

HEWITT TEXAS

CITY COUNCIL MEETING AGENDA

April 19, 2021

Workshop – 6:15 PM
Regular Meeting – 7:00 PM

Hewitt Public Safety Facility Training Room
100 PATRIOT COURT
HEWITT, TX 76643

MAYOR AND CITY COUNCIL

Charlie Turner – Mayor, Ward 1

Wilbert Wachtendorf – Mayor Pro Tem, Ward 1

Bill Fuller – Council Member, Ward 2

Bob Potter – Council Member, Ward 2

Steve Fortenberry – Council Member, Ward 3

Erica Bruce – Council Member, Ward 3

Michael S. Bancale – Council Member, At-Large

CITY STAFF

Bo Thomas, City Manager
Michael W. Dixon, City Attorney
Miles Whitney, City Engineer

Lydia Lopez, City Secretary

Jim Devlin, Police Chief

Lee Garcia, Finance Director

Lance Bracco, Fire Chief

Waynette Ditto, Library Director

Tracy Lankford, Community Dev. Director

Kevin Reinke, Utilities Director

Scott Coleman, General Services Director

Tuck Saunders, Assistant Police Chief

Jessica Higgins, HR Manager/Civil Service Director

HEWITT TEXAS

NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Workshop** meeting of the governing body of the City of Hewitt will be held on the **19th day of April, 2021, at 6:15 PM** in **Hewitt Public Safety Facility Training Room, 100 Patriot Court**, Hewitt, Texas, at which time the following subjects will be discussed:

In accordance with social distancing guidelines, the City Council meeting will not be open to the public. Some council members may attend, while others may call in to participate. The meeting will be streamed live on the City of Hewitt Facebook page.

Citizens who wish to address the Council may submit written comments on any items listed on the agenda or under the hear visitors. Complete a [Public Comment form](#) available online and submit via email to the [City Secretary](#). Comments must be received no later than **noon** on the date of the meeting.

1. Call meeting to order.
2. Briefing and discussion concerning City of Hewitt Strategic Plan 2021-2026.
 - Police
 - Library
3. Adjourn.

I, the undersigned authority, do hereby certify that the above notice of meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 11:00 AM/PM on April 14, 2021.

CITY OF HEWITT

/s/Lydia Lopez, TRMC/CMC
City Secretary

HEWITT TEXAS

NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Regular** meeting of the governing body of the City of Hewitt will be held on the **19th day April, 2021, at 7:00 PM** in **Hewitt City Hall, Council Chamber, 200 Patriot Court**, Hewitt, Texas, at which time the following subjects will be discussed and upon which action may be taken:

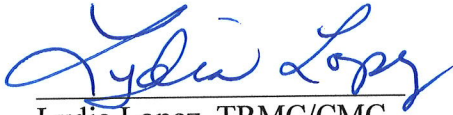
In accordance with social distancing guidelines, the City Council meeting will not be open to the public. Some council members may attend, while others may call in to participate. The meeting will be streamed live on the City of Hewitt Facebook page.

Citizens who wish to address the Council may submit written comments on any items listed on the agenda or under the hear visitors. Complete a [Public Comment form](#) available online and submit via email to the [City Secretary](#). Comments must be received no later than **noon** on the date of the meeting.

1. Call meeting to order.
2. Pledge of Allegiance to the U.S. Flag
3. Hear visitors on matters pertaining to city business. *Under the Texas Open Meetings Act, the Council is prohibited from discussing, responding, or acting on any comments or items that have not been properly posted on the agenda.*
4. Consider approval of minutes of the City Council Workshop and Regular Meeting of April 5, 2021.
5. Consider reappointments to the Board of Adjustment.
6. Ratify expenditures for pump and motor repairs to McLemore Water Plant to Jurgensen Pump, LLC, in the amount of \$15,591.
7. Ratify the expenditures for electrical repairs at Lift Station 2-1 to Wallace Controls & Electric, LLC, in the amount of \$3,208.63.
8. Briefing and discussion concerning Financial Statements ending March 31, 2021.
9. Consideration and action on approval of Quarterly Investment Report for the quarter ending March 31, 2021.
10. Briefing and discussion concerning Special Election on Charter Amendments to be held on May 1, 2021.
11. Briefing and discussion concerning Coronavirus (COVID-19) measures, protocols, and mitigation efforts.
12. Adjourn.

I, the undersigned authority, do hereby certify that the above notice of meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 11:00 AM/PM on April 14, 2021.

CITY OF HEWITT

A handwritten signature in blue ink, appearing to read "Lydia Lopez", is written over a horizontal line.

Lydia Lopez, TRMC/CMC
City Secretary

In compliance with the American with Disabilities Act, the City of Hewitt will provide reasonable accommodations for persons attending and/or participating in this Council Meeting. To better serve you, request must be made at least 24 hours prior to the meeting. Contact the City Secretary at 254.666.6171 or by fax at 254.666.6014. The building is wheelchair accessible, with handicap parking available at the front of the building.



AGENDA ITEM #3 – HEARING OF VISITORS

PROCEDURES FOR CITIZEN PARTICIPATION AT MEETINGS

Due to the public health crisis (COVID-19) and social distancing guidelines, all City Council Meetings, will not be opened to the public; however, the meetings will be streamed live on the City of Hewitt's Facebook page.

Citizens who wish to address the Council on any item on the agenda or under this hearing of visitors, must complete and submit the [Public Comment Form](#) via email to the [City Secretary](#) or in person at Hewitt City Hall, 200 Patriot Court by **NOON** on the day of the meeting. Your comments will be read into the record during the meeting.

Council may not comment publicly on issues raised during citizen comments that are not listed on the Agenda but may direct the City Manager to resolve or request the matter to be placed on a future agenda. Such public comments shall not include any "deliberation" as defined by Chapter 551 of the Government Code, as now or hereafter amended.

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 4

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Consider approval of minutes of the City Council Workshop and Regular Meeting of April 5, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

Attached is a draft copy of the meeting minutes. Please review and advise if any corrections are needed.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

I move approval of the minutes as presented but to allow for corrections.

