City Council Meeting
September 15, 2026

Notice is hereby given of a Regular Meeting of Nacogdoches City Council to be held on the above date in the City Council Chambers of City Hall, 202 E. Pilar Street, Nacogdoches, Texas, beginning at 5:30 p.m. for the purpose of considering the following agenda items.

Some City Council Members may attend via videoconference but a quorum of the City Council and the Presiding Officer will be present at the above-stated physical location. The meeting will be streamed live at: https://www.nactx.us/21. There will be an opportunity for the public to comment on agenda items in person in Council Chambers.

PLEASE LIMIT PRESENTATIONS TO THREE MINUTES
(UNLESS PRIOR APPROVAL IS OBTAINED)

1. CALL TO ORDER.

2. PLEDGE OF ALLEGIANCE.

3. OPEN FORUM. Open Forum is an opportunity for citizens to address the City Council about items listed on the agenda, as well as on matters that are not specifically listed on the agenda. Alternatively, a citizen may address the City Council about an agenda item when the item comes up for consideration during the meeting. In order to address the City Council, please complete the Public Comment Form and submit it to the City Secretary prior to the start of the meeting. In accordance with the Texas Open Meetings Act, the City Council will not discuss, deliberate, or make any decisions on items not listed on the agenda. Comments are limited to 3 minutes per person.

4. ITEMS TO BE REMOVED FROM CONSENT AGENDA.

5. CONSENT AGENDA: Items included under Consent Agenda require little or no deliberation by Council. Approval of Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations as reflected in the minutes of this meeting.

   A. Consider approving the minutes from the City Council workshop meetings on August 17, 2026, and August 18, 2026, as well as the regular Council meeting held on August 18, 2026. (City Secretary)

   B. Consider the extension of a contract with Mead & Hunt, Inc. for wastewater pretreatment consulting services (Contract No. 22-10-116) for Fiscal Year 2027 in a not-to-exceed amount of $75,000.00. (Director of Public Works/City Engineer)

   C. Consider approval of a quote from Austin Wood Recycling for Brush Grinding Services in the amount of $55,800.00. (Director of Public Works/City Engineer)

   D. Consider approval of a contract between the City of Nacogdoches and CoxJones

Contractors for professional design and build services for the Lanana Creek Trail North Bridge for an amount not to exceed $90,000.00. (Community Services Director)

E. Consider approval of an ordinance of the City of Nacogdoches, Texas, amending Chapter 82—"Solid Waste", Article III—"Rates, Charges and Billing Procedure"; and Chapter 106—"Utilities", Article III—"Services Charges" of the Code of Ordinances of the City of Nacogdoches, Texas; providing a severability clause; providing a continuation clause; providing a repeal clause; and providing an effective date. (Executive Director of Development and Infrastructure)

6. REGULAR AGENDA: City Council will receive staff recommendations and public input on the following items, and may deliberate and take formal action on the item.

A. **Public Hearing**: Hold a public hearing and receive citizen input on the Fiscal Year 2027 Proposed Tax Rate for operations of the City for the fiscal year beginning October 1, 2026, and ending September 30, 2027. Per Section 102.005(b) of the Texas Local Government Code, this budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount $286,849 is tax revenue to be raised from new property added to the tax roll this year. Based on the median appraised homestead value of $165,796, the estimated property tax impact of the proposed tax rate is as follows:

Rate Type	**Rate per $100 Valuation**	**Property Tax Impact**
FY 2026 Current Tax Rate	$ 156,940 /100 * $ 0.57596	$ 903.91
FY 2027 Proposed Tax Rate	$ 165,796 /100 * $ 0.57166	$ 947.79
FY 2027 No-New Revenue Tax Rate	$ 165,796 /100 * $ 0.54829	$ 909.04

B. Consider approval of an ordinance adopting the Fiscal Year 2027 Budget for operations of the City for the fiscal year beginning October 1, 2026, and ending September 30, 2027. Per Section 102.005(b) of the Texas Local Government Code, this budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount $286,849 is tax revenue to be raised from new property added to the tax roll this year. Based on the median appraised homestead value of $165,796, the estimated property tax impact of the proposed tax rate is as follows:

Rate Type	**Rate per $100 Valuation**	**Property Tax Impact**
FY 2026 Current Tax Rate	$ 156,940 /100 * $ 0.57596	$ 903.91
FY 2027 Proposed Tax Rate	$ 165,796 /100 * $ 0.57166	$ 947.79
FY 2027 No-New Revenue Tax Rate	$ 165,796 /100 * $	$ 909.04

	0.54829	

C. Consider action to ratify the property tax revenue increase reflected in the City's adopted Fiscal Year 2027 Budget pursuant to Texas Local Government Code Section 102.007(c). (Director of Finance)

D. Consider approval of an ordinance adopting the City of Nacogdoches property tax rate for Tax Year 2026, consisting of separate Maintenance and Operations (M&O) and Interest and Sinking (I&S) rates, with the combined tax rate exceeding the City's No-New-Revenue (NNR) tax rate. (Director of Finance)

7. EXECUTIVE SESSION: Executive Sessions are for City Council to receive information and deliberate on matters specified in Subchapter D of the Texas Open Meetings Act. Council may reconvene in open session to vote on the matter.

   A. Deliberation regarding Economic Development negotiations under Government Code Section 551.087 as follows:

      1. Discuss or deliberate regarding commercial or financial information the governmental body has received from business prospects that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; and
      2. Deliberate the offer of financial or other incentives to business prospects described by Subdivision 1 above.

   B. Consultation with City Attorney — Pursuant to Texas Government Code Section 551.071, deliberation regarding attorney's advice concerning pending or contemplated litigation or a settlement offer, or on a matter in which the duty of the attorney to the governmental body under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, clearly conflicts with this chapter.

8. Open for action if any, on Executive Session item (s).

9. ADJOURN.

Karen Hadnot
Karen Hadnot
City Secretary

This agenda is posted as required under G. C. Section 551.041. For more information or a copy of the Open Meetings Act, please contact Attorney General of Texas at 1-800-252-8011; City Secretary at (936) 559-2506 or visit City of Nacogdoches web site at www.nactx.us.

CERTIFICATION

This meeting will be conducted pursuant to Chapter 551 of the Texas Government Code. The Council reserves the right to adjourn into Executive Session at any time during the meeting to discuss any of the above posted agenda, as authorized by Texas Local Government Code Sections 551.071 [litigation and certain consultation with attorney], 551.072 [acquisition of interest in real property], 551.073 [prospective gift to city], 551.074 [certain personnel deliberations], 551.076 [deployment/implementation of security personnel or devices], or 551.087 [deliberations regarding economic development negotiations]. The City of Nacogdoches is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications may be provided upon request. Please contact the City Secretary at (936) 559-2506 for information. I certify the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas 75961, on September 9, 2026 pursuant to Chapter 551 of the Texas Government Code.

Karen Hadnot, City Secretary

City Council Meeting

Date: September 15, 2026

Agenda Item: 5.A.

PRESENTER: Karen Hadnot, City Secretary

ITEM/SUBJECT: Consider approving the minutes from the City Council workshop meetings on August 17, 2026, and August 18, 2026, as well as the regular Council meeting held on August 18, 2026. (City Secretary)

SUMMARY/BACKGROUND: This document presents draft minutes for the workshop meetings and regular city council sessions held on August 17, 2026, and August 18, 2026. Each set of minutes summarizes the discussions, decisions, and actions taken during these meetings and provides a comprehensive record of the council's proceedings and deliberations.

FINANCIAL:
N/A

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Karen Hadnot
citysec@nactx.us
936.559.2506

ATTACHMENTS:
1. Draft Workshop CC Meeting 08172026
2. Draft Workshop CC Meeting 08182026
3. Draft Minutes CC Meeting 08182026

Work Session
Nacogdoches City Council
August 17, 2026 – 1:30 p.m.
Council Chambers
202 E. Pilar, Nacogdoches, TX

City Council present: Mayor Randy Johnson; Council Members, Brad Maule; Chad Huckaby and Blane Williams; being absent Kathleen Belanger**;**

1. Called to order at 1:30 p.m.

2. Work Session: Items are intended to provide opportunities for City Council to study and discuss various issues, and gather and analyze information. Council will not take formal action on matters presented at a Work Session, but may direct staff to place items on future agendas for formal consideration.

   2A. **Receive a presentation from Alliant Insurance Services regarding the city's self-insured health plan and projections for Fiscal Year 2027.**

   Bob Tracy, a representative from Alliant Insurance Services, came forward to present the request to the council, providing valuable insights into both his background and the services offered by Alliant. He began by noting the urgency of the situation, as his team had limited time to prepare following their onboarding at the end of July. He explained that typically, a comprehensive Request for Proposal (RFP) process can take anywhere from two to three months. This timeframe allows for thorough data analysis and the development of a clear understanding of the client's needs and objectives. Tracy emphasized the intricacies of their business, which requires skilled negotiation and solid counsel to navigate effectively.

   During his presentation, Mr. Tracy utilized a PowerPoint support his points and engage the council. A significant focus of his discussion was on the self-funded health plan, wherein he highlighted the stable cost trends associated with Blue Cross/Blue Shield. However, he raised concerns about severe cost spikes resulting from the practices of independent emergency rooms, particularly citing Excel ER. He pointed out that these facilities charge approximately $4,000 per visit and often waive deductibles, leading to unexpected financial burdens on the health plan.

   Mr. Tracy further elaborated on the cost distribution among members, revealing that a mere 5% of the plan's members are responsible for an alarming 60% of the total healthcare expenditures. He noted an upward trend in high-cost claimants, with the number rising from 22 to 35 individuals, suggesting a critical need for strategic intervention to manage these costs.

   In addition, the council staff acknowledged the constraints faced by Alliant in their preparation. They encouraged the team to delve deeper into specific cost drivers to gain a clearer understanding of the organization's financial landscape. To mitigate the rising costs, I propose the introduction of a Primary Care Physician (PCP)-led plan, which would prioritize preventive care. This could be complemented by a small gap plan utilizing Health Savings Accounts (HSAs), which would incentivize members to utilize primary care services and urgent care facilities rather than resorting to unnecessarily pricey emergency room visits. Such a shift could promote better health outcomes and ultimately reduce overall costs for the organization.

   Council Member Maule raised a pertinent question about the potential use of the rainy day. In response, Richard Beverlin, the City Manager, provided a detailed explanation of the circumstances that necessitated dipping into that fund.

   The primary focus of the discussion was how to effectively address the existing funding gap for health care fund. To that end, several options were proposed, including an injection of approximately $375,000 from the settlement funds resulting from the Lion Star bankruptcy. Additionally, there was a recommendation to increase employer contributions, raising the contribution range to between $725 and $850 per employee.

2B. **<u>Receive a presentation from Enterprise Fleet Management regarding a city fleet vehicle management solution with projections for Fiscal Year 2027 and beyond.</u>**

Todd Simoneaux, the Interim Director of Finance, highlighted important concerns regarding the current fleet management system, which lacks a centralized and uniform approach. He emphasized the necessity for improvement, stating that the goal is to create a more cohesive system that will streamline processes across all departments. At present, the annual procedure involves each department director submitting requests for new vehicles they anticipate needing as well as identifying any vehicles slated for disposal. This decentralized method creates significant challenges when it comes to forecasting cash flows year after year, resulting in difficulties in budget planning and resource allocation.

To address these challenges, the finance team has been collaborating extensively with the Enterprise Fleet Management System for several months. This partnership aims to explore solutions that would enhance efficiency and predictability in vehicle management.

Jennifer Bertram, Senior Account Executive for Enterprise Fleet Management, took center stage to present a comprehensive request to the team. Her presentation featured a detailed PowerPoint that outlined the key features and potential benefits of transitioning to a more integrated fleet management approach.

Ms. Bertram conducted a comprehensive review of the current decentralized fleet, which consists of 163 light vehicles. The fleet has an average age of 13.3 years, resulting in significant maintenance expenses and inefficient fuel usage. Specifically, maintenance costs average $285 per month per vehicle, while the fuel efficiency stands at a mere 12 miles per gallon (mpg).

In her presentation, Ms. Bertram outlined an alternative proposed by Enterprise, which involves an open-ended leasing model aimed at modernizing the fleet. This model would facilitate a shorter replacement cycle of just five years. Such a transition is expected to substantially lower maintenance costs to approximately $108 per month per vehicle and enhance fuel efficiency to 16 mpg, thereby leading to cost savings and reduced environmental impact.

Ms. Bertram also emphasized that the Police Department is supportive of this leasing plan, provided that it guarantees no vehicle downtime and maintains the current take-home vehicle policy for officers. This assurance is crucial for the department's operational effectiveness and the wellbeing of its personnel.

In response to the proposal, Council Member Maule sought clarity on how the Police Department felt about collaborating with Enterprise for their vehicle needs. Mr. Dan Taravall, representing the Police Department, stepped forward to express strong support for the initiative. He reassured the council that their previous concerns had been addressed and that they are confident in the benefits of partnering with Enterprise.

Finally, Mayor Johnson directed his attention to Todd Simoneaux, seeking to gauge his satisfaction with the financial figures and details presented. Mr. Simoneaux affirmed his satisfaction, elaborating on the factors that contribute to his approval of the proposal and the anticipated positive outcomes for the city and its law enforcement agencies.

2C. **<u>Receive a presentation on the city's Hotel Occupancy Tax Fund and projections for Fiscal Year 2027.</u>**

Jessica Sowell, the Community Service Director, and Ashley Morgan, the Director, Nacogdoches Convention and Visitors Bureau (CVB) to present this item. They delivered a detailed slide presentation to Council.

During the presentation, Jessica Sowell explained the distribution of Hotel Occupancy Tax (HOT) funds. Since 2023, these funds have generated over $1 million annually, with allocations of 72.5% to the CVB, $95,000 to the Expo Center, and $25,000 for historic restoration. They discussed using HOT funds to cover municipal overtime pay for events that achieve over 60% hotel occupancy.

Mrs. Sowell noted that approximately $486,000 of the funds has been spent over the past couple of years. She elaborated on how these HOT funds have been utilized, indicating that they provide relief to the general fund.

Mrs. Morgan highlighted that staff had discussed potentially using some of the HOT funds for events that directly impact tourism. She clarified that while HOT funds can cover overtime costs for these events, they cannot be used for general government expenses.

Additionally, staff and the Council reviewed operational updates, including a trial for Sunday openings at historical sites and the urgent need to replace five aging air conditioning units at the Visitor Center.

Mayor Johnson and staff engaged in a thorough discussion regarding the potential for Sunday openings, with Mrs. Morgan sharing her detailed thoughts on the matter.

3. **ADJOURNED:** 3:20p.m.

A full recording of the Work Session Meeting for August 17, 2026, may be viewed here: Work Session Meeting – 20260817

____
Randy Johnson, Mayor
City Council
City of Nacogdoches

ATTEST:

____
Karen Hadnot, City Secretary

Workshop
Nacogdoches City Council
August 18, 2026 – 4:00 p.m.
C.L. Simon Recreation Center
1112 North Street , Nacogdoches, TX

City Council present: Mayor Randy Johnson; Council Members, Kathleen Belanger**;** Blane Williams; Brad Maul and Chad Huckaby

1. Called to order at 4:00 p.m.

2. Work Session: Items are intended to provide opportunities for City Council to study and discuss various issues, and gather and analyze information. Council will not take formal action on matters presented at a Work Session, but may direct staff to place items on future agendas for formal consideration.

2A. **Presentation and discussion on the Proposed Budget for Fiscal Year 2027.**

Todd Simoneaux, the Director of Finance, began by displaying a slides that outlined the key points of his presentation. In his overview, Mr. Simoneaux recapped the various steps the team has undertaken in the budget planning process thus far. He highlighted that the first budget workshop took place on July 7th, followed by a budget Q&A session on July 21st, and concluded with another workshop held on August 17th, where additional discussions and insights regarding the budget were provided. Mr. Simoneaux emphasized that today's presentation would focus on presenting specific financial data, making it clear that these numbers play a significant role in shaping and impacting the overall budget.

Mr. Simoneaux highlighted that there will be a slight increase in the tax rate allocated for both the general fund and maintenance operations. Currently set at 49.1 cents, the proposed tax rate will rise to 49.7 cents. This adjustment reflects the ongoing need for funding to support essential services and infrastructure maintenance. Additionally, Mr. Simoneaux mentioned the implications of the newly enacted House Bill 1522, which mandates a taxpayer impact analysis statement to be provided whenever discussions regarding the budget occur. This requirement aims to ensure transparency and keep taxpayers informed about how budget decisions may affect them financially.

Mr. Simoneaux provided an in-depth overview of a strategic shift designed to minimize the use of the general fund for future Capital Improvement Projects (CIP). Instead of relying heavily on this traditional funding source, the focus will now shift toward securing external funding options, such as grants from governmental agencies and private organizations, as well as issuing bonds to finance projects. He emphasized the importance of diversifying funding sources to enhance financial stability and project sustainability.

Additionally, Mr. Simoneaux noted that the street maintenance fund is currently on hold. The proposed strategy involves prioritizing the allocation of bond funds to address immediate street projects that require urgent attention. This approach will enable the maintenance fund to grow over time, allowing for a more robust pool of resources for future maintenance needs.

To further manage costs, Mr. Simoneaux discussed the city's new approach to equipment procurement, which involves transitioning from outright purchases to leasing options. This shift will spread out the costs over time, utilizing an internal service fund designed to manage these ongoing expenses more effectively and maintain financial flexibility.

Mr. Simoneaux then presented an optimistic view of the city's financial performance for the current fiscal year. The new property assessed value has reached an all-time high, exceeding $50 million, which represents a significant increase from last year's value of $35 million. This substantial growth brings the total assessed property value in the city to roughly $2.7 billion, underscoring the strengthening local economy.

Sales tax revenue also saw a historic peak this year, and projections for the upcoming year suggest that budgeted sales tax revenue could approach nearly $9.2 million. It was highlighted that a one-cent sales tax generates approximately $269,000, which translates into an effective revenue ranging between $255,000 and $260,000 when accounting for a collection rate of 97%. Furthermore, the voter-approved tax rate is anticipated to generate an additional $375,000, reinforcing the city's fiscal position.

Cash balance projections for the upcoming year are favorable, indicating a starting balance of $16 million and an anticipated ending balance of $14 million. Long-term forecasts extending to 2029 suggest an ending cash balance of $11.5 million, which comfortably surpasses the mandated reserve requirement of 25%—amounting to $9.2 million—by $2.3 million. This surplus demonstrates the city's commitment to maintaining a healthy financial cushion.

In terms of capital expenditures, both capital and CIP expenditures are projected between $2.3 million and $2.6 million for 2028, with an expected decrease to $1.3 million in 2029.

During the meeting, Council Member Belanger raised questions regarding the expenses associated with Excel ER. City Manager Richard Beverlin elaborated on the current situation with Excel ER, explaining that since the facility is out of the city's insurance network, they have implemented specific strategies to manage costs. For instance, Excel ER has agreed to waive the copayment for patients, subsequently billing insurance for a higher amount. Council Member Belanger inquired about the expenses related to Excel ER. City Manager Richard Beverlin explained that this establishment is out of network. In these cases, they waive the copay and then bill insurance for a larger amount. Mr. Beverlin also shared his thoughts on how to address this situation.

During the meeting, staff members and the Council had a comprehensive discussion about insurance issues and the potential need to dip into the reserves. Mr. Beverlin noted that Alliant, the insurance broker, had identified and addressed concerning trends related to Excel ER that affected the organization's financial stability.

The discussion shifted significantly as they examined the consequences of exhausting the reserves, highlighting the necessity of preserving a solid financial buffer for future requirements.

In closing, Mayor Johnson took a moment to acknowledge and express his sincere appreciation to the staff for their diligent and meticulous efforts throughout the budget process, recognizing the challenges they faced and the importance of their work in ensuring the organization's fiscal responsibility.

3. **ADJOURNED:** 5:02p.m.

A full recording of the Workshop City Council Meeting for August 18, 2026, may be viewed here: Workshop City Council Meeting – 20260818

Randy Johnson, Mayor
City Council
City of Nacogdoches

ATTEST:

Karen Hadnot, City Secretary

Nacogdoches City Council
August 18, 2026 – 5:30 p.m.
C.L. Simon Recreation Center
1112 North Street, Nacogdoches, TX

City Council present: Mayor Randy Johnson; Council Members, Kathleen Belanger**;** Blane Williams; Brad Maule; and Chad Huckaby

1. Called to order at 5:30 p.m.

2. Pledge of Allegiance.

3. Open Forum:

Mayor Johnson opened the floor for public comments.

Sammie Smith, residing at 1801 York, expressed his opposition to the recent budget increase, which includes funding for the hiring of three new officers. Mr. Smith argued that transferring 22% of utility fund revenues to the general fund exceeds the Texas Municipal League's recommendation of 6%. He stated that such transfers from proprietary funds violate the Texas Constitution and are therefore illegal.

Michelle Cox, from 4411 Oak, voiced her concerns about pedestrian safety near the high school. Ms. Cox noted that residents have reported 61 car accidents in this area. She proposed several scenarios for improving safety in the vicinity.

4. **ITEMS TO BE REMOVED FROM THE CONSENT AGENDA:**

There being no item removed for the consent agenda.

5. CONSENT AGENDA:

Council Member Huckaby made a motion to approve Consent Agenda Items; Council Member Williams seconded the motion with a unanimous affirmative vote being recorded.

6. REGULAR AGENDA:

Mayor Johnson announced the next item on the agenda.

6A. **Public Hearing: Discuss and consider action on Zoning Case ZON2026-06 regarding a zone change from R-1, Single Family to B-1, Local Business, on one (1) parcel of land approximately 0.35 acres ± in size, more particularly described by Nacogdoches Central Appraisal District Parcel 1000004518, being Lot 74, City Block 54; and generally located on the southeast corner of Appleby Sand Road and NE Stallings Drive, Nacogdoches, Texas. [withdrawn by applicant]**

6B. **Public Hearing: Discuss and consider action on Specific Use Permit Case SUP2026- 06 regarding a Specific Use Permit request for a Eating Place with Drive-Thru in a B-1, Local Business district on one (1) parcel of land approximately 0.35 acres ± in size, more particularly described by Nacogdoches Central Appraisal District Parcel 1000004518, being Lot 74, City Block 54; and generally located on the southeast corner of Appleby Sand Road and NE Stallings Drive, Nacogdoches, Texas. [withdrawn by applicant]**

Mayor Johnson announced that the public should be aware that items marked 6A and 6B on tonight's meeting agenda will not be considered. This decision comes after the applicant's requests to withdraw from Council consideration on August 11 and July 24, respectively. Since there is no application before the Council, the public hearings for items 6A and 6B are dismissed, and no action will be taken.

Mayor Johnson announced the next item on the agenda.

Todd Simoneaux, the Director of Finance, categorically denied any allegations of illegality regarding the city's financial practices. Mr. Simoneaux noted that a bond ordinance approved by a bond council attorney specifically outlines the use of water and sewer revenue. He elaborated on the strategy of utilizing operating income to fund the capital improvement program, emphasizing that this approach minimizes the need for excessive borrowing. By opting to issue $60 million in bonds rather than the initially considered $100 million, the city effectively reduces its long-term financial burden, saving around $40 million in interest payments.

6C. **Receive the Proposed Budget for Fiscal Year 2027**

Todd Simoneaux, the Director of Finance, presented the agenda item regarding the proposed budget. He noted that the budget had been thoroughly reviewed during seven hours of workshop sessions. The proposed tax rate is set at 57.166 cents per $100 of valuation. Mr. Simoneaux emphasized that this rate is lower than the current year's rate and does not exceed the voter-approved limit of approximately 58 cents.

Council Member Huckaby made a motion to approve the proposed budget for the fiscal year 2027, which was seconded by Mayor Johnson. The council then voted unanimously in favor of the motion.

Mayor Johnson announced the next item on the agenda.

6D. **Take a record vote on Proposed Tax Rate for Fiscal Year 2027.**

Mayor Johnson announced the next item on the agenda.

Todd Simoneaux, the Director of Finance, presented the tax rate request. Mr. Simoneaux stated that the proposed tax rate is 57.166 cents per $100 of valuation, which is below the voter approval rate of just over 58 cents.

Council Member Huckaby made a motion to establish the maximum proposed tax rate at 0.57166 cents per $100 of valuation. Council Member Williams seconded the motion, and a record vote was taken:

- Mayor Johnson: Aye
- Council Member Belanger: Aye
- Council Member Huckaby: Aye
- Council Member Williams: Aye
- Council Member Maule: Aye

7. **EXECUTIVE SESSION**

The Mayor and Council entered Executive Session at 5:44 p.m.

8. Open for action, if any, on Executive Session Items (s).

No action taken.

9. **ADJOURNED:** 6:02p.m.

A full recording of the Regular City Council Meeting for August 18, 2026, may be viewed here: City Council Meeting – 20260818

____
Randy Johnson, Mayor

City Council
City of Nacogdoches

ATTEST:

____
Karen Hadnot, City Secretary

Nacogdoches — the oldest town in Texas

City Council Meeting

Date: September 15, 2026

Agenda Item: 5.B.

PRESENTER: Case Opperman, Director of Public Works

ITEM/SUBJECT: Consider the extension of a contract with Mead & Hunt, Inc. for wastewater pretreatment consulting services (Contract No. 22-10-116) for Fiscal Year 2027 in a not-to-exceed amount of $75,000.00. (Director of Public Works/City Engineer)

SUMMARY/BACKGROUND: Mead & Hunt, Inc. is an engineering firm that has been assisting the City with engineering consulting for our wastewater pretreatment program for the past few years. Their active contract was extended for the last fiscal year and had a not-to-exceed amount of $100,000. Their assistance has been invaluable in working through past issues with Texas Commission on Environmental Quality (TCEQ) requesting modifications and testing for pretreatment monitoring, Administrative Orders issued to local industries, modifications to our pretreatment program and establishing local limits for certain contaminants in the wastewater from industries. With several employees who have worked for TCEQ prior, they are also extremely helpful in assisting City staff in working through changes to treatment requirements from the TCEQ and related inspections of our facilities. Staff recommends an extension to their contract for FY 2027 to continue assisting the City with our pretreatment program. In looking at trends in the amount expended on this contract in the past, staff felt the contract limit could be lowered to $75,000 for the next fiscal year. This contract is budgeted in the Wastewater Treatment Division's operational budget.

FINANCIAL:
Item is budgeted:
Account No.: 30.39 630.71
Account Name: *Wastewater Treatment - Consulting Services*
Amount: $75,000

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Not Applicable

CITY CONTACT: Case Opperman, PE - Director of Public Works/City Engineer
oppermanc@nactx.us
(936) 559-2515

ATTACHMENTS: 1. Contract Amendment

September 8, 2026

Mr. Case Opperman, P.E.
Director Public Works
City of Nacogdoches
202 East Pillar Street
Nacogdoches, TX 75961

Subject: Request for Amendment to Contract No. 22-10-116

Dear Mr. Opperman:

Mead & Hunt, Inc. (Mead & Hunt) requests an amendment to Contract No. 22-10-116 that was executed by the City of Nacogdoches (City) on November 21, 2021, for services related to the City's Texas Pollutant Discharge Elimination System Permit and Industrial Pretreatment Program (Program). The amendment is for the approval of Seventy-Five Thousand Dollars ($75,000) for Mead & Hunt to continue assisting the City with on-call regulatory and Program related issues during the 2026 – 2027 budget year. Mead & Hunt will provide assistance as requested by the City. The services may include but are not limited to the following:

- Assist with identifying and determining appropriate enforcement actions for industrial user non-compliance and drafting of enforcement documents.
- Review industrial user applications, self-monitoring reports, and other required documentation for compliance with pretreatment standards and requirements as requested.
- Draft Industrial Wastewater Discharge Permits for existing Significant Industrial Users to comply with the updated pretreatment program requirements.
- Support City staff through on-call assistance with sampling, inspections, industrial waste surveys, annual report preparation, enforcement, and other pretreatment related tasks.
- Conduct inspections of current and potential industrial users as requested.
- Assist with regulatory support for emerging contaminants.
- Assist with regulatory reporting requirements for the Program.

The Terms and Conditions in Contract No. 22-10-116 will remain unchanged. The Hourly Rates, however, will be adjusted as provided in the contract. The Mead & Hunt current Billing Rate Schedule is attached. We appreciate the opportunity to continue to serve the City with this project. Please call me at (817) 690-2747 or contact me at Mark.Perkins@meadhunt.com if you have any questions.

Sincerely,

Mark Perkins, P.E.
Mead & Hunt

Accepted for the City of Nacogdoches

Mead & Hunt

Exhibit B
Billing Rate Schedule

CLASSIFICATION	2026 Hourly Rate
PROJECT ASSISTANT	$ 110
TECHNICIAN IV	$ 193
ENGINEER I	$ 160
ENGINEER II	$ 188
SCIENTIST II	$ 200
SCIENTIST III	$ 230
SENIOR ENGINEER	$ 237
SENIOR PROJECT SCIENTIST	$ 280
SENIOR PROJECT ENGINEER	$ 300
SENIOR PROJECT MANAGER	$ 310
PRINCIPAL	$ 370

Notes: Rates may be adjusted by up to 5% at the beginning of each calendar year. Subconsultants and other direct expenses will be billed at actual cost plus a 10% service charge unless otherwise noted.

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: September 15, 2026

Agenda Item: 5.C.

PRESENTER: Case Opperman, Director of Public Works

ITEM/SUBJECT: Consider approval of a quote from Austin Wood Recycling for Brush Grinding Services in the amount of $55,800.00. (Director of Public Works/City Engineer)

SUMMARY/BACKGROUND: The City Sanitation Division has received quotes for brush grinding services to include grinding of approximately 28,000 cubic yards of tree cuttings and other related vegetative waste which is stockpiled at the City Landfill as follows:

Austin Wood Recycling	$55,800.00
Bailey Bark	$85,200.00
TOR Texas	$88,200.00

Staff recommends approving the quote from Austin Wood Recycling in the amount of $55,800.00. This is budgeted in the Sanitation Disposal Division's operational budget.

FINANCIAL:
Item is budgeted:
Account No.: 31.41 630.90
Account Name: *Sanitation Disposal - Other Contractual Service*
Amount: $55,800.00

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Not Applicable

CITY CONTACT: Case Opperman, PE - Director of Public Works/City Engineer
oppermanc@nactx.us
(936) 559-2515

ATTACHMENTS: 1. Quote

Preliminary Customer Estimate

Date: 08/27/2026

2100 CR 118
Hutto,TX,78634
Phone: (512) 259-7430
Email: Contracts@austinwoodrecycling.com
www.austinwoodrecycling.com

Job Name City Of Nacadoches

Address: Nacadoches TX

	Expiration Date	Salesperson
	10/27/2026	Tim Fall

Item		Description	Qty	Unit Price	Extended Price
Option:	**1**	Grind Only	+-28,000	55,800	55,800
Option:	**2**				
Option:	**3**				
Option:	**4**				

Notes

TERMS AND CONDITIONS:

1. Prices are for loose, non-compacted wood waste disposal only. Dirt, rock and/or any other foreign or man-made materials are not included in this bid. Items not included in scope are excluded from the Estimate.
2. Operations may cause a dusty environment. If needed, there will be an extra charge for Austin Wood Recycling, Inc. to supply a water truck. The contractor may provide one, at no cost, to Austin Wood Recycling, Inc. and in no case may it slow down our operation.
3. Any trees to remain that are not inside tree protection but are removed unintentionally are not the responsibility of Austin Wood Recycling, Inc. All trees to be saved must be wrapped in tree protection fencing or clearly identified with high visibility ribbon or tape. The contractor or general contractor will be responsible for identifying and wrapping the protected trees. The method must be communicated to Austin Wood Recycling, Inc. prior to clearing. Tree tags ARE NOT adequate markings. Austin Wood Recycling, Inc. is not financially responsible for the removal of saved trees that are not identified or marked in this manner.
4. If included in this estimate, clearing services will include clearing of trees, brush, and root balls where feasible. No grubbing. Conditions such as solid rock and underground utilities will prevent removal of root balls. In these cases, we will remove it at ground level, leaving the root ball in the ground. Stump grinding, dirt excavation, and hauling of dirt/rock is not included in this estimate. This proposal does not include any days with hand crews. Hand crews needed for fence lines/ power lines will be an additional cost.
5. Price includes 1 mobilization. Additional mobilizations may be subject to additional fees at the discretion of the Project Manager.
6. Austin Wood Recycling, Inc. is not responsible for schedule delays due to weather conditions.
7. If clearing services are provided all surveys must be in place prior to mobilization. Austin Wood Recycling, Inc. is not responsible for any staking.
8. Austin Wood Recycling, Inc. is not responsible for traffic control or lane closures.
9. Excludes repairs to damaged underground or overhead utilities caused by normal construction.
10. Repairs to grinding equipment due to contaminants (metal, concrete, rocks, etc..) located in organic material will be assessed at completion of project. A fee may be issued if deemed necessary.
11. All pricing is subject to applicable sales tax when billed to customer. Payment for services shall be due and payable upon Completion of service.

THE VENUE FOR ANY AND ALL DISPUTES ARISING OUT OF THIS AGREEMENT WILL BE WILLIAMSON COUNTY, TEXAS.

Please note, this is a preliminary document and not valid for execution. A formal agreement will be issued if accepted.

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: September 15, 2026

Agenda Item: 5.D.

PRESENTER: Jessica Sowell, Community Services Director

ITEM/SUBJECT: Consider approval of a contract between the City of Nacogdoches and CoxJones Contractors for professional design and build services for the Lanana Creek Trail North Bridge for an amount not to exceed $90,000.00. (Community Services Director)

SUMMARY/BACKGROUND: The City of Nacogdoches Parks Department is requesting the approval of a Professional Services Contract between the City of Nacogdoches and CoxJones contractors for the design and construction of a replacement bridge on the north end of Lanana Creek Trail.

The existing bridge over a portion of the Lanana Creek, located near the northern end of Lanana Creek Trail, is in need of replacement. The current bridge was constructed as a part of a Boy Scout project over 12 years ago and has suffered significant deterioration since that time. The bridge is no longer safe for pedestrians and has been closed to the public for the past year. The bridge being closed prevents people from accessing the Lanana Creek Trail from the northernmost access point.

CoxJones will work with the Parks Department to design a safe and updated bridge design and will then build the bridge on site to the specifications decided on by the City. The project cost is set at a not-to-exceed amount of $90,000 which is fully budgeted in the City's Capital Improvement Plan.

FINANCIAL:
Item is budgeted:
Account No.: 01.86.680.97
Account Name: *Committed Reserves - Parks*
Amount: $90,000

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Jessica Sowell, Community Services Director
sowellj@nactx.us
936-559-2935

ATTACHMENTS:
1. Signed DB Lanana Creek Bridge Contract 9.9.26
2. Bridge Map
3. Current Bridge Photo

CITY OF NACOGDOCHES
CONSTRUCTION AGREEMENT

This Agreement is entered into by and between the **City of Nacogdoches**, a Texas home-rule municipal corporation (the "City") and Cox Concrete Contractors, Inc. DBA CoxJones , a corporation (the "Contractor"), for **Design and Construction of one bridge on Lanana Creek Trail North** located in Nacogdoches, Texas (the "Project").

1. DEFINITIONS

1.01. Calendar Day. A "calendar day" is any day of the week or month, no days being excepted.

1.02. City. Whenever the word "City" is used, it shall mean and be understood as referring to the City of Nacogdoches, Texas.

1.03. City's Representative. Whenever the words "City's Representative" or "Representative" are used, it shall mean and be understood as referring to the City Manager or his delegate, who shall act as City's agent. The City's Representative may inspect and issue instructions but shall not directly supervise the Contractor.

1.04. Contract Amount. The term "Contract Amount" shall mean the amount of Contractor's lump sum base bid proposal, together with all alternates, as accepted by the City in accordance with the Contractor's Proposal. In the case of a unit price contract, Contract Amount shall mean the sum of the product of all unit prices times the respective estimated final quantities of work, for all base bid and alternates, as accepted by the City.

1.05. Contract Documents. The term "Contract Documents" shall mean those documents listed in Paragraph 2.01.

1.06. Contractor. Whenever the word "Contractor" is used, it shall mean the person(s), partnership, or corporation who has agreed to perform the work embraced in this Agreement and the other Contract Documents.

1.07. Extra Work. The term "Extra Work" shall mean and include work that is **not** covered or contemplated by the Contract Documents but that may be required by City's Representative and approved by the City in writing ***prior*** to the work being done by the Contractor.

