Mitchell Jordan, Mayor
Sean Conner, Council District #1
Ava Harmon, Council District #2
James Smith, Council District #3
Kenneth Davidson, Council District #4
Angela Woodard, Council District #5
Christopher Gibbs, Council District #6

Teresa Herrera, City Manager
April Jackson, City Secretary
Rezzin Pullum, City Attorney

NOTICE OF MEETING
CITY COUNCIL AGENDA
February 24, 2025
Work Session at 5:10 p.m.
Regular Meeting at 5:30 p.m.
City Council Chambers
504 N. Queen Street
Palestine, Texas

Zoom Link:
https://us02web.zoom.us/j/81075358757?pwd=Mz0CKCMi38VA6XUGkeVJ60rQ0mHGNU.1

Meeting ID: 810 7535 8757
Passcode: 931374

One tap mobile
+13462487799,,81075358757#,,,,*931374# US

Note: when you are joining a Zoom meeting by phone, you can use your phone's dial pad to enter the commands *6 for toggling mute/unmute and *9 to "raise your hand." Learn more here.

Follow us live at: facebook.com/palestinetx

WORK SESSION

1. Discussion regarding the renaming of a street in honor of Curtis Wayne Fitzgerald. Ava Harmon, Mayor Pro Tem

REGULAR MEETING

A. **CALL TO ORDER**

B. **INVOCATION AND PLEDGE OF ALLEGIANCE**

C. **PROPOSED CHANGES OF AGENDA ITEMS**

D. **PUBLIC RECOGNITION, PUBLIC COMMENTS, AND ANNOUNCEMENTS**

Any citizen wishing to speak during public comments regarding an item on or off the agenda may do so after completing the required Request to Speak form. All comments must be no more than five minutes in length. Any comments regarding items not on the posted agenda may not be discussed or responded to by the City Council. Members of the public may join via Zoom or in person.

It is not the intention of the City of Palestine to provide a public forum for the embarrassment or demeaning of an individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty, and/or integrity of any person or threaten any person. Accordingly, profane, insulting, or threatening language will not be read aloud at the meeting.

1. Recognition honoring the life of Curtis Wayne Fitzgerald. Mitchell Jordan, Mayor

E. **CONFLICT OF INTEREST DISCLOSURES**

F. **PUBLIC HEARINGS**

1. Public hearing regarding a request for a Specific Use Permit for an Impound Vehicle Storage Facility use at 1921 Crockett Road. Susan Davis, Planning Tech.
   a. Open Public Hearing
   b. Receive Public Comments
   c. Close Public Hearing
2. Public hearing regarding an ordinance providing for a change in zoning classification to Urban Residential for a recently annexed tract described as an approximately 18.63-acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan. Susan Davis, Planning Tech.
   a. Open Public Hearing
   b. Receive Public Comments
   c. Close Public Hearing
3. Public hearing regarding a Final Plat for the Hidden Hills Addition, Unit 1. Susan Davis, Planning Tech.
   a. Open Public Hearing
   b. Receive Public Comments
   c. Close Public Hearing

G. **CITY MANAGER'S REPORT**

1. Presentation on the Palestine, TX Mobile App. Andrew Sibai, Finance Director
2. January 2025 Financial Statement
3. January 2025 Police Monthly Report
4. January/February 2025 Economic Development Monthly Report

H. **CONSENT AGENDA**

The following items may be acted upon in one motion. No separate discussion or action is necessary unless requested by the Mayor or a Council Member, in which event those items will be pulled for separate consideration. Approval of the consent agenda authorizes the City Manager to implement each item in accordance with staff recommendations.

1. Consider approval of the minutes of the Work Session and Regular Agenda of February 10, 2025. April Jackson, City Secretary
2. Consider approval of a resolution authorizing membership in the Atmos Cities Steering Committee and the payment of five cents per capita to the Atmos Cities Steering Committee to fund regulatory and related activities related to Atmos Energy Corporation. Teresa Herrera, City Manager
3. Consider approval of an ordinance amending Ordinance No. O-06-25, calling and ordering a Special Election to be held on May 3, 2025, for the purpose of submitting a proposition on the reauthorization of the local sales and use tax at the rate of one-eighth (1/8) of one percent (1%) to continue providing revenue for the maintenance and repair of municipal streets. April Jackson, City Secretary
4. Consider approval of a resolution amending the City of Palestine Investment Policy to comply with the Texas Public Funds Investment Act and providing a review of the investment policy as required by law. Andrew Sibai, Finance Director

5. Consider approval of an ordinance amending Ordinance No. O-03-25, providing for a change in zoning classification for I, Industrial to MR, Mixed Residential at 111 Kentucky Street, 115 Kentucky Street, and 0 Ohio Street; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan. Susan Davis, Planning Tech.
6. Consider approval of a Downtown Grant Performance Agreement between the Palestine Economic Development Corporation and Bill Byers, in an amount not to exceed $13,819.50. Christophe Trahan, EDC Director
7. Consider approval of a Community Development Grant Performance Agreement between the Palestine Economic Development Corporation and Meals on Wheels of Palestine, Inc., in an amount not to exceed $75,000.00. Christophe Trahan, EDC Director
8. Consider approval of a Community Development Grant Performance Agreement between PEDC and Dogwood Arts Council, Inc., in an amount not to exceed $75,000.00. Christophe Trahan, EDC Director
9. Consider authorizing the City Manager to execute an Interlocal Agreement with the East Texas Council of Governments (ETCOG) for GoBus Transit for the annual Shuttle Service in 2025 in the amount of $16,000.00. Cassie Ham, Tourism Marketing Manager
10. Consider approval of the updated operating hours for the Palestine Visitor Center. Cassie Ham, Tourism Marketing Manager

I. REGULAR AGENDA

1. Discussion and possible action regarding awarding the bid for the Airport Hangars Project. Teresa Herrera, City Manager
2. Discussion and possible action regarding a Second Amendment to Performance Agreement between the Palestine Economic Development Corporation, Lonestar Oil Tech, LLC, and Texas Futura, LLC. Christophe Trahan, EDC Director
3. Discussion and possible action regarding a First Amendment to Performance Agreement between Palestine Economic Development Corporation, Callizo Aromas LLC, and Perfect Life TX LLC. Christophe Trahan, EDC Director
4. Discussion and possible action regarding an ordinance granting a Specific Use Permit for an Impound Vehicle Storage Facility use at 1921 Crockett Road. Susan Davis, Planning Tech.
5. Discussion and possible action regarding an ordinance providing for a change in zoning classification to Urban Residential for a recently annexed tract described as an approximately 18.63-acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan. Susan Davis, Planning Tech.
6. Discussion and possible action regarding a Final Plat for the Hidden Hills Addition, Unit 1. Susan Davis, Planning Tech.

J. MAYOR'S REPORT

K. ITEMS FROM COUNCIL

L. CLOSED SESSION

Council will go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D.

1. Section 551.087 deliberation regarding Economic Development negotiations: Palestine Mall Redevelopment, LLC.

M. RECONVENE IN REGULAR SESSION

1. Take any action necessary regarding Palestine Mall Redevelopment, LLC.

N. **ADJOURNMENT**

The Palestine City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.087 (Economic Development), and §551.086 (Competitive Matters regarding Electric Utility).

I certify that the above Notice of Meeting was posted on the outdoor bulletin board at the main entrance to City Hall, 504 N. Queen Street, Palestine, Texas, in compliance with Chapter 551 of the Texas Government Code on **Friday, February 21, 2025, at 5:00 p.m.**

April Jackson, City Secretary

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA) PERSONS IN NEED OF SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, CONTACT THE CITY SECRETARY'S OFFICE VIA EMAIL AT citysecretary@palestine-tx.org or 903-731-8414.

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Specific Use Permit for Impound Vehicle Storage Facility at 1921 Crockett Road
Date Submitted:	02/19/2025

SUMMARY:

Public hearing concerning a request for a Specific Use Permit for an Impound Vehicle Storage Facility use at 1921 Crockett Road, William S McDonald Survey, A-43, Block 890, Tract 8, which is zoned Retail Commercial. The applicant, Ferrell Towing, LLC, is licensed to operate a towing/vehicle impound facility and is required to maintain a solid fence around the facility and limit the number of days a vehicle can be stored at the facility. On January 17, 2025, sixteen notices were mailed to property owners within 200 feet of the location of the specific use permit request. Three (19%) have been returned in favor of the request, three (19%) have been returned in opposition, and ten (62%) have not responded. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Specific Use Permit.

RECOMMENDED ACTION:

For public hearing and consideration.