ATTACHMENTS:

Draft minutes

HEWITT TEXAS

**MINUTES OF A CITY COUNCIL
WORKSHOP & REGULAR MEETING
HEWITT CITY HALL – 200 PATRIOT COURT
April 5, 2021 – 6:15/7:00 PM**

Attendee Name	Title	Absent	Present	Arrived
Charles D. Turner	Mayor, Ward 1	☐	☒	6:52 PM
Wilbert “Walky” Wachtendorf	Mayor Pro Tem, Ward 1	☐	☒	
Bill Fuller	Council Member, Ward 2	☐	☒	
Bob Potter	Council Member, Ward 2	☐	☒	
Michael S. Bancale	Council Member, At-Large	☐	☒	
Steve Fortenberry	Council Member, Ward 3	☐	☒	
Erica Bruce	Council Member, Ward 3	☐	☒	

Staff present:

City Manager Bo Thomas
City Secretary Lydia Lopez
Fire Chief Lance Bracco
Police Chief Jim Devlin
Library Director Waynette Ditto
Utilities Director, Kevin Reinke
City Engineer Miles Whitney

Staff absent:

City Attorney Mike Dixon

Note: The meeting was live-streamed for view by the public on the Hewitt TX TV page. Citizens could submit written comments online.

WORKSHOP – 6:15 PM

- 1. CALL MEETING TO ORDER.** Mayor Pro Tem Wilbert “Walky” Wachtendorf called the Workshop to order at 6:15 PM.
- 2. BRIEFING AND DISCUSSION CONCERNING CITY OF HEWITT STRATEGIC PLAN 2021-2026.** City Manager Bo Thomas stated that the purpose was to allow for discussion of future strategic planning with respect to the growth and development of the community and allow for discussion on important matters for consideration in future budgets.

- **Community Development** – Presented by Community Development Director Tracy Lankford
- **Utility Department** – Presented by Utility Director Kevin Reinke
- **Fire Department** – Presented by Fire Chief Lance Bracco

General discussion was held concerning the impact of traffic with growth, acreage available for development, future water needs and possible federal funding available for drilling an additional well at Commerce Plant.

NOTE: Mayor Charlie Turner arrived at 6:52 PM.

MOTION TO RECESS WORKSHOP

MOTION: Council Member Bill Fuller moved to recess the Workshop at 6:59 PM.

SECOND: Council Member Michael Bancale

AYES: Fuller, Potter, Fortenberry, Bruce, Bancale, Wachtendorf, and Turner

NAYES: None

ABSENT: None

MOTION PASSED.

NOTE: Presentation by Fire Chief Lance Bracco began; however, the presentation and discussion continued following the Regular meeting.

REGULAR MEETING – 7:00 PM

1. **CALL MEETING TO ORDER.** Mayor Charlie Turner called the meeting to order at 7:00 PM. City Secretary Lydia Lopez polled the Council for attendance.
PRESENT: Fuller, Bancale, Potter, Fortenberry, Bruce, Wachtendorf, and Turner
ABSENT: None
2. **PLEDGE OF ALLEGIANCE TO THE U.S. FLAG.** Mayor Charlie Turner led the Pledge of Allegiance.
3. **HEAR VISITORS ON MATTERS PERTAINING TO CITY BUSINESS.** Under the Texas Open Meetings Act, the Council is prohibited from discussing, responding, or acting on any comments or items that have not been properly posted on the agenda. **NOTE:** The public was offered the opportunity to submit written comments on items listed on the agenda or under the hear visitors via the city's website.
Mayor Charlie Turner advised that one comment was received by Johnna King, 331 Earle Rd., Hewitt, TX 76643. He read into the record the following: "Thank you for allowing us to submit a public comment. Space is limited and I hoped to submit a more formal letter. We are a homeschooling family with 8 young children. Our oldest had been able to look over and retrieve books this past year. Can you please reconsider the mask mandate for the families that will not mask their children?" **City Secretary responded no other public comment forms were submitted.**

4. **CONSIDER APPROVAL OF MINUTES OF THE CITY COUNCIL WORKSHOP AND REGULAR MEETING OF MARCH 15, 2021.**
MOTION: Mayor Pro Tem Wilbert “Walky” Wachtendorf moved approval of the minutes as presented but to allow for corrections.
SECOND: Council Member Michael Bancale
AYES: Fuller, Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner
NAYES: None
ABSENT: None
MOTION PASSED.
5. **PRESENTATION OF REPORT FROM CITY ENGINEER MILES WHITNEY, P.E.**
 - Update on pending utility projects.
 - Update on pending street projects.
 - Update on pending drainage projects.
6. **AUTHORIZE THE CITY MANAGER TO CONTRACT WITH BROTHERS CONSTRUCTION FOR THE CONSTRUCTION OF CONCRETE HAND WASH VANITIES/COUNTERS FOR THE MEN AND WOMEN RESTROOMS AT HEWITT PARK IN THE AMOUNT OF \$5,000.** City Manager Bo Thomas presented.
MOTION: Council Member Michael Bancale moved to authorize the City Manager to contract with Brothers Construction for the construction of custom concrete vanities for the men and women restrooms at Hewitt Park in the amount of \$5,000.
SECOND: Council Member Bill Fuller
AYES: Fuller, Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner
NAYES: None
ABSENT: None
MOTION PASSED.
7. **AUTHORIZE A CONTRACT FOR SLURRY SEAL SERVICES WITH VIKING CONSTRUCTION, INC., IN THE AMOUNT OF \$352,678.46.** City Manager Bo Thomas presented.
MOTION: Council Member Steve Fortenberry moved to authorize the City Manager to contract for slurry seal services with Viking Construction, Inc., in the amount of \$352,678.46.
SECOND: Council Member Bob Potter
AYES: Fuller, Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner
NAYES: None
ABSENT: None
MOTION PASSED.
8. **AUTHORIZE THE PURCHASE OF 27,000 LBS. OF POLY FLEX CRACK SEAL MATERIAL FROM CRAFTCO INC., IN THE AMOUNT OF \$14,040.** City Manager Bo Thomas presented.

MOTION: Mayor Pro Tem Wilbert “Walky” Wachtendorf moved to authorize the purchase of 27,000 lbs. of Crafcro Poly Flex Crack Seal materials from Crafcro Inc., in the amount of \$14,040.

SECOND: Council Member Bill Fuller

AYES: Fuller, Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner

NAYES: None

ABSENT: None

MOTION PASSED.