1.08. Final Completion. The term "Final Completion" shall mean that all the work has been completed, all final punch list items have been inspected and satisfactorily completed, all payments to materialmen and subcontractors have been made, all documentation and warranties have been submitted, and all closeout documents have been executed and approved by the City.

1.09. Interpretation of Phrases. Whenever the words "directed", "permitted", "designated", "required", "considered necessary", "prescribed", or words of like import are used, it is understood that the direction, requirement, permission, order, designation, or prescription of City's Representative is intended. Similarly, the words "approved", "acceptable", "satisfactory", or words of like import shall mean approved by, accepted by, or satisfactory to City's Representative.

1.10. Nonconforming work. The term "nonconforming work" shall mean work or any part thereof that is rejected by City's Representative as not conforming with the Contract Documents.

1.11. Parties. The "parties" are the City and the Contractor.

1.12. Project. The term "Project" shall mean and include all that is required to obtain a final product that is acceptable to the City. The term "work" shall have like meaning.

1.13. Subcontractor. The term "subcontractor" shall mean and include only those hired by and having a direct contact with Contractor for performance of work on the Project. The City shall have no responsibility to any subcontractor employed by a Contractor for performance of work on the Project, and all subcontractors shall look exclusively to the Contractor for any payments due.

1.14. Substantially Completed. The term "Substantially Completed" means that in the opinion of the City's Representative the Project, including all systems and improvements, is in a condition to serve its intended purpose but still may require minor miscellaneous work and adjustment. Final payment of the Agreement Price, including retainage, however, shall be withheld until Final Completion and acceptance of the work by the City. Acceptance by the City shall not impair or waive any warranty obligation of Contractor.

1.15. Work. The term "work" as used in this Agreement shall mean and include all that is required herein to obtain a final product that is acceptable to the City. The term "Project" shall have like meaning. This Project includes the following: **Construction Services for Lanana Creek North Trail Bridge project** located in Nacogdoches, Texas.

1.16. Working Day. A "working day" means any day not including Saturdays, Sundays, or legal holidays.

2. CONTRACT DOCUMENTS

2.01. The Contract Documents and their priority shall be as follows:

2.01.01. This signed Agreement
2.01.02. Addendum to this Agreement
2.01.03. General Conditions
2.01.04. Special Conditions
2.01.05. Technical specifications
2.01.06. Drawings
2.01.07. Instructions to Bidders and any other notices to Bidders or Contractor
2.01.08. Performance bond, Payment bonds, Bid bonds and Special bonds
2.01.09. Contractor's Proposal

2.02. Where applicable, the Contractor will be furnished three (3) sets of plans, drawings, specifications, and related Contract Documents for its use during construction. Plans and specifications provided for use during construction shall be furnished directly to the Contractor only.

2.03. Where applicable, the Contractor shall distribute copies of the plans and specifications to suppliers and subcontractors as necessary. The Contractor shall keep one (1) copy of the plans and specifications accessible at the work site with the latest revisions noted thereon. For proper execution of the work contemplated by this Agreement, additional sets of drawings, plans and specifications may be purchased by the Contractor.

3. AWARD OF CONTRACT

3.01. Upon the award of the contract by the City Council, the parties shall execute this Agreement, and the Contractor shall deliver to City's Representative all documents, bonds, and certificates of insurance required herein.

3.02. **Time is of the essence in this Agreement.** Accordingly, the Contractor shall be prepared to perform the work in the most expedient and efficient possible manner in order to complete the work by the times specified in this Agreement for Substantial Completion and Final Completion. In addition, the Contractor's work on the Project shall be commenced on the date to be specified in the notice to proceed. The notice to proceed may be given by oral notification or set by City's Representative at the post-contract award conference. **The notice to proceed may not be given, nor may any work be commenced, until this Agreement is fully executed and complete, including all required exhibits and other attachments, particularly those required under Paragraphs 27 and 28 (Insurance & Bonds).**

3.03. **Contract Amount.** Except in the event of a duly authorized change order approved by the City as provided in this Contract, and in consideration of the Contractor's final completion of all work in conformity with this Contract, the City shall pay the Contractor an amount not to exceed Ninety Thousand dollars **and 00/100 Dollars ($90,000.00**).

4. CITY'S REPRESENTATIVE

4.01. The Contractor shall forward all communications, written or oral, to the City through the City's Representative.

4.02. The City's Representative may periodically review and inspect the work of the Contractor.

4.03. The City's Representative shall appoint, from time to time, such subordinate supervisors or inspectors as City's Representative may deem proper to inspect the work performed under this Agreement and ensure that said work is performed in accordance with the plans and specifications.

4.04. The Contractor shall regard and obey the directions and instructions of City's Representative, any subordinate supervisors or inspectors appointed by the City provided such directions and instructions are consistent with the obligations of this Agreement.

4.05. Should the Contractor object to any orders by any subordinate supervisor or inspector, the Contractor may, within two (2) days from receipt of such order, make written appeal to City's Representative for his decision.

5. INDEPENDENT CONTRACTOR

5.01. In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the final product contemplated under this Agreement. Except for materials furnished by the City, the Contractor shall supply all materials, equipment and labor required for the execution of the work on the Project. The Contractor shall have ultimate control over the execution of the work under this Agreement. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors except to the limited extent provided for in this Agreement.

5.02. The Contractor shall retain personal control and shall give its personal attention to the faithful prosecution and completion of the work and fulfillment of this Agreement. The subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve the Contractor from its obligations to the City under this Agreement. The Contractor shall appoint and keep on the Project during the progress of the work a competent Project Manager and any necessary assistants, all satisfactory to City's Representative, to act as the Contractor's representative and to supervise its employees and subcontractors. All directions given to the Project Manager shall be binding as if given to the Contractor. Adequate supervision by competent and reasonable representatives of the Contractor is essential to the proper performance of the work, and lack of such supervision shall be grounds for suspending the operations of the Contractor and is a breach of this Agreement.

5.03. Unless otherwise stipulated, the Contractor shall provide and pay for all labor, materials, tools, equipment, transportation, facilities, and drawings, including engineering, and any other services necessary or reasonably incidental to the performance of the work by the Contractor. It shall be the responsibility of the Contractor to furnish a completed work product that meets the requirements of the City. Any additional work, material, or equipment needed to meet the intent of this specification shall be supplied by the Contractor ***without*** claim for additional payment, even though not specifically mentioned herein.

5.04. Any injury or damage to the Contractor or the Project caused by an act of God, natural cause, a party or entity not privy to this Agreement, or other force majeure shall be assumed and borne by the Contractor.

6. DISORDERLY EMPLOYEES

The Contractor agrees to employ only orderly and competent employees skillful in the performance of the type of work required, and agrees that whenever City's Representative shall inform the Contractor in writing that any person or persons on the work are, in his opinion, incompetent, unfaithful, or disorderly, such person or person shall be discharged from the work and shall not again be re-employed on the site or the Project without City's Representative's written permission.

7. HOURS OF WORK

The Contractor may work Monday through Friday from 7 a.m. to 6 p.m., exclusive of Saturdays, Sundays, or legal holidays. The Contractor may work overtime, weekends, and holidays. The time for Substantial Completion shall not be affected in any way by inclusion of this section or by the City's consent or lack of consent to work outside of the times specified in this Agreement.

8. NATURE OF THE WORK

8.01. It is understood and agreed that the Contractor has, by careful examination, studied and compared the various Drawings and other Contract Documents, satisfied itself as to the nature and location of the work, the conditions of the ground and soil, the nature of any structures, the character, quality, and quantity of the material to be utilized, the character of equipment and facilities needed for and during the prosecution of the work, the time needed to complete the work, Contractor's ability to meet all deadlines and schedules required by this Agreement, the general and local conditions, including but not limited to weather, and all other matters that in any way affect the work under this Agreement. These obligations are for the purpose of facilitating construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, any errors, inconsistencies or omissions discovered, or which reasonably should have been discovered by the Contractor shall be reported promptly to the City as a request for information in such form as the City may require. However, the Contractor shall not perform any act or do any work on the Project that places the safety of persons at risk or potentially damages materials or equipment used in the Project, and the Contractor shall do nothing that would render any test or tests erroneous.

8.02. Any design errors or omissions noted by the Contractor during this review shall be reported promptly to the City, but it is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional unless otherwise specifically provided in the Contract Documents. The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations, but any nonconformity discovered by or which reasonably should have been discovered or made known to the Contractor shall be reported promptly to the City.

8.03. If the Contractor fails to perform the obligations of Paragraphs 8.01. and 8.02., the Contractor shall pay such costs and damages to the City as would have been avoided if the Contractor had performed such obligations. The Contractor shall not be liable to the City for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents unless the Contractor recognized or reasonably should have recognized such error, inconsistency, omission or difference and knowingly failed to report it to the City.

9. POST-AGREEMENT AWARD MEETINGS

9.01. Prior to the commencement of the work, the parties shall meet and attend a post-agreement award meeting at the time and place determined by City's Representative. At the post-agreement award meeting, the parties shall meet, discuss, and finalize all schedules, including commencement date, and/or specifications submitted for review. No later than ten (10) days prior to the post-agreement award meeting, the Contractor shall submit to City's Representative the following documents:

(a) Schedules of work contemplated, including the starting and ending date, as well as an indication of the completion of stages of work hereunder.

(b) The names and addresses of all proposed subcontractors in writing.

10. PROGRESS OF WORK

10.01. Unless otherwise specifically provided, the Contractor shall prosecute its work at such time and sessions, in such order of precedence, and in such manner as shall be most conducive to the economy of the Project; provided, however, that the order and time of prosecution shall be such that the Project shall be Substantially Completed in accordance with this Agreement, the plans and specifications, and within the time of completion designated in the schedules agreed upon by the parties.

10.02. Further, the parties shall be subject to the following:

(a) The Project Superintendent/Manager shall coordinate its activities with City's Representative. If required by the City, the Contractor shall provide a weekly schedule of planned activities, which may be reviewed on a daily basis.

(b) The Contractor shall attend additional meetings called by City's Representative upon twenty-four (24) hours written notice unless otherwise agreed in writing by the parties.

(c) When the City is having other work done, either by agreement or by its own force, City's Representative may direct the time and manner of work done under this Agreement so that conflicts will be avoided and the various work being done by and for the City shall be coordinated.

(d) In the event that it is determined by the City that the progress of the work is not in accordance with the approved progress and payment schedule, the City may so inform the Contractor and require the Contractor to take such action as is necessary to insure completion of the Project within the time specified.

10.03. The process of approving Contractor's schedules and updates to Contractor's schedules shall not constitute a warranty by the City that any non-Contractor milestones or activities will occur as set out in the Contractor's schedules. Approval of a contractor's schedules does not constitute a commitment by the City to furnish any City-furnished information or material any earlier than the City would otherwise be obligated to furnish that information or material under the Contract Documents. Failure of the Work to proceed in the sequence scheduled by Contractor shall not alone serve as the basis for a Claim for additional compensation or time. In the event there is interference with the Work which is beyond its control, Contractor shall attempt to reschedule the Work in a manner that will hold the additional time and costs beyond its control to a minimum. The Contractor shall monitor the progress of the Work for conformance with the requirements of the construction schedules and shall promptly advise the City of any delays or potential delays. In the event any schedule indicates any delays, the Contractor shall propose an affirmative plan to correct the delay. In no event shall any schedule constitute an adjustment in the Contract Time, any Milestone Date or the Contract Sum unless any such adjustment is agreed to by the City and authorized pursuant to Change Order.

10.04. **Work Stoppage.** If in the judgment of either the City or City's Representative any of the work or materials furnished is not in strict accordance with this Agreement or any portion of the work is being performed so as to create a hazardous condition, they may, in their sole discretion, order the work of the Contractor or any sub contractor wholly or partially stopped until any objectionable person, work, or material is removed from the premises. Such stoppage or suspension shall neither invalidate any of the Contractor's performance obligations under this Agreement, including the time of performance and deadlines therefore, nor will any extra charge be allowed the Contractor by reason of such stoppage or suspension.

11. SITE CONDITIONS AND MANAGEMENT

11.01. Where the Contractor is working around or in existing structures, it shall verify conditions at the site, including but not limited to, door openings and passages. Any items constructed or manufactured off-site or outside of buildings shall be done so that they are not too bulky for existing facilities. The Contractor shall provide special apparatus as required to handle any such items. All special handling equipment charges shall be at the Contractor's expense. Further, Contractor shall include in its price for the Work, all labor, materials, equipment and/or engineering services required to protect the adjacent properties and/or structures from damage due to performance of the Work.

11.02. The Contractor shall be responsible for all power, light, and water required to perform the work. City shall make available all utilities currently on site, including water and power.

Throughout the progress of the work, the Contractor shall keep the working area free from debris of all types, and remove from premises all rubbish, resulting from any work being done by him. At the completion of the work, the Contractor shall leave the premises in a clean and finished condition. Any failure to do so may be remedied and charged back to the Contractor.

11.03. **Layout of Work.** Except as specifically provided herein, the Contractor shall lay out all work in a manner acceptable to City's Representative in accordance with applicable City of Nacogdoches codes and ordinances. City's Representative will review the Contractor's layout of all structures and any other layout work done by the Contractor at the construction meeting, or at the Contractor's request, but this review does not relieve the Contractor of the responsibility of accurately locating all work in accordance with the plans and specifications.

11.04. **Lines and Grades.** All lines and grades shall be furnished by the Contractor. Benchmarks and control stakes have been provided by the City's Representative. All benchmarks and control stakes shall be carefully preserved by the Contractor. In case of destruction or removal of the same by the Contractor, its subcontractors, or employees, such stakes, marks, etc. shall be replaced by the Contractor at the Contractor's expense. If the Contractor fails to do so, the City may do so and charge back the Contractor. Additional construction staking as needed for the work, including lines and grades, shall be the sole responsibility of the Contractor, and the Contractor shall receive no extra time or compensation therefor.

11.05. **Contractor's Structures.** The building or locating of structures for housing men or the erection of tents or other forms of protection will be permitted only at such places as City's Representative shall permit. The Contractor shall not damage the property where such structures are allowed and shall at all times maintain sanitary conditions in and about such structures in a manner satisfactory to the City. The City may charge the Contractor for any damage or injury to the City, its property, or third persons as a result of the location or use of such structures.

11.06. The Contractor and any entity over whom the Contractor has control shall not erect any sign on the Project site without the prior written consent of the City.

11.07. City may have other work related to the Project performed at the Project site during the time the Work is performed. Contractor should schedule its Work to coordinate with the work of other contractors and utilities with the understanding that some of that work may be performed at times other than as set out in the Contract Documents or as otherwise anticipated. City will endeavor to have such other work performed so as not to unduly interfere with Contractor's performance when Contractor notifies City of specific reasonable needs well in advance of those needs and where it is possible to do so. Although Contractor should anticipate some delays and interference to its sequence of Work because of work by other contractors and utilities, and will not be entitled to either an extension of time or additional compensation because of them, in the event of substantial delay caused by another contractor or a utility, after advance notice of its needs by Contractor, Contractor will be entitled to make a claim for an extension of time as provided herein.

11.08. When two or more contractors, including Contractor, are employed on related or adjacent work or obtain materials from the same material source, or when work must be completed by one contractor before another can begin, each shall conduct his operations in such a manner as not to cause any unnecessary delay or hindrance to the other. Each contractor, including Contractor if applicable, shall be responsible to the other for all damage to work, to persons, or to property caused to the other by his operations, and for loss caused the other due to unreasonable or unjustified delays or failure to finish the work or portions thereof, or furnish materials within the time requested. Should Contractor cause damage to the work or property of any separate contractor at the Project site, or should any claim arising out of Contractor's separate contractor at the Project site, or should any claim arising out of Contractor's performance of the Work at the Project site be made by any separate contractor against Contractor, City or other consultants, or any other person, Contractor shall promptly attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute. **Contractor shall, to the fullest extent permitted by applicable laws, indemnify and hold City harmless from and against all claims, damages, losses and expenses (including, but not limited to, fees of architects, attorneys and other professionals and court costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any separate contractor against City to the extent based on a claim arising out of Contractor's negligence.**

12. MATERIALS

12.01. Materials or work described in words that when so applied have well-known technical or trade meaning shall be held to refer to such recognized standards. All work shall be done and all materials furnished in strict conformity with this Agreement, the other Contract Documents, and recognized industry standards. When specific products, systems or items of equipment are referred to in the Contract Documents, any ancillary devices necessary for connecting the products, systems or items of equipment shall also be provided. When standards, codes, manufacturer's instructions and guarantees are required by the Contract Documents, the current edition at the time of Contract execution shall apply, unless another edition is specified in the Contract Documents. References to standards, codes, manufacturer's instructions and guarantees shall apply in full, except (1) they do not supersede more stringent standards set out in the Contract Documents, and (2) any exclusions or waivers that are inconsistent with the Contract Documents do not apply.

12.02. All materials shall be approved by the City prior to purchase by the Contractor. Unless otherwise specified herein, the Contractor shall purchase all materials and equipment outright and shall not subject the materials and equipment utilized in the Project to any conditional sales agreement, bailment, lease, or other agreement reserving unto seller any right, title, or interest therein.

12.03. Where the City deems it necessary to supply materials, it may furnish to the Contractor the list of materials set forth in the attached "List of City Furnished Materials". Upon receipt of said materials, the Contractor shall immediately furnish to the City a written receipt. Moreover, the Contractor shall, on behalf of the City, accept delivery of the materials set forth in the attached "List of Materials Ordered by the City". Under such circumstances, the Contractor shall promptly forward to the City for payment the supplier's invoice together with the Contractor's receipt in writing for such materials.

(a) Upon acceptance of the materials furnished or ordered by the City, the Contractor warrants that it shall properly handle, transport, store and safeguard the materials.

(b) Further, the Contractor shall repair, repaint or replace any and all materials or any part thereof damaged or stolen while in its possession. Such materials are considered to be in the Contractor's possession from the moment the Contractor either accepts delivery of the materials or signs a receipt accepting delivery of said materials until the Project is accepted by the City's Representative.

(c) Before transporting any of the materials furnished or ordered by the City, the Contractor shall establish to the City's satisfaction that it has obtained insurance against losses, theft, damage, equal to or greater than the amounts spent by the City in securing said materials. It shall be incumbent upon the Contractor to verify the cost of materials.

(d) The City shall not be obligated to furnish materials in excess of the quantities, size, kind, and type set forth in the attached List of City Furnished Materials and List of Materials Ordered by the City. If the City furnishes, and the Contractor accepts, materials in excess thereof, the values of such excess materials shall be their actual cost as stated by the City.

(e) Upon delivery, the Contractor shall promptly receive, unload, transport, and handle all materials and equipment on the List of Materials Ordered by the City at its expense.

12.04. **Materials and supplies shall be new and of good quality.** Upon request, the Contractor shall supply proof of quality and manufacturer. No refurbished, reconditioned, or other previously utilized materials or supplies will be used without the prior signed authorization of City's Representative. The Contractor may utilize substitutes of equal quality and function only upon the prior written authorization of the City's Representative. The City's Representative may require documentation as to quality and function, including manufacturer's specifications, to ensure that the proposed substitute is equal to the required material or supply.

12.05. Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Project site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the Project site. Protection of construction material and equipment stored at the Project site from weather, theft, damage and all other perils is solely the responsibility of the Contractor.

13. ENTRY, OBSERVATION, TESTING & POSSESSION

13.01. The City reserves the right to enter the Project site or sites by such employee(s) or agent(s) as it may elect for the purpose of inspecting the work. The City further reserves the right to enter the Project site or sites for the purpose of performing such collateral work as the City may desire.

13.02. The City's Representative shall have the right, at all reasonable times, to observe and test the work. The Contractor shall make necessary arrangements and provide proper facilities and access for such observation and testing at any location where the work or any part thereof is in preparation or progress. The Contractor shall ascertain the scope of any observation that may be contemplated by City's Representative and shall give ample notice as to the time each part of the work will be ready for observation.

13.03. The City's Representative may require Contractor to remove, dismantle, or uncover completed work. If the work is not in accordance with the plans, specifications, or other Contract Documents, the Contractor shall pay the costs of repair and restoration of the work required to be removed, dismantled, or uncovered. Unless Contractor is obligated to provide advance notice of inspection, prior to covering up the work, and fails to do so, if the work is in accordance with the plans, specifications, and other Contract Documents, the City shall pay the costs of repair and restoration of the work.

14. REJECTED WORK

14.01. All work deemed not in conformity with this Agreement as determined by the City in its sole discretion, may be rejected by the City. City's Representative may reject any work found to be defective or not in accordance with the Contract Documents, regardless of the stage of the work's completion or the time or place of discovery of such defects or inconsistencies and regardless of whether City's Representative has previously accepted the work through oversight or otherwise. Neither observations nor inspections, tests, or approvals made by City's Representative, or other persons authorized under this Agreement to make such observations, inspections, tests, or approvals, shall relieve the Contractor from the obligation to perform the work in accordance with the requirements of this Agreement and the other Contract Documents.

14.02. If the work or any part thereof is rejected by the City, it shall be deemed by City's Representative as not in conformity with this Agreement. Any remedial action required, as set forth herein, shall be at the Contractor's expense, as follows:

(a) The Contractor may be required, at the City's option, after notice from City's Representative, to remedy such work so that it shall be in full compliance with this Agreement. All rejected work or materials shall be immediately replaced in order to conform with this Agreement.

(b) If the City deems it inexpedient to correct work damaged or not done in accordance with this Agreement, an equitable deduction from the agreed sum may be made by the City at the City's sole discretion.

15. SUBCONTRACTING & SUBCONTRACTORS

15.01. The Contractor agrees that it will retain personal control and will give its personal attention to the fulfillment of this Agreement. The Contractor further agrees that subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve the Contractor from its full obligation to the City as provided by this Agreement.

15.02. Subcontractors must be approved by City's Representative prior to hiring or beginning any work on the Project. If City's Representative judges any subcontractor to be failing to perform the work in strict accordance with the drawings and specifications, the Contractor, after due notice, shall discharge the same, but this shall in no way release the Contractor from its obligations and responsibility under this Agreement. Every subcontractor shall be bound by the terms and provisions of this Agreement and the Contract Documents as far as applicable to their work. The Contractor shall be fully responsible to the City for the acts and omissions of its subcontractors. Nothing contained herein shall create any contractual or employment relations between any subcontractor and the City.

16. PAYMENT

16.01. The City stipulates that it is an exempt organization as defined by the Limited Sales, Excise and Use Tax Act and, as such, is exempt from the payment of the sales tax on materials and supplies used in the performance of this Contract. The Contractor shall issue exemption certificates to its suppliers and Subcontractors in lieu of said sales tax for all such materials and supplies, and said exemption certificates must comply with the State Comptroller's Ruling No. 95-0.07 and shall be subject to the provision of the State Comptroller's Ruling No. 95-0.09, effective October 1, 1969.

16.02. **Progress Payment Applications.** The Contractor shall submit applications for payment as provided for herein. Applications for payment will be processed by the City's Representative. Before the first Application for Payment, the Contractor shall submit to the City a schedule of values allocated to various portions of the Work, prepared in such form and supported by such data to substantiate its accuracy as the City may require. This schedule, unless objected to by the City, shall be used as a basis for reviewing the Contractor's Applications for Payment. On or before the 15th day of each month, the Contractor shall submit to City's Representative, for approval or modification, a statement showing as completely as practicable the total value of the actual work performed by the Contractor and accepted by the City up to and including the last day of the ***preceding*** month. The statement shall also include the value of all materials not previously submitted for payment which have been delivered to the site but have not yet been incorporated into the work.

16.03. **Progress Payments.** On or before the **30th** calendar day following the City's receipt of a progress payment application made in conformity with Paragraph 16.02, the City shall pay to the Contractor the approved amount of the progress payment based on the Contractor's applications for payment, and the recommendation and approval of City's Representative. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage of work completed by the Contractor and approved by the City, but in each case less the aggregate of payments previously made, less retainage, and less amounts as City's Representative shall determine and the City may withhold in accordance with this Agreement. Upon Final Completion, including the delivery of all close out documents, such as "as built" drawings, warranties, guarantees, required additional materials, releases, operation and maintenance manuals, and acceptance of the work in accordance with this Agreement, the City shall pay the remainder of the balance due under this Agreement, less any sums withheld under other terms of this Agreement and less the retainage, which shall be retained for a period of thirty (30) calendar days from the date of Final Completion. Acceptance of retainage by Contractor shall constitute a <u>Waiver and Release of all claims by Contractor</u>.

16.04. **Retainage.** From each approved statement, the City shall retain until final payment~~,~~ five percent (5%) where the full contract amount is less than $400,000.00, and five percent (5%), where the full contract amount is $400,000.00 or more. The City may also retain from each approved statement any other sums authorized under the terms of this Agreement.

16.05. If the actual amount of work to be done and the materials to be furnished differ from estimates and where the basis for payment is the unit price method, then payment shall be for the actual amount of accepted work done and materials furnished on the Project.

16.06. Reduction in the scope or quantity of work on unit price items shall merely reduce the number of units. In the event that materials have been delivered prior to notice of such reduction, the City will have the option either to pay freight & transportation costs and any re-stocking charges actually incurred by the Contractor or to purchase the materials. The Contractor shall never be entitled to anticipated or lost profits on the deleted or reduced portion of a job, whether bid on a unit price or lump sum basis.

16.07. The Contractor shall have the sole obligation to pay any and all charges or fees and give all notices necessary to and incidental to the lawful prosecution of the work hereunder. The Contractor shall not and shall have no authority whatsoever to obligate the City to make any payments to another party nor make any promises or representation of any nature on behalf of the City, without the specific written approval of the City.

16.08. The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the City may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

16.09. Unless otherwise provided in the Contract Documents:

(a) allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;

(b) Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Amount but not in the allowances;

(c) whenever costs are more than or less than allowances, the Contract Amount shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Paragraph 16.9(a) and (2) changes in the Contractor's costs under Paragraph 16.9(b).

16.10. **Suspension of Payments.** The City, at any time, may suspend monthly progress payments on the work if it determines that the projected liquidated damages may exceed retainage. The City, at any time, may suspend monthly progress payments if it believes that the Contractor will not complete the work due to actual default or that the Contractor has represented or done some act that indicates that it will not complete the work in accordance with this Agreement or within the time period submitted in its bid. Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Paragraph.

16.11. **Withhold Funds.** Regardless of any bond, the City may, on account of subsequently discovered evidence and in addition to the retainage withheld under Paragraph 16.04, withhold funds or nullify all or part of any acceptance or certificate to such extent as may be necessary to protect itself from loss on account of any of the following, or as otherwise provided in this Agreement:

(a) Defective work.

(b) Claims made or reasonable evidence indicating probable filing of claims by unpaid vendors or other third parties.

(c) Failure of the Contractor to make prompt payments to subcontractors for labor or material or materialmen.

(d) Claims made or reasonable evidence indicating claims will be made for damage to another by the Contractor.

(e) Claims made or reasonable evidence indicating claims will be made for damage to third parties, including adjacent property owners.

(f) Claims made or reasonable evidence indicating claims will be made for unremedied damage to property owned by the City.

(g) City's determination of an amount of liquidated damages.

(h) Charges made for repairs to the Contractor's defective work or repairs made by the City to correct damage to other property.

(i) Other amounts authorized under this Agreement or under any other agreement made between City and Contractor.

Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Paragraph.

16.12. The Parties agree that the City or the state auditor, if state funds are used to fund this contract, may conduct an audit or investigation of any entity receiving funds from the City directly or indirectly through a subcontract under the contract. The acceptance of funds under the contract or subcontract acts as acceptance of the authority of the City or the state auditor to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the City or the state auditor with access to any information the City or the auditor considers relevant to the investigation.

17. EXTRA WORK CHARGES

17.01. No changes shall be made, nor will bills for changes, alterations, modifications, deviations, and extra orders be recognized or paid for except upon the written order from authorized personnel of the City.

17.02. For "Extra Work", as defined in Paragraph 1.07 and authorized through written change orders, and pursuant to Section 252.048(d) of the Texas Local Government Code, the original contract price may not be increased by more than ***twenty-five percent (25%)***. Written change orders that do not exceed ***twenty-five percent (25%)*** of the original contract amount may be made or approved by the City Manager or his delegate if the change order is less than **Fifty Thousand Dollars** ***($50,000.00)***. Changes in excess of ***Fifty Thousand Dollars ($50,000.00)*** must be approved by the City Council prior to commencement of the services or work. **Any requests by the Contractor for a change to the Contract Amount shall be made prior to the beginning of the work covered by the proposed change or the right to payment for Extra Work shall be waived.** No course of conduct or dealings between the parties, nor implied acceptance of alterations or additions to the Work or changes to the Contract schedule shall be the basis for any claim for an increase in compensation or change in time. Any cost incurred by Contractor in connection with any Extra Work shall be included in Contractor's requested change order and Contractor's failure to include any such cost shall act to Waive and Release any claim for such non included cost.

17.03. The Contractor shall complete all work as specified or indicated in the Contract Documents. The Contractor shall complete all Extra Work in connection therewith. All work and materials shall be in strict conformity with the specifications. The Substantial Completion of the work shall not excuse the Contractor from performing all the work undertaken, whether of a minor or major nature, and thereby completing the Project in accordance with the Contract Documents. In the event that the Contractor fails to perform the work as required for Substantial Completion or Final Completion, the City may contract with a third party to complete the work and the Contractor shall assume and pay the costs of the performance of the work as contracted.

(a) It is agreed that the Contractor shall perform all Extra Work under the direction of City's Representative when presented with a written work order signed by City.

(b) **No claim for Extra Work of any kind will be allowed unless ordered in writing by the City.** In case any orders or instructions appear to the Contractor to involve Extra Work for which it should receive compensation or an adjustment in the construction time, it shall make written request to City's Representative for a written order from City authorizing such Extra Work.

(c) Should a difference of opinion arise as to what does or does not constitute Extra Work, or as to the payment therefor, and the City insists upon its performance, then the Contractor shall proceed with the work after making written requests for written orders in a change order and shall keep adequate and accurate account of the actual field costs therefore, as provided under Method C.

(d) It is also agreed that the compensation to be paid to the Contractor for performing Extra Work shall be determined by one or more of the following methods:

Method A - By agreed unit prices, or
Method B - By agreed lump sum, or
Method C - If neither Method A nor Method B is agreed upon before the Extra Work is commenced, then the Contractor shall be paid the actual field cost of the work.

(e) **Method A - Unit Prices**. The Contractor agrees to perform Extra Work for the unit prices in the Contractor's Proposal. The Contractor also agrees and warrants that when it is necessary to construct units not shown in the Contract Documents, it shall construct such units for a price arrived at as follows:

(1) The cost of materials shall be determined by the invoices;

(2) The cost of labor shall be the reasonable cost thereof, as determined by the City, but in no event shall it exceed an amount determined by calculating the ratio of the total labor costs to the total costs to the total material costs in the section of the Proposal involved, and multiplying the cost of materials for the unit in question by this ratio. Provided, however, that the ratio shall be calculated for only those units that are similar to the new unit for which a price is to be determined.

(f) **Method B - Lump Sum**. The lump sum shall be reasonably close to the amount for similar work previously done or combinations of similar units. Invoices for materials used shall be provided in support of the agreed lump sum.

(g) **Method C - Actual Field Costs.** The actual field cost is hereby defined to include the cost of all applicable workmen and laborers, as well as materials, supplies, teams, trucks, rentals on machinery and equipment, for the time actually employed or used for such Extra Work, plus actual transportation charges necessarily incurred, together with other costs reasonably incurred directly on account of such Extra Work, including social security, old age benefits, maintenance bonds, public liability, property damage, worker's compensation, and all other insurance as may be required by law or ordinances or required and agreed to by the City or City's Representative. City's Representative may direct the form in which accounts of the actual field costs shall be kept and records of these accounts shall be made available to City's Representative. Unless otherwise agreed upon, the prices for the use of machinery and equipment shall be determined by using one hundred percent (100%), unless otherwise specified, of the latest schedule of equipment and ownership expenses adopted by the Associated General Contractors of America. Where practical, the terms and prices for the use of machinery and equipment shall be incorporated in the written Extra Work order. Actual field costs shall not exceed the prevailing market price therefor within reasonable tolerances as determined by City's Representative. The amount due to Contractor for costs other than actual field costs shall be calculated in accordance with the following standards:

(1) No indirect or consequential damages will be allowed.

(2) All costs must be directly and specifically shown to be caused by a proven wrong. No recovery shall be based on a comparison by planned expenditures to total actual

expenditures or on estimated losses of labor efficiency, or on a comparison of planned manloading to actual manloading, or any other analysis that is used to show damages indirectly.

(3) Damages are limited to extra costs specifically shown to have been directly caused by a proven wrong.

(4) The maximum daily limit on any recovery for delay shall be the amount established by the Contractor for job overhead costs, defined in the pay applications, divided by the total number of days specified for completion called for in the original Contract. Absent an overhead amount in the Schedule of Values, the amount estimated by Contractor for job overhead cost shall be used.

18. TIME OF COMPLETION

18.01. The date of beginning, the time for Substantial Completion and Final Completion of work as specified in this Agreement are of the essence in this Agreement.

18.02. The work embraced by this Agreement shall be commenced on the date specified in the notice to proceed. Said notice to proceed will be given in written form or set by the City's Representative at the post-award conference.

18.03. The work shall be Substantially Completed within the time bid, which shall run from the date when the notice to proceed is given by City's Representative. The Contractor has bid **_180_ calendar days** for the time within which it shall reach Substantial Completion of the Project.

18.04. The work shall reach Final Completion and be ready for final payment within **thirty (30) calendar days** from the date of Substantial Completion.

19. SUBSTANTIAL COMPLETION

19.01. The Contractor shall notify City's Representative when, in the Contractor's opinion, the contract is Substantially Completed. Within ten (10) calendar days after the Contractor has given City's Representative written notice that the work has been Substantially Completed, City's Representative shall inspect the work for the preparation of a final punch list.

(a) If City's Representative and the City find that the work is not Substantially Completed, then they shall so notify the Contractor who shall then complete the work. City's Representative shall not be required to provide a list of unfinished work.

(b) If the City Representative and City find that the work is Substantially Completed, the City shall issue to the Contractor its certificate of Substantial Completion.

19.02. The Substantial Completion of the work shall not excuse the Contractor from performing all of the work undertaken, whether of a minor or major nature, and thereby completing the Project in accordance with the Contract Documents.

20. FINAL COMPLETION

20.01. Contractor shall notify the City's Representative when it believes that the work has reached Final Completion as defined in Paragraph 1.08. If the City's Representative and the City accept and deems such work Finally Complete, then Contractor shall be so notified and certificates of completion and acceptance, as provided herein, shall be issued. A complete itemized statement of this Agreement account, certified by the City's Representative as correct, shall then be prepared and delivered to Contractor. Contractor or City, as the case may be, shall pay the balance due as reflected by said statement within thirty (30) calendar days.

20.02. The Contractor shall procure all required certificates of acceptance or completions issued by state, municipal, or other authorities and submit the same to the City. The City may withhold any payments due under this Agreement until the necessary certificates are procured and delivered.

20.03. Neither the final payment nor any acceptance nor certificate nor any provision of this Agreement shall relieve the Contractor of any responsibility for faulty workmanship or materials. At the option of the City, the Contractor shall remedy any defects and pay for any damage to other work which may appear after final acceptance of the work.

21. DELAYS

21.01. The Contractor, in undertaking to complete the work within the times herein fixed, has taken into consideration and made allowance for all hindrances and delays incident to such work, whether growing out of delays in securing material or workmen or delays arising from inclement weather or otherwise.

21.02. The City may, in its sole discretion, delay the work during inclement weather in order to preserve the Project, insure safety of work forces, and the preservation of materials and equipment. In such event and upon a written request from the Contractor, the City may grant an extension of time pursuant to Paragraph 22 to offset for such stoppage of the work.

21.03. In the event of delays resulting from changes ordered in the work by the City or other delays caused by the City or for the City's convenience, the Contractor may apply to the City for recovery of incidental expenses resulting from increased storage costs or other costs necessary to protect the value of the work. In no event shall any consequential or other damages be allowed or any other charges or claims be made by the Contractor for hindrances or delays resulting from any other cause.