CITY MANAGER APPROVAL:

Attachments

Application
Staff Report
Ordinance

SPECIFIC USE PERMIT APPLICATION

APPLICANT INFORMATION

Applicant Name: FERRELLS TOWING LLC

Address: 1321 W PALESTINE AVE

City: PALESTINE State: TX Zip: 75801

Phone Number: 903-724-3341 Email: [redacted] Fax: 1-903-900-4444

PROPERTY DESCRIPTION

Address (if available): 1921 CROCKETT RD

Subdivision: A0043 MCDONALD WM Lot: Block: 890

Anderson County Appraisal District Block Map # 15734 Tract #: 8

Existing Deed Restrictions: ☐ Yes (Attach a copy with the application) ☑ No

Proposed Deed Restrictions: ☐ Yes (Attach a copy with the application) ☑ No

PRESENT USE OF PROPERTY

Describe how the property is currently being used: VACANT

PROPOSED USE OF PROPERTY

Describe the proposed use of the property (be specific):

IMPOUND VEHICLE STORAGE FACILITY

TOW TRUCK COMPANY

Attach additional sheets if necessary including any surveys or drawings that will show the proposed improvements on the property.

CITY COUNCIL
AGENDA DATE: February 24, 2025
ITEM XZ-25-01 / STAFF REPORT

REQUEST:	A specific use permit to allow an Impound Vehicle Storage Facility use to be placed at 1921 Crockett Road
APPLICANT:	Ferrells Towing, LLC
EXHIBITS:	Application, Maps and Photos
PREPARED BY:	Susan Davis, Planning Tech

PROPERTY INFORMATION

LOCATION:	1921 Crockett Road
ZONING:	Retail Commercial
OVERLAY ZONES:	None
LAND USE:	Vacant
ADJACENT ZONING:	Retail Commercial
ACREAGE:	1.8370 acres
PROPERTY DESCRIPTION:	William S McDonald Survey, A-43, Block 890, Tract 8

SUMMARY OF REQUEST

The applicant, Ferrell Towing, LLC, applied for a specific use permit to allow an Impound Vehicle Storage Facility use at 1921 Crockett Road. Kayla Doolittle, a representative of Ferrell Towing, LLC, confirmed that the company will build a six-foot metal fence around the property to screen impounded vehicles and is also required by the Texas Department of Licensing and Regulation (TDLR) to limit the number of days a vehicle may be stored on the property.

PROPERTY ZONING AND LAND USE

The property where the Impound Vehicle Storage Facility use is proposed to be located is zoned Retail Commercial. Adjacent zoning districts include Retail Commercial to the north, east, south, and Industrial to the west.

PUBLIC NOTICE

On January 17, 2025, sixteen notices were mailed to property owners within 200 feet of the location of the specific use permit request. Three (19%) have been returned in favor of the request, three (19%) have been returned in opposition, and ten (62%) have not responded.

ZONING AND DEVELOPMENT REQUIREMENTS

Chapter 39, Article II, Section 39.2.2-13 of the Code of Ordinances for the City of Palestine requires a Specific Use Permit for a Impound Vehicle Storage Facility use in the Retail Commercial zoning district.

Supplementary Use Requirements listed in Chapter 39, Article II, Section 39.2.4-28 are listed as follows:

1. Temporary Parking and storage of impounded operable or inoperable motor vehicles is limited to a period of time not to exceed 90 days.
2. All enclosed and unenclosed facilities must be paved with an all-weather surface.
3. Vehicles may not be salvaged, dismantled, or repaired at the facility.

SPECIFIC USE PERMIT LOCATION MAP

STAFF COMMENTS

The driveway access of off Crockett Road is between existing business, which will screen the view of the facility.

PLANNING AND ZONING RECOMMENDATION

On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Specific Use Permit.

ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, GRANTING A SPECIFIC USE PERMIT FOR A IMPOUND VEHICLE STORAGE USE AT 1921 CROCKETT ROAD, ZONED RETAIL COMMERCIAL, PERTAINING TO THE PROPERTY BEING APPROXIMATELY +/- 1.8370 ACRES KNOWN AS WILLIAM S MCDONALD SURVEY, A-43, BLOCK 890, TRACT 8, CITY OF PALESTINE, ANDERSON COUNTY, TEXAS; AND PROVIDING FOR SEVERABILITY, REPEALER, AN EFFECTIVE DATE, AND PROPER NOTICE & MEETING.

WHEREAS, a public hearing was held before the Planning and Zoning Commission of the City of Palestine, Texas, on the 6th day of February, 2025, and a public hearing was before the City Council of the City of Palestine, Texas, on the 24th day of Febuary, 2025, at 5:30 p.m., where all interested persons were provided with an opportunity to be heard on a proposed application for a Specific Use Permit for an impound vehicle storage use at 1921 Crockett Road as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, said hearing being held at City Hall, with all notices being given as required by law; and

WHEREAS, the Planning and Zoning Commission gave written notice of such hearing to all real property owners within 200 feet of the hereafter described territory as reflected by the last approved tax roll for the City of Palestine, and notice being more than 10 days prior to the date of said hearing by mailing the same, properly addressed to said owners; and

WHEREAS, the Planning and Zoning Commission considered all of the testimony, and all persons present were given an opportunity to be heard, and made its final report in writing to the City Council; and

WHEREAS, the City Council considered all of the testimony, and all persons were given an opportunity to be heard; and

WHEREAS, the City Council is of the opinion that the following Ordinance should be passed and that the same is in the public interest and necessary for the promotion of health, safety, morals, and general welfare of the City.

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

SECTION 1. The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

SECTION 2. That a Specific Use Permit to allow impound vehicle storage use be granted to Ferrells Towing LLC for the property known as William S McDonald Survey, A-43, Block 890, Tract 8, City of Palestine, Anderson County, Texas, at 1921 Crockett Road as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, subject to and governed by the terms of the Ordinance.

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SECTION 3. To the extent this Ordinance represents any deviation from the City of Palestine Comprehensive Plan (the "Comprehensive Plan"), such plan is hereby amended to conform with this Ordinance.

SECTION 4. All other laws, ordinances, or resolutions, or parts of the same, that are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 5. In the event any part of this Ordinance is declared to be invalid or unconstitutional, such declaration shall not affect the remaining portions of the Ordinance, which shall remain in full force and effect as if the portion so declared invalid or unconstitutional was not originally a part of the Ordinance.

SECTION 6. This Ordinance shall be effective immediately upon passage.

SECTION 7. It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

PASSED, APPROVED, AND ADOPTED this the 24th day of February 2025, by the City Council of the City of Palestine, Texas.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Consider Assigning a Zoning District to City Annexed Property
Date Submitted:	02/19/2025

SUMMARY:

Public hearing an ordinance providing for a change in zoning classification to Urban Residential for a recently annexed tract described as an approximately 18.63-acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan. The City approved the voluntary annexation of unimproved property on December 9, 2024. Section 39.2.1-5 of the Zoning Ordinance states, "Areas Not Included. In every case where land has not been included within a district on the Zoning Map, the land is determined to be in the Residential Estate zoning district until a different zoning designation is approved by City Council." Parcels annexed into the City of Palestine should be classified as the most closely corresponding or similar zoning. The newly annexed property is adjacent to the Broadway Addition to the East and the Lakewood Addition to the South. The Broadway Addition and the Lakewood Addition are both zoned Urban Residential. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the assignment of Urban Residential zoning to the newly annexed property.

RECOMMENDED ACTION:

City Council will receive input from citizens wishing to comment on the ordinance providing for a change in zoning classification to Urban Residential for a recently annexed tract described as an approximately 18.63-acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan.

