



CITY COUNCIL WORKSHOP/REGULAR MEETING

August 4, 2025, at 5:30 PM

Hewitt City Hall, 200 Patriot Court, Hewitt, TX 76643

MINUTES

Steve Fortenberry, Mayor: Ward 3, – **Erica Bruce**, Mayor Pro Tem: Ward 3
Michael S. Bancale, Council Member: At-Large – **Johnny Stephens**, Council Member: Ward 1
Bob Potter, Council Member: Ward 2 – **Brad Turner**, Council Member: Ward 1
Vacant Seat, Council Member: Ward 2

WORKSHOP MEETING - 5:30 PM

WORKSHOP DECLARATION OF A QUORUM AND CALL TO ORDER

Mayor Steve Fortenberry called the Workshop Meeting to order at 5:30 p.m., and announced a quorum of members was present. Mayor Pro Tem Erica Bruce and Council Member Brad Turner were absent.

WORKSHOP AGENDA

1. Presentation and discussion concerning the FY 2025-2026 Proposed Operating and Capital Budget, including Certified Tax Valuations and Certified Tax Rates.

City Manager Bo Thomas stated that the presentation would begin by addressing the additional information requested by the Council at its last meeting, specifically regarding the use and application of Public, Educational, and Governmental (PEG) Funds, as well as the Child Safety Funds. He also noted that the Council had asked staff to prioritize the Capital Improvement Projects list.

PEG Funds & Child Safety Funds

Assistant City Manager Jim Devlin presented an overview of how the PEG and Child Safety Funds can be utilized. He confirmed that the funds could not be used for items removed from the proposed budget.

Capital Improvement Projects list - prioritized

Mr. Thomas presented a prioritized list of Capital Improvement Projects, outlining street and utility projects that could be funded through the Certificates of Obligation scheduled for a vote later in the Regular Meeting. He noted that completing all utility projects would require the use of unrestricted funds.

Mr. Thomas further presented the following budget and financial items:

- 2025 Tax Rate Certified Values
- 2025 Tax Rate Calculations
- All Funds Summary Matrix

- General Fund Budget Summary
- General Fund Projection by Category
- Utility Fund Projection
- Revisions to the Proposed Budget Memo

WORKSHOP ADJOURNMENT

MOTION: Council Member Michael Bancale moved to adjourn the Workshop Meeting at 6:28 p.m.

SECOND: Council Member Bob Potter

AYES: Potter, Bancale, Stephens, and Fortenberry

NAYES: None

ABSENT: Bruce, Turner

MOTION PASSED.

REGULAR MEETING - 7:00 PM

DECLARATION OF A QUORUM AND CALL TO ORDER

Mayor Steve Fortenberry called the Regular Meeting to order at 7:00 p.m., and announced a quorum of members was present. Mayor Pro Tem Erica Bruce and Council Member Brad Turner were absent.

PLEDGE OF ALLEGIANCE

Mayor Steve Fortenberry led the Pledge of Allegiance.

SPECIAL PRESENTATION(S) AND RECOGNITION(S)

2. Special presentation of the Lifesaving Award by Police Chief John McGrath.
Police Chief John McGrath presented the Lifesaving Award to the following for performing CPR and saving a life on a call for service: Officer Michael Zahirniak, Officer Tyler Eckblad, and Sgt. Kristen Ordonez.

PUBLIC COMMENTS

The City Council invites citizens to speak on any topic not already scheduled for a public hearing. The Texas Open Meetings Act prohibits the Council from discussing, responding to, or acting on any comments or items not posted on the agenda. (Note: Citizens who wish to speak must complete a "Public Comment Form" and present it to the City Secretary before the meeting.)

Mayor Fortenberry read the statement above and inquired if the City Secretary had received any public comment forms. The City Secretary did not receive any public comment forms.

REGULAR AGENDA ITEMS

3. Approve minutes of the July 21, 2025, City Council Workshop/Regular Meeting.
MOTION: Council Member Johnny Stephens moved to approve the minutes as presented, but to allow for corrections.
SECOND: Council Member Michael Bancale
AYES: Stephens, Potter, Bancale, and Fortenberry
NAYES: None

ABSENT: Bruce, Turner
MOTION PASSED.

4. Presentation of the report by City Engineer Miles Whitney, P.E.
Update on pending utility projects.
Update on pending street projects.
Update on pending drainage projects.
City Engineer Miles Whitney, P.E., reviewed the listed projects.
5. Discussion and possible action on setting the date of August 11, 2025, for a public hearing on the Fiscal Year 2025-2026 Proposed Operating and Capital Budget.
City Manager Bo Thomas presented.
MOTION: Council Member Michael Bancale moved to set a public hearing on the FY 2025-2026 Proposed Operating and Capital Budget for Monday, August 11, 2025, at 7:00 p.m. in Hewitt City Hall, Council Chambers, 200 Patriot Court, Hewitt, Texas.
SECOND: Council Member Bob Potter
AYES: Bancale, Stephens, Potter, and Fortenberry
NAYES: None
ABSENT: Bruce, Turner
MOTION PASSED.
6. Discussion and possible action on the record vote to place adoption of the proposed 2025 tax rate on a future agenda and to set dates for two public hearings.
City Manager Bo Thomas presented.
MOTION ON TAX RATE
MOTION: Council Member Bob Potter moved to place adoption of a tax rate of \$.539082 cents per \$100 valuation, equaling \$.189732 cents for debt service and \$.349350 cents for maintenance and operations, as an action item for the August 18, 2025, council meeting to be held at 7:00 p.m., in the Hewitt City Hall, Council Chambers, 200 Patriot Court, Hewitt, Texas.
SECOND: Council Member Michael Bancale
AYES: Potter, Bancale, Stephens, and Fortenberry
NAYES: None
ABSENT: Bruce, Turner
MOTION PASSED.

