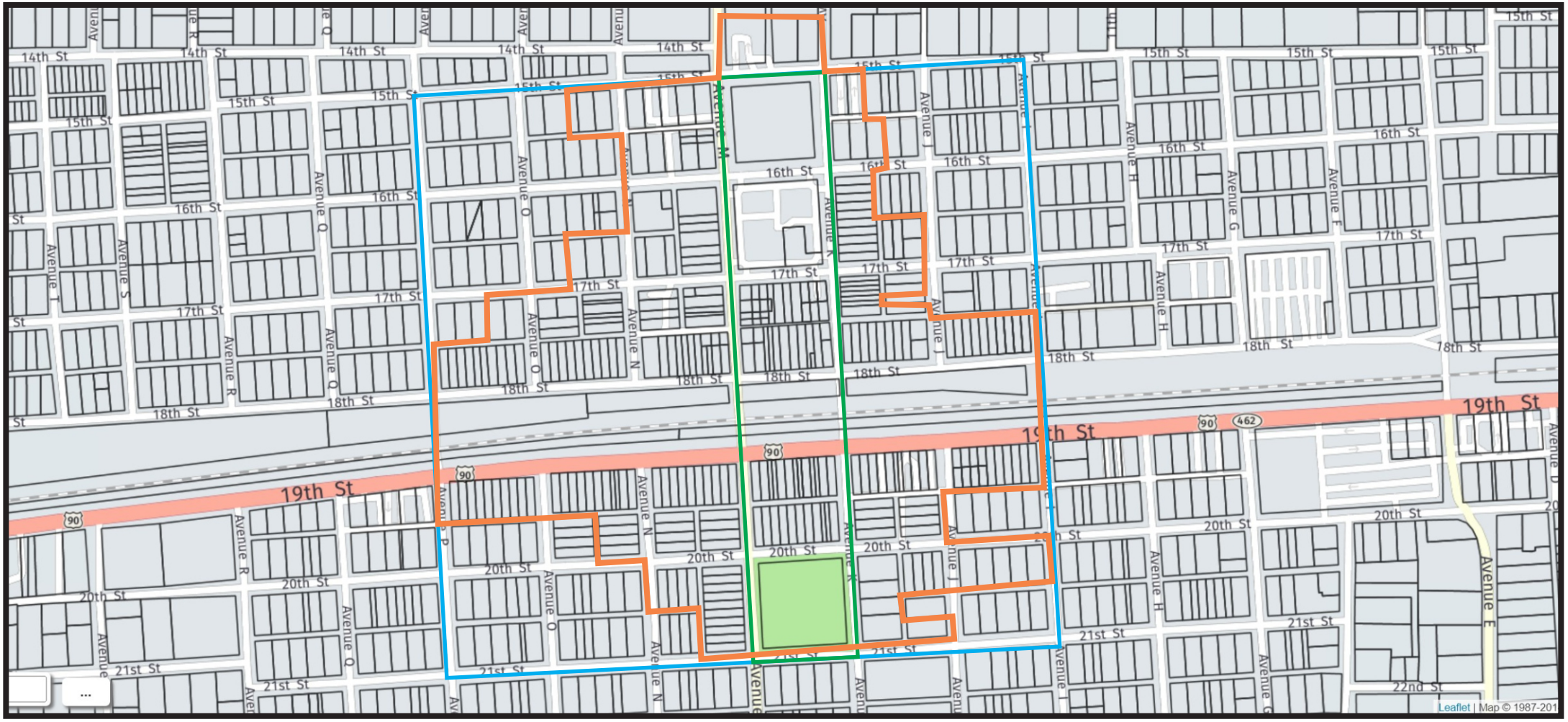
1. Hondo_DRP Map
2. Agenda item 18

STAFF CONTACTS:

LEGEND

- SUBDIVISIONS/PARCELS
- DESIGNATED BLIGHTED AREA
- SUGGESTED PROJECT AREA
- CENTRAL BUSINESS DISTRICT

N
W E



SHEET 1/1

CITY OF HONDO

Eligible Project Area

Drawn by:	UE
Checked by:	Uche Echeozo
Date:	March 25, 2024
Scale:	N.T.S.

HONDO
THIS IS GOD'S COUNTRY

City of Hondo
Development Services
1600 Avenue M,
Hondo, TX. 78861
830-426-4737

Proposed R3
Area proposed for zoning change discussion.
Legend
Proposed Area
Alvarez Food Mart
Vaqueros
Villas
Hondo City Skate Park
Sunset Park
Aaron & Hur
Dairy Queen
Zees Mart
Billy Bob's Hamburgers
14th St
15th St
16th St
17th St
18th St
19th St
Ave U
Ave R
Ave O
Ave P
Google Earth