22. EXTENSIONS OF TIME

The Contractor has submitted its proposal in full recognition of the time required for the completion of this Project, taking into consideration all factors including, but not limited to the average climatic range and industrial conditions. The Contractor has considered the liquidated damage provision of this Agreement and understands and agrees that it shall not be entitled to, nor will it request, an extension of time for either Substantial Completion or Final Completion, except when the work has been delayed by one or more of the following:

(1) an act or neglect of the City, the City's Representative, employees of the City, or other contractors employed by the City;
(2) by changes ordered in the work, or reductions thereto approved in writing;
(3) by "rain days" (days with rainfall in excess of one-tenth of an inch) during the term of this Agreement that exceed the average number of rain days for such term for this locality, both as determined by the Texas A&M University weather service; or

(4) by other causes that the City and the Contractor agree may reasonably justify delay and that were beyond the Contractor's reasonable control and ability to estimate, predict, or avoid, such as delays caused by unforeseen labor disputes, fire, natural disasters, acts of war, and other rare and unpredictable events. This term does **not** include normal delays incident to the delivery of materials, tools, or labor that reasonably could have been predicted and/or accounted for in the Contractor's proposal or decision to bid.

If one or more of the foregoing conditions is present, the Contractor may apply in writing for an extension of time, within thirty (30) days of the occurrence of the event causing the delay, submitting therewith all written justification as may be required by the City's Representative. Within ten (10) calendar days after receipt of a written request for an extension of time, which is supported by all requested documentation, the City shall, in writing and in its sole discretion, grant or deny the request. Under no circumstances shall any extension of time by the City be valid and binding unless it is in writing and in conformity with the other terms of this Agreement.

23. LIQUIDATED DAMAGES

23.01. The time for the Substantial and Final Completion of the work described herein are reasonable times for the completion of each, taking into consideration all conditions, including but not limited to the average climatic conditions and usual industrial conditions prevailing in this locality. The amount of liquidated damages for the Contractor's failure to meet the deadlines for Substantial and/or Final Completion are fixed and agreed on by the Contractor because of the impracticability and extreme difficulty in fixing and ascertaining the actual damages that the City would in such an event sustain. The amounts to be charged are agreed to be damages the City would sustain and shall be retained by the City from current periodic estimates for payment or from final payment.

23.02. As a result of the difficulty in estimation, calculation and ascertainment of City's damages due to a failure of Contractor to achieve timely completion of the Work, if the Contractor should neglect, fail, or refuse to either Substantially Complete or Finally Complete the work within the time herein specified, or any proper extension thereof granted by the City's Representative pursuant to the terms of Paragraph 22 of this Agreement, then the Contractor does hereby agree as part of the consideration for the awarding of this Agreement that the City may permanently withhold from the Contractor's total compensation the sum of **Zero Dollars ($0.00)** for each and every calendar day that the Contractor shall be in default after the time stipulated for Substantial Completion and/or Final Completion, not as a penalty, but as liquidated damages for the breach of this Agreement. It being specifically understood that the assessment of liquidated damages may be made for any failure to meet either or both of the deadlines specified for Substantial Completion and/or Final Completion.

24. CHARGES FOR INJURY OR REPAIR

24.01. The Contractor shall be liable for any damages incurred or repairs made necessary by reason of its work and/or caused by it. Repairs of any kind required by the City will be made and charged to the Contractor by the City.

24.02. The Contractor shall take the necessary precautions to protect any areas adjacent to its work.

24.03. The work specified consists of all work, materials, and labor required by the City to repair any damage to the property of the City, including but not limited to structures, roadways, curbs, parking areas, and sidewalks.

25. WARRANTY

25.01. Upon issuance of a certificate of Final Completion, the Contractor warrants for a period of one (1) year as follows:

> **The Contractor warrants that all labor and materials provided to the City under this Agreement shall be new unless otherwise approved in advance by City's Representative and that all work will be of good quality, free from faults and defects, and in conformance with this Agreement, the other Contract Documents, and recognized industry standards.**

25.02. All work not conforming to these requirements, may be considered defective.

25.03. This warranty is in addition to any rights or warranties expressed or implied by law and in addition to any consumer protection claims arising from misrepresentations by the Contractor.

25.04. Where more than a one (l) year warranty is specified for individual products, work, or materials, the longer warranty shall govern. And shall be provided by the manufacturer providing the extended warranty.

25.05. This warranty obligation shall be covered by any performance or payment bonds tendered in compliance with this Agreement.

25.06. **Defective Work Discovered During Warranty Period.** If any of the work is found or determined to be either defective, including obvious defects, or otherwise not in accordance with this Agreement within one (l) year after the date of the issuance of a certificate of Final Completion of the Work or a designated portion of the Work, whichever is longer, or within one (l) year after acceptance by the City of designated equipment, or within such longer period of time as may be prescribed by law or by the terms of any applicable special warranty required by this Agreement, the Contractor shall promptly correct the defective work at no cost to the City.

25.07. After receipt of written notice from the City to begin corrective work, the Contractor shall promptly begin the corrective work. The obligation to correct any defective work shall survive the termination of this Agreement. The guarantee to correct the defective work shall not constitute the exclusive remedy of City, nor shall other remedies be limited to the terms of either the warranty or the guarantee.

25.08. If within ten (10) calendar days after the City has notified the Contractor of a defect, failure, or abnormality in the work, the Contractor has not coordinated with the City, to make the necessary corrections or adjustments, the City is hereby authorized to make the corrections or adjustments, or to order the work to be done by a third party. The cost of the work shall be paid by the Contractor or its surety.

25.09. The cost of all materials, parts, labor, transportation, supervision, special instruments, and supplies required for the replacement or repair of parts and for correction of defects shall be paid by the Contractor or by the surety.

26. PAYMENT OF EMPLOYEES, SUBCONTRACTORS & SUPPLIERS

26.01. **Wage Rates.** Pursuant to Section 2258.023(a) of the Texas Government Code, wage rates paid by the Contractor and any subcontractor on this Project shall be not less than the general prevailing rate of per diem wages for work of a similar character in this locality as specified in the schedule of general prevailing rates of per diem wages attached hereto as Exhibit A. If no wage rates is provided, then the wages shall be the local rate.

26.02. **Statutory Penalty.** Pursuant to Section 2258.023(b) of the Texas Government Code, if the Contractor or any subcontractor violates the requirements of Paragraph 26.01, the Contractor or subcontractor as the case may be shall pay the City **Sixty Dollars** (**$60.00**) for each worker employed for each calendar day or part of the day that the worker is paid less than the stipulated wage rates.

26.03. The Contractor and each subcontractor shall pay all of their employees engaged in work on the Project in full (less mandatory legal deductions) in cash or by check readily cashable, without discount, no less than once each week.

26.04. **Payment of Subcontractors.** The Contractor shall be solely and exclusively responsible for compensating any of the Contractor's employees, subcontractors, materialmen and/or suppliers of any type or nature whatsoever and for insuring that no claims or liens of any type arising out of or incidental to the performance of any services performed pursuant to this Agreement are filed against any property owned by the City. In the event a statutory lien notice is sent to the City, the Contractor shall, where no payment bond covers the work, upon written notice from the City, immediately obtain a bond at its expense and hold the City harmless from any losses that may result from the filing or enforcement of any said lien notice. In the event that the Contractor defaults in the provision of the bond, the City may withhold such funds as are necessary to assure the payment of such claim until litigation determines to whom payment shall be made.

26.05. **Affidavit of Bills Paid.** Prior to Final Acceptance of the Project, the Contractor shall provide a notarized affidavit, attached as Exhibit E, stating that all bills for labor, materials, and incidentals incurred have been paid in full, that any claims from manufacturers, materialmen, and subcontractors have been released, and that there are no claims pending of which the Contractor has been notified.

27. INSURANCE

27.01. The Contractor shall procure and maintain at its sole cost and expense for the duration of this Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, volunteers, employees or subcontractors. The policies, coverages, limits and endorsements required are as set forth in Exhibit B.

28. BOND PROVISIONS

28.01. Pursuant to Section 2253.021 of the Texas Government Code, for all public works contracts with governmental entities, a payment bond is required if the Contract Amount exceeds $50,000, and a performance bond is required if the Contract Amount exceeds $100,000. Below those amounts, the City *may* require payment and/or performance bonds. In the event a performance or payment bond or both is required either by law or in the City's discretion, such bonds shall be executed in accordance with all requirements of Article 7.19-1 of the Texas Insurance Code, all other applicable law, and the following:

(a) The Contractor shall execute performance and payment bonds for the full Contract Amount.

(b) The bond surety shall be authorized under the laws of the State of Texas to provide a performance and payment bond and shall have attached proof of authorization of the surety to act in the performance and payment of bonds.

(c) The Contractor shall provide original, sealed, and complete counterparts of the executed bonds in the forms required by the Contract Documents, which are attached as Exhibit C, together with valid original powers of attorney, **at the time of execution of this Agreement and prior** to the commencement of work. Copies of the executed bonds shall be attached hereto as **Exhibit C.**

(d) The performance and payment bonds shall remain in effect for a period of one (1) year after Final Completion of the work and shall be extended for any warranty work to cover the warranty period.

(e) If at any time during the execution of this Agreement in the required period thereafter, the bond or bonds become invalid or ineffective for any reason, the Contractor shall promptly supply within ten (10) days such other bond or bonds, which bond or bonds shall assure performance or payment as required.

28.02. The Contractor may make such changes and alterations as the City may require in the work or any part thereof without affecting the validity of this Agreement and any accompanying bond. If such changes or alterations diminish the quantity of the work to be done, they shall not constitute the basis for any claim for damages or anticipated profits. If the City makes changes or alterations that render useless any work already done or material already used in said work, then the City shall compensate the Contractor for any material or labor so used, and for any actual loss occasioned by such change due to actual expenses incurred in preparation for the work as originally planned, in accordance with the provisions of Article 17.

29. SURETY

29.01. If the Contractor has abandoned the Project or the City has terminated the contract for cause and the Contractor's Surety, after notice demanding completion is sent, fails to commence the completion of the work in compliance with this Agreement, then the City <u>at its option</u> may provide for completion of the work in either of the following manners:

29.01.01. The City may employ such force of men and use of instruments, machinery, equipment, tools, materials, and supplies as said the City may deem necessary to complete the work and charge the expense of such labor, machinery, equipment, tools, materials, and supplies to said the Contractor, and the expense so charged shall be deducted and paid by the City out of such monies as may be due or that may thereafter at any time become due to the Contractor and Surety.

29.01.02. The City may, after notice published as required by law, accept sealed bids and let this Agreement for the completion of the work under substantially the same terms and conditions that are provided in this Agreement. In case of any increase in cost to the City under the new agreement as compared to what would have been the cost under this Agreement, such increase together with all of the City's damages due to Contractor's abandonment and/or default, including liquidated damages, as provided pursuant to Paragraph 38, entitled "TERMINATION FOR CAUSE" shall be charged to the Contractor and the surety shall be and remain bound therefor. However, should the cost to complete such new agreement prove to be less than that which would have been the cost to complete the work under this Agreement, the Contractor shall be credited therewith after all deductions are made in accordance with this Agreement.

29.02. Should the cost to complete the work exceed the Contract Amount and the Contractor fails to pay the amount due to the City within the time designated and there remains any machinery, equipment, tools, materials, or supplies on the site of the work, notice thereof, together with an itemized list of such equipment and materials, shall be mailed to the Contractor at its respective address designated in this Agreement; provided, however, that actual written notice given in any manner shall satisfy this condition. After mailing, or otherwise giving such notice, such property shall be held at the risk of the Contractor subject only to the duty of City's Representative to exercise ordinary care to protect such property. After fifteen (15) calendar days from the date of said notice, City's Representative may sell such machinery, equipment, tools, materials, or supplies and apply the net sum derived from such sale to the credit of the Contractor. Such sale may be made at either public or private sale, with or without notice, as City's Representative may elect. City's Representative shall release any machinery, equipment, tools, materials, or supplies which remain on the job site and belong to persons other than the Contractor to their proper owners.

29.03. In the event the account shows that the cost to complete the work is less than that which would have been the cost to City had the work been completed by the Contractor under the terms of this Agreement, or when the Contractor shall pay the balance shown to be due by them to the City, then all machinery, equipment, tools, materials, or supplies left on the site of the work shall be turned over to the Contractor.

30. COMPLIANCE WITH LAW

30.01. The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, codes, and directions of inspectors appointed by proper authorities having jurisdiction.

30.02. The Contractor shall perform and require all subcontractors to perform the work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

30.03. The Contractor shall follow all applicable state and federal laws, municipal ordinances, and guidelines concerning soil erosion and sediment control throughout the Project and warranty term.

30.04 The Immigration Reform and Control Act (IRCA). The Contractor may not knowingly obtain the labor or services of an undocumented worker. The Contractor, not the City, must verify eligibility for employment as required by IRCA;

30.05 In accordance with Section 2155.4441 of the Texas Government Code, Contractor agrees that during the performance of this contract it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state;

31. SAFETY PRECAUTIONS

31.01. All safety measures, policies and precautions at the site are a part of the construction techniques and processes for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste. The Contractor shall provide copies of all hazardous materials and waste data sheets to the Nacogdoches Fire Department marked "Attn.: Assistant Chief".

31.02. The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the work as may be necessary.

31.03. The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential hazards created by the performance of the work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

31.04. Contractor agrees that it shall not transport to, use, generate, dispose of, or install at the Project site any Hazardous Substance (as defined in Paragraph 31.07, except in accordance with applicable Environmental Laws. Further, in performing the Work, Contractor shall not cause any release of Hazardous Substances into, or contamination of, the environment, including the soil, the atmosphere, any water course or ground water, except in accordance with applicable Environmental Laws (as hereafter defined at Paragraph 31.07). **In the event Contractor engages in any of the activities prohibited in this Paragraph 31.04 to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its respective officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind, including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from the activities prohibited in this Paragraph 31.04.**

31.05. In the event Contractor encounters on the Project site any Hazardous Substance, or what Contractor may reasonably believe to be a Hazardous Substance, and which is being introduced to the Work, or exists on the Project site, in a manner violative of any applicable Environmental Laws, Contractor shall immediately stop work in the area affected and report the condition to City in writing. The Work in the affected area shall not thereafter be resumed except by written authorization of City if in fact a Hazardous Substance has been encountered and has not been rendered harmless. In the event Contractor fails to stop the Work upon encountering a Hazardous Substance at the Project site, **to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind,**

including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from Contractor's failure to stop the Work.

31.06. City and Contractor may enter into a separate agreement and/or Change Order for Contractor to remediate and/or render harmless the Hazardous Substance, but Contractor shall not be required to remediate and/or render harmless the Hazardous Substance absent such agreement. Contractor shall not be required to resume work in any area affected by the Hazardous Substance until such time as the Hazardous Substance has been remediated and/or rendered harmless.

31.07. For purposes of this Agreement, the term "Hazardous Substance" shall mean and include any element, constituent, chemical, substance, compound, or mixture, which are defined as a hazardous substance by any local, state or federal law, rule, ordinance, by-law, or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), The Resource Conservation and Recovery Act ("RCRA"), The Toxic Substances Control Act ("TSCA"), The Clean Water Act ("CWA"), The Clean Air Act ("CAA"), and the Marine Protection Research and Sanctuaries Act ("MPRSA"), The Occupational Safety and Health Act ("OSHA"), The Superfund Amendments and Reauthorization Act of 1986 ("SARA"), or other state superlien or environmental clean-up or disclosure statutes including all state and local counterparts of such laws (all such laws, rules and regulations being referred to collectively as "Environmental Laws"). It is the Contractor's responsibility to comply with this Paragraph 31.07 based on the law in effect at the time its services are rendered and to comply with any amendments to those laws for all services rendered after the effective date of any such amendments.

32. TRENCH SAFETY

The Contractor must comply with Texas law regarding trench excavation exceeding five feet in depth and in accordance with the following items:

32.01 The Contractor must comply with the requirements of Tex. Health & Safety Code Ann. §756.022-023 (Vernon 1992), as amended, and the requirements of 29 C.F.R., Sections 1926.650 through 1926.653 inclusive, “Excavation, Trenching and Shoring,” of the Occupational Safety and Health Administration Standards, as amended.
32.02 The Contractor must include a separate pay item for trench safety complying with trench safety requirements, stating a unit price per linear foot of trench safety systems, as measured along the centerline of trench including manholes and other line structures.

32.03 Before beginning work on this project, the Contractor must submit to the City a complete trench safety program that complies with state and federal regulations. It is the sole duty, responsibility and prerogative of the Contractor, not the City, to determine the specific applicability of the designed trench safety systems to each field condition encountered on the project.

32.04 The Contractor must provide the City the name of the “competent person” required by OSHA standards to perform the trench safety inspections. The Contractor must make daily inspections to ensure that the systems comply with all applicable laws and regulations, and must maintain a permanent record of daily inspections available for examination by the City or other government authority.

32.05 If evidence of possible cave-ins or slides is apparent, the Contractor must cease all work in the trench and surrounding area until the necessary precautions have been taken by the Contractor to safeguard personnel entering the trench.

33. INDEMNITY

33.01. CONTRACTOR SHALL PROTECT, DEFEND, HOLD HARMLESS AND INDEMNIFY THE CITY AND/OR ITS OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND OR/OR DESIGNEES FROM ANY AND ALL CLAIMS, DEMANDS, EXPENSES, LIABILITY, SUITS OR CAUSES OF ACTION, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES FOR INJURY TO ANY PERSON, INCLUDING DEATH, AND FOR DAMAGE TO ANY PROPERTY, TANGIBLE OR INTANGIBLE, OR FOR ANY BREACH OF CONTRACT ARISING OUT OF OR IN ANY MANNER CONNECTED WITH THE WORK DONE BY ANY PERSON UNDER THIS CONTRACT. IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION SHALL EXTEND TO, AND INCLUDE, ANY AND ALL CLAIMS, CAUSES OF ACTION OR LIABILITY CAUSED BY THE CONCURRENT, JOINT AND/OR CONTRIBUTORY NEGLIGENCE OF THE CITY, AN ALLEGED BREACH OF AN EXPRESS OR IMPLIED WARRANTY BY THE CITY OR WHICH ARISES OUT OF ANY THEORY OF STRICT OR PRODUCTS LIABILITY.

33.02 The defense of any claim shall be coordinated by Contractor with the City Attorney of the City of Nacogdoches, Texas when the City is named Defendant in any lawsuit and Contractor may not agree to any settlement without first obtaining the concurrence from the City Attorney. The Parties agree to furnish timely written notice to each other of any such claim.

33.03. The indemnifications contained in paragraphs 33.01 shall include but not be limited to the following specific instances:

(a) In the event the City is damaged due to the act, omission, mistake, fault or default of the Contractor, then the Contractor shall indemnify and hold harmless and defend the City for such damage.

(b) The Contractor shall indemnify and hold harmless and defend the City from any claims for payment for goods or services brought by any material suppliers, mechanics, laborers, or other subcontractors.

(c) The Contractor shall indemnify and hold harmless and defend the City from any and all injuries to or claims of adjacent property owners caused by the Contractor, its agents, employees, and representatives.

(d) The Contractor shall be responsible for any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment during installation.

(e) The Contractor shall also be responsible for the removal of all related debris.

(f) The Contractor shall also be responsible for subcontractors hired by it.

(g) The Contractor shall indemnify, hold harmless, and defend the City from any liability caused by the Contractor's failure to comply with applicable federal, state, or local regulations, that touch upon or concern the maintenance of a safe and protected working environment and the safe use and operation of machinery and equipment in that working environment, no matter where fault or responsibility lies.

33.04. The indemnification obligations of the Contractor under this section shall not extend to include the liability of any professional engineer, the architect, their consultants, and agents or employees of any of them arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the professional engineer, the architect, their consultants, and agents and employees of any of them, provided such giving or failure to give is the primary cause of the injury or damage.

33.05. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Paragraph 33.01, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

34. RELEASE

The Contractor assumes full responsibility for the work to be performed hereunder, and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether employees of either party or other third parties) and any loss of or damage to any property (whether property of either of the parties hereto, their employees, or of third parties) that is caused by or alleged to be caused by, arising out of, or in connection with the Contractor's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance, and in the event of injury, death, property damage, or loss suffered by the Contractor, any subcontractor, or any person or organization directly or indirectly employed by any of them to perform or furnish work on the Project.

35. PERMITS AND LICENSES

The Contractor shall secure and pay for all necessary permits and licenses, governmental fees, and inspections necessary for the proper execution and completion of the work. During this Agreement term and/or period during which the Contractor is working, it shall give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work.

36. ROYALTIES AND LICENSING FEES

The Contractor shall pay all royalties and licensing fees. The Contractor shall hold the City harmless and indemnify the City from the payment of any royalties, damages, losses or expenses including attorney's fees for suits, claims or otherwise, growing out of infringement or alleged infringement of patents, materials and methods used in the Project. It shall defend all suits or claims for infringement of any patent rights. Further, if the Contractor has reason to believe that the design, service, process, or product specified is an infringement of a patent, it shall promptly give such information to City's Representative.

37. BREACH OF CONTRACT & DAMAGES

37.01. The City shall have the right to declare the Contractor in breach of this Agreement for cause when the City determines that this Agreement is not being performed according to its understanding of the intent and meaning of this Agreement. Such breach shall not in any way invalidate, abrogate, or terminate the Contractor's obligations under this Agreement.

37.02. Without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to damages for breach of contract, upon but not limited to the following occurrences:

(a) If the Contractor shall fail to remedy any default after written notice thereof from City's Representative, as City's Representative shall direct; or

(b) If the Contractor shall fail for any reason other than the failure by City's Representative to make payments called upon when due; or

(c) If the Contractor commits a substantial default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

38. TERMINATION FOR CAUSE

Without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to terminate this Agreement in its entirety at any time for any of the following:

38.01. If the Contractor becomes insolvent, commits any act of bankruptcy, makes a general assignment for the benefit of creditors, or becomes the subject of any proceeding commenced under any statute or law for the relief of debtors and, after notice, fails to provide adequate assurance that it can remedy all of its defaults; or

38.02. If a receiver, trustee, or liquidator of any of the property or income of the Contractor shall be appointed; or

38.03. If the Contractor shall fail to prosecute the work or any part thereof with diligence necessary to insure its progress and completion as prescribed by the time schedules; or

38.04. If the Contractor shall fail to remedy any default within ten (10) calendar days after written notice thereof from City's Representative, as City's Representative shall direct; or

38.05. If the Contractor shall fail for any reason other than the failure by City's Representative to make payments called upon when due; or

38.06. If the Contractor abandons the Work.

38.07. If the Contractor commits a substantial default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

39. TERMINATION FOR CONVENIENCE

39.01. The performance of the work may be terminated at any time in whole or, from time to time, in part, by the City for its convenience. Any such termination shall be effected by delivery to the Contractor of a written notice (notice of termination) specifying the extent to which performance of the work is terminated, and the date upon which termination becomes effective.

39.02 In the event of termination for convenience, the Contractor shall only be paid the reasonable value of the Work performed prior to the effective date of the termination notice and shall be further subject to any claim the City may have against the Contractor under other provisions of this Agreement or as a matter of law. In the event of termination for convenience, Contractor Waives and Releases any claim for lost profit, other than profit on Work performed prior to the effective date of such termination.

40. RIGHT TO COMPLETE

If this Agreement is terminated for cause, the City shall have the right but shall not be obligated to complete the work itself or by others; and to this end, the City shall be entitled to take possession of and use such materials as may be on the job site, and to exercise all rights, options, and privileges of the Contractor under its subcontracts, purchase orders, or otherwise; and the Contractor shall promptly assign such rights, options, and privileges to City. If the City elects to complete the work itself or by others, pursuant to the foregoing, then the Contractor and/or Contractor's surety will reimburse City for all costs incurred by the City (including, without limitation, applicable, general, administrative expenses, field overhead, the cost of necessary equipment, materials, field labor, additional fees paid to architects, engineers, attorneys or others to assist the City in connection with the termination and liquidated damages) in completing and/or correcting work by the Contractor that fails to meet any requirement of this Agreement or the other Contract Documents.

41. CLOSE OUT

41.01. After receipt of a notice of termination, whether for cause or convenience, unless otherwise directed by City's Representative, the Contractor shall, in good faith and to the best of its ability, do all things necessary in the light of such notice to assure the efficient and proper closeout of the terminated work. Among other things, the Contractor shall, except as otherwise directed or approved by City's Representative, do the following:

(a) Stop the work on the date and to the extent specified in the notice of termination;

(b) Place no further orders or subcontracts for services, equipment, or materials, except as may be necessary for completion of such portion of the work as is not terminated;

(c) Terminate all orders and subcontracts to the extent that they relate to the performance of the work terminated by the notice of termination;

(d) Assign to City's Representative, in the manner and to the extent directed by it, all of the right, title, and interest of the Contractor under the orders or subcontracts so terminated; in which case, City's Representative shall have the right to settle or pay any or all claims arising out of the termination of such orders and subcontracts;

(e) With the approval of City's Representative, settle all outstanding liabilities and all claims arising out of such termination, orders, and subcontracts;

(f) Deliver to City's Representative, when directed by City's Representative, all documents and all property, which if the work had been completed, Contractor would have been required to account for or deliver to City's Representative, and transfer title to such property to City's Representative to the extent not already transferred.

42. TERMINATION CONVERSION

Upon determination of Court of competent jurisdiction that termination of the Contractor pursuant to Paragraph 38 was wrongful and/or otherwise improper, such termination will be deemed converted to a termination for convenience pursuant to Paragraph 39 and Contractor's remedy for such termination shall be limited to the recovery of the payments permitted for termination for convenience as set forth in Paragraph 39.

43. ASSIGNMENT

This Agreement and the rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of the City.

44. EFFECTIVE DATE

The effective date of this contract shall be the date of award of the contract.

45. OTHER TERMS

45.01. **Invalidity.** If any provision of this Agreement shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.

45.02. **Written Notice.** Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to any officer of the corporation for whom it is intended or if it is delivered or sent certified mail to the last business address as listed herein. Each party will have the right to change its business address by at least thirty (30) calendar days written notice to the other parties in writing of such change.

45.03. **Entire Agreement.** It is understood that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this Agreement, shall affect or modify any of the terms or obligations hereunder.

45.04. **Amendment.** No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

45.05. **Mediation.** After receipt of a Notice of Claim, the City may elect to refer the matter to the Contractor, City's Representative or another party for review. Contractor will attend meetings called to review and discuss the Claims and mitigation of the problem, and shall furnish any reasonable factual backup for the Claim requested. The City may also elect to defer consideration of the Claim until the Work is completed, in which case the same review options shall be available to the City at the completion of the Work. At any stage, the City, at its sole discretion, is entitled to refer a Claim to mediation under the Construction Industry Mediation Rules of the American Arbitration Association, and, if this referral is made, Contractor will take part in the mediation process. The filing, mediation or rejection of a Claim does not entitle Contractor to stop performance of the Work. The Contractor shall proceed diligently with performance of the Contract during the pendency of any claim, excepting termination or under City's direction to stop the Work. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. The parties shall share the Mediator's fee and any filing fees equally and the Mediation shall be held in Nacogdoches, Texas.

45.06. **Arbitration.** In the event of a dispute and upon the mutual written consent of both parties, the parties may agree to arbitration without waiving any of their other rights hereunder.

45.07. **Choice of Law and Place of Performance.** This Agreement has been made under and shall be governed by the laws of the State of Texas. Performance and all matters related thereto shall be in Nacogdoches County, Texas, United States of America.

45.08. **Authority to do business.** The Contractor represents that it has a certificate of authority, authorizing it to do business in the State of Texas, a registered agent and registered office during the duration of this contract.

45.09. **Authority to Contract.** Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

46.10. Contractor Affirmations: If this contract is funded in whole or in part by money from the State of Texas, State law requires the following certifications, representations and/or warranties. Regardless of funding by the State, by signature hereon affixed, the Contractor hereby certifies that:

(a) Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract

(b) Contractor represents and warrants that it has no actual or potential conflicts of interest in the goods and or services described in the scope of work to this contract.

(c) **Antitrust**. Pursuant to 15 U.S.C. §1, et seq. and Tex. Bus. & Comm. Code §15.01, et seq. neither the contractor nor the firm, corporation, partnership, or institution represented by the contractor, or anyone acting for such a firm, corporation or institution has violated the antitrust laws of this state, federal antitrust laws, nor communicated directly or indirectly the bid made to any competitor or any other person engaged in such line of business.

(d) **Child Support.** Pursuant to §231.006(d), Texas Family Code, regarding child support, the Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified payment and acknowledges that the contract may be terminated, and payment may be withheld if this certification is inaccurate. Furthermore, any Contractor subject to §231.006, Gov't Code, must include names and Social Security numbers of each person with at least 25% ownership of the business entity submitting the bid. This information must be provided prior to award. Enter the Name & Social Security Numbers for each person below:

Name:	Social Security Number:
Name:	Social Security Number:
Name:	Social Security Number:

(e) **Debarment**. Contractor certifies that Contractor and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Contractor is in compliance with the State of Texas statutes and rules relating to procurement. Entities ineligible for state procurement are listed on the State of Texas Debarred Vendor List maintained by the Texas Comptroller of Public Accounts and the System for Award Management (SAM) maintained by the General Services Administration. Entities ineligible for federal procurement are listed at http://www.sam.gov/content/exclusions.

(f) **Terrorism Watch List.** Contractor represents and warrants that it does not do business with Iran, Sudan or a foreign terrorist organization as prohibited by Texas Government Code 2252.152. Contractor certifies that it is not listed on the federal government's terrorism watch list as described in Executive Order 13224.

(g) **Critical Infrastructure**. If Contractor will be granted direct or indirect access to a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility, Contractor certifies that neither it or its parent company, is (1) majority owned by citizens or governmental entities of China, North Korea, Russia or any other country designated by the Governor under Government Code 2274.0103, or (2) headquartered in any of those countries.

(h) **Convictions**. Under Sections 2155.006, 23155.0061 and 2261.053 of the Texas Government Code, Contractor certifies that it is not ineligible to receive the specified contract and may be terminated and payment withheld if this certification is inaccurate. These sections prohibit contracts that include proposed financial participation by an individual or business entity who has been convicted in the past five years of (a) violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by §418.004, Gov't Code, occurring after September 24, 2005; and (b) of any offense related to the direct support or promotion of human trafficking.

(i) **COVID Vaccinations**. Contractor certifies that it does not require its customers to provide any documentation certifying the Customer's COVID-19 vaccination or post-transmission recovery on entry to, or to receive service from the Contractor's business.

(j) **Boycotts.** (1) To the extent this Contract is considered a Contract for goods or services subject to § 2270.002 Texas Government Code, Contractor verifies that it: (i) does not boycott Israel; and (ii) will not boycott Israel during the term of this Contract. (2) To the extent this Contract has a value of $100,000 or more and Contractor is an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit that employs 10 or more full time employees, Contractor certifies that it: (i) does not and will not boycott energy companies during the term of the contract (*See Texas Government Code 2274.002, et seq.*); and (ii) does not and will not discriminate against a firearm entity or firearm trade association (*See Texas Government Code 2274.002, et seq.*).

46.11. **Waiver.** Failure of any party, at any time, to enforce a provision of this Agreement shall in no way constitute a waiver of that provision nor in any way affect the validity of this Agreement, any part hereof, or the right of the City thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

46.12. **Headings, Gender, Number.** The article headings are used in this Agreement for convenience and reference purposes only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement and shall have no meaning or effect upon its interpretation. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

46.13. **Agreement Read.** The parties acknowledge that they have had opportunity to consult with counsel of their choice, have read, understand and intend to be bound by the terms and conditions of this Agreement.

46.14. **Multiple Originals.** It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

46.15. **Notice of Indemnification. City and Contractor hereby acknowledge and agree that this Agreement contains certain indemnification obligations and covenants.**

COX CONCRETE, DBA COXJONES	CITY OF NACOGDOCHES
By: Brenda Jones	By: ______________________
Name: Brenda Jones	Name: ______________________
Title: President	City Manager
Date: 9/9/2026	Date: ________________

APPROVED AS TO FORM:

____

City Attorney

Date: ___________________________

Exhibit A
DAVIS BACON WAGE RATES

{Insert Appropriate Classification of Wage Rates
From
https://www.wdol.gov/dba.aspx}

Exhibit B
INSURANCE REQUIREMENTS

During the term of this Agreement Contractor's insurance policies shall meet the following requirements:

I. Standard Insurance Policies Required:

A. Commercial General Liability
B. Business Automobile Liability
C. Umbrella / Excess Liability – required for contract amounts exceeding $1,000,000
D. Workers' Compensation
E. Builder's Risk – provides coverage for contractor's labor and materials for a project during construction that involves a structure such as a building or garage. builder's risk policy shall be written on "all risks" form.

II. General Requirements Applicable to All Policies:

A. Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.

B. Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.

C. "Claims Made" policies are not accepted.

D. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Nacogdoches.

E Upon request, certified copies of all insurance policies shall be furnished to the City of Nacogdoches.

F. The City of Nacogdoches, its officials, employees and volunteers, are to be named as "Additional Insured" to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.

G. Waiver of subrogation in a form at least as broad as ISO form 2404 shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement.

III. Commercial General Liability

A. General Liability insurance shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.

B. Limit of $500,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of $1,000,000.00 which limits shall be endorsed to be per Project.

C. Coverage shall be at least as broad as ISO form GC 00 01.

D. No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for review and acceptance.

E. The coverage shall include but not be limited to the following: premises/operations with separate aggregate; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, Personal & Advertising Liability; and Explosion, Collapse, and Underground coverage.

IV. Business Automobile Liability

A. Business Automobile Liability insurance shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.

B. Minimum Combined Single Limit of $1,000,000.00 per occurrence for bodily injury and property damage.

C. Coverage shall be at least as broad as Insurance Services Office Number CA 00 01.

D. The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page.

E. The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.

F. Pollution Liability coverage shall be provided by endorsement MCS-90, with a limit of $1,000,000.00.

V. Excess Liability

Umbrella form excess liability coverage following the form of the underlying coverage with a minimum limit of $5,000,000.00 or the total value of the contract, whichever is greater, per occurrence/aggregate when combined with the lowest primary liability coverage, is required for contracts exceeding $1,000,000 in total value.

VI. Those policies set forth in Paragraphs III, IV, and V shall contain an endorsement naming the City as Additional Insured and further providing that the Contractor's policies are primary to any self-insurance or insurance policies procured by the City. The additional insured endorsement shall be in a form at least as broad as ISO form GC 2026. Waiver of subrogation in a form at least as broad as ISO form 2404 shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement. Contractor shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All coverage for subcontractors shall be subject to the requirements stated herein. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit D, and approved by the City before work commences.

VII. Workers Compensation Insurance

A. Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Contractor, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers compensation insurance policy: either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.

B. Workers compensation insurance shall include the following terms:

1. Employer's Liability minimum limits of $1,000,000.00 for each accident/each disease/each employee are required.

2. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.

3. Texas must appear in Item 3A of the Workers Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.

C. Pursuant to the explicit terms of Title 28, Section 110.110(c) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

"A. Definitions:

Certificate of coverage ("certificate") – An original certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. *The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.*

C. *The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.*

D. *If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.*

E. *The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:*

   (1) *a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and*

   (2) *no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.*

F. *The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.*

G. *The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.*

H. *The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.*

I. *The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:*

(1) *provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;*

(2) *provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;*

(3) *provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*

(4) *obtain from each other person with whom it contracts, and provide to the Contractor:*

(a) *A certificate of coverage, prior to the other person beginning work on the project; and*

(b) *A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*

(5) *retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*

(6) *notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*

(7) *Contractually require each person with whom it contracts to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.*

J. *By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project; that the coverage will be based on proper reporting of classification codes and payroll amounts; and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.*

K. *The Contractor's failure to comply with any of these provisions is a breach of contract by the*

Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

VIII. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

A. The company is licensed and admitted to do business in the State of Texas.

B. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.

C. All endorsements and insurance coverages according to requirements and instructions contained herein.

D. The form of the notice of cancellation, termination, or change in coverage provisions to the City of Nacogdoches.

E. Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

Exhibit D
CERTIFICATES OF INSURANCE AND ENDORSEMENTS

Exhibit E

FINAL AFFIDAVIT OF ALL BILLS PAID

FINAL BILLS PAID AFFIDAVIT

BY CONTRACTOR

BEFORE ME, the undersigned authority, personally appeared as

______________________________, known to me to be a credible person, and after
(Name)

being by me duly sworn, upon oath stated and affirmed that: "My name is

______________________________ and I am the ____________________________
(Name) (Title)

of ____________________________", hereafter referred to in this affidavit as
(Firm)

"Contractor". Contractor's business address is ____________________________________,
(Address)

Texas, ___________ . The undersigned Contractor has personal knowledge of the facts
(Zip)

stated herein and has full authority to make the agreements in this affidavit on behalf of Contractor.