9. **BRIEFING AND DISCUSSION CONCERNING CORONAVIRUS (COVID-19) MEASURES, PROTOCOLS, AND MITIGATION EFFORTS.** City Manager Bo Thomas advised that protocols with respect to the requirements of masking have been initiated in city facilities and subject to the comment received tonight discussion could be held should Council wish to reconsider age requirements. General discussion concerning general guidelines regarding age and medical disability. Council Member Erica Bruce recommended that the age requirement begin at five years old. Mr. Thomas stated that staff would institute the age requirement of five years old and he would discuss addressing medical disabilities with the City Attorney.
10. **DISCUSSION AND ACTION CONCERNING LOCATION CHANGE FOR THE APRIL 19, 2021 COUNCIL MEETING AND RESCHEDULING OF MAY MEETINGS TO MAY 10 & 24, 2021.** City Manager Bo Thomas stated that changing the location would accommodate early voting which will be held in the Council Chambers and rescheduling May meetings was necessary to coincide with the Election Calendar and the canvassing period.
MOTION: Council Member Michael Bancale moved to approve the location change of the April 19, 2021 Council meeting to the Public Safety Facility Training Room and reschedule the May Council meetings to May 10 and May 24, 2021.
SECOND: Mayor Pro Tem Wilbert “Walky” Wachtendorf
AYES: Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner
NAYES: Fuller
ABSENT: None
MOTION PASSED.
11. **ADJOURN.**
MOTION: Council Member Bill Fuller moved to adjourn the Regular meeting at 7:31 PM.
SECOND: Council Member Michael Bancale
AYES: Fuller, Potter, Bancale, Fortenberry, Bruce, Wachtendorf, and Turner
NAYES: None
ABSENT: None
MOTION PASSED.

WORKSHOP - Continued

Mayor Pro Tem Wilbert “Walky” Wachtendorf reconvened the Workshop Meeting at 7:32 PM.

2. **BRIEFING AND DISCUSSION CONCERNING CITY OF HEWITT STRATEGIC PLAN 2021-2026 (Continued).**

➤ **Fire Department** – Presented by Fire Chief Lance Bracco
General discussion concerning response times, overlapping calls, staffing needs, fire apparatus needs and the need for an additional fire sub-station. City Manager Bo Thomas stated that a funding source would be a question to direct to the community via a future ballot provision.

Note: Mayor Charlie Turner left the meeting at 7:42 PM.

3. Adjourn.
MOTION: Council Member Steve Fortenberry moved to adjourn the Workshop at 8:00 PM.
SECOND: Council Member Bill Fuller
AYES: Fuller, Potter, Fortenberry, Bruce, Bancalé Wachtendorf, and Turner
NAYES: None
ABSENT: None
MOTION PASSED.

Approved: _____

ATTEST:

Lydia Lopez, City Secretary

Charles D. Turner, Mayor

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 5

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Consideration and action on reappointments to the Board of Adjustment.

STAFF RECOMMENDATION/ITEM SUMMARY:

Douglas Bergen, Charles Howard, R. Don Vardeman and Royce W. Smith (alternate) have terms that expire this month. All have agreed to serve another two year term.

These members are in good standing and staff recommends approval of this item.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

“I move approval of the reappointments of Douglas Bergen, Charles Howard, R. Don Vardeman, and Royce W. Smith (alternate) to the Board of Adjustment for a two year term ending April 2023.”

ATTACHMENTS:

Boards, Commissions, and Committees List

CITY OF HEWITT: COUNCIL, BOARDS, COMMITTEES, AND COMMISSIONS

City Hall 666-6171 (Fax 666-6014); Community Services 666-2447; Utility Billing 666-3151 (after hrs emergency 666-6272); Police Adm. 666-1661; Drug Tips 666-3333; Animal Control 666-6272; Library 666-2442; Park Reservations 666-6173; Municipal Court 666-1208; Chamber of Commerce 666-1200. City of Hewitt web site: www.cityofhewitt.com; Email: citysecretary@cityofhewitt.com

City Council 2 Yr Term - May	Board of Adjustment 2 Yr Term - April	Planning & Zoning Commission 3 Yr Term - June	Parks & Beautification Committee 2 Yr Term - December	Library Board of Directors 2 Yr Term - December
1st & 3rd Mon 7 pm	3rd Thurs 6 pm	1st Tues. 6 pm	3rd Wed. 6 pm	Quarterly as needed
Mayor Charlie Turner Ward 1 (05-2021) 209 Laredo Dr. 709-3614	Chairman (04-2022) Jim Winton 1136 Heatherwood 857-9436	(06-2022) Paul D. Lasater 1112 Heatherwood 716-0025	(12-2022) Jerry Snider 108 Brenda Drive 307-0613	(12-2022) Jerry Snider 108 Brenda Drive 307-0613
Mayor Pro Tem Wilbert (Walky) Wachtendorf Ward 1 (05-2022) 328 Travis Lane 709-3989	(04-2022) Bradley T. Turner 425 W. Chapman 723-4912	(06-2022) VACANCY	(12-2021) VACANCY	(12-2021) Betty J. Smith 709 Seminole Trail 666-7931
Bill Fuller Ward 2 (05-2022) 218 Chelsea/PO Box 568 709-3998	(04-2021) Douglas Bergen 264 Earle Road 666-0855	(06-2022) Walter H. Peterson 500 Moss Hill Road 757-5128	(12-2021) Casey Lowrey 700 Wind Hill Drive 424-1266	(12-2022) Julie Holcomb 112 Travis Ln. 972-935-4528
Bob Potter Ward 2 (05-2021) 409 W Wall Street 709-3666	(04-2021) Charles Howard 155 Ellis Farm Road 732-4746	(06-2023) VACANCY	(12-2021) Ann E. Schiltz 1220 Dendron Drive 666-4291	(12-2022) Lydia Dashner 520 Angel Fire Drive 666-9623
Erica Bruce Ward 3 (05-2021) 717 Fieldstone 709-4050	(04-2021) R. Don Vardeman 432 S First Street 227-4495	(06-2023) Bobby Drake 107 Westchester Way 772-7440	(12-2022) Conway Briscoe 602 Madison Circle (972) 750-1378	(12-2022) Jennifer Hunt 228 Cross Country Drive 498-0102
Steve Fortenberry Ward 3 (05-2022) 701 Oakmont Drive 709-0030	Alternate (04-2022) VACANCY	(06-2023) Michael Lee Hix 336 Bowie Lane 723-5071	(12-2022) VACANCY	(12-2021) Ronald G. Smith 305 Cedarwood Lane 666-7460
Michael S. Bancale At-Large (05-2021) 909 Stoneridge Drive 709-3522	Alternate (04-2021) Royce W. Smith 1128 Regina 652-3099	(06-2023) Travis Bailey 412 Oklahoma Ave. 666-1492	(12-20220) Jamie McKinney 411 Karen Street (713) 824-4003	(12-2021) Sally Goldman 132 Texas 666-2436