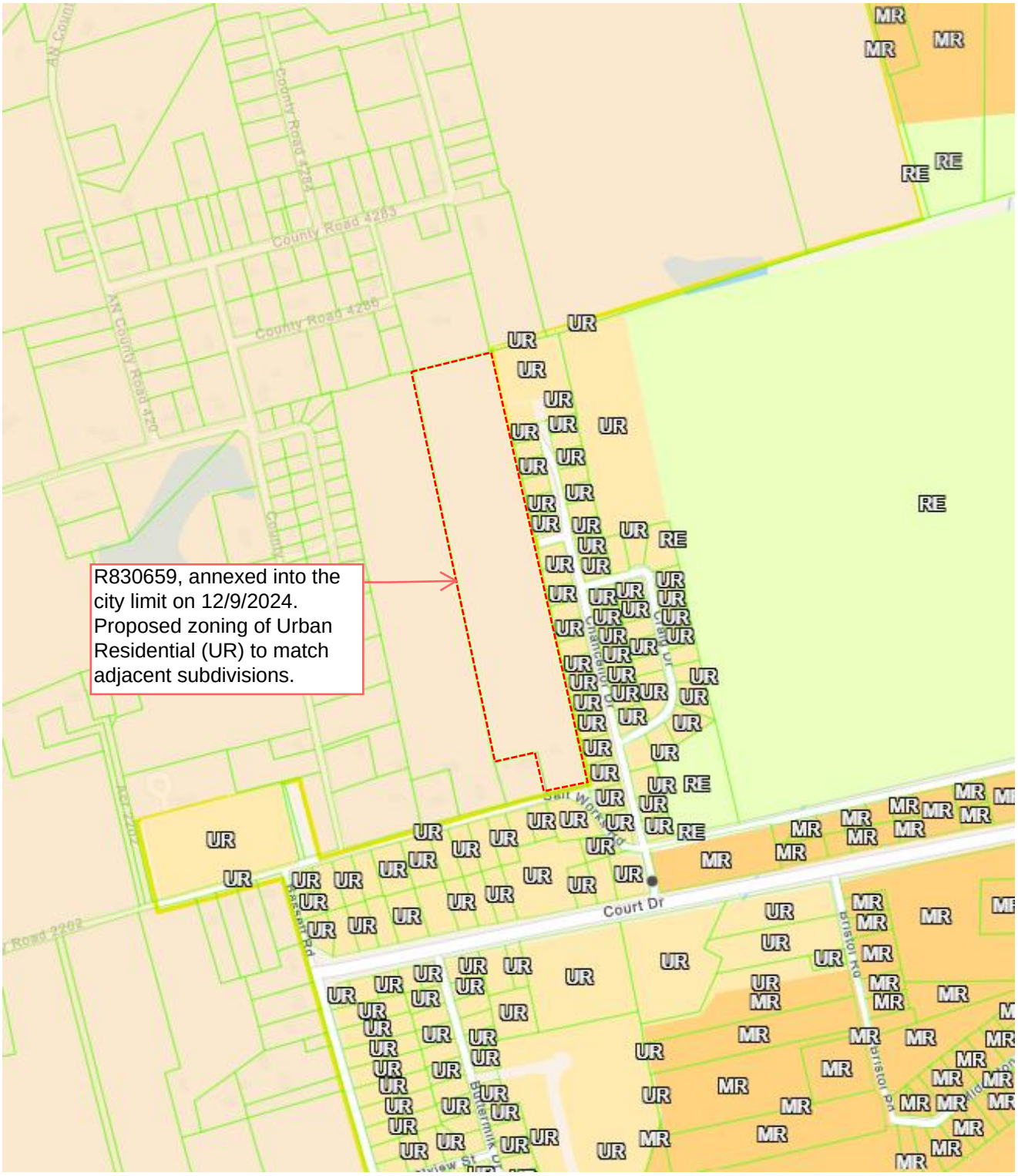
CITY MANAGER APPROVAL:

Attachments

Zoning Map

Ordinance

Zoning Map – Consideration of Zoning Newly Annexed Property



ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, PROVIDING FOR A CHANGE IN ZONING CLASSIFICATION TO URBAN RESIDENTIAL FOR A RECENTLY ANNEXED TRACT DESCRIBED AS AN APPROXIMATELY 18.63 ACRE TRACT OF LAND OUT OF THE JOSEPH JORDAN SURVEY, A-33, BLOCK 1226, TRACT 17, 17A, 17B, AND 17C; AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF PALESTINE, TEXAS; PROVIDING FOR AN AMENDMENT TO THE COMPREHENSIVE PLAN; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, this tract including approximately 18.63 acres of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C, which is depicted and described fully in Exhibit A, has been discussed in public hearings held before the Planning and Zoning Commission of the City of Palestine, Texas, and the City Council of the City of Palestine, Texas, where all interested persons were provided with an opportunity to be heard on a proposed application for annexation and zoning as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, said hearings being held at City Hall, with all notices being given as required by law; and

WHEREAS, the Planning and Zoning Commission on February 6, 2025, recommended that the City Council zone the tract as Urban Residential; and

WHEREAS, any persons present were given an opportunity to be heard, and the Planning and Zoning Commission considered all of the testimony and made its final report in writing to the City Council; and

WHEREAS, the City Council has considered all of the testimony from persons who have been present thereby providing an opportunity to be heard; and

WHEREAS, the City Council is of the opinion that the following ordinance should be passed to zone this tract recently annexed in response to a Voluntary Annexation Request by the Owner and that the same is in the public interest and necessary for the promotion of health, safety, morals and general welfare of the City.

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

SECTION 1 The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct and adopted herein for all purposes.

SECTION 2 The zoning classification of the newly annexed tract shall be approved as Urban Residential for the 18.63 acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C, which

DRAFT

is depicted and described fully in Exhibit A which is attached hereto and incorporated herein, as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, subject to and governed by the terms of the Ordinance.

SECTION 3 The zoning changes imposed by this Ordinance shall be incorporated into the Official Zoning District Map of the City of Palestine promptly after the adoption of this Ordinance by the City Council of the City of Palestine.

SECTION 4 To the extent this Ordinance represents any deviation from the current City of Palestine Comprehensive Plan, such plan is hereby amended to conform with this Ordinance.

SECTION 5 All other laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 6 In the event any part of this Ordinance is declared to be invalid or unconstitutional, such declaration shall not affect the remaining portions of the Ordinance which shall remain in full force and effect as if the portion so declared invalid or unconstitutional was not originally a part of the Ordinance.

SECTION 7 That this Ordinance shall become effective immediately upon its approval.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Palestine, Texas, at a regular meeting held on the 24th day of February 2025.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

EXHIBIT A

Property Description

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Being an 18.63 acre tract or parcel of land situated in the Joseph Jordan Survey, Abstract No. 33, Anderson County, Texas, and being part of the remainder of that certain called 25.985 acre tract of land conveyed from K.D. Calloway, et al, to David L. Castleberry, by General Warranty Deed, as recorded in Volume 2603, Page 779, Official Public Records, Anderson County, Texas, (Bearings are based on NAD 83 (2011), Texas North Central 4202, as observed by GPS. Area and distances shown hereon are at grid), and being more particularly described by metes and bounds as follows:

BEGINNING at a point at the most Westerly Southwest corner of said 25.985 acre tract, at the Northwest corner of a called 1 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 636, Official Public Records, Anderson County, Texas, and in the East line of a called 19.36 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 632, Official Public Records, Anderson County, Texas, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 11 seconds West, a distance of 3.08 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 15 degrees 26 minutes 59 seconds East, a distance of 209.95 feet;

THENCE North 15 degrees 26 minutes 59 seconds West, with the West line of said 25.985 acre tract and with the East line of said 19.36 acre tract, a distance of 1,896.75 feet to a point at the Northwest corner of said 25.985 acre tract and in the South line of Happy Acres Subdivision, as recorded in Envelope 106A, Map Records, Anderson County, Texas, from which a concrete monument found bears South 15 degrees 26 minutes 59 seconds East, a distance of 5.17 feet, a 1/2" inch rod found capped (Smith 4181) bear South 15 degrees 26 minutes 59 seconds East, a distance of 1.63 feet, and a 3/4" iron pipe found bears South 72 degrees 55 minutes 23 seconds West, a distance of 778.00 feet;

THENCE North 72 degrees 55 minutes 23 seconds East, with the North line of said 25.985 acre tract and with the South line of said Happy Acres Subdivision, a distance of 379.79 feet to a 1/2" iron rod found at the Southeast corner of Happy Acres Subdivision and the Southwest corner of a called 4.489 acre tract of land conveyed to Castillo Tower Properties, LLC, by deed as recorded in File No. 2020-1084, Official Public Records, Anderson County, Texas;

THENCE North 71 degrees 45 minutes 52 seconds East, with the North line of the remainder of said 25.985 acre tract and with the South line of said 4.489 acre tract, a distance of 20.70 feet to a 1/2" iron rod found capped (4091) for corner, from which 1/2" iron rod found capped (4091) at the Southeast corner of said 4.489 acre tract bears North 71 degrees 45 minutes 52 seconds East, a distance of 260.51 feet;

THENCE South 15 degrees 44 minutes 26 seconds East, over and across said 25.985 acre tract, a distance of 375.78 feet to a 1/2" iron rod found at an ell corner of said 25.985 acre tract and at the Northwest corner of Broadway Addition, Section 2, as recorded in Envelope 289B, Map Records, Anderson County, Texas, from which a 1/2" iron rod found capped (4091) at the most Easterly Southeast corner of said 25.985 acre tract and at the Northeast corner of said Broadway Addition, Section 2 bears North 74 degrees 17 minutes 03 seconds East, a distance of 319.98 feet;

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THENCE South 15 degrees 47 minutes 14 seconds East, with an East line of said 25.985 acre tract, with the West line of said Broadway Addition, Section 2, and with the West line of Broadway Addition, as recorded in Envelope 214A, Map Records, Anderson County, Texas, a distance of 1,728.92 feet to a point at the most Southerly Southeast corner of said 25.985 acre tract and in the North margin of Salt Works Road, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 51 seconds West, a distance of 0.17 feet and a 1/2" iron rod found capped (KGJ 1414) bears South 15 degrees 47 minutes 14 seconds East, a distance of 145.09 feet;

THENCE South 72 degrees 37 minutes 51 seconds West, with the most Southerly South line of said 25.985 acre tract and along the North margin of Salt Works Road, a distance of 202.53 feet to a point at the most Southerly Southwest corner of said 25.985 acre tract and at the Southeast corner of said 1 acre tract, from which a 1/2" iron rod found bears North 16 degrees 29 minutes 40 seconds West, a distance of 1.64 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 72 degrees 37 minutes 51 seconds West, a distance of 210.10 feet;

THENCE with the common line of said 25.985 acre tract and said 1 acre tract, the following courses and distances:
North 16 degrees 29 minutes 40 seconds West, a distance of 209.90 feet to a 1/2" iron rod found at an ell corner of said 25.985 acre tract and at the Northeast corner of said 1 acre tract;
South 72 degrees 37 minutes 11 seconds West, a distance of 206.27 feet the POINT OF BEGINNING and CONTAINING 18.63 acres of land.