MOTION TO SET PUBLIC HEARINGS
MOTION: Council Member Michael Bancale moved to set two public hearings to be held on Monday, August 11, 2025, at 7:00 p.m. and Monday, August 18, 2025, at 7:00 p.m., in Hewitt City Hall, Council Chambers, 200 Patriot Court, Hewitt, Texas.
SECOND: Council Member Johnny Stephens
AYES: Bancale, Potter, Stephens, and Fortenberry
NAYES: None
ABSENT: Bruce, Turner
MOTION PASSED.
7. Discussion and possible action taken on **Ordinance No. 2025-12** authorizing the issuance and sale of City of Hewitt, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025; levying an Annual Ad Valorem Tax and providing for the security for and payment of said certificates; approving the Official Statement; providing an effective date; and enacting other provisions relating to the subject.

City Manager Bo Thomas introduced Andrew Friedman, the city's Financial Advisor from Samco Capital Markets, Inc., who presented information relative to the issuance. His presentation included the following key points:

- *The issuance timetable previously presented on June 2*
- *Pricing of the Certificates of Obligation and General Obligation refunding bonds*
- *S&P Global Ratings*
- *The City's AA credit rating, with a note that a higher rating results in a lower interest rate*
- *Tax rate impact analysis*
- *Water and Sewer Fund Proforma*
- *Overview of the \$9 million bond pricing page*
- *Debt service schedule*

Mayor Steve Fortenberry expressed concern that only four Council members were present to vote. In response, Mr. Friedman advised that market conditions could change within a week. He noted that bond underwriters may view the City's delay unfavorably, as it could be seen as not fulfilling our commitment. Council Members Michael Bancale, Bob Potter, and Johnny Stephens agreed that it would be in the city's best interest to vote.

MOTION: Council Member Michael Bancale moved to approve **Ordinance No. 2025-12** authorizing the issuance and sale of the City of Hewitt, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025; levying an annual Ad Valorem Tax and providing for the security for and payment of said certificates; approving the Official Statement; providing an effective date; and enacting other provisions relating to the subject.

SECOND: Council Member Bob Potter

AYES: Stephens, Potter, and Bancale

NAYES: None

ABSENT: Bruce, Turner

ABSTAINED: Fortenberry

MOTION PASSED.

8. Discussion and possible action taken on **Ordinance No. 2025-13** authorizing the issuance and sale of City of Hewitt, Texas General Obligation Refunding Bonds, Series 2025; levying an annual Ad Valorem Tax and providing for the security for and payment of said bonds; approving the Official Statement and instruments and procedures relating to said bonds; providing an effective date; and enacting other provisions relating to the subject.

City Manager Bo Thomas reminded the Council of prior discussions regarding the desired level of savings for the bond refunding. He emphasized that the proposed refunding would not extend the debt's maturity and would result in cost savings. Financial Advisor Andrew Friedman presented the results, indicating a 3.6% savings (\$341,388).

MOTION: Council Member Michael Bancale moved to approve **Ordinance No. 2025-13** authorizing the issuance and sale of City of Hewitt, Texas General Obligation Refunding Bonds, Series 2025; levying an annual Ad Valorem Tax and providing the security for and payment of said bonds; approving the Official Statement and instruments and procedures relating to said bonds; providing an effective date; and enacting other provisions relating to the subject.

SECOND: Council Member Bob Potter

AYES: Bancale, Stephens, Potter, and Fortenberry

NAYES: None

ABSENT: Bruce, Turner
MOTION PASSED.

9. Continued discussion concerning the FY 2025-2026 Proposed Operating and Capital Budget, if needed.

No further discussion was held.

10. Requests for future workshops and/or agenda items.

Council Members were encouraged to notify the City Manager of any requests for future workshops or agenda items.

ADJOURNMENT

MOTION: Council Member Bob Potter to adjourn the Regular Meeting at 7:38 p.m.

SECOND: Council Member Michael Bancale

AYES: Potter, Bancale, Stephens, and Fortenberry

NAYES: None

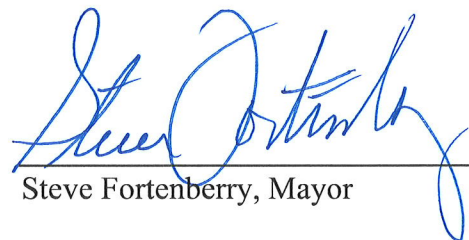
ABSENT: Bruce, Turner

MOTION PASSED.

Approved: 08-18-2025

ATTEST:


Lydia Lopez, City Secretary


Steve Fortenberry, Mayor