Updated: 2/25/2021

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 6

SUBMITTED BY: Kevin Reinke, Utilities Director

ITEM DESCRIPTION:

Ratify expenditures for pump and motor repairs to McLemore Water Plant to Jurgensen Pump, LLC, in the amount of \$15,591.

STAFF RECOMMENDATION/ITEM SUMMARY:

The electrical motor failed and needed repair. The efficiency of the vertical turbine pump was declining and was in need of repairs too. The vertical turbine pump was last rebuilt in 2009.

FISCAL IMPACT:

Amount Budgeted – \$55,000.00
Line Item in Budget – 20-50365-91-00

SUGGESTED MOTION:

I move to ratify expenditures for pump and motor repairs at McLemore Water Plant to Jurgensen Pump, LLC, in the amount of \$15,591.

ATTACHMENTS:

Invoice



JURGENSEN PUMP, LLC
PO Box 710
Valley Mills, TX 76689

Phone # 254-932-6251 Fax # 254-932-6770

City of Hewitt
P.O. Box 219
Hewitt, TX 76643

Date	3/31/2021
Invoice #	6010

REGULATED BY THE TEXAS
DEPARTMENT
OF LICENSING & REGULATIONS
PO BOX 12157
AUSTIN, TX 78711
LICENSE #54576

WARRANTY: New well equipment is covered by Manufacturer's Warranties and these warranties are the responsibility of the Manufacturers.
LABOR WARRANTY: Is 30-days on installation of new well equipment.

Date of Job	PO #	Project	Terms
3/31/2021		McLemore Circle Booster Statio...	Net 30

Qty	Description	Rate	Amount
	McLemore Circle Booster Station Pump #2 Flowserve 10FM - 6 Stage 625 GPM at 240' TDH 50HP / 3PH / 460V / 1800RPM		
1	Field Service to Pull Pump and Motor for Repair Due to Motor Failure	500.00	500.00
1	Teardown / Inspect Vertical Turbine Pump	1,000.00	1,000.00
1	Repair Vertical Turbine Pump - Replace bowl shaft 1-1/2" x 78-1/8" 416SS - Replace bowl bearings - bronze - Install (6) case wear rings - bronze - Reuse 6" THD column pipe - Replace line shaft 1-3/16" x 26-1/4" 416SS - Reuse shaft coupling 1-3/16" - Replace motor shaft 1-3/16" x 35" 416SS - Reuse cast iron discharge head - Replace stuffing box bearing - bronze - Replace 16" can gasket - Reuse all bolting - Blast & coat bowl, column, discharge head - Assemble pump	10,391.00	10,391.00
1	Repair 50HP VHS Motor - rewind stator, replace bearings, clean and assemble	2,950.00	2,950.00
1	Field Service to Install / Start-Up VTP	750.00	750.00
	Subtotal		\$15,591.00
	Sales Tax (0.00)		\$0.00

Thank you for your business! Make checks payable to Jurgensen Pump.

Total \$15,591.00

Thank you for your Business!!!!

HEWITT TEXAS

COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 7

SUBMITTED BY: Kevin Reinke, Utilities Director

ITEM DESCRIPTION:

Ratify the expenditures for electrical repairs at Lift Station 2-1 to Wallace Controls & Electric, LLC, in the amount of \$3,208.63.

STAFF RECOMMENDATION/ITEM SUMMARY:

The repairs were necessary as multiple electrical items at Lift Station 2-1 were damaged during the ice/snow storm in February.

FISCAL IMPACT:

Amount Budgeted – \$40,000.00

Line Item in Budget – 20-50375-91-00

SUGGESTED MOTION:

I move to ratify the repair purchase of the electrical repairs at Lift Station 2-1 to Wallace Controls & Electric, LLC, in the amount of \$3,208.63.

ATTACHMENTS:

Invoice

WALLACE CONTROLS & ELECTRIC, INC
BOX 31
MERIDIAN, TX. 76665
254-435-2544

Texas State License 22928

Bill To	
CITY OF HEWITT 200 PATRIOT COURT HEWITT, TX 76643	

P.O. No.	Terms	Project

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COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 8

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Briefing and discussion concerning Financial Statements ending March 31, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

The financial statements ending March 31, 2021, were sent electronically to City Council on April 8, 2021. This is an opportunity for the council to ask any questions or make comments.

FISCAL IMPACT:

Amount Budgeted – N/A
Line Item in Budget – N/A

SUGGESTED MOTION:

No action required.

ATTACHMENTS:

None.



COUNCIL AGENDA ITEM FORM

MEETING DATE: April 19, 2021

AGENDA ITEM #: 9

SUBMITTED BY: Lee Garcia, Finance Director

ITEM DESCRIPTION:

Consideration and action on approval of Quarterly Investment Report for the quarter ending March 31, 2021.

STAFF RECOMMENDATION/ITEM SUMMARY:

The City's Investment policy, Section XI. Reporting (PFIA 2256.023) requires the preparation of a quarterly report for the City Council. Please see the following Investment Report for the quarter ending March 31, 2021.

FISCAL IMPACT:

Amount Budgeted – n/a
Line Item in Budget – n/a

SUGGESTED MOTION:

I move approval of the Quarterly Investment Report as of March 31, 2021.

ATTACHMENTS:

Quarterly Investment Report

City of Hewitt

QUARTERLY INVESTMENT REPORT

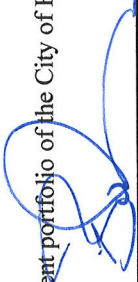
For the Quarter Ended

March 31, 2021

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Hewitt is in compliance with the Public Funds Investment Act and the Investment Policy and its incorporated strategies.