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Public Hearing for the Final Plat for Hidden Hills Addition, Unit 1
Date Submitted:	02/19/2025

SUMMARY:

Public hearing concerning a Final Plat for the Hidden Hills Addition, Unit 1, containing 4.86 acres with a density of 18 lots with street and utility easements. Construction plans were submitted with the Final Plat for Unit 1 and are undergoing review by a Civil Engineer with Bureau Veritas and the Interim Director of the Public Works Department for the City of Palestine. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Final Plat contingent upon the civil plan review and approval.

RECOMMENDED ACTION:

City Council will receive input from citizens wishing to comment on the Final Plat for the Hidden Hills Addition, Unit 1.

CITY MANAGER APPROVAL:

Attachments

Plat Application - Final

Final Plat Unit 1

THE CITY OF PALESTINE TEXAS • 1846

PLAT APPLICATION

TYPE OF PLAT

☐	Amending Plat		Preliminary Plat	☒	Final Plat	☐	Minor Plat	☐	Replat

PROPERTY INFORMATION

Address (if available): _____

Legal Description: Tract 17, 17A, 17B, 17C; Block 1226 (18.63 Acres) Joseph Jordan Survey

Zoning Classification: Urban Residential

Current Property Use: Undeveloped

Reason for Plat Application: To allow for residential Single Family housing development

Proposed Subdivision Name: Hidden Hills Addition, Unit1

Existing Deed Restrictions: ☐ Yes (Attach a copy with the application) ☒ No

Proposed Deed Restrictions: ☐ Yes (Attach a copy with the application) ☒ No

APPLICANT INFORMATION

Applicant Name: JD Builders and Developers, LLC

Address: 12941 North Freeway, Suite 800B

City: Houston State: TX Zip: 77060

Phone Number: [redacted] Email: [redacted] Fax: _____

OWNER INFORMATION

Owner Name: JD Builders and Developers LLC

Address: 12941 North Freeway, Suite 800D

City: Houston State: TX Zip: 77060

Phone Number [redacted] Email: [redacted] Fax: _____

ENGINEER INFORMATION

Firm Name: The CT Brannon Corporation

Engineer Name: Robert A. Breedlove, PE

City: Tyler State: TX Zip: 75701

Phone Number: [redacted] Email: [redacted] Fax: _____

THE CITY OF PALESTINE TEXAS • 1846

PLAT APPLICATION

PROPERTY OWNER OR AUTHORIZED APPLICANT ACKNOWLEDGEMENT

I acknowledge under penalty of perjury that I am the legal owner of the property described in the application or, alternatively, that I am authorized to represent all of the owners of the property described in this application.

State of: TX County of: HARRIS

This instrument was acknowledged before me on the 01-14-2025

Day/Month/Year

By: VANESSA PEÑA

Signature of Notary Public

Signature of Applicant

VANESSA PENA
Notary ID #125248542
My Commission Expires
March 12, 2025

CURVE TABLE					
CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	10.18'	9.00'	64°48'03"	N15°54'21"E	9.64'
C2	83.46'	75.00'	63°45'22"	N16°25'42"E	79.22'
C3	39.27'	25.00'	90°00'00"	S29°33'01"W	35.36'
C4	15.53'	10.00'	88°57'19"	S60°58'20"E	14.01'
C5	1.41'	9.00'	8°57'03"	N12°01'08"W	1.40'
C6	8.77'	9.00'	55°50'43"	N20°22'53"E	8.43'

APPROVAL OF THE COUNCIL AND PLANNING COMMISSION

This plat has been submitted to and considered by the City of Palestine, Texas, with respect to the platting of the land and is hereby approved.

Dated this _____ day of _____, 20___.

_____
Mayor, City of Palestine

_____
Chairman, Planning and Zoning Commission

CERTIFICATION BY THE COUNTY CLERK

I, _____, Anderson County Clerk, certify that this plat was filed for record in my office on the _____ day of _____, 20___.

_____
County Clerk, Anderson County, Texas

CERTIFICATION OF CITY DEVELOPMENT STAFF

We, the undersigned, public works director and director of development services of the City of Palestine, Texas, certify that the plat conforms to the city comprehensive plan, and all applicable design criteria and standards of the City of Palestine, Texas.

Dated this _____ day of _____, 20___.

_____
Public Works Director

_____
Director of Development Services

STATE OF TEXAS
COUNTY OF ANDERSON

I, Tina Ballard, Registered Public Surveyor No. 6746 in the State of Texas, hereby, certify that this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground.

PRELIMINARY THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

_____
TINA BALLARD
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 6746

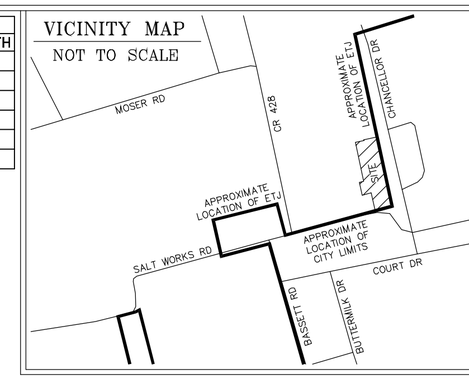
SURVEYOR'S NOTES:
1) BEARINGS ARE BASED ON NAD 83(2011), TEXAS NORTH CENTRAL 4202, AS OBSERVED BY GPS. AREA AND DISTANCES SHOWN HEREON ARE AT GRID.
2) NO EASEMENT RECORD SEARCH WAS MADE BY THIS OFFICE CONCERNING THIS PROPERTY.
3) THIS SURVEY WAS MADE WITHOUT THE BENEFIT OF A CURRENT TITLE COMMITMENT, AND MAY BE SUBJECT TO RECORD EVIDENCE WHICH IS NOT AVAILABLE FOR CONSIDERATION AT THE TIME OF THIS SURVEY.
4) THE PROPERTY SHOWN HEREON WAS SURVEYED BASED ON DEEDS AND/OR LEGAL DESCRIPTIONS OBTAINED THROUGH NORMAL RESEARCH PROCEDURES. THERE MAY BE OTHER DOCUMENTS RECORDED/UNRECORDED THAT MAY AFFECT THE SUBJECT, AND THIS SURVEY IN NO WAY IMPARTS OWNERSHIP OF ALL OR ANY PART OF THE SUBJECT AS SHOWN HEREON.

FLOOD STATEMENT:
THE PROPERTY IS SHOWN AS BEING LOCATED IN ZONE X BY FLOOD INSURANCE RATE MAP NO. 48001C0395D, DATED 2/3/2010. IT IS SHOWN AS NOT BEING LOCATED IN A SPECIAL FLOOD HAZARD AREA INUNDATED BY 100-YEAR FLOOD.

TOTAL ACREAGE: 4.86 ACRES
DESIGNATED LAND USES: URBAN RESIDENTIAL
DENSITY: 18 UNITS / 4.86 ACRES = 3.70 DU/ACRE
MAXIMUM DWELLING UNITS (DU) PER LOT: 5.8/ACRE (1DU/7,500 SQ. FT.)
TOTAL NUMBER OF LOTS CREATED: 18 LOTS

OWNER/APPLICANT

JD BUILDERS & DEVELOPERS, LLC
12941 NORTH FREEWAY
SUITE 800B
HOUSTON, TEXAS 77060



LEGEND

CM Controlling Monument
O.P.R.A.C.T. OFFICIAL PUBLIC RECORDS, ANDERSON COUNTY, TEXAS
M.R.A.C.T. MAP RECORDS, ANDERSON COUNTY, TEXAS
B.L. BUILDING LINE (BY THIS PLAT)
U.E. UTILITY EASEMENT (BY THIS PLAT)
D.E. DRAINAGE EASEMENT (BY THIS PLAT)
○ 1/2" IRON ROD FOUND
∘ POINT FOR CORNER
⊗ 1/2" IRON ROD SET (BY-LINE)
CONCRETE MONUMENT FOUND
ASPHALT