Pursuant to and in accordance with a written contract between Contractor and

________________________ , collectively referred to as Owner, Contractor furnished
(Owner)

materials and labor for the construction, renovation, installation or repair of certain improvements (the "Improvements"), being City of Nacogdoches contract for

Design and Construction of Maroney Playground Project .
(Project Name)

All work provided for under said written construction contract, together with all changes and supplements thereto, has been fully completed in accordance with the terms and provisions of said contract.

Contractor has paid each of its subcontractors, laborers, suppliers and materialmen in full for all labor and materials provided to Contractor for or in connection with the construction, renovation or repair of the Improvements.

Contractor is not aware of any unpaid bills, claims, demands or causes of action by any of its subcontractors, laborers, manufacturers, suppliers or materialmen for or in connection with the furnishing of labor materials, or both, for the construction, renovation or repair of the Improvements.

Contractor further understands that this Final Bills Paid Affidavit is being given pursuant to and in accordance with Section 53.085 of the Texas Property Code and that the intentional, knowing or reckless making of a false or misleading statement in this Affidavit constitutes an offense under said Section and is a Class A misdemeanor.

Contractor hereby indemnifies and holds harmless the City of Nacogdoches from any and all claims, demands or causes of action, and any costs, expenses and attorney's fees incurred in connection therewith, arising from or connected with, the statements and representations contained herein.

EXECUTED this __ day of _____________ , 20__.

CONTRACTOR:

By: ___________________________

Name: _________________________

Title: __________________________

Notary's Acknowledgement

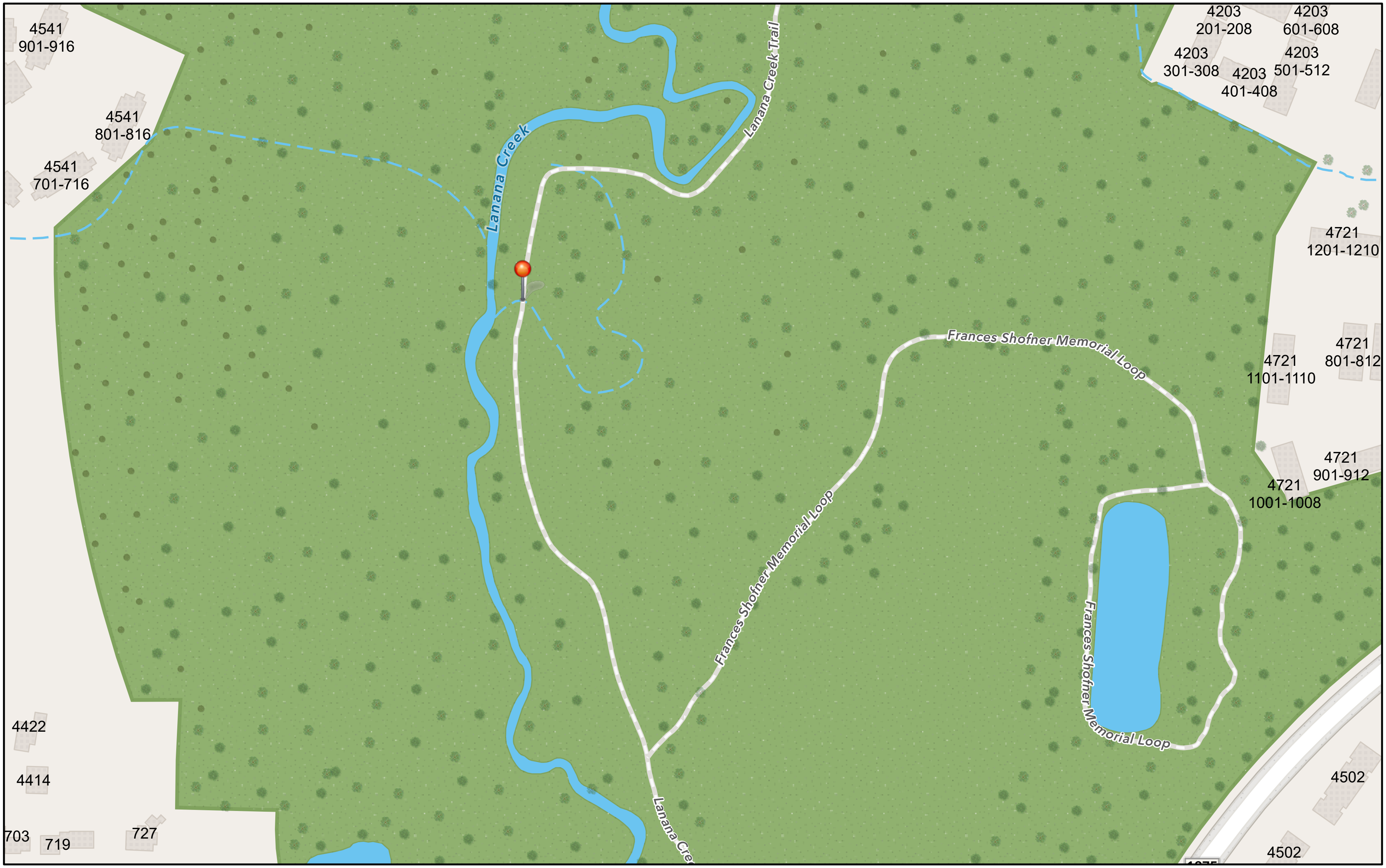
Before me, the undersigned authority, on this day personally appeared_________ __________________ , who first being duly sworn by me to be the person whose name is subscribed to the foregoing Final Bills Paid Affidavit, acknowledged that he/she has the authority to make this Final Bills Paid Affidavit, and further acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the______ day of ______ ___________ , 20__.

Exhibit F

PLANS, SPECIFICATIONS AND DRAWING

City of Nacogdoches GIS



9/9/2026, 12:33:50 PM

Buildings

City Limits

1:3,936

0 155 310 620 ft

0 45 90 180 m

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

City of Nacogdoches

City of Nacogdoches

City Council Meeting

Date: September 15, 2026

Agenda Item: 5.E.

PRESENTER: Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT: Consider approval of an ordinance of the City of Nacogdoches, Texas, amending Chapter 82—"Solid Waste", Article III—"Rates, Charges and Billing Procedure"; and Chapter 106—"Utilities", Article III—"Services Charges" of the Code of Ordinances of the City of Nacogdoches, Texas; providing a severability clause; providing a continuation clause; providing a repeal clause; and providing an effective date. (Executive Director of Development and Infrastructure)

SUMMARY/BACKGROUND: This item proposes minor amendments to the City of Nacogdoches Utilities and Solid Waste ordinances in order to (1) reference the Master Fee Schedule of the Code of Ordinances when noting certain charges or fees, rather than stating specific amounts, where appropriate; and (2) specify that ordinance-prescribed rate changes are to take effect at the beginning of the first full billing cycle, rather than on October 1, of each new fiscal year. This allows for more efficient billing by removing the need to calculate prorated charges. If approved, ordinance-prescribed rate increases for Fiscal Year 2027 would take effect beginning October 6 for billing cycle 1 and October 20 for billing cycle 2.

In September 2024, Council approved utility rate increases to occur each fiscal year through FY 2029 (Ordinance 2013-09-24). Similarly, in October 2025, Council approved sanitation rate increases to occur each fiscal year through FY 2029 (Ordinance 2063-10-25).

FINANCIAL:
No financial impact associated with this item.

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Mike Neu, Executive Director of Development and Infrastructure

ATTACHMENTS:
1. Ordinance redlines
2. Ordinance clean

Sec. 82-131. Service collection and disposal fees and standards.

(a) *Scope.* This section is a schedule and shall not be deemed to require the city to accept any type or volume of waste from any location or source, though it shall serve as a basis and criteria for rejection of waste.

(b) *Minimum fee.* All active water accounts serving commercial, business, institutional, or residential, which are charged for sewer (with the exception of residents utilizing approved septic systems), shall be charged at least the minimum garbage collection fee, plus a fuel adjustment charge per collection, respectively. The fuel adjustment charge shall be calculated by the city manager on a monthly basis, and shall cover the city's monthly fuel cost for the sanitation department. Note: Local and state sales tax regulations apply to all garbage rates, and any fiscal year rate increases shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

(c) *Residential waste collected by city.* Minimum fees are established for waste commonly generated from residential units where the waste is collected by the city either at the house side for qualified handicapped citizens, or in approved containers for collection by the city. Curbside collection shall utilize city-supplied containers only. Such charges are per month, per residential unit except where applicable to other established rate schedules, and shall include the cost of collection, hauling and disposal. For the purpose of this rate schedule, a single-family residence shall be one residential unit; a duplex shall be two units; triplex three units; and quadraplex four units. Each unit in an apartment complex above four units that is separately metered for other city utilities, and has approved containerized service, will be considered as a separate residential unit with collection fees to be based on charges established for this customer class. Service collection and disposal fees and standards for residential waste picked up by the city shall be as follows:

(1) Residential unit—Curbside collection—One day a week pickup~~:~~. Collections will be charged at the rates set forth in the Master Fee Schedule.

~~a. Effective 10/1/2018.~~

~~1. One container$24.77* per month~~

~~2. Two containers$41.39* per month~~

~~3. Three containers$63.08* per month~~

~~Note: *Plus fuel adjustment~~
~~Tax will be charged on all garbage accounts~~

(2) Apartment unit in apartment complex having more than four units and separately metered for other city utilities and having approved dumpster collection - One pickup per week. Collections will be charged at the rates set forth in the Master Fee Schedule.

~~Effective 10/1/2018 …..$19.89* per month~~

(3) Apartment complexes, mobile homes and manufactured housing parks above four units that have master meter(s) for utility services shall be required to have approved containerized collection service with collection fees to be based on the containerized rate established on a cubic yard basis.

a. Apartment complexes, mobile homes or manufactured housing parks metered by a master meter(s) for city utility service shall have approved containerized collection service~~—$5.04* per cubic yard of waste collected per collection~~ - one to six collections per week. Collections will be charged at the rates set forth in the Master Fee Schedule.

b. Each unit in a mobile home or manufactured housing park separately metered for other city utility services will be classified as a residential unit.

(4) A residential customer who can provide a certificate on a city supplied form from a medical doctor stating that he/she is unable to physically carry his/her household waste to the curb and that no one else residing at this residence can carry waste to the curb shall be allowed, upon return of completed form/letter, to receive house side collection service at the curbside collection service rate. Waste must be placed in city-supplied containers (outside garage, fences, etc.). City may require updated disability forms at its discretion.

(5) All fees are for the amount and type of waste commonly generated by such residential units. Excessive amounts or unacceptable types of waste shall be subject to additional fees, requirements, or refusal by the city manager.

(6) Pilot Program - the city shall reserve the right to charge fees as approved by the City Council and deemed necessary for services provided in the implementation of various programs, such as commercial recycling, etc.

(d) *Commercial, industrial, institutional and similar nonresidential waste.* Service collection and disposal fees and standards for commercial, industrial, institutional and similar nonresidential waste is as follows:

(1) The city shall have the right to require any of the classes who generate more than four 96-gallon roll out containers per pickup to have approved containerized collection service. A minimum charge will be assessed for roll out carts. Charges for minimum customers who desire multi-weekly collections will be based on the fee schedule set forth in the~~ master fee schedule~~Master Fee Schedule. Number of collections per week shall be determined by the city manager.

(2) Multiple carts/collections. Cart collections will be charged at the rates set forth in the~~ master fee schedule~~Master Fee Schedule.

~~Note: Tax will be charged on garbage rates.~~

(3) The collection rate for dumpster service shall cover only one collection per week. Charges for minimum customers who desire multi-weekly collections will be based on the number of collection times the minimum charge. The number of collections per week shall be determined by the city manager.

a. Front load dumpsters - One to six collections per week.

b. After the city has made two separate attempts to collect waste from sites where dumpster is blocked, customers will be billed as if collection was made. To return and empty dumpster will be classified as an extra collection and appropriate fee charged.

c. Roll-off rates - City owned roll-off dumpsters may be rented at the rates set forth in the ~~master fee schedule~~Master Fee Schedule. Each additional three-day period, or part of, for an additional fee. A disposal rate will also be assessed at the rate set forth in the ~~master fee schedule~~Master Fee Schedule.

~~Note: Tax will be charged on garbage rates.~~

(4) Regularly scheduled privately owned roll-off. The collection rate for regular scheduled service is set forth in the ~~master fee schedule~~Master Fee Schedule.

~~Note: Tax will be charged on garbage rates.~~

(5) Garbage collection service will be provided to tenants and/or commercial enterprises located on city owned property outside the city limits of Nacogdoches at a rate of one and one-half times the rate charged for commercial garbage collection inside the city limits. All such tenants and enterprises shall be considered commercial and shall abide by the collection standards contained in this section.

(6) The city manager, shall have the right to set the schedule of frequency of pickup, specify the type of container, location of container, and refuse any waste based on volume, weight, dimension, hazard, state (liquid or solid), or type based on any city ordinance, state or federal law, regulations or permit pertaining to same including refusal based on health, air or water safety concerns. Under no circumstances will the city collect waste/refuse from any enclosed area, fenced yard.

(7) Special waste collection fee based on type of waste requested for collection shall be assessed at the rate set forth in the ~~master fee schedule~~Master Fee Schedule. The city manager shall have the right to determine equipment and personnel needed for collection.

Note: All services are charged one-hour minimum. In addition to collection fee, current landfill gate rate disposal fee shall also apply.

(e) *Waste delivered to city landfill.* Disposal standards and fees for the city landfill are as follows:

(1) Minimum fees for waste delivered to the city landfill to be deposited in appropriate locations within the landfill according to city landfill rules or at the direction of the city employees on duty at the city landfill have been determined.

(2) For purposes of determining fees, the following definitions shall apply:

a. *City resident.* A person who resides within the corporate limits of the City of Nacogdoches.

b. *Commercial user.* A person, corporation, or partnership that engages in a business, service, calling or occupation that generates waste.

c. *Non-resident.* A person who does not reside within the corporate limits of the City of Nacogdoches.

d. *Special waste.* Waste requiring special disposal methods/handling that is not required of other waste.

(3) Without regard to residential or commercial use, fees for special items generated within the City of Nacogdoches will be charged at the rates set forth in the Master Fee Schedule. ~~the following fees are set for special items generated within the City of Nacogdoches.~~ The city will not accept dead animals for disposal from outside the city.

~~a. Appliances:~~

~~Large $14.82~~

~~Small $8.25~~

~~b. Small dead animals no larger than a dog, each.$14.82~~

~~c. Large dead animals, each$76.43~~

~~d. Special waste:~~

~~1. City Resident, cu. yd.$14.82~~

~~2. Non-resident, cu. yd.$27.08~~

~~e. Tires will be accepted and fee assessed in accordance with the state tire recycling fee schedule.~~

(4) Household garbage, rubbish, waste and brush~~:~~ fees will be charged at the rates set forth in the Master Fee Schedule.

~~a. City residents - $6.77 per cubic yard non-compacted and $7.44 compacted, with a $14.82 minimum.~~

~~b. Non-residents - $13.36 per cubic yard non-compacted and $14.65 compacted, with a $29.53 minimum, except that non-residents may not bring brush to the landfill.~~

~~c. Commercial brush/yard waste - $8.01 per cubic yard, with a $18.03 minimum.~~

(5) Upon proof of residence with a qualifying city water bill, city residents may make one delivery of such waste per month to the landfill free of any charge.

a. Proof of resident status shall be by means of a city water bill or water bill receipt no more than one month old, together with other proof of identity and residence such as a drivers license or identification card issued by the State of Texas, or other identification acceptable to the director of public works for the city. Only one delivery shall be allowed on any one water bill per month. Free disposal cannot be accumulated and taken at one time.

b. For purposes of this rate schedule, a standard size pickup truck without special sideboards, frames, load extenders or similar methods loaded with acceptable waste shall be considered a load qualifying for one free disposal per month.

(f) *[Cubic yardage.]* Cubic yardage shall be determined by the city employee on duty at the landfill according to the criteria established by the city manager.

(g) *[Yard waste.]* Yard waste generated, cut, trimmed, or felled within the City of Nacogdoches and delivered to the landfill by private resident with a qualifying city water bill, as described in subsection (e)(4) above, may be disposed of at a location designated by the city employee on duty at no charge provided that: no other type waste is mixed with the load; limbs and bags are unloaded in the area designed by the landfill superintendent or his designee; and no trees or limbs are in excess of 12 inches in diameter. Bagged yard waste must be emptied at site. No plastic is allowed to remain within the designated area and shall either be removed from the landfill or disposed of as directed by the city employee on duty.

(h) *Scope.* This is a schedule and shall not be deemed to require the city to accept any type or volume of waste from any location or source, though it shall serve as a basis and criteria for rejection of waste.

Sec. 106-321. Water rates and general sewer rates.

(a) *Generally.* The charges for:

(1) Water sold and delivered to customers of the waterworks system of the City of Nacogdoches; and

(2) Sanitary sewer service for customers of the sanitary sewer system of the City of Nacogdoches (other than monitored users).

(b) *Water rates.*

~~Effective 10/1/2024~~ Any fiscal year rate increase shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

Water rates are hereby fixed and prescribed according to the following schedules:

(1) *Minimum charges per meter size (0—2,000 gallons).*

All User Classes (Inside)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
⅝"	13.97	14.72	15.51	16.35	17.24
¾"	13.97	14.72	15.51	16.35	17.24
1"	34.92	36.80	38.79	40.89	43.09
1.5"	69.83	73.60	77.57	81.76	86.18
2"	111.72	117.76	124.12	130.82	137.88
3"	209.48	220.79	232.72	245.28	258.53
4"	349.14	367.99	387.86	408.81	430.88
6"	698.28	735.98	775.72	817.61	861.77
8"	1,117.24	1,177.57	1,241.16	1,308.18	1,378.82
10"	1,606.03	1,692.76	1,784.17	1,880.51	1,982.06
12"	3,002.58	3,164.72	3,335.62	3,515.74	3,705.59
Multi-Unit	13.97	14.72	15.51	16.35	17.24

All User Classes (Outside)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
⅝"	20.95	22.09	23.28	24.53	25.86
¾"	20.95	22.09	23.28	24.53	25.86
1"	52.37	55.20	58.18	61.32	64.64
1.5"	104.75	110.40	116.36	122.65	129.27
2"	167.59	176.64	186.17	196.23	206.82
3"	314.23	331.20	349.08	367.93	387.80
4"	523.71	551.99	581.80	613.22	646.33
6"	1,047.41	1,103.97	1,163.59	1,226.42	1,292.65
8"	1,675.86	1,766.36	1,861.74	1,962.27	2,068.24
10"	2,409.05	2,539.14	2,676.26	2,820.77	2,973.10
12"	4,503.88	4,747.09	5,003.43	5,273.62	5,558.39
Multi-Unit	20.95	22.09	23.28	24.53	25.86

(2) *Volumetric rates (per 1,000 gallons).*

Residential Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29

0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	3.53	3.72	3.92	4.13	4.36
10,001—30,000 gallons	4.06	4.28	4.51	4.75	5.01
30,001—75,000 gallons	4.67	4.92	5.19	5.47	5.76
75,001 gallons and over	5.38	5.67	5.97	6.29	6.63

Irrigation Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	4.42	4.65	4.91	5.17	5.45
10,001—30,000 gallons	5.08	5.35	5.64	5.95	6.27
30,001—75,000 gallons	5.84	6.15	6.49	6.84	7.21
75,001 gallons and over	6.71	7.08	7.46	7.86	8.29

Non Residential Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	3.53	3.72	3.92	4.13	4.36
10,001—20,000 gallons	4.06	4.28	4.51	4.75	5.01
20,001—30,000 gallons	4.06	4.28	4.51	4.75	5.01
30,001—75,000 gallons	4.67	4.92	5.19	5.47	5.76
75,001 gallons and over	5.38	5.67	5.97	6.29	6.63

Heavy Industry Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001 gallons and over	3.50	3.69	3.89	4.10	4.32

Outside City Limits
1½ times the inside rate that is applicable

(3) *Wholesale (outside city).* According to contract negotiated with each wholesale user. Where more than one residential, non-residential or industrial unit is served by the same meter (except for wholesale users):

a. The minimum monthly charge shall be equal to the sum of the minimum monthly charges that would apply to the various units if they were metered separately.

b. The minimum monthly meter charge shall cover the first minimum number of gallons (if any) times the number of units.

c. Charges for water in excess of the minimum as defined above shall be at the highest rate for any user class represented in the various units served by the meter.

(c) *Sewer rates.*

~~Effective 10/1/2024~~ Any fiscal year rate increase shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

(1) *Minimum charges.*

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Residential Inside	16.07	16.94	17.86	18.82	19.84
Residential Outside	24.12	25.42	26.79	28.24	29.76
Non-Residential Inside (1)	18.49	19.49	20.54	21.65	22.82
Non-Residential Outside (1)	27.73	29.23	30.81	32.47	34.22
Monitored Customers (2)	7.04	7.42	7.82	8.24	8.69

(2) *Volumetric charges (per 1,000 gallons).*

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Residential Inside	5.32	5.61	5.91	6.23	6.57
Residential Outside	7.99	8.42	8.88	9.35	9.86
Non-Residential Inside (1)	6.12	6.45	6.80	7.17	7.56
Non-Residential Outside (1)	9.18	9.68	10.20	10.75	11.33
Monitored Customers (2)	3.53	3.72	3.92	4.13	4.36

a. Does not include monitored users such as poultry processors.

b. Charges for BOD 0.2002 per 100 mg/liter and suspended solids 0.1127 per 100 mg/liter shall be added to flow calculation, according to section VII. This charge is exclusive of any applicable pretreatment.

Billing industrial and commercial sewer customers who treat their effluent and have a settling pond.

Industrial and commercial sewer customers who are required to treat their effluent and have a settling pond for such shall be billed on one of the following basis:

1. Amount of water used or registered by the city water meter.

2. If such industrial or commercial customer as defined above shall install an approved flow measuring device to measure the amount of water returned to the city sanitary sewer for treatment, then the reading from such measuring device will be used for determining the city sewer charge rather than the water meter reading.

(4) *Exemption from sewer charge.* Customers who use water that is not deposited in the city's sewer lines for treatment shall comply with the following conditions to be eligible to be exempted from sewer charges:

a. Customers must have a separate water tap from the city's water main and a separate meter for water used but not deposited in the sewer. The customer will pay for such additional tap and meter cost.

b. If for any reason such service is disconnected or discontinued by said customer who later wishes to return this meter to service, a reconnect fee ~~of $25.00~~ will be charged for each occasion or ~~$45.00~~ if after regular work hours.

(d) *Other charges.* Tap fees, reconnection charges and other miscellaneous charges shall be as prescribed in other city ordinances.

(e) *Disconnection of service.* The city may disconnect water service to any customer for any of the following reasons:

(1) Written request of the customer.

(2) Failure to pay all water and sewer charges within a time limit prescribed in other city ordinances.

(3) Existence of a known dangerous condition resulting from water service to that customer.

(4) Service established through meter bypassing, unauthorized connection or unauthorized reconnection.

(5) Tampering with meter.

(6) Any reasons listed in the sewer use ordinance.

If disconnection is solely due to failure to pay bills the city must:

(1) Give ten calendar days' notice prior to disconnection.

(2) Have city personnel available to collect delinquent bills and to make reconnection on the day of disconnection and on the following:

All city water, sewer and sanitation bills are due upon receipt and are considered delinquent 15 days after billing date. A delinquent fee of ten percent shall be added to all water, sewer and sanitation bills that are not paid within the 15-day period after billing date.

Connection fees shall be charged at the rates set forth in the Master Fee Schedule.

~~The following charges shall also apply:~~

~~Original service connect fee~~	~~$25.00~~
~~Transfer of service fee~~	~~$25.00~~
~~Re-connect service fee:~~	
~~Regular work hours 8:00 a.m. to 5:00 p.m.~~	~~$25.00~~
~~After regular work hours~~	~~$45.00~~

ORDINANCE NO. 2091-09-26

AN ORDINANCE AMENDING CHAPTER 82—"SOLID WASTE", ARTICLE III—"RATES, CHARGES AND BILLING PROCEDURE"; AND CHAPTER 106—"UTILITIES", ARTICLE III—"SERVICES CHARGES" OF THE CODE OF ORDINANCES OF THE CITY OF NACOGDOCHES, TEXAS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CONTINUATION CLAUSE; PROVIDING A REPEAL CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council has determined that amendments to the City's utility and sanitation rates, fees, and charges are necessary and appropriate for the operation and financial stability of the City's utility and sanitation systems; and

WHEREAS, the City Council finds that implementing amended utility and sanitation rates at the beginning of certain fiscal years in conjunction with each utility customer's regular billing cycle is equitable, administratively efficient, and avoids unnecessary proration of charges; and

WHEREAS, the City Council has adopted a "Master Fee Schedule", incorporated as Addendum A to the Code of Ordinances, which identifies the current fees being charged for various City services, including those related to Utilities and Solid Waste; and

WHEREAS, the City Council finds that this Ordinance serves the public purpose of providing for the orderly administration of the City's utility billing system and identification of current fees.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NACOGDOCHES, THAT:

SECTION I

All the above premises are hereby found to be true and correct legislative and factual findings.

SECTION II

CHAPTER 82 – "SOLID WASTE", ARTICLE III – "RATES, CHARGES AND BILLING PROCEDURE", of the Code of Ordinances of the City of Nacogdoches, Texas, is hereby amended so that henceforth same shall read as follows:

Sec. 82-131. Service collection and disposal fees and standards.

(a) *Scope.* This section is a schedule and shall not be deemed to require the city to accept any type or volume of waste from any location or source, though it shall serve as a basis and criteria for rejection of waste.

(b) *Minimum fee.* All active water accounts serving commercial, business, institutional, or residential, which are charged for sewer (with the exception of residents utilizing approved septic systems), shall be charged at least the minimum garbage collection fee, plus a fuel adjustment charge per collection, respectively. The fuel adjustment charge shall be calculated by the city manager on a monthly basis, and shall cover the city's monthly fuel cost for the sanitation department. Note: Local and state sales tax regulations apply to all garbage rates, and any fiscal year rate increases shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

(c) *Residential waste collected by city.* Minimum fees are established for waste commonly generated from residential units where the waste is collected by the city either at the house side for qualified handicapped citizens, or in approved containers for collection by the city. Curbside collection shall utilize city-supplied containers only. Such charges are per month, per residential unit except where applicable to other established rate schedules, and shall include the cost of collection, hauling and disposal. For the purpose of this rate schedule, a single-family residence shall be one residential unit; a duplex shall be two units; triplex three units; and quadraplex four units. Each unit in an apartment complex above four units that is separately metered for other city utilities, and has approved containerized service, will be considered as a separate residential unit with collection fees to be based on charges established for this customer class. Service collection and disposal fees and standards for residential waste picked up by the city shall be as follows:

(1) Residential unit—Curbside collection—One day a week pickup. Collections will be charged at the rates set forth in the Master Fee Schedule.

(2) Apartment unit in apartment complex having more than four units and separately metered for other city utilities and having approved dumpster collection - One pickup per week. Collections will be charged at the rates set forth in the Master Fee Schedule.

(3) Apartment complexes, mobile homes and manufactured housing parks above four units that have master meter(s) for utility services shall be required to have approved containerized collection service with collection fees to be based on the containerized rate established on a cubic yard basis.

a. Apartment complexes, mobile homes or manufactured housing parks metered by a master meter(s) for city utility service shall have approved containerized collection service - one to six collections per week. Collections will be charged at the rates set forth in the Master Fee Schedule.

b. Each unit in a mobile home or manufactured housing park separately metered for other city utility services will be classified as a residential unit.

(4) A residential customer who can provide a certificate on a city supplied form from a medical doctor stating that he/she is unable to physically carry his/her household waste to the curb and that no one else residing at this residence can carry waste to the curb shall be allowed, upon return of completed form/letter, to receive house side collection service at the curbside collection service rate. Waste must be placed in city-supplied containers (outside garage, fences, etc.). City may require updated disability forms at its discretion.

(5) All fees are for the amount and type of waste commonly generated by such residential units. Excessive amounts or unacceptable types of waste shall be subject to additional fees, requirements, or refusal by the city manager.

(6) Pilot Program - the city shall reserve the right to charge fees as approved by the City Council and deemed necessary for services provided in the implementation of various programs, such as commercial recycling, etc.

(d) *Commercial, industrial, institutional and similar nonresidential waste.* Service collection and disposal fees and standards for commercial, industrial, institutional and similar nonresidential waste is as follows:

(1) The city shall have the right to require any of the classes who generate more than four 96-gallon roll out containers per pickup to have approved containerized collection service. A minimum charge will be assessed for roll out carts. Charges for minimum customers who desire multi-weekly collections will be based on the fee schedule set forth in the Master Fee Schedule. Number of collections per week shall be determined by the city manager.

(2) Multiple carts/collections. Cart collections will be charged at the rates set forth in the Master Fee Schedule.

(3) The collection rate for dumpster service shall cover only one collection per week. Charges for minimum customers who desire multi-weekly collections will be based on the number of collection times the minimum charge. The number of collections per week shall be determined by the city manager.

a. Front load dumpsters - One to six collections per week.

b. After the city has made two separate attempts to collect waste from sites where dumpster is blocked, customers will be billed as if collection was made. To return and empty dumpster will be classified as an extra collection and appropriate fee charged.

c. Roll-off rates - City owned roll-off dumpsters may be rented at the rates set forth in the Master Fee Schedule. Each additional three-day period, or part of, for an additional fee. A disposal rate will also be assessed at the rate set forth in the Master Fee Schedule.

(4) Regularly scheduled privately owned roll-off. The collection rate for regular scheduled service is set forth in the Master Fee Schedule.

(5) Garbage collection service will be provided to tenants and/or commercial enterprises located on city owned property outside the city limits of Nacogdoches at a rate of one and one-half times the rate charged for commercial garbage collection inside the city limits. All such tenants and enterprises shall be considered commercial and shall abide by the collection standards contained in this section.

(6) The city manager, shall have the right to set the schedule of frequency of pickup, specify the type of container, location of container, and refuse any waste based on volume, weight, dimension, hazard, state (liquid or solid), or type based on any city ordinance, state or federal law, regulations or permit pertaining to same including refusal based on health, air or water safety concerns. Under no circumstances will the city collect waste/refuse from any enclosed area, fenced yard.

(7) Special waste collection fee based on type of waste requested for collection shall be assessed at the rate set forth in the Master Fee Schedule. The city manager shall have the right to determine equipment and personnel needed for collection.

Note: All services are charged one-hour minimum. In addition to collection fee, current landfill gate rate disposal fee shall also apply.

(e) *Waste delivered to city landfill.* Disposal standards and fees for the city landfill are as follows:

(1) Minimum fees for waste delivered to the city landfill to be deposited in appropriate locations within the landfill according to city landfill rules or at the direction of the city employees on duty at the city landfill have been determined.

(2) For purposes of determining fees, the following definitions shall apply:

a. *City resident.* A person who resides within the corporate limits of the City of Nacogdoches.

b. *Commercial user.* A person, corporation, or partnership that engages in a business, service, calling or occupation that generates waste.

c. *Non-resident.* A person who does not reside within the corporate limits of the City of Nacogdoches.

d. *Special waste.* Waste requiring special disposal methods/handling that is not required of other waste.

(3) Without regard to residential or commercial use, fees for special items generated within the City of Nacogdoches will be charged at the rates set forth in the Master Fee Schedule. The city will not accept dead animals for disposal from outside the city.

(4) Household garbage, rubbish, waste and brush fees will be charged at the rates set forth in the Master Fee Schedule.

(5) Upon proof of residence with a qualifying city water bill, city residents may make one delivery of such waste per month to the landfill free of any charge.

a. Proof of resident status shall be by means of a city water bill or water bill receipt no more than one month old, together with other proof of identity and residence such as a drivers license or identification card issued by the State of Texas, or other identification acceptable to the director of public works for the city. Only one delivery shall be allowed on any one water bill per month. Free disposal cannot be accumulated and taken at one time.

b. For purposes of this rate schedule, a standard size pickup truck without special sideboards, frames, load extenders or similar methods loaded with acceptable waste shall be considered a load qualifying for one free disposal per month.

(f) *[Cubic yardage.]* Cubic yardage shall be determined by the city employee on duty at the landfill according to the criteria established by the city manager.

(g) *[Yard waste.]* Yard waste generated, cut, trimmed, or felled within the City of Nacogdoches and delivered to the landfill by private resident with a qualifying city water bill, as described in subsection (e)(4) above, may be disposed of at a location designated by the city employee on duty at no charge provided that: no other type waste is mixed with the load; limbs and bags are unloaded in the area designed by the landfill superintendent or his designee; and no trees or limbs are in excess of 12 inches in diameter. Bagged yard waste must be emptied at site. No plastic is allowed to remain within the designated area and shall either be removed from the landfill or disposed of as directed by the city employee on duty.

(h) *Scope.* This is a schedule and shall not be deemed to require the city to accept any type or volume of waste from any location or source, though it shall serve as a basis and criteria for rejection of waste.

SECTION III

CHAPTER 106 – "UTILITIES", ARTICLE III – "SERVICE CHARGES", of the Code of Ordinances of the City of Nacogdoches, Texas, is hereby amended so that henceforth same shall read as follows:

Sec. 106-321. Water rates and general sewer rates.

(a) *Generally.* The charges for:

(1) Water sold and delivered to customers of the waterworks system of the City of Nacogdoches; and

(2) Sanitary sewer service for customers of the sanitary sewer system of the City of Nacogdoches (other than monitored users).

(b) *Water rates.*

Any fiscal year rate increase shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

Water rates are hereby fixed and prescribed according to the following schedules:

(1) *Minimum charges per meter size (0—2,000 gallons).*

All User Classes (Inside)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
⅝"	13.97	14.72	15.51	16.35	17.24
¾"	13.97	14.72	15.51	16.35	17.24
1"	34.92	36.80	38.79	40.89	43.09
1.5"	69.83	73.60	77.57	81.76	86.18
2"	111.72	117.76	124.12	130.82	137.88
3"	209.48	220.79	232.72	245.28	258.53
4"	349.14	367.99	387.86	408.81	430.88
6"	698.28	735.98	775.72	817.61	861.77
8"	1,117.24	1,177.57	1,241.16	1,308.18	1,378.82
10"	1,606.03	1,692.76	1,784.17	1,880.51	1,982.06
12"	3,002.58	3,164.72	3,335.62	3,515.74	3,705.59
Multi-Unit	13.97	14.72	15.51	16.35	17.24

All User Classes (Outside)	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
⅝"	20.95	22.09	23.28	24.53	25.86
¾"	20.95	22.09	23.28	24.53	25.86
1"	52.37	55.20	58.18	61.32	64.64
1.5"	104.75	110.40	116.36	122.65	129.27
2"	167.59	176.64	186.17	196.23	206.82
3"	314.23	331.20	349.08	367.93	387.80
4"	523.71	551.99	581.80	613.22	646.33
6"	1,047.41	1,103.97	1,163.59	1,226.42	1,292.65
8"	1,675.86	1,766.36	1,861.74	1,962.27	2,068.24
10"	2,409.05	2,539.14	2,676.26	2,820.77	2,973.10
12"	4,503.88	4,747.09	5,003.43	5,273.62	5,558.39
Multi-Unit	20.95	22.09	23.28	24.53	25.86

(2) *Volumetric rates (per 1,000 gallons).*

Residential Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	3.53	3.72	3.92	4.13	4.36
10,001—30,000 gallons	4.06	4.28	4.51	4.75	5.01
30,001—75,000 gallons	4.67	4.92	5.19	5.47	5.76
75,001 gallons and over	5.38	5.67	5.97	6.29	6.63

Irrigation Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	4.42	4.65	4.91	5.17	5.45

10,001—30,000 gallons	5.08	5.35	5.64	5.95	6.27
30,001—75,000 gallons	5.84	6.15	6.49	6.84	7.21
75,001 gallons and over	6.71	7.08	7.46	7.86	8.29

Non Residential Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001—10,000 gallons	3.53	3.72	3.92	4.13	4.36
10,001—20,000 gallons	4.06	4.28	4.51	4.75	5.01
20,001—30,000 gallons	4.06	4.28	4.51	4.75	5.01
30,001—75,000 gallons	4.67	4.92	5.19	5.47	5.76
75,001 gallons and over	5.38	5.67	5.97	6.29	6.63

Heavy Industry Water Inside	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
0—2,000 gallons	min	min	min	min	min
2,001 gallons and over	3.50	3.69	3.89	4.10	4.32

Outside City Limits
1½ times the inside rate that is applicable

(3) *Wholesale (outside city).* According to contract negotiated with each wholesale user. Where more than one residential, non-residential or industrial unit is served by the same meter (except for wholesale users):

a. The minimum monthly charge shall be equal to the sum of the minimum monthly charges that would apply to the various units if they were metered separately.

b. The minimum monthly meter charge shall cover the first minimum number of gallons (if any) times the number of units.

c. Charges for water in excess of the minimum as defined above shall be at the highest rate for any user class represented in the various units served by the meter.