City Manager


Finance Director

Accountant

Disclaimer: These reports were compiled using information provided by the City. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	December 31, 2020			March 31, 2021		
	Book Value	Market Value		Book Value	Market Value	Ave. Yield
Pools/DDA/MMA	\$ 15,519,619	\$ 15,519,619		\$ 17,949,762	\$ 17,949,762	0.46%
Securities/CDS	3,722,692	3,722,692		3,739,366	3,739,366	1.83%
Totals	\$ 19,242,310	\$ 19,242,310		\$ 21,689,128	\$ 21,689,128	0.70%

Current Quarter Average Yield (1)

Total Portfolio	0.70%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.09%
TexPool	0.02%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.71%
Rolling Three Month Treasury	0.08%
Rolling Six Month Treasury	0.10%
TexPool	0.05%

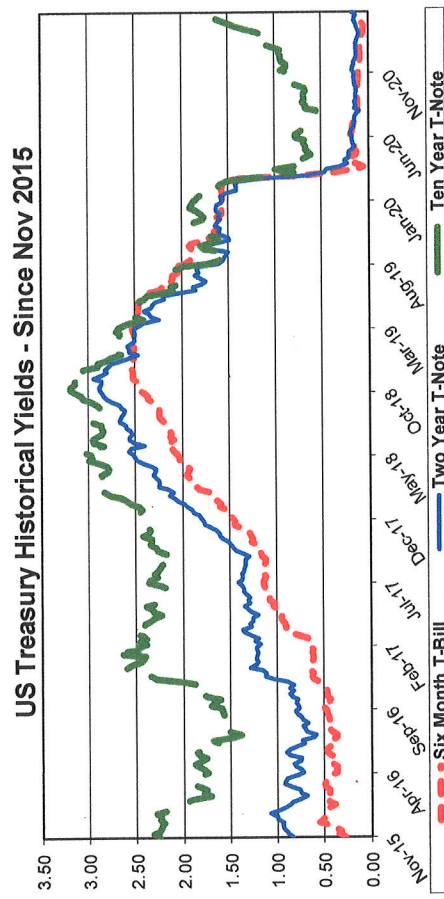
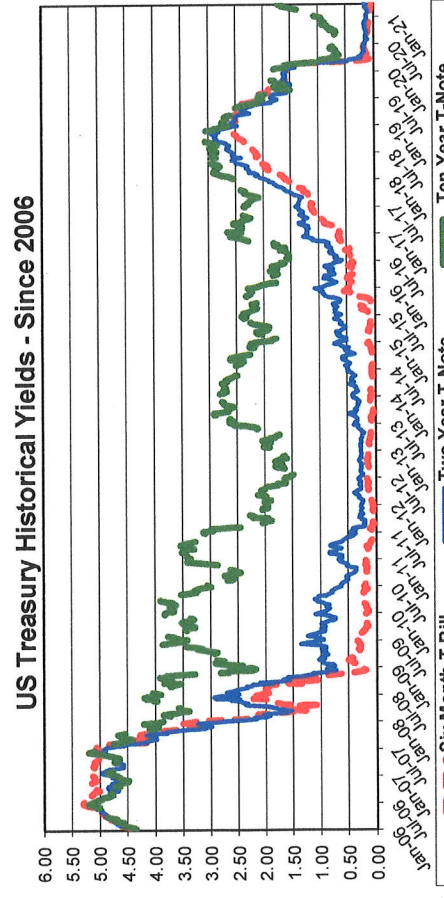
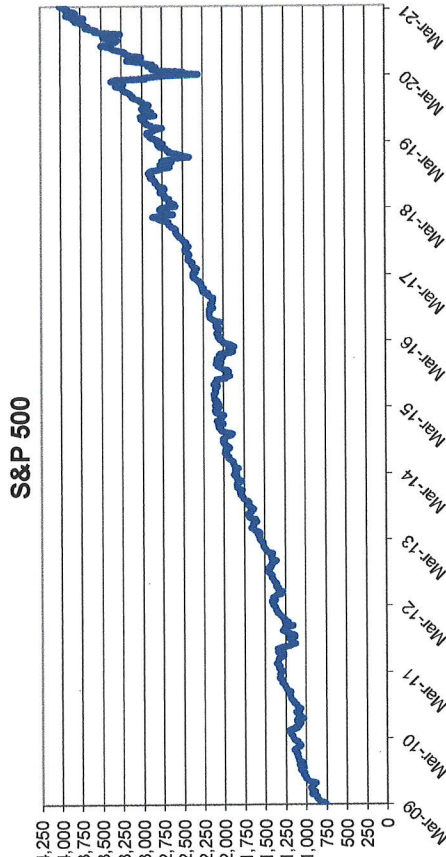
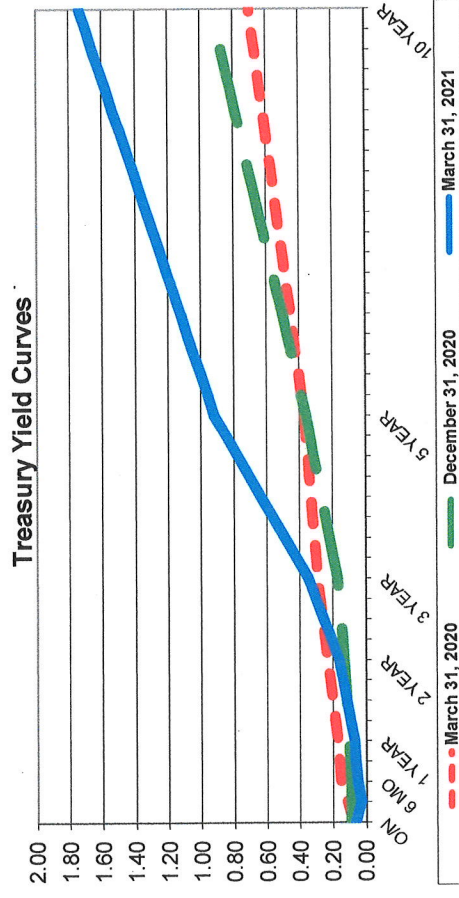
Interest Earnings (Approximate)

Quarterly Interest Income	\$ 35,957
Fiscal Year-to-date Interest Income	\$ 68,810

(1) **Current Quarter Average Yield** - calculated using quarter end report yields and adjusted book values; does not reflect a total return analysis, realized or unrealized gains/losses, or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yields** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projected that reduced rates could remain into 2023 or longer. Fourth Quarter GDP finalized at +4.3%. March Non Farm Payroll added 916k and Unemployment declined to 6.0%. Crude oil traded above \$60 per barrel. The Stock Markets reached new highs. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators showed solid gains. An additional \$1.9 trillion stimulus package passed Congress and was signed by the President. The Yield Curve continued steepening on longer maturities.