LEGAL DESCRIPTION

Being a 4.86 acre tract or parcel of land situated in the Joseph Jordan Survey, Abstract No. 33, Anderson County, Texas, and being part of that certain called 18.63 acre tract of land conveyed from David L. Castleberry and wife, Cynthia Castleberry, to JD Builders & Developers, LLC, by General Warranty Deed, as recorded in File No. 2024-3879, Official Public Records, Anderson County, Texas, (Bearings are based on NAD 83 (2011), Texas North Central 4202, as observed by GPS. Area and distances shown hereon are at grid), and being more particularly described by metes and bounds as follows:

BEGINNING at a point at the most Southerly Southwest corner of said 18.63 acre tract, at the Southeast corner of a called 1 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 636, Official Public Records, Anderson County, Texas, and in the North line of Salt Works Road, also known as County Road 2202, from which a 1/2" iron rod found bears North 16 degrees 29 minutes 40 seconds West, a distance of 1.64 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 72 degrees 37 minutes 51 seconds West, a distance of 210.10 feet;

THENCE with the common line of said 18.63 acre tract and said 1 acre tract, the following courses and distances:
North 16 degrees 29 minutes 40 seconds West, a distance of 209.90 feet to a 1/2" iron rod found at an ell corner of said 18.63 acre tract and at the Northeast corner of said 1 acre tract;
South 72 degrees 37 minutes 11 seconds West, a distance of 108.96 feet to a 1/2" iron rod set capped (By-Line) for corner;

THENCE over and across said 18.63 acre tract, the following courses and distances:
North 15 degrees 26 minutes 59 seconds West, a distance of 153.67 feet to a point;
North 74 degrees 33 minutes 01 seconds East, a distance of 52.74 feet to a 1/2" iron rod set capped (By-Line);
North 15 degrees 26 minutes 59 seconds West, a distance of 465.89 feet to a 1/2" iron rod set capped (By-Line);
North 74 degrees 33 minutes 01 seconds East, a distance of 101.21 feet to a 1/2" iron rod set capped (By-Line);
North 15 degrees 26 minutes 59 seconds West, a distance of 10.00 feet to a point;
North 74 degrees 33 minutes 01 seconds East, a distance of 156.31 feet to a 1/2" iron rod set capped (By-Line) in the East line of said 18.63 acre tract and in the West line of Broadway Addition, as recorded in Envelope 214A, Map Records, Anderson County, Texas, from which a 1/2" iron rod found at an angle point in the East line of said 18.63 acre tract bears North 15 degrees 47 minutes 14 seconds West, a distance of 899.94 feet;

THENCE South 15 degrees 47 minutes 14 seconds East, with the East line of said 18.63 acre tract and with the West line of said Broadway Addition, a distance of 828.98 feet to a point at the Southeast corner of said 18.63 acre tract and in the North margin of Salt Works Road, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 51 seconds West, a distance of 0.17 feet and a 1/2" iron rod found capped (KGJ 1414) bears South 15 degrees 47 minutes 14 seconds East, a distance of 145.09 feet;

THENCE South 72 degrees 37 minutes 51 seconds West, with the most Southerly South line of said 18.63 acre tract and along the North margin of Salt Works Road, a distance of 202.53 feet to the POINT OF BEGINNING and CONTAINING 4.86 acres of land.

STATE OF TEXAS
COUNTY OF ANDERSON

We, the undersigned, owner of the land shown on this plat, and designated as Hidden Hills Addition, Unit 1 in the City of Palestine, Anderson County, Texas, and whose name is subscribed hereto, hereby dedicate to the use of the public forever all streets, parks, watercourses, drains, easements and public places thereon shown for the purpose and consideration therein expressed.

All public easements denoted on this plat are hereby dedicated to the use of the public forever. Any public utility, including the City of Palestine, shall have the right at all times of ingress and egress to and from and upon said easements for the purpose of construction, reconstruction, inspection, patrolling, maintaining and adding to or removing all or parts of its respective systems without the necessity at any time of procuring the permission of the property owner. Any public utility, including the City of Palestine shall have the right to move and keep moved all or part of any building, fences, trees, shrubs, other growths or improvements that in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems on any of the easements shown on this plat. Neither the City of Palestine or any public utility shall be responsible for replacing or reimbursing the property owner due to removal or relocation of any obstructions in the public easements.

By: _____
Representative for JD Builders & Developers, LLC

STATE OF TEXAS
COUNTY OF ANDERSON

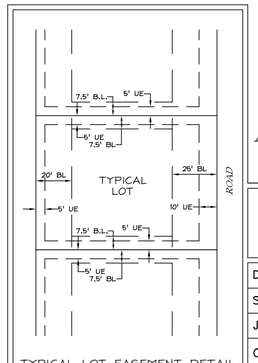
This instrument was acknowledged before me on the _____ day of _____, 20___ by

_____, representative for JD Builders & Developers, LLC.

_____
NOTARY PUBLIC FOR STATE OF TEXAS

_____
Print Name

MY COMMISSION EXPIRES: _____



TYPICAL LOT EASEMENT DETAIL
1" = 60'

FINAL PLAT OF HIDDEN HILLS ADDITION UNIT 1

AN ADDITION TO THE CITY OF PALESTINE ANDERSON COUNTY, TEXAS

COUNTY ROAD 2202
PALESTINE, TEXAS

DATE:	2/14/2025
SCALE:	1" = 60'
JOB NO.:	2024-412
CLIENT:	JORGE DIAZ
TECHNICIAN:	AMN

BY-LINE SURVEYING LLC
P.O. BOX 834
Emory, Tx 75440
Ph: (903) 473-5150
Firm No: 10194233
www. bylinesurveying.com

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Agenda Date:	February 24, 2025
To:	City Council
From:	Andrew Sibai, Finance Director
Agenda Item:	Palestine TX Mobile App
Date Submitted:	02/19/2025

SUMMARY:

Presentation on the Palestine, TX Mobile App.

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	January 2025 Financial Statement
Date Submitted:	02/21/2025

SUMMARY:

January 2025 Financial Statement

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

January 2025 Financial Statement

City of Palestine, Texas

Financial Statement

As of January 31, 2025

62.9% of Annual Projection

Property Taxes

OVERVIEW

January 31st, 2025 marks the end of the fourth period of the FY 2025 budget year.
Therefore, the year-to-date budget percentage for budgetary comparison is 33.33%.

As of January 31st, 2025, General & Utility Fund combined revenues are $13,031,388.
This is higher than budgeted expectations at 39% of the annual budgeted amount.
FY 2025 revenues are increased $.47 million or 4% more than FY 2024.
This is due to a modest increase along all major revenue sources between FY 2024 and FY 2025.