(c) *Sewer rates.*

Any fiscal year rate increase shall become effective on the first billing cycle beginning after October 1 of that fiscal year.

(1) *Minimum charges.*

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Residential Inside	16.07	16.94	17.86	18.82	19.84
Residential Outside	24.12	25.42	26.79	28.24	29.76
Non-Residential Inside (1)	18.49	19.49	20.54	21.65	22.82
Non-Residential Outside (1)	27.73	29.23	30.81	32.47	34.22
Monitored Customers (2)	7.04	7.42	7.82	8.24	8.69

(2) *Volumetric charges (per 1,000 gallons).*

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Residential Inside	5.32	5.61	5.91	6.23	6.57
Residential Outside	7.99	8.42	8.88	9.35	9.86
Non-Residential Inside (1)	6.12	6.45	6.80	7.17	7.56
Non-Residential Outside (1)	9.18	9.68	10.20	10.75	11.33
Monitored Customers (2)	3.53	3.72	3.92	4.13	4.36

a. Does not include monitored users such as poultry processors.

b. Charges for BOD 0.2002 per 100 mg/liter and suspended solids 0.1127 per 100 mg/liter shall be added to flow calculation, according to section VII. This charge is exclusive of any applicable pretreatment.

Billing industrial and commercial sewer customers who treat their effluent and have a settling pond.

Industrial and commercial sewer customers who are required to treat their effluent and have a settling pond for such shall be billed on one of the following basis:

1. Amount of water used or registered by the city water meter.
2. If such industrial or commercial customer as defined above shall install an approved flow measuring device to measure the amount of water returned to the city sanitary sewer for treatment, then the reading from such measuring device will be used for determining the city sewer charge rather than the water meter reading.

(4) *Exemption from sewer charge.* Customers who use water that is not deposited in the city's sewer lines for treatment shall comply with the following conditions to be eligible to be exempted from sewer charges:

a. Customers must have a separate water tap from the city's water main and a separate meter for water used but not deposited in the sewer. The customer will pay for such additional tap and meter cost.

b. If for any reason such service is disconnected or discontinued by said customer who later wishes to return this meter to service, a reconnect fee will be charged for each occasion or if after regular work hours.

(d) *Other charges.* Tap fees, reconnection charges and other miscellaneous charges shall be as prescribed in other city ordinances.

(e) *Disconnection of service.* The city may disconnect water service to any customer for any of the following reasons:

(1) Written request of the customer.

(2) Failure to pay all water and sewer charges within a time limit prescribed in other city ordinances.

(3) Existence of a known dangerous condition resulting from water service to that customer.

(4) Service established through meter bypassing, unauthorized connection or unauthorized reconnection.

(5) Tampering with meter.

(6) Any reasons listed in the sewer use ordinance.

If disconnection is solely due to failure to pay bills the city must:

(1) Give ten calendar days' notice prior to disconnection.

(2) Have city personnel available to collect delinquent bills and to make reconnection on the day of disconnection and on the following:

All city water, sewer and sanitation bills are due upon receipt and are considered delinquent 15 days after billing date. A delinquent fee of ten percent shall be added to all water, sewer and sanitation bills that are not paid within the 15-day period after billing date.

Connection fees shall be charged at the rates set forth in the Master Fee Schedule.

SECTION IV

Severability. If any word, article, phrase, paragraph, sentence, clause, or provision of this Ordinance shall be held to be invalid or unconstitutional, such holding shall in no way affect other provisions or applications of this Ordinance which can be given effect without the invalid provision, and to this end provisions of this Ordinance are declared to be severable.

SECTION V

Continuation. All provisions of Chapter 82 and Chapter 106 of the Code of Ordinances existing prior to the date of passage of this Ordinance remain in full force and effect.

SECTION VI

Repeal. This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Nacogdoches, and this Ordinance shall not operate to repeal or affect any such other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with provisions of this Ordinance, in which such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

SECTION VII

Effective Date. This Ordinance shall be in full force and effect after its passage and publication as may be required by governing law.

SECTION VIII

Proper Notice & Open Meeting. It is hereby officially found and determined the meeting at which this Ordinance was passed was open to the public as required and public notice of time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

SECTION IX

Official Public Records. The City Secretary is hereby authorized and instructed to file a signed and sealed copy of this Ordinance in and among the records of the City of Nacogdoches.

PASSED AND APPROVED, this the ______ day of ___________________, 2026, by a vote of _____ (ayes) to _____ (nays) of the City Council of the City of Nacogdoches.

CITY OF NACOGDOCHES

____
Randy Johnson, Mayor

ATTEST:

____
Karen Hadnot, City Secretary

APPROVED AS TO FORM:

____
Jerry Baker, City Attorney

APPROVED AS TO CONTENT:

____
Michael Neu, Executive Director of Development and Infrastructure

PRESENTER: Todd Simoneaux, Interim Finance Director

ITEM/SUBJECT: Public Hearing: Hold a public hearing and receive citizen input on the Fiscal Year 2027 Proposed Tax Rate for operations of the City for the fiscal year beginning October 1, 2026, and ending September 30, 2027. Per Section 102.005(b) of the Texas Local Government Code, this budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount $286,849 is tax revenue to be raised from new property added to the tax roll this year. Based on the median appraised homestead value of $165,796, the estimated property tax impact of the proposed tax rate is as follows:

Rate Type	Rate per $100 Valuation	Property Tax Impact
FY 2026 Current Tax Rate	$ 156,940 /100 * $ 0.57596	$ 903.91
FY 2027 Proposed Tax Rate	$ 165,796 /100 * $ 0.57166	$ 947.79
FY 2027 No-New Revenue Tax Rate	$ 165,796 /100 * $ 0.54829	$ 909.04

SUMMARY/BACKGROUND: Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in adopting their tax rate. A public hearing is required if the proposed tax rate exceeds the lower of the no new revenue tax rate or the voter approval tax rate. The proposed tax rate exceeds the no new revenue tax rate. A Notice of Proposed Tax Rate is required to be published in the newspaper, on the city website, and on a television channel, if applicable. The notice was posted as required.

The municipal property tax rate for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, include:

Calculated Rates

- The Property Tax Rate for the Preceding Fiscal Year – $0.57596
- The Proposed Property Tax Rate $0.57166
- The No-New-Revenue Tax Rate – $0.54829
- The Voter Approval Tax Rate – $0.58793

Proposed Rates

- Maintenance & Operations Tax Rate – $0.49788
- Debt Rate (Interest & Sinking Fund) – $0.07378

- Total Proposed Property Tax Rate – $0.57166

FINANCIAL:
Taxpayer Impact Analysis Statement

Per Section 102.005(b) of the Texas Local Government Code, this budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount, $286,849 is tax revenue to be raised from new property added to the tax roll this year. Based on the median appraised homestead value of $165,796, the estimated property tax impact of the proposed tax rate is as follows:

Rate Type	Rate per $100 Valuation	Property Tax Impact
FY 2026 Current Tax Rate	$ 156,940 /100 * $ 0.57596	$ 903.91
FY 2027 Proposed Tax Rate	$ 165,796 /100 * $ 0.57166	$ 947.79
FY 2027 No-New Revenue Tax Rate	$ 165,796 /100 * $ 0.54829	$ 909.04

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Todd Simoneaux, Interim Finance Director
simoneauxt@nactx.us
(936) 559-2529

ATTACHMENTS: 1. Tax Payer Impact

Public Hearing (Tax Rate)

Taxpayer Impact Analysis Statement

Per Section 102.005(b) of the Texas Local Government Code:
This budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount $286,849 is tax revenue to be raised from new property added to the tax roll this year.

In compliance with HB 1522, the taxpayer impact analysis statement is included as follows:

Current Tax Rate (FY26) ($156,940)	$0.57596/$100	**$903.91**
Proposed Tax Rate (FY27) ($165,796)	$0.57166/$100	**$947.79**
No-New Revenue Tax Rate (FY27) ($165,796)	$0.54829/$100	**$909.04**

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: September 15, 2026

Agenda Item: 6.B.

PRESENTER: Todd Simoneaux, Interim Finance Director

ITEM/SUBJECT: Consider approval of an ordinance adopting the Fiscal Year 2027 Budget for operations of the City for the fiscal year beginning October 1, 2026, and ending September 30, 2027. Per Section 102.005(b) of the Texas Local Government Code, this budget will raise more total property taxes than last year's budget by $598,600 or 4.4%, and of that amount $286,849 is tax revenue to be raised from new property added to the tax roll this year. Based on the median appraised homestead value of $165,796, the estimated property tax impact of the proposed tax rate is as follows:

Rate Type	Rate per $100 Valuation	Property Tax Impact
FY 2026 Current Tax Rate	$ 156,940 /100 * $ 0.57596	$ 903.91
FY 2027 Proposed Tax Rate	$ 165,796 /100 * $ 0.57166	$ 947.79
FY 2027 No-New Revenue Tax Rate	$ 165,796 /100 * $ 0.54829	$ 909.04

SUMMARY/BACKGROUND: The City Manager has prepared and submitted to the City Council the proposed Fiscal Year 2027 Budget for consideration and adoption. The proposed budget provides funding for the operations, programs, services, capital improvements, and other expenditures of the City for the upcoming fiscal year. The City Council conducted the required public hearing on the proposed budget on September 1, 2026, after notice was provided in accordance with applicable state law. The adopted budget establishes the authorized expenditures and appropriations for the fiscal year beginning October 1, 2026, and ending September 30, 2027.

FINANCIAL:
The proposed Fiscal Year 2027 Budget includes:

- General Fund: $37,847,806
- Enterprise Funds: $77,159,484
- Internal Service Funds: $8,205,644
- Other Governmental Funds: $30,093,195
- Total City Budget: $153,306,129

The budget provides funding for the continuation of essential City services while addressing the City Council's priorities and the City's anticipated financial resources.

FISCAL IMPACT
Adoption of the Fiscal Year 2027 Budget will establish the City's authorized expenditures and appropriations for the upcoming fiscal year and provide the financial framework for City operations and services.

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

PROPOSED ACTIONS
Motion: "I move that the City Council adopt the City of Nacogdoches Fiscal Year 2027 Budget as presented." **Must be a record vote.**

CITY CONTACT: Todd Simoneaux, Director of Finance
simoneauxt@nactx.us
(936) 559-2526

ATTACHMENTS:
1. Ordinance
2. Proposed Budget

CITY OF NACOGDOCHES, TEXAS

ORDINANCE NO. 2089-09-26

AN ORDINANCE OF THE CITY OF NACOGDOCHES, TEXAS APPROVING AND ADOPTING ANNUAL BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2026 AND ENDING SEPTEMBER 30, 2027; PROVIDING THAT SAID EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET, UNLESS OTHERWISE AUTHORIZED BY AN ORDINANCE ADOPTED BY CITY COUNCIL; PROVIDING FOR A REPEAL CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with the City Charter and State law, the City Manager of the City of Nacogdoches, Texas ("City") has heretofore filed with the City Secretary a proposed budget for the City covering the fiscal year beginning October 1, 2026 and ending September 30, 2027; and

WHEREAS, the City, in accordance with law, posted the proposed budget on its internet website and made the same available for inspection by any person, and held a public hearing regarding the proposed budget and provided notice of such public hearing, and during the public hearing on the budget, all interested persons were given the opportunity to be heard for or against any item contained in said budget, and all said persons were heard, after which each of said public hearing was closed; and

WHEREAS, the City Council, upon full consideration of the matter, is of the opinion that the budget hereinafter set forth is proper and should be approved and adopted; and

WHEREAS, the adoption of the said budget will require raising more revenue from property taxes than in the previous year, and the City Council will ratify, by separate vote, the property tax rate reflected in the said budget; and

WHEREAS, Appropriations for all funds will be as follows:

GENERAL FUND	$	37,847,806
UTILITY FUND	$	60,251,782
SANITATION FUND	$	16,039,220
AIRPORT FBO FUND	$	868,482
SPECIAL REVENUE FUNDS	$	3,271,120
HOTEL/MOTEL FUND	$	1,431,953
DEBT SERVICE FUND	$	2,227,122
STREET MAINTENANCE FUND	$	2,000,000
EQUIPMENT REPLACEMENT FUND	$	3,108,051
SELF INSURANCE FUND	$	5,097,593
BOND CONSTRUCTION FUND	$	21,163,000

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

SECTION 1. That the budget for the City of Nacogdoches, Texas for the Fiscal Year beginning October 1, 2026 and ending September 30, 2027, a true and correct copy of which is attached to this Ordinance as Exhibit A, is hereby adopted and approved. As set forth in the said budget, the budget expenditures are hereby appropriated and that expenditures during the fiscal year shall be made in accordance with the budget approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City.

SECTION 2. The budget as adopted hereby shall be deemed the official budget for the City of Nacogdoches, Texas for the said fiscal year and a copy of the same attached hereto and marked as “Exhibit A” shall be filed and kept on file with the City Secretary, shall be posted on the City’s internet website, and shall be open to inspection by any interested persons. In addition, the record vote of each member of the City Council by name voting on the adoption of the budget shall be posted on the City’s internet website until the first anniversary of the date the budget is adopted.

SECTION 3. The cover page for the budget attached to this Ordinance, that includes the property tax rates for the current fiscal year, including (a) the property tax rate, (b), the no-new-revenue tax rate, (c) the no-new-revenue maintenance and operations tax rate, (d) the voter approval tax rate, and (e) the debt rate, shall be and is hereby filed with the City Secretary and shall be posted on the City’s internet website.

SECTION 4. That all ordinances of the City in conflict with the provisions of this Ordinance be, and the same are hereby repealed and all other ordinances of the City not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 5. The sections, paragraphs, sentences, phrases, and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, or word in this Ordinance or application thereof to any person or circumstance is held invalid, void, unlawful or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, voidness, unlawfulness or unconstitutionality, which remaining portions shall remain in full force and effect.

SECTION 6. Any requirement that this Ordinance be read at more than one reading be hereby suspended and that this Ordinance shall become effective immediately upon its passage, approval, and publication.

PASSED AND APPROVED this, the 15th day of September 2026, by a vote of ___(ayes) to ___ (nays) to ___ (abstentions) of the City Council of Nacogdoches, Texas.

____
Randy Johnson, Mayor

ATTEST:

By:__________________________________
Karen Hadnot, City Secretary

APPROVED AS TO FORM:

By:__________________________________
Jerry Baker, City Attorney

APPROVED AS TO CONTENT:

By:__________________________________
Todd Simoneaux, Director of Finance

Proposed Budget

2026-2027

Presented to City Council

on 08/18/2026

Table of Contents

Introduction

Proposed Tax Rate (2026-2027)

	Adopted 2026/2027 Property Taxes Collection Rate	
Assessed Taxable Value		$ 2,695,141,866
Tax Ceiling Taxable Value		(336,387,079)
Adjusted Assessed Taxable Value		2,358,754,787
	0.49788	11,743,768
	Ceiling Tax	1,219,105
Operations		**12,962,873**
Debt	**0.07378**	**1,740,289**
Tax Rate per $100 Valuation	**0.57166**	**14,703,163**
Operations Budget		
Estimated Current Tax Collections (97%)		12,453,200
Estimated Delinquent Tax Collections		100,000
Estimated Penalty & Interest Collections		135,000
		12,688,200
Debt		
Estimated Current Tax Collections (97%)		1,845,400
Estimated Delinquent Tax Collections		1,600
		$ 1,847,000

City Leadership

Elected Officials

Randy Johnson, Mayor

Kathleen Belanger, Council Member

Brad Maule, Council Member

Chad Huckaby, Council Member

Blane Williams, Council Member

City Executive Staff

Richard Beverlin, City Manager

Michael Neu, Executive Director of Develop. and Infrastructure

Jerry Baker, City Attorney

Karen Hadnot, City Secretary

Prepared By

Todd Simoneaux, Director of Finance

Kevin Sardinha, Assistant Director of Finance

Abby Taylor, Senior Accountant

Budget Cover Page

Due to the passage of S.B. No. 656, Section 102.007 of the Texas Local Government Code was amended to require that the following information be included as the cover page for a budget document:

1) "This budget will raise more revenue from property taxes than last year's budget by an amount of $598,600, which is a 4.4% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $286,849."

2) The municipal property tax rate for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, include:

Calculated Rates

a) The Property Tax Rate for the Preceding Fiscal Year – $0.57596
b) The Proposed Property Tax Rate 0.57166
c) The No-New-Revenue Tax Rate – $0.54829
d) The Voter Approval Tax Rate – $0.58793

Proposed Rates

a) Maintenance & Operations Tax Rate – $0.49788
b) Debt Rate (Interest & Sinking Fund) – $0.07378
c) Total Proposed Property Tax Rate – $0.57166

Taxpayer Impact Statement

3) Based on the median appraised homestead value of $165,000, the estimated property tax impact of the proposed tax rate is as follows:

a) Current Tax Rate (FY26) - $0.57596/$100 - $950.33
b) Proposed Tax Rate (FY27) - $0.57166/$100 - $943.24
c) No-New Revenue Tax Rate (FY27) - $0.54829/$100 - $904.68
d) Voter Approval Tax Rate (FY27) - $0.58793/$100 - $970.08

4) The total amount of outstanding municipal debt obligations secured by property taxes is $45,728,148 (including principal and interest).

<u>Fiscal Year 2026-27 Principal & Interest Requirements for Debt Service are:</u>

a) Property Tax Supported Debt: $2,227,121
b) Revenue Supported Debt: $4,462,074

Fund Summaries

General Fund

Accounts for the City's primary governmental operations and resources not required to be reported in another fund.

General Fund Summary

	Operating	Restricted	Total
OCTOBER 1, 2026 ESTIMATED CASH RESERVES	**$ 16,752,947**	**$ 1,712,975**	**$18,465,922**
2026/2027 Budget Revenues			
General Government			
Property Taxes	12,698,200	-	12,698,200
Sales and Use Tax	9,244,076	-	9,244,076
Franchise & Occupation Taxes	2,230,000	40,000	2,270,000
Licenses and Permits	274,000	-	274,000
Fines and Forfeitures	350,000	30,150	380,150
Charges for Current Services	348,360	-	348,360
Interest Earned	690,000	-	690,000
Miscellaneous Revenues	1,496,887	20,000	1,516,887
Intergovermental Receipts	523,000	-	523,000
Inter-Fund Transfers	7,832,916	-	7,832,916
TOTAL 2026/2027 BUDGET REVENUES	**35,687,439**	**90,150**	**35,777,589**
TOTAL AVAILABLE FUNDS	**52,440,386**	**1,803,125**	**54,243,511**
2026 / 2027 Budget Operating Expenditures			
General Government	$ 8,817,584	$ 255,078	$ 9,072,662
Public Safety	21,094,558	-	21,094,558
Cultural & Recreational	3,569,792	-	3,569,792
Highways & Streets	1,520,794	-	1,520,794
Inter - Fund Transfers	206,000	-	206,000
Total 2026 / 2027 Budget Operating Expenditures	**35,208,728**	**255,078**	**35,463,806**
2026 / 2027 Budget Non-Operating Expenditures			
Capital Replacement	1,326,000	-	1,326,000
Capital Improvements (CIP)	1,058,000	-	1,058,000
2026 / 2027 Budget Non-Operating Expenditures	**2,384,000**	**-**	**2,384,000**
SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE	**$ 14,847,658**	**$ 1,548,047**	**$16,395,705**
25% RESERVE REQUIREMENT	**$ 8,802,182**		
EXCESS OVER RESERVE REQUIREMENT	**$ 6,045,476**		

General Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 17,352,470**	**$ 18,046,562**	**$ 18,332,186**	**$ 18,912,877**	**$ 18,465,922**
2026/2027 Budget Revenues					
General Government					
Property Taxes	10,930,911	10,410,678	11,272,647	11,945,000	12,698,200
Sales and Use Tax	9,459,665	8,831,807	8,811,234	8,770,000	9,244,076
Franchise & Occupation Taxes	2,435,711	2,288,088	2,286,639	2,270,000	2,270,000
Licenses and Permits	211,818	273,389	375,150	283,000	274,000
Fines and Forfeitures	439,763	424,410	392,003	380,150	380,150
Charges for Current Services	398,991	354,302	381,354	328,360	348,360
Interest Earned	595,759	774,869	832,753	650,000	690,000
Miscellaneous Revenues	1,143,775	1,038,675	1,627,804	1,067,002	1,516,887
Intergovermental Receipts	1,480,251	1,040,009	1,014,097	143,000	523,000
Inter-Fund Transfers	6,333,280	5,987,310	6,894,599	7,678,187	7,832,916
TOTAL 2026/2027 BUDGET REVENUES	**33,429,925**	**31,423,537**	**33,888,280**	**33,514,699**	**35,777,589**
TOTAL AVAILABLE FUNDS	**50,782,395**	**49,470,099**	**52,220,467**	**52,427,576**	**54,243,511**
2026 / 2027 Budget Operating Expenditures					
General Government					
City Council	26,533	21,610	28,040	25,500	26,720
City Manager	280,817	382,832	482,019	634,335	583,109
Municipal Court	295,085	254,198	278,162	302,662	309,489
City Secretary	208,415	149,810	152,674	151,008	167,426
Financial Services	662,610	1,080,117	883,269	856,187	899,591
Information Technology Services	469,992	537,347	572,107	719,899	831,676
Human Resources	423,142	527,856	506,876	547,264	563,990
Legal Services	467,779	274,748	293,332	297,324	326,606
Planning & Zoning	244,407	257,531	389,321	465,311	464,406
Building Maintenance	391,763	400,865	405,406	403,864	428,530
Communications	67,594	106,992	125,585	141,778	142,352
Vehicle Maintenance	285,927	299,097	321,225	342,246	356,483
Engineering	537,841	577,852	544,474	585,424	612,663
Non-Departmental	1,628,010	1,865,490	2,080,033	2,296,420	2,476,836
Economic Development	262,379	260,917	278,611	293,253	281,119
Conventions & Tourism	267,790	255,793	297,297	328,212	346,588
Total General Government	**$ 6,520,084**	**$ 7,253,055**	**$ 7,638,429**	**$ 8,390,687**	**$ 8,817,584**

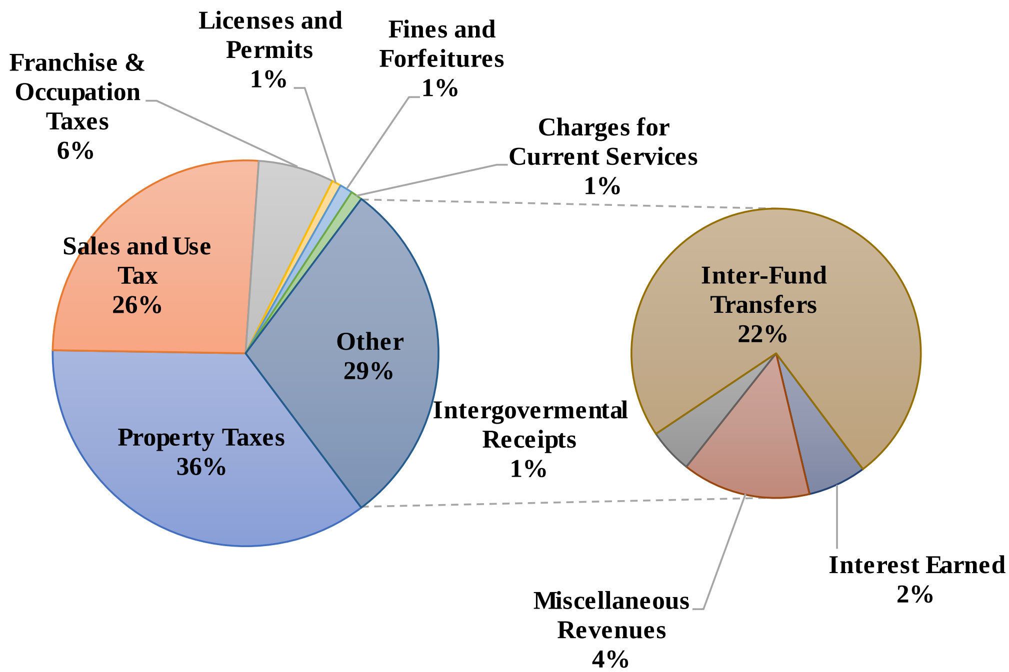
General Fund Three-Year Comparison (Continued)

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
Public Safety					
Police	$ 8,961,273	$ 9,575,156	$ 9,628,637	$ 10,275,386	$ 11,595,920
Code Enforcement	265,296	271,402	261,642	380,137	390,656
Fire	7,043,226	7,220,200	7,666,676	7,290,580	8,175,476
Inspection Services	212,949	233,887	248,033	243,182	254,430
Animal Control	598,880	590,521	612,403	677,171	678,076
Total Public Safety	**17,081,623**	**17,891,165**	**18,417,392**	**18,866,456**	**21,094,558**
Cultural & Recreational					
Historic Sites	389,674	455,766	265,434	256,105	258,662
Library	587,862	588,372	565,532	664,805	673,869
Recreation	715,811	624,356	714,391	808,668	848,262
Parks & Cemeteries	1,569,255	1,489,640	1,416,687	1,536,470	1,626,313
Main Street	-	5,874	168,483	158,715	162,686
Total Cultural & Recreational	**3,262,602**	**3,164,009**	**3,130,527**	**3,424,763**	**3,569,792**
Highways & Streets					
Public Works Admin	129,204	137,031	125,933	128,550	128,607
Streets	1,040,079	1,349,893	1,087,625	1,405,637	1,392,187
Total Highways & Streets	**1,169,283**	**1,486,924**	**1,213,558**	**1,534,187**	**1,520,794**
Inter - Fund Transfers					
Transfers	376,149	232,716	774,645	191,000	206,000
Total 2026 / 2027 Budget Operating Expenditures	**28,409,741**	**30,027,869**	**31,174,551**	**32,407,093**	**35,208,728**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	1,407,292	609,433	757,881	1,153,615	1,326,000
Capital Improvements (CIP)	813,346	1,431,719	630,049	1,090,000	1,058,000
Restricted Funds Expenditures	30,288	7,847	67,118	155,968	255,078
2026 / 2027 Budget Non-Operating Expenditures	**2,250,926**	**2,049,000**	**1,455,048**	**2,399,583**	**2,639,078**
ENDING BALANCE CASH RESERVES	**$ 20,121,728**	**$ 17,393,231**	**$ 19,590,867**	**$ 17,620,900**	**$ 16,395,705**

General Fund Revenue by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025 / 2026	Amended Budget 2025 / 2026	Proposed Budget 2026 / 2027
Property Taxes	$ 10,410,678	$ 11,272,647	$ 11,945,000	$ 11,945,000	$ 12,698,200
Sales and Use Tax	8,831,807	8,811,234	8,770,000	8,770,000	9,244,076
Franchise & Occupation Taxes	2,288,088	2,248,321	2,270,000	2,270,000	2,270,000
Licenses and Permits	273,389	375,150	283,000	283,000	274,000
Fines and Forfeitures	424,410	361,439	380,150	380,150	380,150
Charges for Current Services	354,302	381,354	328,360	328,360	348,360
Interest Earned	774,869	832,753	650,000	650,000	690,000
Miscellaneous Revenues	1,038,675	1,566,432	1,067,002	1,067,002	1,516,887
Intergovermental Receipts	1,040,009	1,014,097	143,000	143,000	523,000
Inter-Fund Transfers	5,987,310	6,894,599	7,678,187	7,678,187	7,832,916
Total General Fund Revenues	**$ 31,423,537**	**$ 33,758,027**	**$ 33,514,699**	**$ 33,514,699**	**$ 35,777,589**

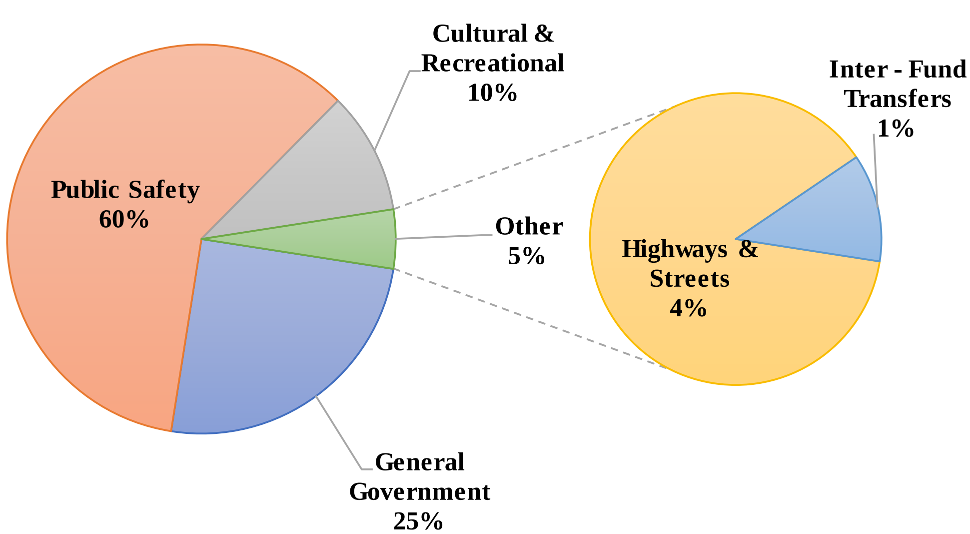
2026 / 2027
General Fund Revenues by Classification



General Fund Expenditures by Function

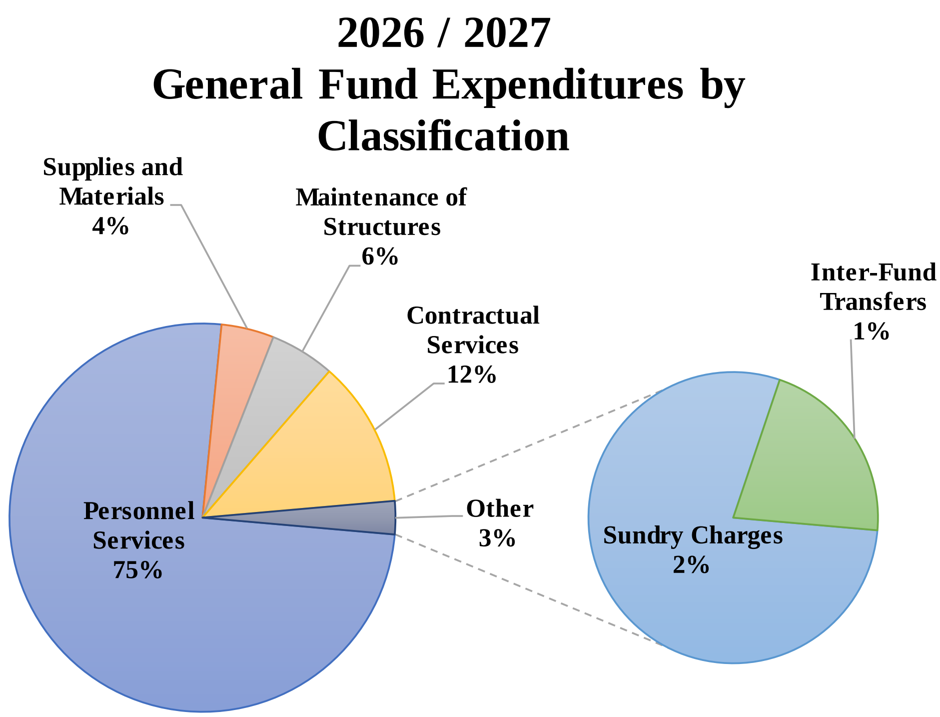
	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
General Government	$ 7,253,055	$ 7,638,429	$ 8,390,687	$ 8,390,687	$ 8,817,584
Public Safety	17,891,165	18,417,392	18,894,732	18,866,456	21,094,558
Cultural & Recreational	3,164,009	3,130,527	3,424,763	3,424,763	3,569,792
Highways & Streets	1,486,924	1,213,558	1,534,187	1,534,187	1,520,794
Inter - Fund Transfers	232,716	774,645	191,000	191,000	206,000
Total Operating Expenditures	**30,027,869**	**31,174,551**	**32,435,369**	**32,407,093**	**35,208,728**
Capital Replacement	609,433	757,881	1,153,615	1,153,615	1,326,000
Capital Improvements (CIP)	1,431,719	630,049	1,090,000	1,090,000	1,058,000
Restricted Funds Expenditures	7,847	67,118	155,968	155,968	255,078
Total General Fund Expenditures	**$ 32,076,869**	**$ 32,629,599**	**$ 34,834,952**	**$ 34,806,676**	**$ 37,847,806**

2026 / 2027
General Fund Expenditures by Function



General Fund Expenditures by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Personnel Services	$ 23,002,506	$ 24,112,082	$ 24,815,438	$ 24,815,438	$ 26,476,449
Supplies and Materials	1,154,994	1,114,544	1,464,660	1,464,660	1,551,815
Maintenance of Structures	1,512,742	1,436,089	1,642,804	1,614,528	1,910,656
Contractual Services	3,346,793	3,213,305	3,799,958	3,799,958	4,296,765
Sundry Charges	778,118	523,886	521,509	521,509	767,043
Inter-Fund Transfers	232,716	774,645	191,000	191,000	206,000
	30,027,869	31,174,551	32,435,369	32,407,093	35,208,728
	-				
Capital Replacement	609,433	757,881	1,153,615	1,153,615	1,326,000
Capital Improvements (CIP)	1,431,719	630,049	1,090,000	1,090,000	1,058,000
Restricted Funds Expenditures	7,847	67,118	155,968	155,968	255,078
Total General Fund Expenditures	**$ 32,076,869**	**$ 32,629,599**	**$ 34,834,952**	**$ 34,806,676**	**$ 37,847,806**



General Fund Capital Outlay

Capital Replacement	Proposed Budget 2026-2027
Municipal Court - Floor Replacement	$ 19,000
Municipal Court - Walls Restoration	18,000
Recreation - Rec Center/Library Exterior Painting	20,000
Recreation - Meeting Room Carpet Replacement	15,000
Police - Seized Vehicles Parking Area Fence	10,000
Animal Control - Storage Shed	11,000
Buildings & Structures	**93,000**
Municipal Court - Payment System	10,000
Library - RFID Conversion	23,000
Information Technology Services - Laptop/PC Replacement Cycle	60,000
Information Technology Services - Server Upgrades	60,000
Information Technology Services - Data Backup And Disaster Recovery	110,000
Office & Data Processing	**263,000**
Fire - Radios	87,000
Radios & Communication	**87,000**
Parks & Cemeteries - 16-Yard Dump Truck	186,000
Vehicle Capital Expense	**186,000**
Parks & Cemeteries - 24' Bumper Pull Trailer	7,000
Parks & Cemeteries - Welding Machine And Equipment	9,000
Street Maintenance - 15' Batwing Mower	27,000
Street Maintenance - Asphalt Paving Machine	300,000
Street Maintenance - Asphalt Zipper Quick Coupling	18,500
Street Maintenance - Small Forklift	48,000
Street Maintenance - Message Board	40,500
Fire - Rescue Tools	65,800
Fire - SCBA Units, Bottles, And Voice Amplifiers	72,700
Equipment & Machinery	**588,500**
Main Street - Church & Commerce Streets Design Support	30,000
Parks & Cemeteries - Pine Grove Cemetery Fence	78,500
Park Improvements	**108,500**
Total Capital Replacement	**$ 1,326,000**

Utility Fund

Proprietary fund with accounts for utility services financed primarily through customer charges.