Investment Holdings
March 31, 2021

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Cash on Hand		0.00%	04/01/21	03/31/21	\$ 2,000	\$ 2,000	1.00	\$ 2,000	1	0.00%
Independent Bank - MMA		0.55%	04/01/21	03/31/21	14,444,955	14,444,955	1.00	14,444,955	1	0.55%
Southside Bank - MMA		0.10%	04/01/21	03/31/21	3,229,843	3,229,843	1.00	3,229,843	1	0.10%
TexPool	AAA-m	0.02%	04/01/21	03/31/21	272,964	272,964	1.00	272,964	1	0.02%
04/14/21 - Alliance Bank CD		1.10%	04/14/21	04/16/20	935,422	935,422	100.00	935,422	14	1.12%
04/19/21 - Alliance Bank CD		1.10%	04/19/21	04/19/20	824,616	824,616	100.00	824,616	19	1.12%
07/19/21 - Alliance Bank CD		2.45%	07/19/21	07/19/19	1,979,328	1,979,328	100.00	1,979,328	110	2.47%
Total					\$ 21,689,128	\$ 21,689,128		\$ 21,689,128	12 (1)	0.70% (2)

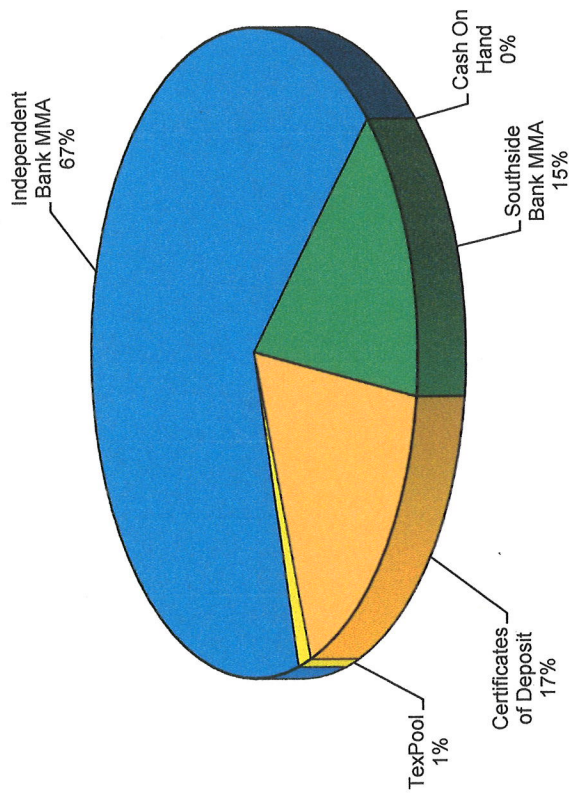
(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for pool, and bank account investments.

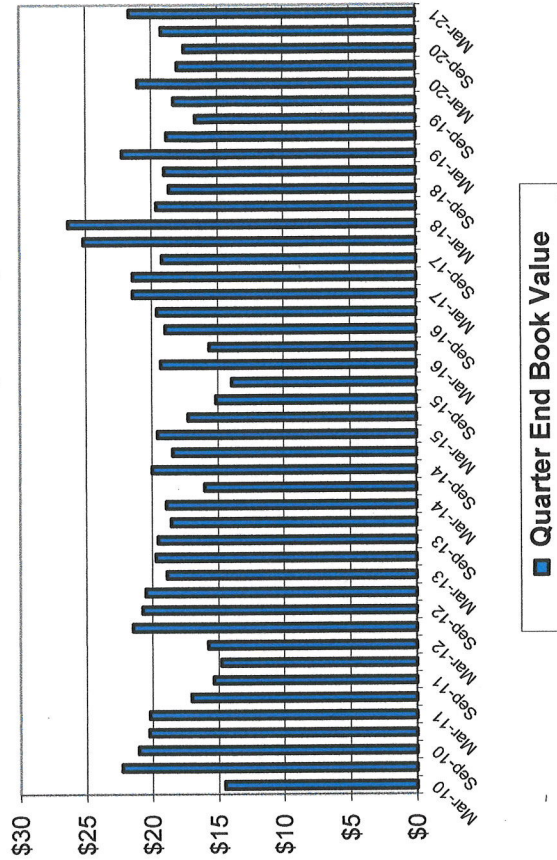
Portfolio Holdings
Group By: Issuer
As of 3/31/2021