34.2% of Annual Projection

Sales Taxes

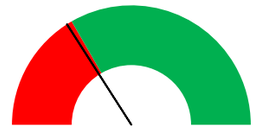
28.2% of Annual Projection

Water Sales

27.7% of Annual Projection

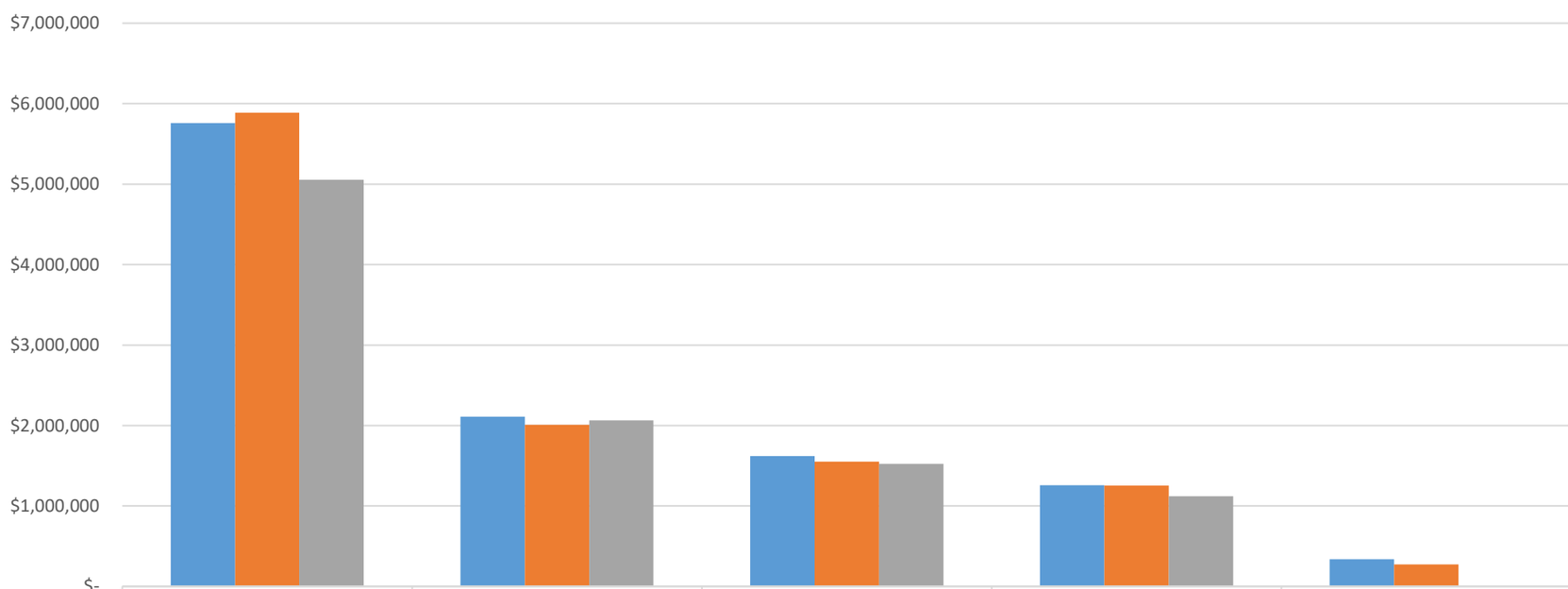
Sanitary Sewer Charges

31.8% of Annual Projection



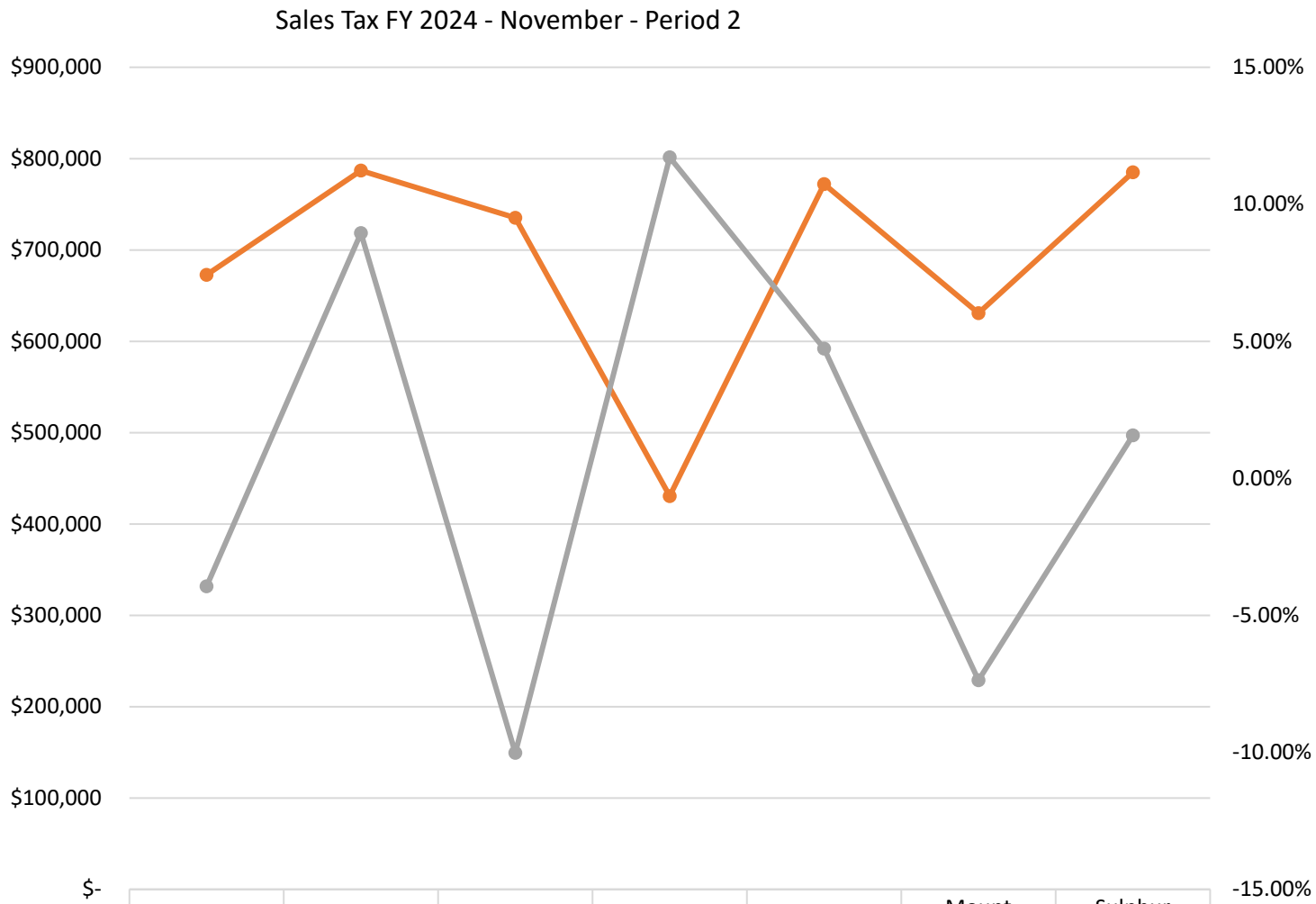
Franchise Taxes

Top 5 Revenue Sources- Comparison to Prior Fiscal Years



	Property Taxes	Sales Taxes	Water Sales	Sanitary Sewer Charges	Franchise Tax
FY 2025	$5,760,225	$2,111,376	$1,620,126	$1,259,955	$339,381
FY 2024	$5,889,118	$2,008,800	$1,549,245	$1,251,713	$275,019
FY 2023	$5,053,673	$2,065,718	$1,522,470	$1,122,112	$3,919

City of Palestine
Financial Statement
As of January 31, 2025



	Palestine	Athens	Henderson	Jacksonville	Kilgore	Mount Pleasant	Sulphur Springs
$ Sales Tax Received January 2025	672,718.49	786,891.06	735,301.19	430,641.61	772,084.82	630,740.57	785,116.86
% Inc(+) Dec(-) from prior year	-3.94%	8.95%	-10.02%	11.71%	4.73%	-7.37%	1.57%

City of Palestine
Financial Statement
As of January 31, 2025

Sales Tax History: Fiscal Years 2023 - 2025

FY 2023

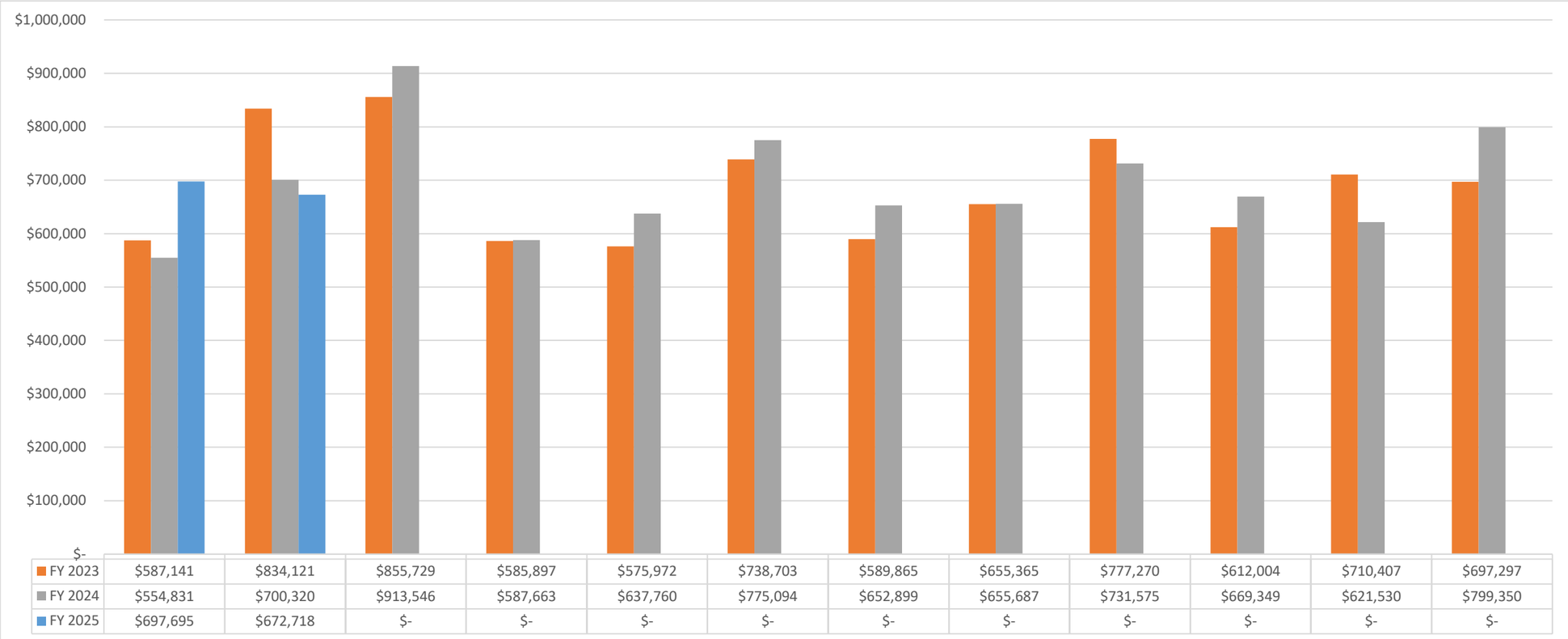
	CITY 83.33%	PEDC 16.67%	TOTAL 100.00%	CUMULATIVE TOTAL
October	$ 489,264	$ 97,876	$ 587,141	$ 587,141
November	695,073	139,048	$ 834,121	1,421,262
December	713,079	142,650	$ 855,729	2,276,991
January	488,228	97,669	$ 585,897	2,862,888
February	479,957	96,014	$ 575,972	3,438,860
March	615,561	123,142	$ 738,703	4,177,563
April	491,534	98,330	$ 589,865	4,767,428
May	546,115	109,249	$ 655,365	5,422,792
June	647,699	129,571	$ 777,270	6,200,063
July	509,983	102,021	$ 612,004	6,812,067
August	591,982	118,425	$ 710,407	7,522,474
September	581,058	116,239	$ 697,297	8,219,771
	$ 6,849,535	$ 1,370,236	$ 8,219,771	