Utility Fund Summary

	Water & Sewer Operations	Capital Replacement	Debt Service	Debt Service Reserve	Total Water & Sewer Fund
OCTOBER 1, 2026 ESTIMATED CASH RESERVES					
Unrestricted Cash & Cash Equivalents	$ 8,174,023				$ 8,174,023
Restricted Cash for ARPA Funding		2,080,701			2,080,701
Restricted Cash for Equipment Replacement		24,765,365			24,765,365
Restricted Cash for Future Water & Sewer CIP		38,942,583			38,942,583
Restricted Cash for Debt Service			985,943		985,943
Restricted Cash for Debt Service Reserve				1,687,486	1,687,486
TOTAL OCT. 1, 2026 ESTIMATED CASH RESERVES	**8,174,023**	**65,788,649**	**985,943**	**1,687,486**	**76,636,101**
2026/2027 Budget Revenues					
Water Charges	13,000,000				13,000,000
Sewer Charges	9,900,000				9,900,000
Licenses and Permits	-				-
Interest Earned	1,725,000	895,000	130,000	60,000	2,810,000
Miscellaneous Revenues	652,500				652,500
TOTAL 2026/2027 BUDGET REVENUES	**25,277,500**	**895,000**	**130,000**	**60,000**	**26,362,500**
2026 / 2027 Other Finance Sources					
Contribution from Operations-Debt Service			4,346,131		4,346,131
Contribution from Operations-Depreciation		3,250,000			3,250,000
Contribution from Operations-Future Water & Sewer CIP		1,000,000			1,000,000
Total 2026 / 2027 Other Finance Sources	**-**	**4,250,000**	**4,346,131**	**-**	**8,596,131**
TOTAL AVAILABLE FUNDS	**33,451,523**	**70,933,649**	**5,462,074**	**1,747,486**	**111,594,732**
2026 / 2027 Budget Operating Expenditures					
Water Billing	1,718,899				1,718,899
Water Production	2,773,332				2,773,332
Utility Construction	1,946,113				1,946,113
Wastewater Treatment	2,972,223				2,972,223
Debt Service - Principal			2,895,000		2,895,000
Debt Service - Interest			1,567,074		1,567,074
Non - Departmental	2,309,824				2,309,824
Inter - Fund Transfers	5,315,051				5,315,051
Total 2026 / 2027 Budget Operating Expenditures	**$ 17,035,442**	**$ -**	**$ 4,462,074**	**$ -**	**$ 21,497,516**

Utility Fund Summary (Continued)

	Water & Sewer Operations	Capital Replacement	Debt Service	Debt Service Reserve	Total Water & Sewer Fund
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement		$ 878,266			$ 878,266
Capital Improvements (CIP)		37,876,000			37,876,000
)27 Budget Non-Operating Expenditures (Reserves)	**-**	**38,754,266**	**-**	**-**	**38,754,266**
2026 / 2027 Other Finance Uses					
Contributions to Debt Service	4,346,131				4,346,131
Contributions to Capital Replacement - Depreciatic	3,250,000				3,250,000
Contributions to Capital Replacement - Future CIP	1,000,000				1,000,000
Total 2026 / 2027 Other Finance Uses	**8,596,131**	**-**	**-**	**-**	**8,596,131**
SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE					
Unrestricted Cash & Cash Equivalents	7,819,950				7,819,950
Restricted Cash for Capital/CIP		32,179,383			32,179,383
Restricted Cash for Debt Service			1,000,000		1,000,000
Restricted Cash for Debt Service Reserve				1,747,486	1,747,486
OTAL SEP. 30, 2027 ESTIMATED ENDING BALANCE	**7,819,950**	**32,179,383**	**1,000,000**	**1,747,486**	**42,746,819**
TOTAL ALLOCATED FUNDS	**$ 33,451,523**	**$ 70,933,649**	**$ 5,462,074**	**$ 1,747,486**	**$111,594,732**
25% RESERVE REQUIREMENT	**$ 5,374,379**				
EXCESS OVER RESERVE REQUIREMENT	**$ 2,445,571**				

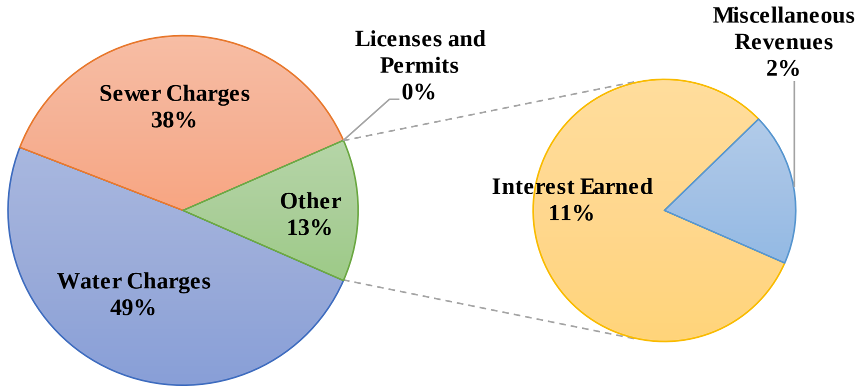
Utility Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 45,608,697**	**$ 49,663,711**	**$ 51,708,273**	**$ 77,126,508**	**$ 76,636,101**
2026/2027 Budget Revenues					
Water Charges	11,044,111	10,144,143	11,050,289	11,200,000	13,000,000
Sewer Charges	8,527,443	8,105,487	8,312,426	8,725,000	9,900,000
Licenses and Permits	24,501	9,978	455	21,000	-
Interest Earned	1,812,667	2,400,153	2,391,300	2,280,000	2,810,000
Miscellaneous Revenues	741,815	641,721	1,311,705	842,500	652,500
TOTAL 2026/2027 BUDGET REVENUES	**22,150,537**	**21,301,481**	**23,066,175**	**23,068,500**	**26,362,500**
TOTAL AVAILABLE FUNDS	**67,759,234**	**70,965,192**	**74,774,448**	**100,195,008**	**102,998,601**
2026 / 2027 Budget Operating Expenditures					
Utility Billing	1,555,221	1,486,122	1,268,769	1,631,631	1,718,899
Water Production	2,965,989	2,936,961	2,345,978	2,706,518	2,773,332
Utility Construction	1,830,934	1,875,932	1,568,278	1,759,008	1,946,113
Wastewater Treatment	2,941,514	3,934,022	2,668,757	3,242,189	2,972,223
Debt Service	293,915	256,092	375,789	4,542,241	4,462,074
Non-Departmental	513,727	2,252,389	2,405,266	2,359,159	2,309,824
Inter - Fund Transfers	3,556,808	3,985,171	5,288,840	4,791,943	5,315,051
Total 2026 / 2027 Budget Operating Expenditures	**13,658,108**	**16,726,688**	**15,921,677**	**21,032,689**	**21,497,516**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	856,485	407,334	571,685	1,686,250	878,266
Capital Improvements (CIP)	1,032,336	1,934,518	6,520,762	28,906,000	37,876,000
2026 / 2027 Budget Non-Operating Expenditures	**1,888,821**	**2,341,852**	**7,092,447**	**30,592,250**	**38,754,266**
ENDING BALANCE CASH RESERVES	**$ 52,212,305**	**$ 51,896,652**	**$ 51,760,324**	**$ 48,570,069**	**$ 42,746,819**

Utility Fund Revenues by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Water Charges	$ 10,144,143	$ 11,050,289	$ 11,200,000	$ 11,200,000	$ 13,000,000
Sewer Charges	8,105,487	8,312,426	8,725,000	8,725,000	9,900,000
Licenses and Permits	9,978	455	21,000	21,000	-
Interest Earned	2,400,153	2,391,300	2,280,000	2,280,000	2,810,000
Miscellaneous Revenues	641,721	1,311,705	842,500	842,500	652,500
Total Utility Fund Revenues	**$ 21,301,481**	**$ 23,066,175**	**$ 23,068,500**	**$ 23,068,500**	**$ 26,362,500**

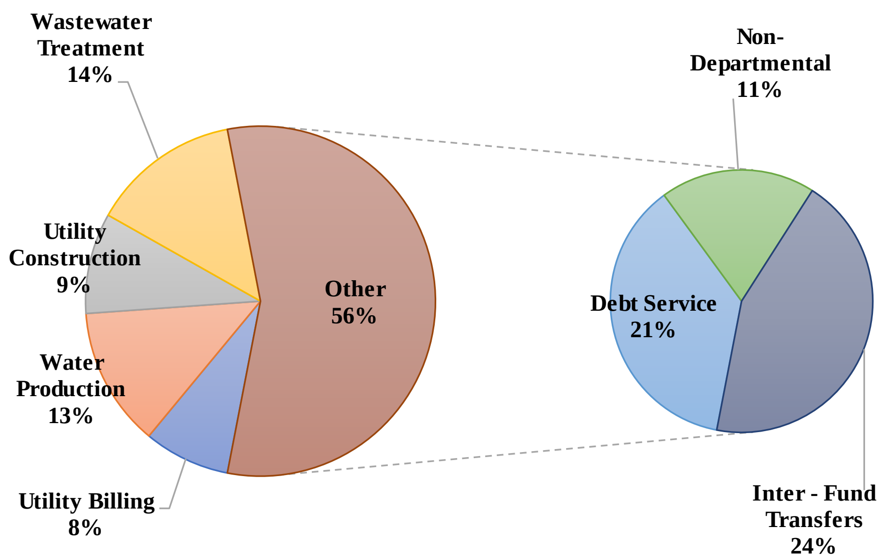
2026 / 2027
Utility Fund Revenues by Classification



Utility Fund Expenditure by Function

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Utility Billing	$ 1,486,122	$ 1,268,769	$ 1,631,631	$ 1,631,631	$ 1,718,899
Water Production	2,936,961	2,345,978	2,706,518	2,706,518	2,773,332
Utility Construction	1,875,932	1,568,278	1,759,008	1,759,008	1,946,113
Wastewater Treatment	3,934,022	2,668,757	3,242,189	3,242,189	2,972,223
Debt Service	256,092	375,789	4,542,241	4,542,241	4,462,074
Non-Departmental	2,252,389	2,405,266	2,359,159	2,359,159	2,309,824
Inter - Fund Transfers	3,985,171	5,288,840	4,791,943	4,791,943	5,315,051
Total Operating Expenditures	**16,726,688**	**15,921,677**	**21,032,689**	**21,032,689**	**21,497,516**
Capital Replacement	407,334	571,685	1,686,250	1,686,250	878,266
Capital Improvements (CIP)	1,934,518	6,520,763	28,906,000	28,906,000	37,876,000
Total Utility Fund Expenditures	**$ 19,068,540**	**$ 23,014,125**	**$ 51,624,939**	**$ 51,624,939**	**$ 60,251,782**

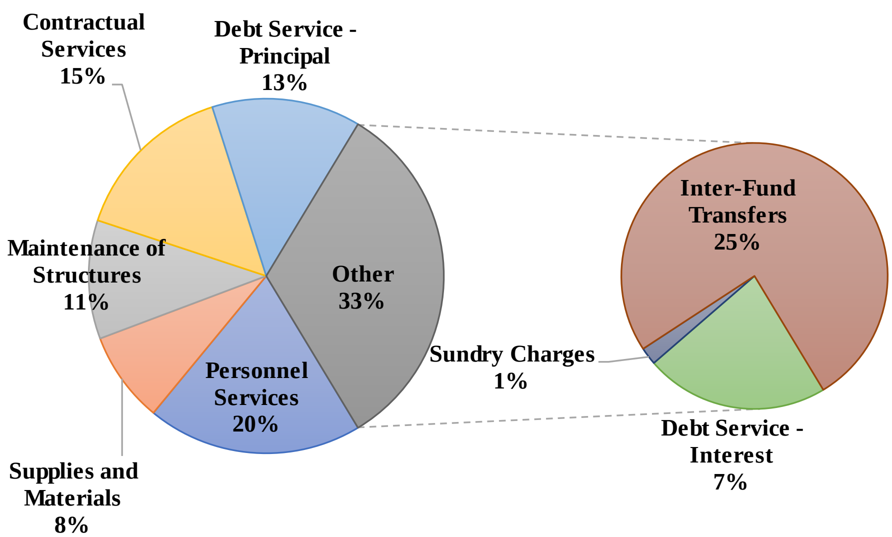
2026 / 2027
Utility Fund Expenditures by Function



Utility Fund Expenditures by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Personnel Services	$ 3,270,068	$ 3,714,003	$ 3,657,769	$ 3,657,769	$ 4,214,653
Supplies and Materials	1,529,452	1,567,301	1,693,324	1,693,324	1,784,975
Maintenance of Structures	1,892,149	1,783,680	2,306,991	2,306,991	2,325,520
Contractual Services	4,786,464	2,690,026	3,870,030	3,870,030	3,224,852
Debt Service - Principal	20,140	19,635	2,735,141	2,735,141	2,915,141
Debt Service - Interest	256,092	375,789	1,827,241	1,827,241	1,567,074
Sundry Charges	987,152	482,404	150,250	150,250	150,250
Inter-Fund Transfers	3,985,171	5,288,840	4,791,943	4,791,943	5,315,051
	16,726,688	15,921,677	21,032,689	21,032,689	21,497,516
Capital Replacement	407,334	571,685	1,686,250	1,686,250	878,266
Capital Improvements (CIP)	1,934,518	6,520,763	28,906,000	28,906,000	37,876,000
Total Utility Fund Expenditures	**$ 19,068,540**	**$ 23,014,125**	**$ 51,624,939**	**$ 51,624,939**	**$ 60,251,782**

2026 / 2027
Utility Fund Expenditures by Classification



Utility Fund Capital Outlay

Capital Replacement	Proposed Budget 2026-2027
Water Production - Swtp Bldg Entry Access Controls	$ 35,000
Utility Construction - Fence Relocation	65,000
Wastewater Treatment - Wwtp Bldg Entry Access Controls	31,000
Buildings & Structures	**131,000**
Utility Construction - F-450 Crew Truck	100,525
Utility Construction - F-350 Crew Truck	88,525
Wastewater Treatment - Dump Truck W/ Bed	195,000
Utility Fund - Fleet Lease Payments	127,216
Utility Fund - Fleet AME Upfront Costs	36,000
Vehicle Capital Expense	**547,266**
Utility Construction - Mid Size Excavator	200,000
Equipment & Machinery	**200,000**
Total Capital Replacement	**$ 878,266**

Sanitation Fund

A proprietary fund with accounts for solid-waste collection, disposal, recycling, and related sanitation services financed primarily through service charges.

Sanitation Fund Summary

	Sanitation Fund Operations	Capital Replacement	Landfill Pit Liability Account	Total Sanitation Fund
OCTOBER 1, 2026 ESTIMATED CASH RESERVES				
Unrestricted Cash & Cash Equivalents	$ 5,409,007			$ 5,409,007
Restricted Cash for Equipment Replacement		4,011,972		4,011,972
Restricted Cash for Landfill Pit Liability			9,905,640	9,905,640
TOTAL OCTOBER 1, 2026 ESTIMATED CASH RESERVES	**5,409,007**	**4,011,972**	**9,905,640**	**19,326,619**
2026/2027 Budget Revenues				
Sanitation Charges	6,264,000			6,264,000
Franchise & Occupation Taxes	5,000			5,000
Landfill Gate Receipts	1,155,000			1,155,000
Sanitation Fuel Charges	360,000			360,000
Interest Earned	300,000	285,000	80,000	665,000
Miscellaneous Revenues	900,000			900,000
TOTAL 2026/2027 BUDGET REVENUES	**8,984,000**	**285,000**	**80,000**	**9,349,000**
2026 / 2027 Other Finance Sources				
Contributions from Operations-Depreciation		968,996		968,996
Contributions from Operations-Additional Capital		750,000		750,000
Contributions from Operations-Closure/Post closure			250,000	250,000
Contributions from Operations-New Cell Construction			250,000	250,000
Total 2026 / 2027 Other Finance Sources	**-**	**1,718,996**	**500,000**	**2,218,996**
				-
TOTAL AVAILABLE FUNDS	**$ 14,393,007**	**$ 6,015,968**	**$ 10,485,640**	**$ 30,894,615**

Sanitation Fund Summary (Continued)

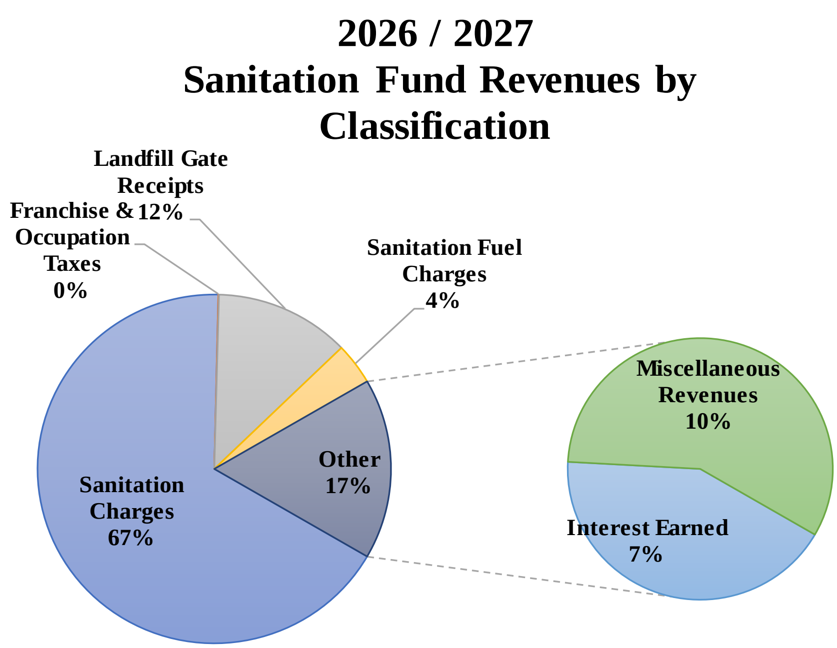
	Sanitation Fund Operations	Capital Replacement	Landfill Pit Liability Account	Total Sanitation Fund
2026 / 2027 Budget Operating Expenditures				
Sanitation Collection	$ 2,048,452			$ 2,048,452
Sanitation Disposal	1,409,310			1,409,310
Sanitation Administration	229,431			229,431
Non-Departmental	389,677			389,677
Sanitation Fund, Transfers	3,141,830			3,141,830
Total 2026 / 2027 Budget Operating Expenditures	**7,218,700**	-	-	**7,218,700**
2026 / 2027 Budget Non-Operating Expenditures				
Capital Replacement	-	2,011,520	-	2,011,520
Capital Improvements (CIP)	-	360,000	6,449,000	6,809,000
2026 / 2027 Budget Non-Operating Expenditures	-	**2,371,520**	**6,449,000**	**8,820,520**
2026 / 2027 Other Finance Uses				
Contributions to Equipment Replacement	968,996			968,996
Contributions to Capital Equipment	750,000			750,000
Contributions to Landfill Closure/Post Closure	250,000			250,000
Contributions to Landfill New Cell Construction	250,000			250,000
Total 2026 / 2027 Other Finance Uses	**2,218,996**	-	-	**2,218,996**
SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE				
Unrestricted Cash & Cash Equivalents	4,955,311			4,955,311
Restricted Cash for Equipment Replacement		3,644,448		3,644,448
Restricted Cash for Landfill Pit Liability			4,036,640	4,036,640
TOTAL SEP. 30, 2027 ESTIMATED ENDING BALANCE	**4,955,311**	**3,644,448**	**4,036,640**	**12,636,399**
TOTAL ALLOCATED FUNDS	**$ 14,393,007**	**$ 6,015,968**	**$ 10,485,640**	**$ 30,894,615**
25% RESERVE REQUIREMENT	**$ 1,804,675**			
EXCESS OVER RESERVE REQUIREMENT	**$ 3,150,636**			

Sanitation Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 16,176,216**	**$ 20,724,240**	**$ 18,141,345**	**$ 19,348,943**	**$ 19,326,619**
2026/2027 Budget Revenues					
Sanitation Charges	5,670,313	5,741,282	5,756,966	5,922,000	6,264,000
Franchise & Occupation Taxes	-	-	-	-	5,000
Landfill Gate Receipts	950,092	985,408	1,054,003	975,000	1,155,000
Sanitation Fuel Charges	374,752	353,157	320,682	360,000	360,000
Interest Earned	570,571	896,496	768,212	805,000	665,000
Miscellaneous Revenues	660,106	630,065	1,170,516	800,000	900,000
TOTAL 2026/2027 BUDGET REVENUES	**8,225,834**	**8,606,407**	**9,070,378**	**8,862,000**	**9,349,000**
TOTAL AVAILABLE FUNDS	**24,402,050**	**29,330,647**	**27,211,723**	**28,210,943**	**28,675,619**
2026 / 2027 Budget Operating Expenditures					
Sanitation Collection	1,672,700	1,777,991	1,806,714	1,897,297	2,048,452
Sanitation Disposal	982,911	1,504,669	1,286,414	1,339,796	1,409,310
Sanitation Administration	222,899	197,620	227,494	239,408	229,431
Non-Departmental	487,120	503,635	452,785	447,593	389,677
Transfers	2,309,516	2,402,139	2,564,960	2,986,244	3,141,830
Total 2026 / 2027 Budget Operating Expenditures	**5,675,147**	**6,386,054**	**6,338,367**	**6,910,338**	**7,218,700**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	1,589,893	2,419,365	1,523,038	1,555,000	2,011,520
Capital Improvements (CIP)	-	62,250	214,120	6,685,000	6,809,000
2026 / 2027 Budget Non-Operating Expenditures	**1,589,893**	**2,481,615**	**1,737,158**	**8,240,000**	**8,820,520**
ENDING BALANCE CASH RESERVES	**$ 17,137,011**	**$ 20,462,978**	**$ 19,136,198**	**$ 13,060,605**	**$ 12,636,399**

Sanitation Fund Revenues by Classification

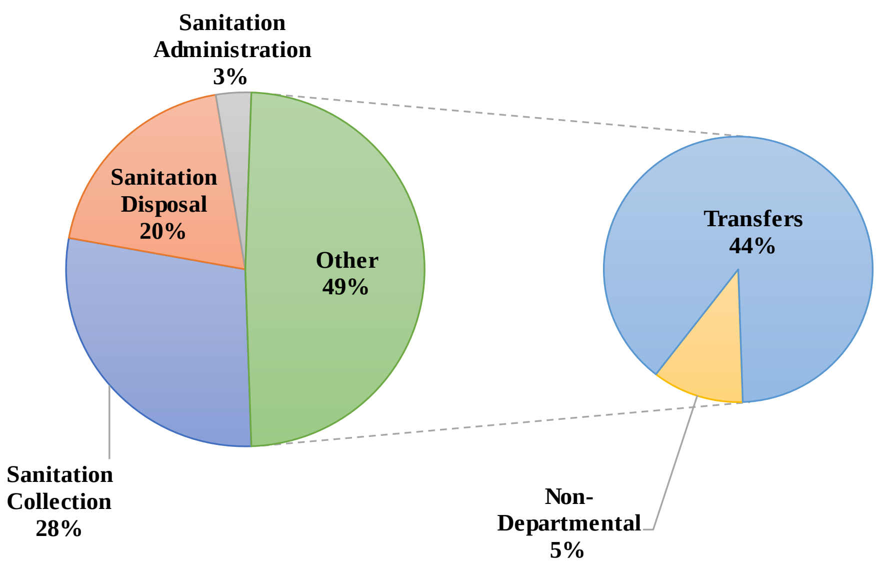
	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Sanitation Charges	$ 5,741,282	$ 5,756,966	$ 5,922,000	$ 5,922,000	$ 6,264,000
Franchise & Occupation Taxes	-	-	-	-	5,000
Landfill Gate Receipts	985,408	1,054,003	975,000	975,000	1,155,000
Sanitation Fuel Charges	353,157	320,682	360,000	360,000	360,000
Interest Earned	896,496	768,212	805,000	805,000	665,000
Miscellaneous Revenues	630,065	1,170,516	800,000	800,000	900,000
Total Sanitation Fund Revenues	**$ 8,606,407**	**$ 9,070,378**	**$ 8,862,000**	**$ 8,862,000**	**$ 9,349,000**



Sanitation Fund Expenditures by Function

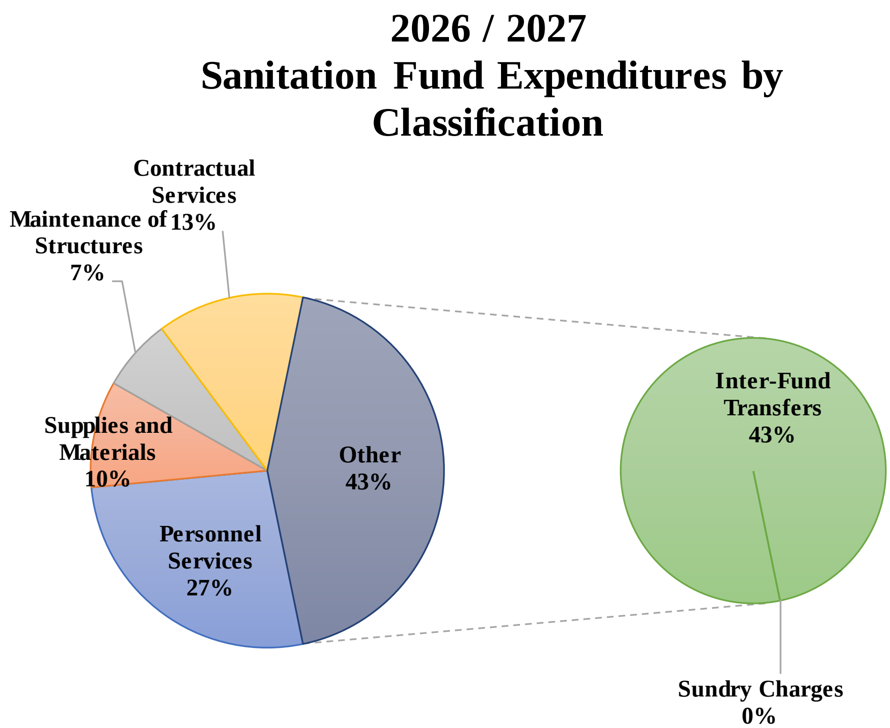
	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Sanitation Collection	$ 1,777,991	$ 1,806,714	$ 1,897,297	$ 1,897,297	$ 2,048,452
Sanitation Disposal	1,504,669	1,286,414	1,339,796	1,339,796	1,409,310
Sanitation Administration	197,620	227,494	239,408	239,408	229,431
Non-Departmental	503,635	452,785	447,593	447,593	389,677
Transfers	2,402,139	2,564,960	2,986,244	2,986,244	3,141,830
Total Operating Expenditures	**6,386,054**	**6,338,367**	**6,910,338**	**6,910,338**	**7,218,700**
Capital Replacement	2,419,365	1,523,038	1,555,000	1,555,000	2,011,520
Capital Improvements (CIP)	62,250	214,120	6,685,000	6,685,000	6,809,000
Total Sanitation Fund Expenditures	**$ 8,867,669**	**$ 8,075,525**	**$ 15,150,338**	**$ 15,150,338**	**$ 16,039,220**

2026 / 2027 Sanitation Fund Expenditures by Function



Sanitation Fund Expenditures by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Personnel Services	$ 1,480,022	$ 1,865,530	$ 1,799,973	$ 1,799,973	$ 1,929,536
Supplies and Materials	566,008	512,841	623,700	623,700	703,000
Maintenance of Structures	602,362	646,534	497,711	497,711	474,836
Contractual Services	1,177,117	644,649	1,002,710	1,002,710	969,498
Debt Service - Interest	28,779	45,148	-	-	-
Sundry Charges	129,628	58,705	-	-	-
Inter-Fund Transfers	2,402,139	2,564,960	2,986,244	2,986,244	3,141,830
	6,386,054	6,338,367	6,910,338	6,910,338	7,218,700
Capital Replacement	2,419,365	1,523,038	1,555,000	1,555,000	2,011,520
Capital Improvements (CIP)	62,250	214,120	6,685,000	6,685,000	6,809,000
Total Sanitation Fund Expenditures	**$ 8,867,669**	**$ 8,075,525**	**$ 15,150,338**	**$ 15,150,338**	**$ 16,039,220**



Sanitation Fund Capital Outlay

Capital Replacement	Proposed Budget 2026-2027
Sanitation Collection - Sanitation Admin Bldg Entry Access Controls	$ 10,000
Buildings & Structures	**10,000**
Sanitation Collection - Side Load Garbage Truck	525,000
Sanitation Collection - Brush Truck	310,000
Sanitation Collection - Roll-Off Truck	305,000
Sanitation Collection - Dumpster Delivery Truck	200,000
Sanitation Fund - Fleet Lease Payments	18,520
Sanitation Fund - Fleet AME Upfront Costs	9,000
Vehicle Capital Expense	**1,367,520**
Sanitation Disposal - Cat D5 High Track Dozer	532,000
Sanitation Disposal - Kubota Rtv	32,000
Non-Departmental - 4" Trailer Mounted Trash Pump	70,000
Equipment & Machinery	**634,000**
Total Capital Replacement	**$ 2,011,520**

Airport FBO Fund

A proprietary fund with accounts for airport fixed-base-operator activities, such as fuel sales, hangar rentals, aircraft services, and related airport operating revenues and costs.

Airport FBO Operations Summary

	Airport FBO Fund
OCTOBER 1, 2026 ESTIMATED CASH RESERVES	
Unrestricted Cash & Cash Equivalents	$ 77,967
Total 2026 / 2027 Budget Operating Expenditures	**77,967**
2026/2027 Budget Revenues	
Charges for Current Services	42,150
FBO Sales	656,000
Interest Earned	2,500
Inter-Fund Transfers	100,000
TOTAL 2026/2027 BUDGET REVENUES	**800,650**
TOTAL AVAILABLE FUNDS	**878,617**
2026 / 2027 Budget Operating Expenditures	
Airport FBO Operations, Airport FBO Services	819,943
Total 2026 / 2027 Budget Operating Expenditures	**819,943**
2026 / 2027 Budget Non-Operating Expenditures	
Capital Replacement	48,539
Total 2026 / 2027 Budget Non-Operating Expenditures (Reserves)	**48,539**
Unrestricted Cash & Cash Equivalents	10,135
TOTAL SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE	**10,135**
TOTAL ALLOCATED FUNDS	**$ 878,617**

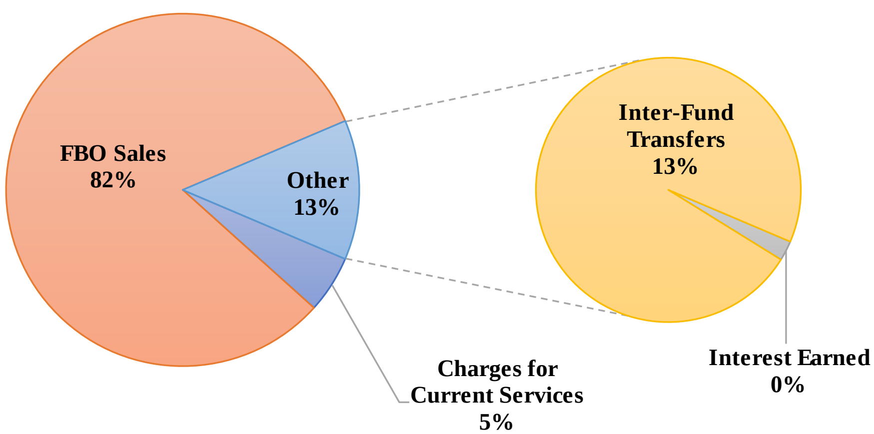
Airport FBO Operations Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 193,469**	**$ 205,546**	**$ 155,227**	**$ 233,994**	**$ 77,967**
2026/2027 Budget Revenues					
Charges for Current Services	33,293	34,778	36,013	39,000	42,150
FBO Sales	701,964	651,293	650,044	656,000	656,000
Interest Earned	7,101	7,587	6,462	1,000	2,500
Miscellaneous Revenues	(149)	998	14,075	-	-
Inter-Fund Transfers	-	-	50,000	100,000	100,000
TOTAL 2026/2027 BUDGET REVENUES	**742,209**	**694,656**	**756,594**	**796,000**	**800,650**
TOTAL AVAILABLE FUNDS	**935,678**	**900,202**	**911,821**	**1,029,994**	**878,617**
2026 / 2027 Budget Operating Expenditures					
Airport FBO Services	778,896	725,593	644,530	793,657	819,943
Total 2026 / 2027 Budget Operating Expenditures	**778,896**	**725,593**	**644,530**	**793,657**	**819,943**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	-	29,885	59,858	102,000	48,539
2026 / 2027 Budget Non-Operating Expenditures	**-**	**29,885**	**59,858**	**102,000**	**48,539**
ENDING BALANCE CASH RESERVES	**$ 156,782**	**$ 144,724**	**$ 207,433**	**$ 134,337**	**$ 10,135**

Airport FBO Operations Revenues by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Charges for Current Services	$ 34,778	$ 36,013	$ 39,000	$ 39,000	$ 42,150
FBO Sales	651,293	650,044	656,000	656,000	656,000
Interest Earned	7,587	6,462	1,000	1,000	2,500
Miscellaneous Revenues	998	14,075	-	-	-
Inter-Fund Transfers	-	50,000	100,000	100,000	100,000
Total Airport FBO Fund Revenues	**$ 694,656**	**$ 756,594**	**$ 796,000**	**$ 796,000**	**$ 800,650**

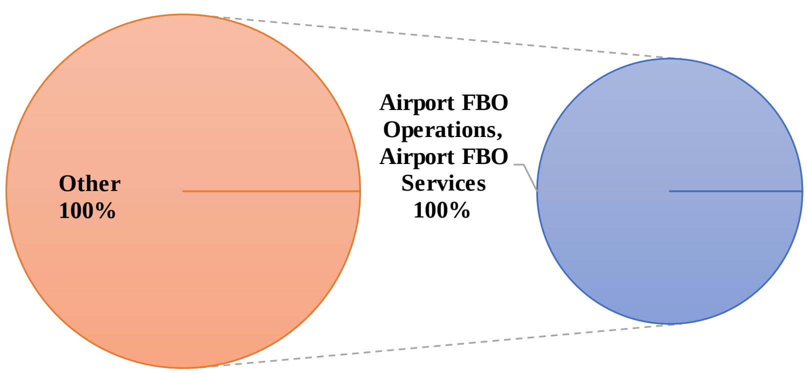
2026 / 2027 Airport FBO Fund Revenues by Classification



Airport FBO Operations Expenditures by Function

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Airport FBO Services	$ 725,593	$ 644,530	$ 793,657	$ 793,657	$ 819,943
Total Operating Expenditures	**725,593**	**644,530**	**793,657**	**793,657**	**819,943**
Capital Replacement	29,885	59,858	102,000	102,000	48,539
Total Airport FBO Fund Expenditures	**$ 755,478**	**$ 704,388**	**$ 895,657**	**$ 895,657**	**$ 868,482**

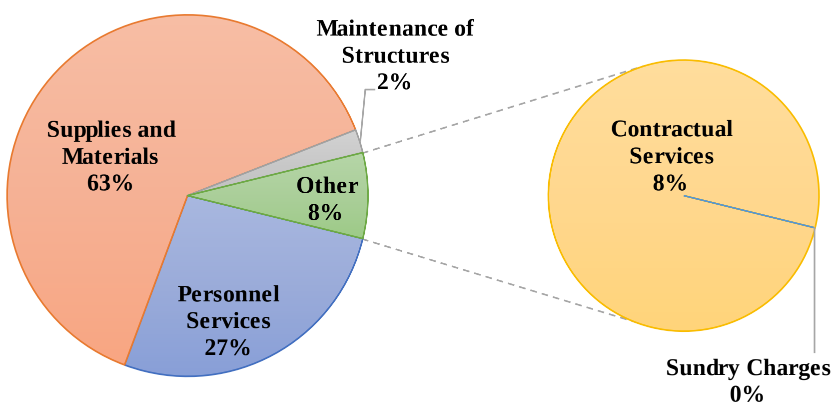
2026 / 2027
Airport FBO Fund Expenditures by Function



Airport FBO Operations Expenditures by Classification

	Actual Balance 2023-2024	Actual Balance 2024-2025	Adopted Budget 2025-2026	Amended Budget 2025-2026	Proposed Budget 2026-2027
Personnel Services	$ 180,440	$ 213,808	$ 204,381	$ 204,381	$ 220,147
Supplies and Materials	489,227	379,276	518,800	518,800	519,800
Maintenance of Structures	6,052	8,367	10,250	10,250	17,250
Contractual Services	46,915	43,079	60,226	60,226	62,746
Sundry Charges	2,958	-	-	-	-
	725,593	644,530	793,657	793,657	819,943
Capital Replacement	29,885	59,858	102,000	102,000	48,539
Total Airport FBO Fund Expenditures	**$ 755,478**	**$ 704,388**	**$ 895,657**	**$ 895,657**	**$ 868,482**

2026 / 2027
Airport FBO Fund Expenditures by Classification



Airport FBO Operations Capital Outlay

Capital Replacement		Proposed Budget 2026-2027
Airport FBO Operations - Fleet Lease Payments		$ 19,539
Airport FBO Operations - Fleet AME Upfront Costs		9,000
	Vehicle Capital Expense	**28,539**
Airport FBO Operations - Aircraft Towbar		20,000
	Equipment & Machinery	**20,000**
	Total Capital Replacement	**$ 48,539**

Special Revenue Funds

Special Revenue Funds Summary

	Economic Development Fund	Airport Construction Fund	Historical Fund	Public Safety Training Fund	Mayor's Com. on Disability Fund	Special Grant Fund	Total
OCTOBER 1, 2026 ESTIMATED CASH RESERVES							
Unrestricted Cash & Cash Equivalents	$ 1,304,181	$ 3,623	$ 76,330	$ 10,767	$ 10,573	$ 3,167,644	$ 4,573,118
Total 2026 / 2027 Budget Operating Expenditures	**1,304,181**	**3,623**	**76,330**	**10,767**	**10,573**	**3,167,644**	**4,573,118**
2026/2027 Budget Revenues							
Property Taxes	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Interest Earned	40,000	5,000	2,500	375	330	100,000	148,205
Miscellaneous Revenues	-	-	-	-	-	76,960	76,960
Intergovermental Receipts	-	100,000	-	8,000	-	32,000	140,000
Inter-Fund Transfers	150,000	26,000	25,000	-	5,000	564,000	770,000
Hotel/Motel Tax Revenue	-	-	-	-	-	-	-
TOTAL 2026/2027 BUDGET REVENUES	**190,000**	**131,000**	**27,500**	**8,375**	**5,330**	**772,960**	**321,000**
TOTAL AVAILABLE FUNDS	**1,494,181**	**134,623**	**103,830**	**19,142**	**15,903**	**3,940,604**	**5,708,283**
2026 / 2027 Budget Operating Expenditures							
Economic Development Fund	50,000						50,000
Airport FBO Services		111,000					111,000
Historical Restoration			25,000				25,000
Police				14,000			14,000
Fire				4,500			4,500
Mayor's Commission on Diability Fund					10,000		10,000
Special Grant Fund						273,620	273,620
Total 2026 / 2027 Budget Operating Expenditures	**$ 50,000**	**$ 111,000**	**$ 25,000**	**$ 18,500**	**$ 10,000**	**$ 273,620**	**$ 488,120**

Special Revenue Funds Summary (Continued)

	Economic Development Fund	Airport Construction Fund	Historical Fund	Public Safety Training Fund	Mayor's Com. on Disability Fund	Special Grant Fund	Total
2026 / 2027 Budget Non-Operating Expenditures							
Capital Replacement	$ -	$ 15,000	$ -	$ -	$ -	$ 2,768,000	$ 2,783,000
2026 / 2027 Budget Non-Operating Expenditures	**-**	**15,000**	**-**	**-**	**-**	**2,768,000**	**2,783,000**
SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE							
Unrestricted Cash & Cash Equivalents	1,444,181	8,623	78,830	642	5,903	898,984	2,437,163
TOTAL SEPTEMBER 30, 2027 ESTIMATED ENDING BALANCE	**1,444,181**	**8,623**	**78,830**	**642**	**5,903**	**898,984**	**2,437,163**
TOTAL ALLOCATED FUNDS	**$ 1,494,181**	**$ 134,623**	**$ 103,830**	**$ 19,142**	**$ 15,903**	**$ 3,940,604**	**$ 5,708,283**

Hotel / Motel Tax Fund

Accounts for hotel occupancy tax revenues and eligible expenditures that promote tourism and the convention and hotel industry.