Asset Class	Description	Amount	Maturity Date
ALLIANCE BANK			
10-124 AB 90 Day Reserve	ALLIANCE BANK 1.1 4/14/2021	935,422.25	04/14/2021
10-132 AB 90 Day Res	ALLIANCE BANK 2.45 7/19/2021	937,576.24	07/19/2021
20-166 AB Debt	ALLIANCE BANK 2.45 7/19/2021	1,041,751.40	07/19/2021
20-272 UF Oper Res AB	ALLIANCE BANK 1.1 4/19/2021	824,616.23	04/19/2021
		3,739,366.12	
Cash on Hand			
None	Cash on Hand Cash	700.00	
None	Cash on Hand Cash	1,300.00	
		2,000.00	
Independent Bank			
10-115 GF-Oper FY 2021	Independent Bank MM	1,904,858.00	
10-120 GF-Operating	Independent Bank MM	726,058.96	
10-121 IB GF Oper Funds	Independent Bank MM	1,667,436.00	
10-125 GF 90 Day Reserve	Independent Bank MM	140,241.02	
10-130 GF-I&S	Independent Bank MM	1,858,421.56	
10-135 GF-Street Res	Independent Bank MM	813.32	
10-138 PEG Acct	Independent Bank MM	405,711.65	
10-140 Payroll	Independent Bank MM	1,210.23	
10-160 HHIT	Independent Bank MM	649.21	
12-120 DF Oper	Independent Bank MM	308,043.45	
15-120 St Cap Oper	Independent Bank MM	94,940.67	
18-120 2017 Bond Fund	Independent Bank MM	1,850,097.03	
20-120 UF-Operating	Independent Bank MM	428,862.50	
20-120 UF-Operating	Independent Bank MM	2,500,000.00	
20-122 UF-Oper Res IB	Independent Bank MM	472,114.64	
20-138 UF-Debt	Independent Bank MM	556,785.76	
20-140 UF-Deposits	Independent Bank MM	510,576.69	
25-120 UF Cap Oper	Independent Bank MM	894,325.37	
40-120 Hotel Fund Oper	Independent Bank MM	123,808.94	
		14,444,955.00	
Southside Bank			
10-265 GF-St Res-SSB	Southside Bank MM	216,613.39	
10-266 GF-Oper-SSB	Southside Bank MM	1,014,661.51	
10-267 GF-I&S-SSB	Southside Bank MM	489,226.85	
20-265 UF Oper-SSB	Southside Bank MM	959,084.51	
20-266 UF Debt-SSB	Southside Bank MM	317,315.92	
20-267 UF Equip-SSB	Southside Bank MM	232,940.45	
		3,229,842.63	
TexPool			
10-200 GF-Reserve-Txpl	TexPool LGIP	88,331.88	
10-201 GF-St Res-Txpl	TexPool LGIP	11,151.00	
10-203 GF-I&S-Txpl	TexPool LGIP	1,840.85	
15-200 St Cap-Txpl	TexPool LGIP	12,961.48	
20-200 UF Oper-Txpl	TexPool LGIP	23,416.52	
20-201 UF Dep-Txpl	TexPool LGIP	1,629.35	
20-203 UF Equip-Txpl	TexPool LGIP	5,550.09	
20-204 UF Debt-Txpl	TexPool LGIP	117,728.25	
25-200 UF Cap-Txpl	TexPool LGIP	10,354.81	
		272,964.23	
Total Portfolio		21,689,127.98	

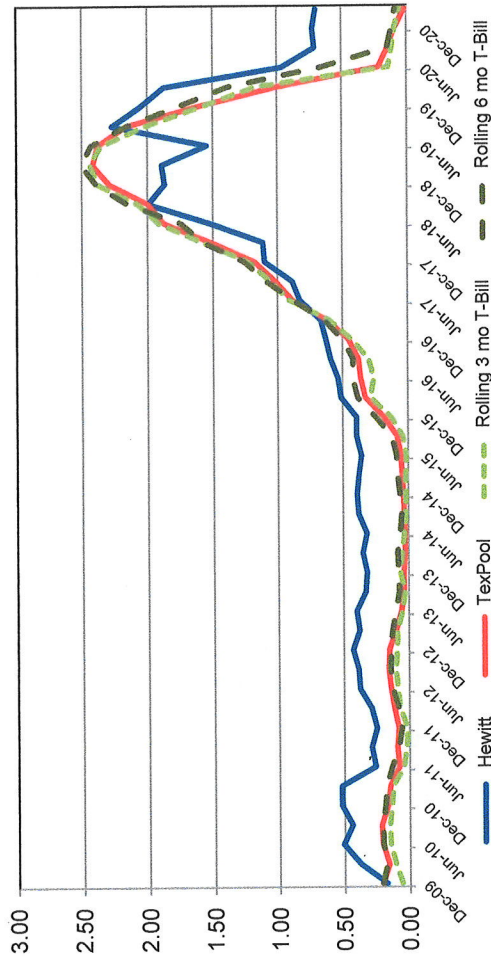
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Portfolio Holdings
Group By: Portfolio Name
As of 3/31/2021

Description	YTM @ Cost	Amount	Maturity Date	Days To Maturity
GF Unrestricted Funds				
Independent Bank MM	0.550	1,667,436.00		
Southside Bank MM	0.100	1,014,661.51		
		2,682,097.51		
GF Operating Funds				
Cash on Hand Cash	0.000	700.00	Cash	
Independent Bank MM	0.550	726,058.96	Operating Funds-Daily	
Independent Bank MM	0.550	1,904,858.00	Operating Funds-Apr-Oct	
Independent Bank MM	0.550	1,210.23	Payroll	
Independent Bank MM	0.550	649.21	HHIT	
		2,633,476.40		
GF Street Reserve				
Independent Bank MM	0.550	813.32		
Southside Bank MM	0.100	216,613.39		
TexPool LGIP	0.019	11,151.00		
		228,577.71		
GF Tax I&S				
Independent Bank MM	0.550	1,858,421.56		
Southside Bank MM	0.100	489,226.85		
TexPool LGIP	0.019	1,840.85		
		2,349,489.26	Req'd Reserves=\$559,796	
GF 90 Day Reserve				
ALLIANCE BANK 1.1 4/14/2021	1.100	935,422.25	04/14/2021	14
ALLIANCE BANK 2.45 7/19/2021	2.450	937,576.24	07/19/2021	110
Independent Bank MM	0.550	140,241.02		
TexPool LGIP	0.019	88,331.88		
		2,101,571.39	Req'd Reserves=\$2,084,669	
PEG Account				
Independent Bank MM	0.550	405,711.65		
		405,711.65		
Total General Fund Portfolio				
		10,400,923.92		
Hotel Fund				
Independent Bank MM	0.550	123,808.94		
		123,808.94		
GF Capital Projects				
Independent Bank MM	0.550	94,940.67		
TexPool LGIP	0.019	12,961.48		
		107,902.15		
2017 Bond Fund				
Independent Bank MM	0.550	1,850,097.03		
		1,850,097.03		