FY 2024

	CITY 83.33%	PEDC 16.67%	TOTAL 100.00%	CUMULATIVE TOTAL
October	$ 462,340	$ 92,490	$ 554,831	$ 554,831
November	583,576	116,743	$ 700,320	1,255,151
December	761,258	152,288	$ 913,546	2,168,697
January	489,699	97,963	$ 587,663	2,756,359
February	531,445	106,315	$ 637,760	3,394,119
March	645,886	129,208	$ 775,094	4,169,213
April	544,061	108,838	$ 652,899	4,822,112
May	546,384	109,303	$ 655,687	5,477,799
June	609,622	121,954	$ 731,575	6,209,374
July	557,769	111,581	$ 669,349	6,878,723
August	517,921	103,609	$ 621,530	7,500,254
September	666,098	133,252	$ 799,350	8,299,604
	$ 6,916,060	$ 1,383,544	$ 8,299,604	

FY 2025

	CITY 83.33%	PEDC 16.67%	TOTAL 100.00%	CUMULATIVE TOTAL
October	$ 581,389	$ 116,306	$ 697,695	$ 697,695
November	560,576	112,142	$ 672,718	1,370,413
December	-	-	$ -	1,370,413
January	-	-	$ -	1,370,413
February	-	-	$ -	1,370,413
March	-	-	$ -	1,370,413
April	-	-	$ -	1,370,413
May	-	-	$ -	1,370,413
June	-	-	$ -	1,370,413
July	-	-	$ -	1,370,413
August	-	-	$ -	1,370,413
September	-	-	$ -	1,370,413
	$ 1,141,966	$ 228,448	$ 1,370,413	



City of Palestine, Texas
Financial Statement
As of January 31, 2025

GENERAL FUND REVENUES

Revenue Signal Key
> 100% of Projected
95-100% of Projected
< 95% of Projected

	January 2025				Year-To-Date				Annual			Prior Year		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Projected	%	Actual	Projected	%
Property Taxes		$ 2,975,042	$ 763,419	389.7%		$ 5,760,225	$ 3,053,676	188.6%	$ 5,760,225	$ 9,161,027	62.9%	$ 5,889,118	$ 7,969,028	73.9%
Sales Tax		508,857	515,169	98.8%		2,111,376	$ 2,060,675	102.5%	2,111,376	6,182,026	34.2%	2,008,800	5,455,077	36.8%
Franchise Tax		56,982	88,917	64.1%		339,381	$ 355,667	95.4%	339,381	1,067,000	31.8%	275,019	1,055,713	26.1%
Permits Licenses & Fees		36,189	22,459	161.1%		210,559	$ 89,835	234.4%	210,559	269,505	78.1%	145,838	104,534	139.5%
Fines & Warrants		33,599	27,946	120.2%		88,797	$ 111,785	79.4%	88,797	335,355	26.5%	104,524	355,460	29.4%
Lease / Rental Revenue		2,434	2,288	106.4%		11,480	$ 9,153	125.4%	11,480	27,460	41.8%	10,073	27,460	36.7%
Charges for Services		28,817	3,367	855.9%		116,118	$ 13,467	862.3%	116,118	40,400	287.4%	23,655	40,400	58.6%
Intergovernmental Revenue		75,643	189,302	40.0%		82,606	$ 757,207	10.9%	82,606	2,271,622	3.6%	75,000	2,271,622	3.3%
Other Income		65,366	35,925	182.0%		225,234	$ 143,700	156.7%	225,234	431,100	52.2%	207,598	148,152	140.1%
Interfund Activity		224,173	224,173	100.0%		896,692	$ 896,692	100.0%	896,692	2,690,075	33.3%	817,272	2,483,757	32.9%
Total Revenues		$ 4,007,102	$ 1,872,964	213.9%		$ 9,842,467	$ 7,491,857	131.4%	$ 9,842,467	$ 22,475,570	43.8%	$ 9,556,897	$ 19,911,203	48.0%

YEAR-TO-DATE OVERVIEW
January 31, 2025 marks the end of the third period of the fiscal year. General Fund revenue of $9,842,467 is around $2,350,611 more than projected and increased 2.99% over last fiscal year mostly due to more permits issued from construction activity .

PROPERTY TAXES
Tax collection of $5,760,225 is around $2.71 million more than projected and increased around -$128,893 compared to last year or -2.19% over last fiscal year.

SALES TAX
Through January 31, 2025, $2,111,376 of sales tax revenue has been received. Receipts are around $50,700 more than projected and are increased about $102,576 from last fiscal year.

FRANCHISE TAX
Year-to-date Franchise Taxes total $339,381. Receipts are -$16,285 less than projected. Collections are $64,362 more than the previous fiscal year.

PERMITS LICENSES & FEES
Revenue of $210,559 is about $120,724 more than the year-to-date projection and is increased around $64,720 over January 2024 year-to-date receipts.

FINES & WARRANTS
Revenue of $88,797 is $22,988 less than the year-to-date projection. Collections are decreased around $15,727 from the prior year.

LEASE & RENTAL REVENUE
Through January 31, 2025, $11,480 of lease & rental revenue has been earned. This amount is about $2,327 more than the year-to-date projection and is about $1,407 more than last fiscal year.

CHARGES FOR SERVICES
Charges for services revenue year-to-date is $116,118 which is about $102,652 more than year-to-date projections. Collections are increased approximately $92,463 over last fiscal year.

INTERGOVERNMENTAL REVENUE
Intergovernmental revenue is comprised of local county, state, and federal grants and reimbursements received by the city.

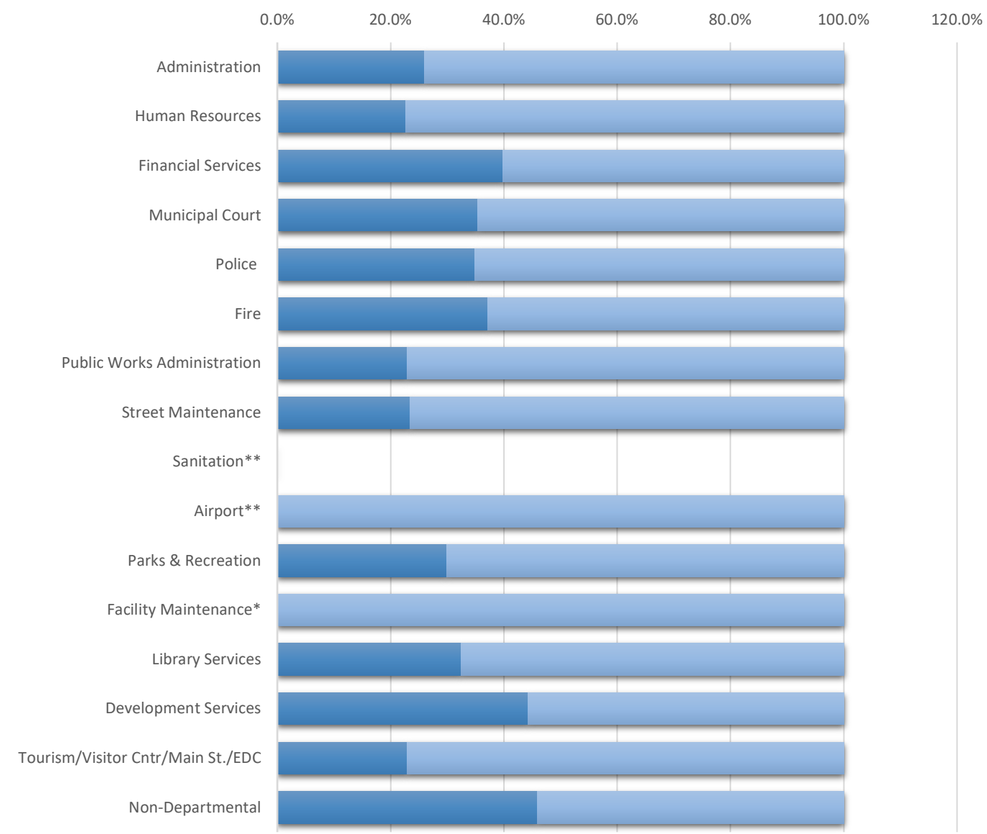
OTHER INCOME
As of January 31, $225,234 of other income was received. This revenue includes Interest and other miscellaneous one-off revenue that is not received consistently.