Hotel / Motel Tax Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 1,079,461**	**$ 496,863**	**$ 968,738**	**$ 888,049**	**$ 972,055**
2026/2027 Budget Revenues					
Hotel/Motel Tax Revenue	1,013,430	1,084,731	1,061,591	1,100,000	1,200,000
Interest Earned	26,998	29,293	29,840	10,000	25,000
Miscellaneous Revenues	-	-	2,247	-	-
TOTAL 2026/2027 BUDGET REVENUES	**1,040,428**	**1,114,025**	**1,093,678**	**1,110,000**	**1,225,000**
TOTAL AVAILABLE FUNDS	**2,119,889**	**1,610,888**	**2,062,416**	**1,998,049**	**2,197,055**
2026 / 2027 Budget Operating Expenditures					
Stautory Requirements	819,078	875,500	874,725	892,500	1,105,825
Inter - Fund Transfer	25,000	25,000	25,000	25,000	40,028
Total 2026 / 2027 Budget Operating Expenditures	**844,078**	**900,500**	**899,725**	**917,500**	**1,145,853**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	766,874	18,085	43,400	285,350	286,100
2026 / 2027 Budget Non-Operating Expenditures	**766,874**	**18,085**	**43,400**	**285,350**	**286,100**
ENDING BALANCE CASH RESERVES	**508,937**	**692,303**	**1,119,291**	**795,199**	**765,102**
TOTAL ALLOCATED FUNDS	**$ 2,119,889**	**$ 1,610,888**	**$ 2,062,416**	**$ 1,998,049**	**$ 2,197,055**

Hotel Occupancy Tax: Information regarding the City's 7% Hotel Occupancy Tax, including reporting requirements, forms, payment instructions, and due dates, is available on the City's Hotel Occupancy Taxes webpage: https://www.nactx.us/1564/Hotel-Occupancy-Taxes

Debt Service Fund

Accounts for resources dedicated to payment of principal, interest, and related costs on governmental debt.

Debt Service Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 278,157**	**$ 299,622**	**$ 337,792**	**$ 493,216**	**$ 456,519**
2026/2027 Budget Revenues					
Property Taxes	227,124	244,007	1,340,569	2,001,600	1,847,000
Interest Earned	18,399	16,836	33,034	10,000	40,000
Inter-Fund Transfers	-	15,548,251	-	-	-
TOTAL 2026/2027 BUDGET REVENUES	**245,523**	**15,809,095**	**1,373,603**	**2,011,600**	**1,887,000**
TOTAL AVAILABLE FUNDS	**523,680**	**16,108,717**	**1,711,395**	**2,504,816**	**2,343,519**
2026 / 2027 Budget Operating Expenditures					
Debt Service	225,745	513,031	1,211,157	2,222,970	2,227,122
Inter-Fund Transfers	-	15,257,500	-	-	-
Total 2026 / 2027 Budget Operating Expenditures	**225,745**	**15,770,531**	**1,211,157**	**2,222,970**	**2,227,122**
ENDING BALANCE CASH RESERVES	**297,935**	**338,185**	**500,238**	**281,846**	**116,397**
TOTAL ALLOCATED FUNDS	**$ 523,680**	**$ 16,108,717**	**$ 1,711,395**	**$ 2,504,816**	**$ 2,343,519**

Debt Service: Information regarding the City's debt obligations, annual principal-and-interest requirements, adopted budget, tax rate, and financial reports is available on the City's Budget & Tax Rate webpage and Financial Transparency webpage: https://www.nactx.us/1533/Financial-Transparency

Street Maintenance Fund

Accounts for dedicated revenues and expenditures for street repair, maintenance, resurfacing, and related transportation infrastructure.

Street Maintenance Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 1,740,056**	**$ 2,523,491**	**$ 2,375,530**	**$ 1,898,431**	**$ 2,741,431**
2026/2027 Budget Revenues					
Street Maintenance Fees	764,050	763,553	765,546	762,000	762,000
Interest Earned	96,593	130,719	110,385	48,250	48,000
Inter-Fund Transfers	112,500	37,248	18,626	-	-
TOTAL 2026/2027 BUDGET REVENUES	**973,143**	**931,521**	**894,557**	**810,250**	**810,000**
TOTAL AVAILABLE FUNDS	**2,713,199**	**3,455,012**	**3,270,087**	**2,708,681**	**3,551,431**
2026 / 2027 Budget Operating Expenditures					
Street Maintenance	9,523	6,578	6,086	-	-
Inter - Fund Transfers	-	-	1,348,783	-	-
Total 2026 / 2027 Budget Operating Expenditures	**9,523**	**6,578**	**1,354,869**	**-**	**-**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	175,197	1,080,230	-	-	2,000,000
2026 / 2027 Budget Non-Operating Expenditures	**175,197**	**1,080,230**	**-**	**-**	**2,000,000**
ENDING BALANCE CASH RESERVES	**2,528,479**	**2,368,204**	**1,915,218**	**2,708,681**	**1,551,431**
TOTAL ALLOCATED FUNDS	**$ 2,713,199**	**$ 3,455,012**	**$ 3,270,087**	**$ 2,708,681**	**$ 3,551,431**

Equipment Replacement Fund

Accounts for resources accumulated to replace or acquire vehicles, machinery, technology, and other major equipment; often an internal service fund when it serves City departments.

Equipment Replacement Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 3,295,954**	**$ 3,553,569**	**$ 3,821,169**	**$ 3,546,582**	**$ 3,677,491**
2026/2027 Budget Revenues					
Charges for Current Services	584,090	717,259	517,259	517,259	762,793
Interest Earned	102,419	176,609	147,636	70,000	70,000
Miscellaneous Revenues	354	3,130	136,360	950,500	1,625,500
Inter-Fund Transfers	281,149	177,716	317,645	50,000	50,000
TOTAL 2026/2027 BUDGET REVENUES	**968,012**	**1,074,714**	**1,118,901**	**1,587,759**	**2,508,293**
TOTAL AVAILABLE FUNDS	**4,263,966**	**4,628,283**	**4,940,069**	**5,134,341**	**6,185,784**
2026 / 2027 Budget Non-Operating Expenditures					
Capital Replacement	347,042	770,319	883,902	1,518,276	3,108,051
2026 / 2027 Budget Non-Operating Expenditures	**347,042**	**770,319**	**883,902**	**1,518,276**	**3,108,051**
ENDING BALANCE CASH RESERVES	**3,916,924**	**3,857,964**	**4,056,168**	**3,616,065**	**3,077,733**
TOTAL ALLOCATED FUNDS	**$ 4,263,966**	**$ 4,628,283**	**$ 4,940,069**	**$ 5,134,341**	**$ 6,185,784**

Equipment Replacement Fund Capital Outlay

Capital Replacement	Proposed Budget 2026-2027
General Fund - Fire - Type 1 Rescue Pumper (Grant Match)	$ 125,000
General Fund - Fire - Type 1 Rescue Pumper	1,250,000
General Fund - Fleet Lease Payments	524,226
General Fund - Fleet AME Upfront Costs	482,698
General Fund - Police - Patrol Units Tech Equipments	524,240
Depreciation	117,887
Vehicle Capital Expense	**3,024,051**
General Fund - Parks & Cemetery- Riding Mowers (2)	24,000
General Fund - Parks & Cemetery- Cemetery Mower	10,000
General Fund - HVAC Replacement	50,000
Equipment & Machinery	**84,000**
Total Capital Replacement	**$ 3,108,051**

Self-Insurance Fund

Accounts for internally financed risk-management activities, including claims, premiums, reserves, and administrative costs for employee benefits.

Self-Insurance Fund Three-Year Comparison

	Actual Balance 2022-2023	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ 1,594,441**	**$ 2,701,932**	**$ 3,037,566**	**$ 2,858,163**	**$ 2,403,113**
2026/2027 Budget Revenues					
Interest Earned	80,326	118,243	137,175	100,000	95,000
Miscellaneous Revenues	3,602,778	3,572,482	3,631,488	3,572,525	4,152,827
TOTAL 2026/2027 BUDGET REVENUES	**3,683,104**	**3,690,725**	**3,768,663**	**3,672,525**	**4,247,827**
TOTAL AVAILABLE FUNDS	**5,277,545**	**6,392,657**	**6,806,229**	**6,530,688**	**6,650,940**
2026 / 2027 Budget Operating Expenditures					
Contractual Services	2,623,458	3,291,715	4,057,995	3,741,752	5,097,593
Total 2026 / 2027 Budget Operating Expenditures	**2,623,458**	**3,291,715**	**4,057,995**	**3,741,752**	**5,097,593**
ENDING BALANCE CASH RESERVES	**2,654,087**	**3,100,942**	**2,748,234**	**2,788,936**	**1,553,347**
TOTAL ALLOCATED FUNDS	**$ 5,277,545**	**$ 6,392,657**	**$ 6,806,229**	**$ 6,530,688**	**$ 6,650,940**

Bond Construction Funds Summary

Bond Construction Funds Three-Year Comparison

	Actual Balance 2023-2024	Actual Balance 2024-2025	Amended Budget 2025-2026	Proposed Budget 2026-2027
BEGINNING BALANCE CASH RESERVES	**$ -**	**$ 15,534,520**	**$ 27,150,222**	**$ 22,824,215**
2026/2027 Budget Revenues				
Interest Earned	277,020	711,709	420,000	650,000
Miscellaneous Revenues	-	-	-	-
Inter-Fund Transfers	15,257,500	14,378,468	-	-
TOTAL 2026/2027 BUDGET REVENUES	**15,534,520**	**15,090,177**	**420,000**	**650,000**
TOTAL AVAILABLE FUNDS	**15,534,520**	**30,624,697**	**27,570,222**	**23,474,215**
Issuance Cost		435,968		
2026 / 2027 Budget				
Capital Improvements (CIP)				
Proposition A (Airport)	-	51,047	1,500,000	1,700,000
Proposition B (Fire Stations)	411	993,640	15,584,000	14,217,000
Proposition C (Storm Drainage)	171	267,671	2,400,000	1,967,000
Proposition D (Cemetery)	-	-	-	-
Proposition E (Parks)	-	230,195	1,597,000	543,000
Proposition F (Streets)	-	1,495,373	3,000,000	2,736,000
Proposition G (Sidewalks)	-	-	-	-
Total Capital Improvements (CIP)	**582**	**3,037,926**	**24,081,000**	**21,163,000**
ENDING BALANCE CASH RESERVES	**15,533,938**	**27,150,803**	**3,489,222**	**2,311,215**
TOTAL ALLOCATED FUNDS	**$ 15,534,520**	**$ 30,624,697**	**$ 27,570,222**	**$ 23,474,215**

Capital Improvements

CIP Schedule

General Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
GENERAL FUND									
City Facilities:									
Public Works Building Improvements	$ 150								$ 150
Library Interior Renovations	$ 75						$ 75		
Fire Training Facility	$ 870								$ 870
Parks Mowing Equipment Barn	$ 730								$ 730
City Hall Renovations - Phase I	$ 1,170								$ 1,170
City Hall Renovations - Phase II	$ 4,800								$ 4,800
Animal Service Center Renovation	$ 3,000								$ 3,000
New Service Center	$ 6,400								$ 6,400
City Warehouse & Store Facility	$ 800								$ 800
SFA Internet Connection	$ 60								$ 60
New Fire Stations 1, 3, Central	$ 568								$ 568
City Facilities Total	**$ 18,623**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 75**	**$ -**	**$ 18,548**
Parks:									
Baseball Complex	$ 75		$ 30	$ 45					
Dempsey Soccer Complex Concession/Restroom	$ 410				$ 410				
Dempsey Soccer Complex Drainage and Field Improvements	$ 150		$ 25	$ 125					
Softball Complex Lighting	$ 590				$ 590				
Lakeside Park Parking Lot Construction	$ 150			$ 150					
Liberty Hall Parking Lot Paving	$ 200								$ 200
Mill Pond Park Parking Lot Construction	$ 130			$ 130					
Pecan Park Rear Parking Lot Paving	$ 150						$ 150		
Parks Improvements - Sidewalks	$ 150		$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	
Parks Improvements - Paving	$ 300		$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	
Pine Grove Cemetery Expansion	$ 125	$ 24	$ 85	$ 16					
Playground - Maroney Park	$ 400								$ 400

…(Continued)

General Fund Capital Improvement Schedule (Continued)

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
GENERAL FUND									
Restrooms - Lake Nacogdoches East	$ 260								$ 260
Restrooms - Lake Nacogdoches West	$ 124		$ 124						
Lanana Creek Trailhead at Main Street	$ 200								$ 200
Lake Nacogdoches Park Improvements	$ 185								$ 185
Maroney Splash Pad Renovations	$ 100				$ 100				
Pecan Park Rear Pavilion	$ 50						$ 50		
Pickleball Improvements	$ 180				$ 180				
Ritchie Street Basketball Court Cover	$ 25					$ 25			
Parks Total	**$ 3,954**	**$ 24**	**$ 339**	**$ 541**	**$ 1,355**	**$ 100**	**$ 275**	**$ 75**	**$ 1,245**
Downtown:									
Electrical Service Main Street & Festival Park	$ 350	$ 113	$ 15	$ 222					
Downtown Handrails	$ 25		$ 25						
Downtown Total	**$ 375**	**$ 113**	**$ 40**	**$ 222**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Streets:									
Earnest McClain Street Upgrade	$ 1,649	$ 4		$ 45					$ 1,600
Annual Street Rehabilitation	$ 1,700		$ 450	$ 250	$ 250	$ 250	$ 250	$ 250	
Streets Total	**$ 3,349**	**$ 4**	**$ 450**	**$ 295**	**$ 250**	**$ 250**	**$ 250**	**$ 250**	**$ 1,600**
GENERAL FUND TOTAL:	**$ 26,301**	**$ 141**	**$ 829**	**$ 1,058**	**$ 1,605**	**$ 350**	**$ 600**	**$ 325**	**$ 21,393**

Bond Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
BOND FUND (2023 GO)									
Proposition A (Airport) $7.3M:									
Runway and Taxiway Pavement	$ 313	$ 13	$ 300						
New Airport Access Road	$ 1,000			$ 1,000					
Airport AWOS and Windsock Relocation	$ 220				$ 220				
Airport Layout Plan	$ 39	$ 39							
Airport Ultimate Apron/Taxiway Expansion	$ 1,067					$ 317	$ 750		
Airport Fuel Farm Expansion	$ 200			$ 200					
Airport Ultimate Fuel Truck and Maintenance Buildings	$ 650				$ 650				
Airport Ultimate Fuel Farm	$ 900				$ 900				
Airport Traffic Impact Analysis for New Access Road	$ 25			$ 25					
Airport Interim Terminal Building	$ 1,000				$ 1,000				
Airport Terminal Development	$ 1,886		$ 11	$ 475	$ 1,400				
Airport Total	**$ 7,300**	**$ 52**	**$ 311**	**$ 1,700**	**$ 4,170**	**$ 317**	**$ 750**	**$ -**	**$ -**
Proposition B (Fire Stations) $16.73M:									
New Fire Station No. 1/Central	$ 9,119	$ 369	$ 740	$ 8,010					
New Fire Station No. 2	$ 3,738	$ 182	$ 550	$ 3,006					
New Fire Station No. 3	$ 3,873	$ 182	$ 490	$ 3,201					
Fire Stations Total	**$ 16,730**	**$ 733**	**$ 1,780**	**$ 14,217**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Proposition C (Storm Drainage) $5.9M:									
Critical Storm System Reconstruction	$ 5,900	$ 268	$ 465	$ 1,967	$ 3,200				
Drainage Total	**$ 5,900**	**$ 268**	**$ 465**	**$ 1,967**	**$ 3,200**	**$ -**	**$ -**	**$ -**	**$ -**

…(Continued)

Bond Fund Capital Improvement Schedule (Continued)

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
BOND FUND (2023 GO)									
Proposition D (Cemetery) $0.425M:									
Sunset Office & Equipment Building	$ 425				$ 425				
Cemetery Total	**$ 425**	**$ -**	**$ -**	**$ -**	**$ 425**	**$ -**	**$ -**	**$ -**	**$ -**
Proposition E (Parks) $2.2M:									
Playground - Lake Nacogdoches West	$ 140		$ 75	$ 65					
Playground - McCrimmon Park	$ 231	$ 231							
Playground - Mill Pond Park	$ 209		$ 208.5						
Playground - Lake Nacogdoches East	$ 80			$ 80					
Playground - Lakeside Park	$ 60			$ 60					
Restrooms - Banita North Park	$ 325		$ 325.0						
Restrooms - McCrimmon Park	$ 273		$ 272.5						
Restrooms - Mill Pond Park	$ 273		$ 272.5						
Restrooms - Pioneer Park	$ 338			$ 338					
Restrooms - Ritchie Park	$ 273		$ 272.5						
Parks Total	**$ 2,200**	**$ 231**	**$ 1,426**	**$ 543**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Proposition F (Street Improvements) $10M:									
City-Wide Street Rebuild to Maintenance Level	$ 10,000	$ 1,495	$ 1,269	$ 2,736	$ 4,500				
Streets Total	**$ 10,000**	**$ 1,495**	**$ 1,269**	**$ 2,736**	**$ 4,500**	**$ -**	**$ -**	**$ -**	**$ -**
Proposition G (Sidewalks) $1.435M:									
Sidewalk Repairs & Additions	$ 1,435				$ 1,435				
Sidewalks Total	**$ 1,435**	**$ -**	**$ -**	**$ -**	**$ 1,435**	**$ -**	**$ -**	**$ -**	**$ -**
BOND FUND TOTAL:	**$ 43,990**	**$ 2,779**	**$ 5,251**	**$ 21,163**	**$ 13,730**	**$ 317**	**$ 750**	**$ -**	**$ -**

Airport Construction Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
AIRPORT CONSTRUCTION FUND									
Airport Facilities:									
Airport Ramp and Taxiway Pavement Crack Seal	$ 5.1		$ 3.9	$ 1.2					
Airport Ramp and Parking Lot Striping	$ 30			$ 30					
New Aircraft Parking Apron	$ 30			$ 30					
New Taxiways for New Hangars	$ 3,500								$ 3,500
New Hangars	$ 40,000								$ 40,000
Airport Tree Removal Project	$ 15			$ 15					
Airport Hangar Taxiway and Ramp Pavement Rehabilitation	$ 925				$ 300	$ 300	$ 325		
Airport Fence and Gate Project	$ 35					$ 35			
Airport Drainage and Ditch Grading	$ 415					$ 40	$ 375		
Airport Facility Net Total	**$ 44,955.1**	**$ -**	**$ 3.9**	**$ 76.2**	**$ 300**	**$ 375**	**$ 700**	**$ -**	**$ 43,500**
AIRPORT CONSTRUCTION FUND TOTAL:	**$ 44,955.1**	**$ -**	**$ 3.9**	**$ 76.2**	**$ 300**	**$ 375**	**$ 700**	**$ -**	**$ 43,500**

Hotel / Motel Tax Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
HOTEL TAX FUND									
City Facilities:									
CLG Grant Match - Design Guideline Update	$ 25			$ 25					
Sterne-Hoya House Steel Mesh Skirting	$ 50			$ 50					
Sterne-Hoya Yard House Renovation	$ 60			$ 60					
Zion Hill Church Exhibits	$ 250		$ 125	$ 125					
City Facilities Total	**$ 385**	**$ -**	**$ 125**	**$ 260**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
HOTEL TAX FUND TOTAL:	**$ 385**	**$ -**	**$ 125**	**$ 260**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Special Grant Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
SPECIAL GRANT FUND									
Special Projects:									
Drainage Improvements (ARPA)	$ 4,464	$ 3,558	$ 342	$ 564					
Patricia/Lovaire Drainage Improvements	$ 1,000								$ 1,000
City-Wide Drainage Study	$ 500								$ 500
EJ Campbell Storm Sewer Relocation	$ 500								$ 500
Stewart/Sweetgum & Railroad Drainage Projects	$ 812.5								$ 812.5
Fire Station No. 4 Renovations (ARPA)	$ 900			$ 900					
Pilgrims Pride Sportsplex Improvements (Local Grant)	$ 693.0	$ 408.0	$ 15.4						$ 269.6
Sidewalks at MLK/Park Sts (RLF/CDBG)	$ 1,304			$ 1,304					
Special Projects Total	**$ 10,173.5**	**$ 3,966**	**$ 357**	**$ 2,768**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,082**
SPECIAL GRANT FUND TOTAL:	**$ 10,173.5**	**$ 3,966**	**$ 357**	**$ 2,768**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,082**

Street Maintenance Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
STREET MAINTENANCE FUND									
Street Maintenance Fund Projects:									
Annual Street Maintenance	$ 6,100			$ 2,000		$ 2,600	$ 750	$ 750	
Street Maint Fund Projects Total	**$ 6,100**	**$ -**	**$ -**	**$ 2,000**	**$ -**	**$ 2,600**	**$ 750**	**$ 750**	**$ -**
STREET MAINTENANCE FUND TOTAL:	**$ 6,100**	**$ -**	**$ -**	**$ 2,000**	**$ -**	**$ 2,600**	**$ 750**	**$ 750**	**$ -**

Nacogdoches
the oldest town in Texas

Utility Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
UTILITY FUND									
Water System:									
AMR Transmitter & Meter Replacement	$ 4,845	$ 3,981	$ 864						
Elevated Storage Tank - N Middle Plane	$ 1,600			$ 250	$ 1,350				
Elevated Storage Tank Cleaning (2 Tanks)	$ 100			$ 100					
Elevated Storage Tank Rehabilitation (2 Tanks)	$ 1,500			$ 1,500					
Pump Station Interconnect - Southside & Southwest	$ 2,000								$ 2,000
Southwest Pump Station Transmission Line Replacement	$ 8,000			$ 500	$ 7,500				
SWTP Blowers	$ 250			$ 250					
SWTP Filter Reconstruction	$ 1,278	$ 24	$ 354	$ 450		$ 450			
SWTP LED Lighting	$ 44		$ 44						
SWTP Motor VFDs	$ 2,530	$ 30		$ 2,500					
Water System SCADA Replacements & Upgrades	$ 3,147	$ 47		$ 2,000	$ 750	$ 350			
Water Line Developer Reimbursements	$ 1,250			$ 250	$ 250	$ 250	$ 250	$ 250	
Water System Well Rehab (one annually)	$ 3,022		$ 522	$ 500	$ 500	$ 500	$ 500	$ 500	
Airport Fire Protection Expansion	$ 236		$ 36	$ 200					
Water Line Improvements - Bennettt Clark Rd	$ 500								$ 500
Water Line Improvements - Blount and Hayter Sts	$ 650			$ 650					
Water Line Improvements - Cotton St	$ 400			$ 400					
Water Line Improvements - Cottonwood and Hackberry Sts	$ 590		$ 40	$ 550					
Water Line Improvements - Earnest McLain Dr	$ 504	$ 4			$ 500				
Water Line Improvements - E. California and Lloyd Sts	$ 700						$ 700		
Water Line Improvements - Elm and Pine Sts	$ 750				$ 750				
Water Line Improvements - Hwy 21 East / E. Loop	$ 1,800							$ 1,800	
Water Line Improvements - Nelson and Davis Sts	$ 550					$ 550			
Water Line Improvements - N. Sanders St	$ 700			$ 700					

…(Continued)

Nacogdoches
the oldest town in Texas

Utility Fund Capital Improvement Schedule (Continued)

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
UTILITY FUND									
Powers Street Pump Station and Raw Water Transmission Main Improvements	$ 1,600			$ 1,600					
Water Line Improvements - Ridgewood and Brookhollow Sts	$ 1,000				$ 1,000				
Water Line Improvements - Wettermark St	$ 350				$ 350				
Water Line Installation - I-69 Interchange Outside Loop	$ 3,000								$ 3,000
MLK Water Line Improvements (CDBG)	$ 161	$ 7	$ 154						
SWTP General Improvements	$ 1,350		$ 100	$ 250	$ 250	$ 250	$ 250	$ 250	
SWTP Raw Water Pump	$ 275		$ 275						
TxDOT Direct Connect US 59 Water Line Relocation	$ 2,631	$ 1,675		$ 956					
TxDOT I-69 Interchange Water Line Relocation	$ 2,630			$ 130		$ 2,500			
TxDOT Lanana Bridge Water Line Relocation	$ 406.5		$ 56.5	$ 350					
Water System Master Plan Update	$ 300			$ 300					
Water System Total	**$ 50,649.5**	**$ 5,768.0**	**$ 2,446**	**$ 14,386**	**$ 13,200**	**$ 4,850**	**$ 1,700**	**$ 2,800**	**$ 5,500**
Wastewater System:									
Sewer Line Additions/Replacements (ARPA)	$ 1,047	$ 678	$ 369						
Liftstation Replacement at FM 1878	$ 1,052	$ 77		$ 975					
Wastewater System SCADA Replacements & Upgrades	$ 2,546	$ 46		$ 1,750	$ 750				
Banita Creek Sewer Line Replacement	$ 19,233	$ 83	$ 150	$ 3,000		$ 8,000	$ 8,000		
Lanana Creek Sewer Line Replacement	$ 16,159	$ 9	$ 150	$ 3,000		$ 6,500	$ 6,500		
WWTP Aeration Upgrades	$ 6,100			$ 2,700	$ 3,400				
WWTP Belt Press Building	$ 4,050	$ 1	$ 49	$ 4,000					
WWTP Clarifier 3 & 4 Rebuild	$ 1,579	$ 1,325	$ 254						
WWTP Clarifier 1 & 2 Repair	$ 550			$ 550					
WWTP Digester Improvements	$ 914	$ 34		$ 880					
WWTP General Improvements	$ 3,320	$ 318	$ 502	$ 500	$ 500	$ 500	$ 500	$ 500	
WWTP Grit Trap Replacement	$ 1,139	$ 14	$ 125	$ 1,000					
Wastewater System Developer Reimbursements	$ 1,337		$ 87	$ 250	$ 250	$ 250	$ 250	$ 250	

…(Continued)

Utility Fund Capital Improvement Schedule (Continued)

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
UTILITY FUND									
Sewer Line Extension - A.L. Mangham Jr Regional Airport	$ 1,700				$ 1,700				
Sewer Line Improvements - Coleman St (Cross Country)	$ 400				$ 400				
Sewer Line Improvements - Cotton St	$ 700			$ 700					
Sewer Line Improvements - E. Oak Ln	$ 784		$ 34	$ 750					
Sewer Line Improvements - Earnest McLain Dr	$ 404	$ 4			$ 400				
Sewer Line Improvements - Hwy 21 East	$ 800			$ 800					
Sewer Line Improvements - Looneyville Rd	$ 600			$ 600					
Sewer Line Improvements - N. Ritchie St	$ 250				$ 250				
Sewer Line Improvements - Old Lufkin Rd	$ 312		$ 37	$ 275					
Sewer Line Improvements - Press Rd (Cross Country)	$ 900				$ 900				
Sewer Line Improvements - Raguet St (Burrows St. to Lakewood St.)	$ 830		$ 450	$ 380					
Sewer Line Improvements - Railroad St	$ 600				$ 600				
Sewer Line Improvements - Ruby St / Banita Park	$ 350				$ 350				
Sewer Line Improvements - SFA College to Hayter Sts	$ 162		$ 12	$ 150					
Sewer Line Improvements - Stallings Dr (Cross Country)	$ 250				$ 250				
Sewer Line Improvements - Upper Melrose Rd	$ 500				$ 500				
Sewer Line Improvements - Virginia Ave	$ 400			$ 400					
TxDOT Direct Connect US 59 Sanitary Sewer Relocation	$ 1,497	$ 1,017		$ 480					
TxDOT I-69 Interchange Sanitary Sewer Line Installation	$ 4,000								$ 4,000
TxDOT Lanana Bridge Sanitary Sewer Line Relocation	$ 406.5		$ 56.5	$ 350					
Wastewater System Master Plan Update	$ 300				$ 300				
WWTP Expansion	$ 30,000								$ 30,000
WWTP Headworks Conveyor Rebuild	$ 180		$ 180						
WWTP 8" Pump Replacement	$ 43		$ 43						
Wastewater System Total	**$ 105,394.5**	**$ 3,606.0**	**$ 2,498.5**	**$ 23,490**	**$ 10,550**	**$ 15,250**	**$ 15,250**	**$ 750**	**$ 34,000**
UTILITY FUND TOTAL:	**$ 156,044.0**	**$ 9,374.0**	**$ 4,944.0**	**$ 37,876.0**	**$ 23,750.0**	**$ 20,100.0**	**$ 16,950.0**	**$ 3,550.0**	**$ 39,500.0**

Sanitation Fund Capital Improvement Schedule

PROJECT	Total Project Cost	Estimated PY Spent	Estimated FY 25-26	Proposed FY 26-27	Future FY 27-28	Future FY 28-29	Future FY 29-30	Future FY 30-31	Future For Consideration
SANITATION FUND									
Solid Waste Collection & Disposal:									
Landfill Major Permit Amendment & Expansion	$ 1,382	$ 172	$ 461	$ 749					
Landfill Block O Cells 3 & 4 Construction	$ 4,050	$ 43	$ 107	$ 3,900					
Landfill Commercial Undercarriage Wash System	$ 100				$ 100				
Landfill Covered Equipment Storage Extension	$ 50				$ 50				
New Landfill Scale House	$ 800			$ 800					
New Road - Scale House to Block P	$ 300			$ 300					
Landfill Sewer Line Replacement	$ 1,725				$ 225	$ 750	$ 750		
Landfill Water Line Installation	$ 700			$ 700					
Central Garbage Sites	$ 60			$ 60					
Fleet Maint & Access Rd PW	$ 300			$ 300					
Sanitation Admin Roof	$ 284		$ 284						
Landfill Block P Road Repair	$ 200					$ 200			
Landfill Block P Closure and Gas System Construction	$ 250								$ 250
Landfill Future Land Purchase	$ 300								$ 300
Solid Waste Collection & Disposal Total	**$ 10,501**	**$ 215**	**$ 852**	**$ 6,809**	**$ 375**	**$ 950**	**$ 750**	**$ -**	**$ 550**
SANITATION FUND TOTAL:	**$ 10,501**	**$ 215**	**$ 852**	**$ 6,809**	**$ 375**	**$ 950**	**$ 750**	**$ -**	**$ 550**

GREEN = New Item

BLUE = Numbers that were reviewed or modified

2026 Tax Rate Calculation Worksheet (CAD)

2026 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Nacogdoches	(936) 559-2500
Taxing Unit Name	Phone *(area code and number)*
PO Box 635030, Nacogdoches, TX 75963	www.nactx.us
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 and JETI Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 and JETI Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

Taxing units must include a hyperlink to a document that evidences the accuracy of each entry in the worksheet other than an entry making a mathematical calculation.[1] Source materials must contain data for all worksheets used, including supplemental worksheets.