UF Unrestricted Funds				
Independent Bank MM	0.550	2,500,000.00		
Southside Bank MM	0.100	959,084.51		
		3,459,084.51		
Utility Operating Funds				
Cash on Hand Cash	0.000	1,300.00		
Independent Bank MM	0.550	428,862.50		
TexPool LGIP	0.019	23,416.52		
		453,579.02		
UF Equipment Reserves				
Southside Bank MM	0.100	232,940.45		
TexPool LGIP	0.019	5,550.09		
		238,490.54		
UF Water Deposits				
Independent Bank MM	0.550	510,576.69		
TexPool LGIP	0.019	1,629.35		
		512,206.04		
UF Self-Supt Debt				
ALLIANCE BANK 2.45 7/19/2021	2.450	1,041,751.40	07/19/2021	110
Independent Bank MM	0.550	556,785.76		
Southside Bank MM	0.100	317,315.92		
TexPool LGIP	0.019	117,728.25		
		2,033,581.33	Req'd Reserves=\$545,647	
UF 90 Day Reserve				
ALLIANCE BANK 1.1 4/19/2021	1.100	824,616.23	04/19/2021	19
Independent Bank MM	0.550	472,114.84		
		1,296,730.87	Req'd Reserves=\$1,246,632	
Total Utility Portfolio		7,993,672.31		
Drainage Fund				
Independent Bank MM	0.550	308,043.45		
		308,043.45		
UF Capital Projects				
Independent Bank MM	0.550	894,325.37		
TexPool LGIP	0.019	10,354.81		
		904,680.18		
Total Portfolio	0.695	21,689,127.98		

Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/20	Increases	Decreases	Book Value 03/31/21	Market Value 12/31/20	Change in Market Value	Market Value 03/31/21
Cash on Hand	0.00%	04/01/21	\$ 1,950	\$ 50	\$ -	\$ 2,000	\$ 1,950	\$ 50	\$ 2,000
Independent Bank - MMA	0.55%	04/01/21	12,015,682	2,429,273	-	14,444,955	12,015,682	2,429,273	14,444,955
Southside Bank - MMA	0.10%	04/01/21	3,229,054	789	-	3,229,843	3,229,054	789	3,229,843
TexPool	0.02%	04/01/21	272,933	31	-	272,964	272,933	31	272,964
04/14/21 - Alliance Bank CD	1.12%	04/14/21	932,890	2,533	-	935,422	932,890	2,533	935,422
04/19/21 - Alliance Bank CD	1.12%	04/19/21	822,384	2,233	-	824,616	822,384	2,233	824,616
07/19/21 - Alliance Bank CD	2.47%	07/19/21	1,967,418	11,909	-	1,979,328	1,967,418	11,909	1,979,328
TOTAL / AVERAGE	0.70%		\$ 19,242,310	\$ 2,446,818	\$ -	\$ 21,689,128	\$ 19,242,310	\$ 2,446,818	\$ 21,689,128

Allocation By Fund
March 31, 2021

Book and Market Value	Cash on Hand	Independent Bank - MMA (0.55%)	TexPool (0.0187%)	Southside Bank - MMA (0.10%)	04/14/21 - Alliance Bank (1.1%)	04/19/21 - Alliance Bank (1.1%)	07/19/21 - Alliance Bank (2.45%)	Total
GF Operating	\$ 700	\$ 4,298,353	\$ 88,332	\$ 1,014,662	\$ -	\$ -	\$ -	\$ 5,402,046
GF Street Reserve	-	813	11,151	216,613	-	-	-	228,578
GF Tax I&S	-	1,858,422	1,841	489,227	-	-	-	2,349,489
GF 90 Day Reserves	-	140,241	-	-	935,422	-	937,576	2,013,240
PEG Account	-	405,712	-	-	-	-	-	405,712
Street Capital	-	94,941	12,961	-	-	-	-	107,902
Hotel Fund	-	123,809	-	-	-	-	-	123,809
HHIT	-	649	-	-	-	-	-	649
Drainage Fund	-	308,043	-	-	-	-	-	308,043
Payroll Account	-	1,210	-	-	-	-	-	1,210
UF Operating	1,300	2,928,863	23,417	959,085	-	-	-	3,912,664
UF Deposits	-	510,577	1,629	-	-	-	-	512,206
UF Self-Supporting	-	556,786	117,728	317,316	-	-	1,041,751	2,033,581
UF 90-Day Reserves	-	472,115	-	-	-	824,616	-	1,296,731
UF Equipment	-	-	5,550	232,940	-	-	-	238,491
UF Capital (2016 Bonds)	-	894,325	10,355	-	-	-	-	904,680
2017 Bond Funds	-	1,850,097	-	-	-	-	-	1,850,097
Totals	\$ 2,000	\$ 14,444,955	\$ 272,964	\$ 3,229,843	\$ 935,422	\$ 824,616	\$ 1,979,328	\$ 21,689,128

Allocation By Fund

December 31, 2020

Book and Market Value	Cash on Hand	Independent Bank - MMA (0.55%)	TexPool (0.0909%)	Southside Bank - MMA (0.15%)	04/14/21 - Alliance Bank (1.1%)	04/19/21 - Alliance Bank (1.1%)	07/19/21 - Alliance Bank (2.45%)	Total
GF Operating	\$ 650	\$ 2,534,647	\$ 88,322	\$ 1,014,414	\$ -	\$ -	\$ -	\$ 3,638,033
GF Street Reserve	-	812	11,150	216,560	-	-	-	228,522
GF Tax I&S	-	991,539	1,841	489,107	-	-	-	1,482,488
GF 90 Day Reserves	-	140,051	-	-	932,890	-	931,935	2,004,876
PEG Account	-	399,047	-	-	-	-	-	399,047
Street Capital	-	94,812	12,960	-	-	-	-	107,772
Hotel Fund	-	135,691	-	-	-	-	-	135,691
HHIT	-	645	-	-	-	-	-	645
Drainage Fund	-	288,284	-	-	-	-	-	288,284
Payroll Account	-	1,181	-	-	-	-	-	1,181
UF Operating	1,300	3,075,825	23,414	958,850	-	-	-	4,059,390
UF Deposits	-	503,975	1,629	-	-	-	-	505,604
UF Self-Supporting	-	82,416	117,715	317,238	-	-	1,035,483	1,552,852
UF 90-Day Reserves	-	471,475	-	-	-	822,384	-	1,293,859
UF Equipment	-	-	5,550	232,884	-	-	-	238,433
UF Capital (2016 Bonds)	-	1,185,259	10,354	-	-	-	-	1,195,613
2017 Bond Funds	-	2,110,022	-	-	-	-	-	2,110,022
Totals	\$ 1,950	\$ 12,015,682	\$ 272,933	\$ 3,229,054	\$ 932,890	\$ 822,384	\$ 1,967,418	\$ 19,242,310