Insert hyperlink:

https://www.nactx.us/DocumentCenter/View/10123/Property-Tax-Rate-Calculation-Worksheet

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[2]	$ 2,513,573,624
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[3]	$ 314,039,406
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 2,199,534,218
4.	**Prior year total adopted tax rate.**	$ 0.57596 /$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.** **A. Original prior year ARB values:** .... $ 2,000,000 **B. Prior year values resulting from final court decisions:** .... - $ 2,000,000 **C. Prior year value loss.** Subtract B from A.[4]	$ 0

[1] Tex. Tax Code §§5.07(g)(4) and 26.04(d-1)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(14)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** **A. Prior year ARB certified value:** .... $ 69,419,678 **B. Prior year disputed value:** .... - $ 14,896,060 **C. Prior year undisputed value.** Subtract B from A. [5]	$ 54,523,618
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 54,523,618
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 2,254,057,836
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1 of the prior year.** Enter the prior year value of property in deannexed territory. [6]	$ 0
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use prior year market value: .... $ 1,254,840 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: .... + $ 59,039,502 **C. Value loss.** Add A and B. [7]	$ 60,294,342
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. **A. Prior year market value:** .... $ 0 **B. Current year productivity or special appraised value:** .... - $ 0 **C. Value loss.** Subtract B from A. [8]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 60,294,342
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. [9] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 2,193,763,494
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 12,635,200
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. [10]	$ 22,646
17.	**Adjusted prior year levy with refunds.** Add Lines 15 and 16. [11]	$ 12,657,846

[5] Tex. Tax Code §26.012(13)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.012(15)
[9] Tex. Tax Code §26.03(c)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012(13) and (15)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [12]	
	A. Certified values: .... $ 2,413,048,233	
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office: .... + $ 0	
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: .... - $ 0	
	D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment reinvestment zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. [13] Adjustments to the taxable value must be calculated separately for each reinvestment zone using Form 50-110.[14] Enter the total from Form 50-110 .... - $ 0	
	E. Total current year value. Add A and B, then subtract C and D.	$ 2,413,048,233
19.	**Total value of properties under protest or not included on certified appraisal roll.** [15]	
	A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [16] .... $ 282,093,633	
	B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [17] .... + $ 0	
	C. Total value under protest or not certified. Add A and B.	$ 282,093,633
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[18]	$ 336,387,079
21.	**Anticipated contested value.** Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. [19] An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico.[20] If completing this line, the taxing unit must include supporting documentation in Section 9.[21] Taxing units that are not affected, enter 0.	$ 0
22.	**Current year total taxable value.** Add Lines 18E and 19C, then subtract Lines 20 and 21.[22]	$ 2,358,754,787
23.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [23]	$ 0
24.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [24]	$ 50,178,242

[12] Tex. Tax Code §§26.012(6) and 26.04(c-2)
[13] Tex. Tax Code §26.03(c)
[14] Tex. Tax Code §26.03(e)
[15] Tex. Tax Code §26.01(c) and (d)
[16] Tex. Tax Code §26.01(c)
[17] Tex. Tax Code §26.01(d)
[18] Tex. Tax Code §26.012(6)(B)
[19] Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
[20] Tex. Tax Code §26.012(1-a)
[21] Tex. Tax Code §26.04(d-3)
[22] Tex. Tax Code §26.012(6)
[23] Tex. Tax Code §26.012(17)
[24] Tex. Tax Code §26.012(17)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
25.	**Total adjustments to the current year taxable value.** Add Lines 23 and 24.	$ 50,178,242
26.	**Adjusted current year taxable value.** Subtract Line 25 from Line 22.	$ 2,308,576,545
27.	**Current year NNR tax rate.** Divide Line 17 by Line 26 and multiply by $100. [25]	$ 0.54829 /$100
28.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [26]	$ ______ /$100

Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the tax rate. The type of taxing unit will determine the rate components that apply to a taxing units' overall voter-approval tax rate.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

SECTION 2: Maintenance and Operations (M&O) and Debt Tax Rate Worksheet

This section calculates two components of the voter-approval tax rate:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the minimum dollar amount required to be paid toward debt service for the current year.[27] This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
29.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.49183 /$100
30.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,254,057,836
31.	**Total prior year M&O levy.** Multiply Line 29 by Line 30 and divide by $100.	$ 11,086,133
32.	**Adjusted prior year levy for calculating NNR M&O rate.**	
	A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2025. This line applies only to tax years preceding the prior tax year. + $ 19,337	
	B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 0	
	C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0	
	D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ 19,337	
	E. Add Line 31 to 32D.	$ 11,105,470
33.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,308,576,545
34.	**Current year NNR M&O rate (unadjusted).** Divide Line 32E by Line 33 and multiply by $100.	$ 0.48105 /$100

[25] Tex. Tax Code §26.04(c)
[26] Tex. Tax Code §26.04(d)
[27] Tex. Tax Code §26.012(3)

Line	M&O and Debt Tax Rate Worksheet		Amount/Rate
35.	**Rate adjustment for state criminal justice mandate.** [28]		
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	$	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	– $	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
36.	**Rate adjustment for indigent health care expenditures.** [29]		
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose..	$	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state assistance received for the same purpose..	– $	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
37.	**Rate adjustment for county indigent defense compensation.** [30]		
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose..	$	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state grants received by the county for the same purpose.	$	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ /$100	
	D. Multiply B by 0.05 and divide by Line 33 and multiply by $100..	$ /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0 /$100
38.	**Rate adjustment for county hospital expenditures.** [31]		
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	$	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2024 and ending on June 30, 2025.	$	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ /$100	
	D. Multiply B by 0.08 and divide by Line 33 and multiply by $100..	$ /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.		$ 0 /$100

[28] Tex. Tax Code §26.044
[29] Tex. Tax Code §26.0441
[30] Tex. Tax Code §26.0442
[31] Tex. Tax Code §26.0443

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
39.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. **A. Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. . . . . $ ______ **B. Expenditures for public safety in the prior year.** Enter the amount of money spent by the municipality for public safety during the preceding fiscal year . . . . $ ______ **C.** Subtract B from A and divide by Line 33 and multiply by $100 . . . . $ ______/$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0 /$100
40.	**Adjusted current year NNR M&O rate.** Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	$ 0.48105 /$100
41.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. **A.** Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent . . . . $ 0 **B.** Divide Line 41A by Line 33 and multiply by $100 . . . . $ 0 /$100 **C.** Add Line 41B to Line 40.	$ 0.48105 /$100
42.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	$ 0.49788 /$100
D42.	***Disaster Line 42 (D42):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** [32] If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate a rate equal to the lesser of: **A.** The voter-approval tax rate calculated in the manner provided for a special taxing unit. Multiply line 41C by 1.08 [33] . . . . $ ______/$100 **- or -** **B.** The voter-approval M&O tax rate calculated in the manner provided for a taxing unit other than a special taxing unit plus the disaster relief rate. [34] Complete Section 5 through Line 68 to complete D42(B). a. Enter the **disaster relief cost.** . . . . $ ______ b. **Disaster relief rate**. Divide Line D42(B)(a) by Line 26 and multiply by 100 . . . . $ ______/$100 c. Add Line D42(B)(b) to Line 42. . . . . $ ______/$100 d. Enter the **current year unused increment rate** from Line 68 . . . . $ ______/$100 e Add Line D42(c) to Line D42(d). . . . . $ ______/$100 The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. **C.** Enter Line D42(A) if less than Line D42(B)(e). If Line D42(B)(e) is less than line D42(A), enter Line D42(B)(c). [35] If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	$ ______/$100

[32] Tex. Tax Code §26.042
[33] Tex. Tax Code §26.042(a-2)(1)
[34] Tex. Tax Code §§26.042(a-1) and 26.042(a-2)(2)
[35] Tex. Tax Code §26.042(a-2)

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
43.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes; **(2)** are secured by property taxes; **(3)** are scheduled for payment over a period longer than one year; and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [36] Enter debt amount . . . . . . $ 2,227,121 **B.** Subtract **unencumbered fund amount** used to reduce total debt. . . . . . – $ 401,010 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) . . . . . – $ 0 **D.** Subtract **amount paid** from other resources . . . . . – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 1,826,111
44.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [37]	$ 120,593
45.	**Adjusted current year debt.** Subtract Line 44 from Line 43E.	$ 1,705,518
46.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector. [38] . . . . . 98.0 % **B.** Enter the prior year actual collection rate. . . . . . 100.9 % **C.** Enter the 2024 actual collection rate. . . . . . 97.7 % **D.** Enter the 2023 actual collection rate. . . . . . 93.7 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [39]	98.0 %
47.	**Current year debt adjusted for collections.** Divide Line 45 by Line 46E.	$ 1,740,324
48.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,358,754,787
49.	**Current year debt rate.** Divide Line 47 by Line 48 and multiply by $100.	$ 0.07378 /$100
50.	**Current year voter-approval M&O rate plus current year debt rate.** Add Lines 42 and 49.	$ 0.57166 /$100
D50.	***Disaster Line 50 (D50):*** **Current year voter-approval M&O and debt tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval M&O tax rate in the manner provided by Line D42. Add Line D42(C) and 49.	$ ______ /$100
51.	**COUNTIES ONLY.** Add together the voter-approval M&O and debt tax rates for each type of tax the county levies. The total is the current year county voter-approval M&O and debt tax rate.	$ ______ /$100

[36] Tex. Tax Code §26.012(7)
[37] Tex. Tax Code §§26.012(10) and 26.04(b)
[38] Tex. Tax Code §26.04(b))
[39] Tex. Tax Code §26.04(h), (h-1) and (h-2)

SECTION 3: Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters.[40] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ ________
53.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.[41] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.[42] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ ________
54.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ________
55.	**Sales tax adjustment rate.** Divide Line 53 by Line 54 and multiply by $100.	$ ________/$100
56.	**Current year NNR tax rate, unadjusted for sales tax.**[43] Enter the rate from Line 27 or 28, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ ________/$100
57.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	$ ________/$100
58.	**Current year voter-approval tax rate, unadjusted for sales tax.**[44] Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the *M&O and Debt Tax Rate Worksheet*.	$ ________/$100
59.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 55 from Line 58.	$ ________/$100

SECTION 4: Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ.[45] The taxing unit shall provide its tax assessor-collector with a copy of the letter.[46]	$ ________
61.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ________
62.	**Additional rate for pollution control.** Divide Line 60 by Line 61 and multiply by $100.	$ ________/$100
63.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	$ ________/$100

[40] Tex. Tax Code §26.041(d)
[41] Tex. Tax Code §26.041(i)
[42] Tex. Tax Code §26.041(d)
[43] Tex. Tax Code §26.04(c)
[44] Tex. Tax Code §26.04(c)
[45] Tex. Tax Code §26.045(d)
[46] Tex. Tax Code §26.045(i)

SECTION 5: Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. [47] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. [48]

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; [49]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [50] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [51]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [52]

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	**Year 3 Foregone Revenue Amount. Subtract the 2025 unused increment rate and 2025 actual tax rate from the 2025 voter-approval tax rate. Multiply the result by the 2025 current total value**	
	A. Voter-approval tax rate (Line 69)	$ 0.57596/$100
	B. Unused increment rate (Line 68)	$ 0.01693/$100
	C. Subtract B from A	$ 0.55903/$100
	D. Adopted Tax Rate	$ 0.57596/$100
	E. Subtract D from C	$ (0.01693)/$100
	F. 2025 Total Taxable Value (Line 61)	$ 2,267,436,137
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
65.	**Year 2 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value**	
	A. Voter-approval tax rate (Line 68)	$ 0.52877/$100
	B. Unused increment rate (Line 67)	$ 0.02111/$100
	C. Subtract B from A	$ 0.50766/$100
	D. Adopted Tax Rate	$ 0.52877/$100
	E. Subtract D from C	$ (0.02111)/$100
	F. 2024 Total Taxable Value (Line 60)	$ 2,165,857,099
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
66.	**Year 1 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.50604/$100
	B. Unused increment rate (Line 66)	$ 0.01308/$100
	C. Subtract B from A	$ 0.49296/$100
	D. Adopted Tax Rate	$ 0.47445/$100
	E. Subtract D from C	$ 0.01851/$100
	F. 2023 Total Taxable Value (Line 60)	$ 2,073,929,340
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 383,884
67.	**Total Foregone Revenue Amount.** Add Lines 64G, 65G and 66G	$ 383,884
68.	**2026 Unused Increment Rate.** Divide Line 67 by Line 22 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.01627/$100
69.	**Total 2026 voter-approval tax rate.** Add Line 68 to one of the following lines (as applicable): Line 50, Line D50 (only if Line D42(B) was used), Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	$ 0.58793/$100

[47] Tex. Tax Code §26.013(b)
[48] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[49] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[50] Tex. Tax Code §26.0501(a) and (c)
[51] Tex. Local Gov't Code §120.007(d)
[52] Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [53]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [54]

Line	De Minimis Rate Worksheet	Amount/Rate
70.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 40 of the *M&O and Debt Tax Rate Worksheet.*	$ ____________/$100
71.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ____________
72.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 71 and multiply by $100.	$ ____________/$100
73.	**Current year debt rate.** Enter the rate from Line 49 of the *M&O and Debt Tax Rate Worksheet.*	$ ____________/$100
74.	**De minimis rate.** Add Lines 70, 72 and 73.	$ ____________/$100

SECTION 7: Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year. [55]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	**2025 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ ____________/$100
76.	**Adjusted 2025 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. [56] If a disaster occurred in 2025 and the taxing unit calculated its 2025 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) of the 2025 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2025 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) in 2025, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2025 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [57] Enter the final adjusted 2025 voter-approval tax rate from the worksheet.	$ ____________/$100
77.	**Increase in 2025 tax rate due to disaster.** Subtract Line 76 from Line 75.	$ ____________/$100
78.	**Adjusted 2025 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ ____________
79.	**Emergency revenue.** Multiply Line 77 by Line 78 and divide by $100.	$ ____________
80.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ ____________
81.	**Emergency revenue rate.** Divide Line 79 by Line 80 and multiply by $100. [58]	$ ____________/$100
82.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	$ ____________/$100

[53] Tex. Tax Code §26.012(8-a)
[54] Tex. Tax Code §26.063(a)(1)
[55] Tex. Tax Code §26.042(b)
[56] Tex. Tax Code §26.042(c)
[57] Tex. Tax Code §26.042(b)
[58] Tex. Tax Code §26.042(b)

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. .... $ 0.54829 /$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27

Voter-approval tax rate .... $ 0.58793 /$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 69

De minimis rate. .... $ ________ /$100
If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [59]

print here Jason Malott, RPA, RTA, CCA
Printed Name of Taxing Unit Representative

sign here Jason Malott
Taxing Unit Representative

8/10/2026
Date

Reset Print

[59] Tex. Tax Code §26.04(c-2) and (d-2)

Appendix

List of Acronyms

ARPA – American Rescue Plan Act

Refers to a federal funding source noted in restricted cash reporting.

CAD – Central Appraisal District

The regional authority responsible for certified property tax data.

CIP – Capital Improvements Program

City long-range projects for construction, infrastructure, and maintenance.

CMO – City Manager's Office

Used in the budget calendar and department designations.

FBO – Fixed Base Operator

Refers to the operations (including fuel sales, hangar leases, etc.) of the municipal airport.

FY – Fiscal Year

The annual financial cycle, running October 1 to September 30 for the City of Nacogdoches.

GFOA – Government Finance Officers Association

Professional standards-setting organization referenced in required reports and certifications.

GO Bonds – General Obligation Bonds

Debt instruments secured by the full faith and credit of the city.

HR – Human Resources

Department involved in budget preparations (especially insurance estimates).

IT – Information Technology

Department responsible for technology infrastructure and capital requests.

NISD – Nacogdoches Independent School District

Local school district cited as a major employer (contextual).

SFASU – Stephen F. Austin State University

Regional institution referenced in community/economic and park/trail sections.

INTENTIONALLY LEFT BLANK

City Council Meeting

Date: September 15, 2026

Agenda Item: 6.C.

PRESENTER: Todd Simoneaux, Interim Finance Director

ITEM/SUBJECT: Consider action to ratify the property tax revenue increase reflected in the City's adopted Fiscal Year 2027 Budget pursuant to Texas Local Government Code Section 102.007(c). (Director of Finance)

SUMMARY/BACKGROUND: On September 15, 2026, the City Council adopted the City of Nacogdoches Fiscal Year 2027 Budget. The adopted budget raises more revenue from property taxes than was raised from property taxes for the City's preceding fiscal year budget. Pursuant to Texas Local Government Code Section 102.007(c), the City Council is required to ratify the property tax revenue increase reflected in the adopted budget by a separate vote.

This ratification is separate from the City Council's action adopting the annual budget and is also separate from the City Council's action adopting the property tax rate. The ratification does not establish or adopt the City's property tax rate. The property tax rate is considered and adopted separately in accordance with the requirements of Texas Tax Code Chapter 26.

FINANCIAL:

FISCAL IMPACT

The adopted Fiscal Year 2027 Budget provides for approximately $14,298,600 in property tax revenue, compared with approximately $13,700,000 in the preceding fiscal year's budget. This represents an increase of approximately $598,600, or 4.4%, in budgeted property tax revenue.

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

PROPOSED ACTIONS

"I move that the City Council ratify the property tax revenue increase reflected in the City's adopted Fiscal Year 2027 Budget pursuant to Texas Local Government Code Section 102.007(c)." **Must be a record vote.**

CITY CONTACT: Todd Simoneaux, Director of Finance
simoneauxt@nactx.us
(936) 559-2526

ATTACHMENTS:

PRESENTER: Todd Simoneaux, Interim Finance Director

ITEM/SUBJECT: Consider approval of an ordinance adopting the City of Nacogdoches property tax rate for Tax Year 2026, consisting of separate Maintenance and Operations (M&O) and Interest and Sinking (I&S) rates, with the combined tax rate exceeding the City's No-New-Revenue (NNR) tax rate. (Director of Finance)

SUMMARY/BACKGROUND: The City Council is required to adopt a property tax rate each year to fund the City's adopted annual budget. For Tax Year 2026, the City has calculated a No-New-Revenue tax rate of $0.54829 per $100 of taxable value. The proposed combined property tax rate is $0.57166 per $100 of taxable value, consisting of:

Tax Rate Component	Proposed Rate
Maintenance & Operations (M&O)	$0.49788
Interest & Sinking (I&S)	$0.07378
No-New-Revenue Rate	$0.54829

The proposed combined rate exceeds the No-New-Revenue tax rate by $0.0234, or 4.3%. Texas Tax Code Section 26.05(a) provides that the property tax rate consists of two components and that each component must be approved separately. Accordingly, the City Council will consider the M&O rate and I&S rate as separate actions.

MAINTENANCE & OPERATIONS RATE
The proposed M&O rate is $0.49788 per $100 of taxable value. The M&O rate provides funding for the City's general governmental operations and services, including personnel, public safety, streets, parks, administration, and other operating expenditures included in the adopted budget. The Council will consider the M&O rate separately from the I&S rate as required by Texas Tax Code Section 26.05(a).

INTEREST & SINKING RATE
The proposed I&S rate is $0.07378 per $100 of taxable value. The I&S rate provides the property tax revenue necessary to fund the City's debt service obligations for the upcoming fiscal year.

NO-NEW-REVENUE RATE
The City's No-New-Revenue tax rate for Tax Year 2026 is $0.54829 per $100 of taxable value. The proposed combined tax rate of $0.57166 exceeds the No-New-Revenue rate by 4.3%. Because the proposed combined rate exceeds the NNR rate, the vote on the ordinance adopting the tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor. Texas Tax Code §26.05(b).

FINANCIAL:
FISCAL IMPACT

The proposed tax rate is expected to generate approximately $14,298,600 in property tax revenue. Of this amount:

- Approximately $12,453,200 will be generated for M&O purposes; and
- Approximately $1,845,4000 will be generated for debt service.

The tax revenue will be used to support the City's adopted Fiscal Year 2027 Budget and debt service requirements.

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
PROPOSED ACTIONS

Action 1 — M&O Rate
Motion: "I move that the City Council adopt a Maintenance and Operations tax rate of $0.49788 per $100 of taxable value for Tax Year 2026."

Action 2 — I&S Rate
Motion: "I move that the City Council adopt an Interest and Sinking tax rate of $0.07378 per $100 of taxable value for Tax Year 2026."

Action 3 — Tax Rate Ordinance
After approval of the two components, the City Council should consider the ordinance, resolution, or order establishing the combined tax rate. Because the combined rate exceeds the NNR rate, the motion should use the statutory form required by Texas Tax Code §26.05(b):

Motion: "I move that the property tax rate be increased by the adoption of a tax rate of $0.57166, which is effectively a 4.3% increase in the tax rate."

This is a record vote and requires affirmative votes from at least 60 percent of the members of the governing body.

CITY CONTACT: Todd Simoneaux, Director of Finance
simoneauxt@nactx.us
(936) 559-2526

ATTACHMENTS:
1. Ordinance 2090-09-26 (Tax Rate)
2. Tax Rate Worksheet - Certified

CITY OF NACOGDOCHES, TEXAS

ORDINANCE NO. 2090-09-26

AN ORDINANCE RATIFYING AND SETTING TAX RATE ON ALL TAXABLE PROPERTY FOR YEAR 2026 AT A RATE OF $0.57166 PER ONE HUNDRED DOLLARS ($100.00) VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF NACOGDOCHES AS OF JANUARY 1, 2026, THE SAID TAX RATE HAVING A MAINTENANCE AND OPERATIONS COMPONENT AND A DEBT SERVICE COMPONENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Texas Tax Code Sections 26.04 through 26.06, the Tax Assessor-Collector for the City of Nacogdoches, Texas (the “City”) has calculated the tax rate for the fiscal year 2026-2027 which cannot be exceeded without requisite publications and public hearings; and

WHEREAS, the tax rate for the fiscal year 2026-2027 as initially contemplated (proposed) by the City Council did, and as adopted herein, does not exceed the said rate calculated by the Tax Assessor-Collector; and

WHERAS, the City of Nacogdoches made required publications and held a public hearing as required by State Law; and

WHEREAS, Section 26.05(a), Tex. Tax Code, provides that the tax rate consists of two components (one of which will impose the amount of taxes needed to pay debt service, and the other of which will impose the amount of taxes needed to fund maintenance and operation expenses for the next year), and each of such components must be approved separately, the tax rate set forth herein consists of those two components and are approved separately; and

WHEREAS, this tax rate exceeds the no-new revenue tax rate. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.5% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $16.83.

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for the fiscal year 2026-2027 set, ratified and adopted herein below is proper.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Nacogdoches, Texas that the tax rate for 2026 for the City of Nacogdoches be set at $0.57166 per $100.00 valuation, with the following distribution:

Operation and Maintenance	$	0.49788
I & S Debt Service	$	0.07378
	$	0.57166

BE IT FURTHER ORDAINED that any requirement that this Ordinance be read at more than one reading be hereby suspended and that this Ordinance shall become effective immediately upon its passage, approval, and publication, with the tax rate to become effective October 1, 2026.

PASSED AND APPROVED this, the 15th day of September 2026, by a vote of ___(ayes) to ___ (nays) to ___ (abstentions) of the City Council of Nacogdoches, Texas.

____
Randy Johnson, Mayor
City of Nacogdoches

ATTEST:

____
Karen Hadnot, City Secretary

Approved as to form: ______________________________
Jerry Baker, City Attorney

Approved as to content: _____________________________________
Todd Simoneaux, Director of Finance

2026 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Nacogdoches	(936) 559-2500
Taxing Unit Name	Phone *(area code and number)*
PO Box 635030, Nacogdoches, TX 75963	www.nactx.us
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 and JETI Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 and JETI Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

Taxing units must include a hyperlink to a document that evidences the accuracy of each entry in the worksheet other than an entry making a mathematical calculation.[1] Source materials must contain data for all worksheets used, including supplemental worksheets.

Insert hyperlink:

https://www.nactx.us/DocumentCenter/View/10123/Property-Tax-Rate-Calculation-Worksheet

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[2]	$ 2,513,573,624
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[3]	$ 314,039,406
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 2,199,534,218
4.	**Prior year total adopted tax rate.**	$ 0.57596/$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.** **A. Original prior year ARB values:** .... $ 2,000,000 **B. Prior year values resulting from final court decisions:** .... - $ 2,000,000 **C. Prior year value loss.** Subtract B from A.[4]	$ 0

[1] Tex. Tax Code §§5.07(g)(4) and 26.04(d-1)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(14)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** **A. Prior year ARB certified value:** $ 69,419,678 **B. Prior year disputed value:** - $ 14,896,060 **C. Prior year undisputed value.** Subtract B from A. [5]	$ 54,523,618
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 54,523,618
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 2,254,057,836
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1 of the prior year.** Enter the prior year value of property in deannexed territory. [6]	$ 0
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use prior year market value: $ 1,254,840 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 59,039,502 **C. Value loss.** Add A and B. [7]	$ 60,294,342
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. **A. Prior year market value:** $ 0 **B. Current year productivity or special appraised value:** - $ 0 **C. Value loss.** Subtract B from A. [8]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 60,294,342
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. [9] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 2,193,763,494
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 12,635,200
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. [10]	$ 22,646
17.	**Adjusted prior year levy with refunds.** Add Lines 15 and 16. [11]	$ 12,657,846

[5] Tex. Tax Code §26.012(13)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.012(15)
[9] Tex. Tax Code §26.03(c)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012(13) and (15)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [12]	
	A. Certified values: .... $ 2,413,048,233	
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office: .... + $ 0	
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: .... - $ 0	
	D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment reinvestment zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. [13] Adjustments to the taxable value must be calculated separately for each reinvestment zone using Form 50-110.[14] Enter the total from Form 50-110 .... - $ 0	
	E. Total current year value. Add A and B, then subtract C and D.	$ 2,413,048,233
19.	**Total value of properties under protest or not included on certified appraisal roll.** [15]	
	A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [16] .... $ 282,093,633	
	B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [17] .... + $ 0	
	C. Total value under protest or not certified. Add A and B.	$ 282,093,633
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[18]	$ 336,387,079
21.	**Anticipated contested value.** Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. [19] An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico.[20] If completing this line, the taxing unit must include supporting documentation in Section 9.[21] Taxing units that are not affected, enter 0.	$ 0
22.	**Current year total taxable value.** Add Lines 18E and 19C, then subtract Lines 20 and 21.[22]	$ 2,358,754,787
23.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [23]	$ 0
24.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [24]	$ 50,178,242

[12] Tex. Tax Code §§26.012(6) and 26.04(c-2)
[13] Tex. Tax Code §26.03(c)
[14] Tex. Tax Code §26.03(e)
[15] Tex. Tax Code §26.01(c) and (d)
[16] Tex. Tax Code §26.01(c)
[17] Tex. Tax Code §26.01(d)
[18] Tex. Tax Code §26.012(6)(B)
[19] Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
[20] Tex. Tax Code §26.012(1-a)
[21] Tex. Tax Code §26.04(d-3)
[22] Tex. Tax Code §26.012(6)
[23] Tex. Tax Code §26.012(17)
[24] Tex. Tax Code §26.012(17)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
25.	**Total adjustments to the current year taxable value.** Add Lines 23 and 24.	$ 50,178,242
26.	**Adjusted current year taxable value.** Subtract Line 25 from Line 22.	$ 2,308,576,545
27.	**Current year NNR tax rate.** Divide Line 17 by Line 26 and multiply by $100. [25]	$ 0.54829 /$100
28.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [26]	$ ______ /$100

Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the tax rate. The type of taxing unit will determine the rate components that apply to a taxing units' overall voter-approval tax rate.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

SECTION 2: Maintenance and Operations (M&O) and Debt Tax Rate Worksheet

This section calculates two components of the voter-approval tax rate:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the minimum dollar amount required to be paid toward debt service for the current year.[27] This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
29.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.49183 /$100
30.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,254,057,836
31.	**Total prior year M&O levy.** Multiply Line 29 by Line 30 and divide by $100.	$ 11,086,133
32.	**Adjusted prior year levy for calculating NNR M&O rate.**	
	A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2025. This line applies only to tax years preceding the prior tax year. + $ 19,337	
	B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 0	
	C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0	
	D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ 19,337	
	E. Add Line 31 to 32D.	$ 11,105,470
33.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,308,576,545
34.	**Current year NNR M&O rate (unadjusted).** Divide Line 32E by Line 33 and multiply by $100.	$ 0.48105 /$100

[25] Tex. Tax Code §26.04(c)
[26] Tex. Tax Code §26.04(d)
[27] Tex. Tax Code §26.012(3)

Line	M&O and Debt Tax Rate Worksheet		Amount/Rate
35.	**Rate adjustment for state criminal justice mandate.** [28]		
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	$ ________	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	– $ ________	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ ________/$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
36.	**Rate adjustment for indigent health care expenditures.** [29]		
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose.	$ ________	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state assistance received for the same purpose.	– $ ________	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ ________/$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
37.	**Rate adjustment for county indigent defense compensation.** [30]		
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose.	$ ________	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state grants received by the county for the same purpose.	$ ________	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ ________/$100	
	D. Multiply B by 0.05 and divide by Line 33 and multiply by $100.	$ ________/$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0 /$100
38.	**Rate adjustment for county hospital expenditures.** [31]		
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	$ ________	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2024 and ending on June 30, 2025.	$ ________	
	C. Subtract B from A and divide by Line 33 and multiply by $100.	$ ________/$100	
	D. Multiply B by 0.08 and divide by Line 33 and multiply by $100.	$ ________/$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.		$ 0 /$100

[28] Tex. Tax Code §26.044
[29] Tex. Tax Code §26.0441
[30] Tex. Tax Code §26.0442
[31] Tex. Tax Code §26.0443

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
39.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. **A. Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. . . . . . $ ________ **B. Expenditures for public safety in the prior year.** Enter the amount of money spent by the municipality for public safety during the preceding fiscal year . . . . . $ ________ **C.** Subtract B from A and divide by Line 33 and multiply by $100 . . . . . $ ________/$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0/$100
40.	**Adjusted current year NNR M&O rate.** Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	$ 0.48105/$100
41.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. **A.** Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent . . . . . $ 0 **B.** Divide Line 41A by Line 33 and multiply by $100 . . . . . $ 0/$100 **C.** Add Line 41B to Line 40.	$ 0.48105/$100
42.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	$ 0.49788/$100
D42.	***Disaster Line 42 (D42):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** [32] If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate a rate equal to the lesser of: **A.** The voter-approval tax rate calculated in the manner provided for a special taxing unit. Multiply line 41C by 1.08 [33] . . . . . $ ________/$100 **- or -** **B.** The voter-approval M&O tax rate calculated in the manner provided for a taxing unit other than a special taxing unit plus the disaster relief rate. [34] Complete Section 5 through Line 68 to complete D42(B). a. Enter the **disaster relief cost.** . . . . . $ ________ b. **Disaster relief rate**. Divide Line D42(B)(a) by Line 26 and multiply by 100 . . . . . $ ________/$100 c. Add Line D42(B)(b) to Line 42. . . . . . $ ________/$100 d. Enter the **current year unused increment rate** from Line 68 . . . . . $ ________/$100 e Add Line D42(c) to Line D42(d). . . . . . $ ________/$100 The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. **C.** Enter Line D42(A) if less than Line D42(B)(e). If Line D42(B)(e) is less than line D42(A), enter Line D42(B)(c). [35] If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	$ ________/$100

[32] Tex. Tax Code §26.042
[33] Tex. Tax Code §26.042(a-2)(1)
[34] Tex. Tax Code §§26.042(a-1) and 26.042(a-2)(2)
[35] Tex. Tax Code §26.042(a-2)

Line	M&O and Debt Tax Rate Worksheet	Amount/Rate
43.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes; **(2)** are secured by property taxes; **(3)** are scheduled for payment over a period longer than one year; and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A.** **Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [36] Enter debt amount .... $ 2,227,121 **B.** Subtract **unencumbered fund amount** used to reduce total debt. .... – $ 401,010 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) .... – $ 0 **D.** Subtract **amount paid** from other resources .... – $ 0 **E.** **Adjusted debt.** Subtract B, C and D from A.	$ 1,826,111
44.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [37]	$ 120,593
45.	**Adjusted current year debt.** Subtract Line 44 from Line 43E.	$ 1,705,518
46.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector. [38] .... 98.0 % **B.** Enter the prior year actual collection rate. .... 100.9 % **C.** Enter the 2024 actual collection rate. .... 97.7 % **D.** Enter the 2023 actual collection rate. .... 93.7 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [39]	98.0 %
47.	**Current year debt adjusted for collections.** Divide Line 45 by Line 46E.	$ 1,740,324
48.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ 2,358,754,787
49.	**Current year debt rate.** Divide Line 47 by Line 48 and multiply by $100.	$ 0.07378 /$100
50.	**Current year voter-approval M&O rate plus current year debt rate.** Add Lines 42 and 49.	$ 0.57166 /$100
D50.	***Disaster Line 50 (D50):*** **Current year voter-approval M&O and debt tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval M&O tax rate in the manner provided by Line D42. Add Line D42(C) and 49.	$ ______ /$100
51.	**COUNTIES ONLY.** Add together the voter-approval M&O and debt tax rates for each type of tax the county levies. The total is the current year county voter-approval M&O and debt tax rate.	$ ______ /$100

[36] Tex. Tax Code §26.012(7)
[37] Tex. Tax Code §§26.012(10) and 26.04(b)
[38] Tex. Tax Code §26.04(b))
[39] Tex. Tax Code §26.04(h), (h-1) and (h-2)

SECTION 3: Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters.[40] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ ______
53.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [41] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [42] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ ______
54.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______
55.	**Sales tax adjustment rate.** Divide Line 53 by Line 54 and multiply by $100.	$ ______/$100
56.	**Current year NNR tax rate, unadjusted for sales tax.**[43] Enter the rate from Line 27 or 28, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ ______/$100
57.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	$ ______/$100
58.	**Current year voter-approval tax rate, unadjusted for sales tax.**[44] Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the *M&O and Debt Tax Rate Worksheet*.	$ ______/$100
59.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 55 from Line 58.	$ ______/$100

SECTION 4: Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [45] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [46]	$ ______
61.	**Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______
62.	**Additional rate for pollution control.** Divide Line 60 by Line 61 and multiply by $100.	$ ______/$100
63.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	$ ______/$100

[40] Tex. Tax Code §26.041(d)
[41] Tex. Tax Code §26.041(i)
[42] Tex. Tax Code §26.041(d)
[43] Tex. Tax Code §26.04(c)
[44] Tex. Tax Code §26.04(c)
[45] Tex. Tax Code §26.045(d)
[46] Tex. Tax Code §26.045(i)

SECTION 5: Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. [47] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. [48]

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; [49]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [50] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [51]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [52]

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	**Year 3 Foregone Revenue Amount. Subtract the 2025 unused increment rate and 2025 actual tax rate from the 2025 voter-approval tax rate. Multiply the result by the 2025 current total value**	
	A. Voter-approval tax rate (Line 69)	$ 0.57596 /$100
	B. Unused increment rate (Line 68)	$ 0.01693 /$100
	C. Subtract B from A	$ 0.55903 /$100
	D. Adopted Tax Rate	$ 0.57596 /$100
	E. Subtract D from C	$ (0.01693) /$100
	F. 2025 Total Taxable Value (Line 61)	$ 2,267,436,137
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
65.	**Year 2 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value**	
	A. Voter-approval tax rate (Line 68)	$ 0.52877 /$100
	B. Unused increment rate (Line 67)	$ 0.02111 /$100
	C. Subtract B from A	$ 0.50766 /$100
	D. Adopted Tax Rate	$ 0.52877 /$100
	E. Subtract D from C	$ (0.02111) /$100
	F. 2024 Total Taxable Value (Line 60)	$ 2,165,857,099
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 0
66.	**Year 1 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.50604 /$100
	B. Unused increment rate (Line 66)	$ 0.01308 /$100
	C. Subtract B from A	$ 0.49296 /$100
	D. Adopted Tax Rate	$ 0.47445 /$100
	E. Subtract D from C	$ 0.01851 /$100
	F. 2023 Total Taxable Value (Line 60)	$ 2,073,929,340
	G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero.	$ 383,884
67.	**Total Foregone Revenue Amount.** Add Lines 64G, 65G and 66G	$ 383,884
68.	**2026 Unused Increment Rate.** Divide Line 67 by Line 22 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.01627 /$100
69.	**Total 2026 voter-approval tax rate.** Add Line 68 to one of the following lines (as applicable): Line 50, Line D50 (only if Line D42(B) was used), Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	$ 0.58793 /$100

[47] Tex. Tax Code §26.013(b)
[48] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[49] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[50] Tex. Tax Code §26.0501(a) and (c)
[51] Tex. Local Gov't Code §120.007(d)
[52] Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [53]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [54]

Line	De Minimis Rate Worksheet	Amount/Rate
70.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 40 of the *M&O and Debt Tax Rate Worksheet.*	$ ____________/$100
71.	**Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.*	$ ________________
72.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 71 and multiply by $100.	$ ____________/$100
73.	**Current year debt rate.** Enter the rate from Line 49 of the *M&O and Debt Tax Rate Worksheet.*	$ ____________/$100
74.	**De minimis rate.** Add Lines 70, 72 and 73.	$ ____________/$100

SECTION 7: Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year. [55]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	**2025 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ ____________/$100
76.	**Adjusted 2025 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. [56] If a disaster occurred in 2025 and the taxing unit calculated its 2025 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) of the 2025 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2025 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) in 2025, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2025 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [57] Enter the final adjusted 2025 voter-approval tax rate from the worksheet.	$ ____________/$100
77.	**Increase in 2025 tax rate due to disaster.** Subtract Line 76 from Line 75.	$ ____________/$100
78.	**Adjusted 2025 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ ________________
79.	**Emergency revenue.** Multiply Line 77 by Line 78 and divide by $100.	$ ________________
80.	**Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.*	$ ________________
81.	**Emergency revenue rate.** Divide Line 79 by Line 80 and multiply by $100. [58]	$ ____________/$100
82.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	$ ____________/$100

[53] Tex. Tax Code §26.012(8-a)
[54] Tex. Tax Code §26.063(a)(1)
[55] Tex. Tax Code §26.042(b)
[56] Tex. Tax Code §26.042(c)
[57] Tex. Tax Code §26.042(b)
[58] Tex. Tax Code §26.042(b)

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. .... $ 0.54829 /$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27

Voter-approval tax rate .... $ 0.58793 /$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 69

De minimis rate. .... $ ______ /$100
If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [59]

print here Jason Malott, RPA, RTA, CCA
Printed Name of Taxing Unit Representative

sign here Jason Malott
Taxing Unit Representative

8/10/2026
Date

Reset Print

[59] Tex. Tax Code §26.04(c-2) and (d-2)