INTERFUND ACTIVITY
Monthly transfers reimburse the General Fund for the transferring fund's share of general, administrative and other applicable expenses.

City of Palestine, Texas
Financial Statement
As of January 31, 2025

GENERAL FUND EXPENDITURES

	January 2025			January 2024		
	YTD Actual	Annual Budget	% of Budget	YTD Actual	Annual Budget	% of Budget
Administration	183,747	$ 709,031	25.9%	184,248	$ 719,976	25.6%
Human Resources	73,672	325,311	22.6%	86,365	317,519	27.2%
Financial Services	255,151	641,173	39.8%	251,240	612,524	41.0%
Municipal Court	125,509	355,172	35.3%	114,439	342,447	33.4%
Police	2,294,005	6,570,756	34.9%	2,027,824	5,791,066	35.0%
Fire	1,510,076	4,064,180	37.2%	1,324,014	3,708,964	35.7%
Public Works Administration	127,629	557,034	22.9%	143,449	426,630	33.6%
Street Maintenance	892,757	3,808,731	23.4%	1,363,479	3,778,314	36.1%
Sanitation**	-	-	0.0%	-	-	0.0%
Airport**	-	-	0.0%	-	-	0.0%
Parks & Recreation	484,785	1,624,443	29.8%	482,767	1,289,403	37.4%
Facility Maintenance*	-	-	0.0%	-	-	0.0%
Library Services	222,138	683,536	32.5%	204,296	640,220	31.9%
Development Services	251,537	569,035	44.2%	130,970	548,206	23.9%
Tourism/Visitor Cntr/Main St./EDC	3,553	15,500	22.9%	3,545	13,950	25.4%
Non-Departmental	768,117	1,671,884	45.9%	691,975	1,765,917	39.2%
Total Expenditures	$ 7,192,676	$ 21,595,786	33.3%	$ 7,008,610	$ 19,955,136	35.1%



OVERVIEW

January 31, 2025, marks the fourth period of the FY 2025 budget year. The year-to-date budget percentage for budgetary comparison is therefore 33%. Year to date expenditures total $7,192,676 or 33.3% of the budget and are therefore at budgetary expectations. FY 2025 expenditures are increased around $.18M or 2.63%, over FY 2024.

* Department combined with another department in the General Fund.
** Department moved to a separate fund.

City of Palestine, Texas
Financial Statement
As of January 31, 2025

UTILITY FUND REVENUES

Revenue Signal Key
> 100% of Projected
95-100% of Projected
< 95% of Projected

	January 2025				Year-To-Date				Annual			Prior Year		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Projected	%	Actual	Projected	%
Charges for Services		$ 946,376	$ 902,058	104.9%		$ 3,078,148	$ 3,608,232	85.3%	$ 3,078,148	$ 10,824,697	28.4%	$ 2,930,511	$ 9,125,000	32.1%
Intergovernmental Revenue		35,305	4,167	847.3%		43,679	$ 16,667	262.1%	43,679	50,000	87.4%	-	15,068,197	0.0%
Other Income		17,021	7,500	226.9%		67,093	$ 30,000	223.6%	67,093	90,000	74.5%	70,339	60,000	117.2%
Interfund Activity		-	-	0.0%		-	$ -	0.0%	-	-	0.0%	-	-	0.0%
Total Revenues		$ 998,702	$ 913,725	109.3%		$ 3,188,920	$ 3,654,899	87.3%	$ 3,188,920	$ 10,964,697	29.1%	$ 3,000,850	$ 24,253,197	12.4%

YEAR-TO-DATE OVERVIEW
Total Utility Fund operational revenue of $3,188,920 ended January about $465,978 less than the year-to-date projection and revenue was increased about $188,070 from the same period prior fiscal year.

WATER AND SEWER CHARGES
Revenue totaling $3,078,148 was approx $530,084 less than the year-to-date projection.

INTERGOVERNMENTAL REVENUE
Intergovernmental Revenue is below projected due to a reimbursement from the Upper Neches River Water Authority the generally is deposited in March.

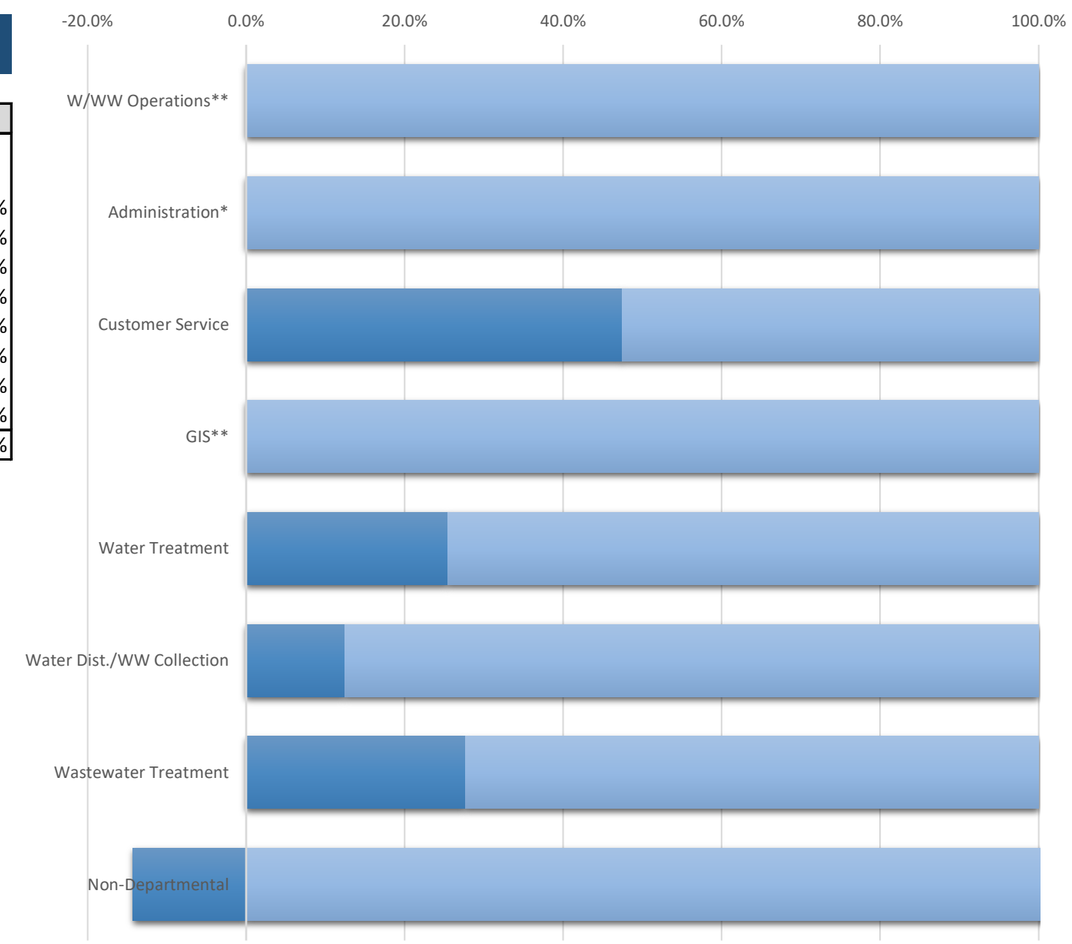
OTHER INCOME
Other income includes interest on investments, bond sale premium proceeds, sale of scrap metal, and transfers from other funds.

INTERFUND ACTIVITY
There has been no interfund activity this year to date.

City of Palestine, Texas
Financial Statement
As of January 31, 2025

UTILITY FUND EXPENDITURES

	January 2025			January 2024		
	YTD Actual	Annual Budget	% of Budget	YTD Actual	Annual Budget	% of Budget
W/WW Operations**	-	$ -	0.0%	$ 8,881	$ 1,072,148	0.8%
Administration*	-	-	0.0%	$ -	-	0.0%
Customer Service	321,893	678,547	47.4%	$ 267,199	626,306	42.7%
GIS**	-	-	0.0%	$ -	-	0.0%
Water Treatment	884,456	3,481,663	25.4%	$ 520,029	3,167,893	16.4%
Water Dist./WW Collection	1,713,014	13,796,350	12.4%	$ 1,207,539	13,934,866	8.7%
Wastewater Treatment	659,047	2,385,603	27.6%	$ 634,338	2,300,351	27.6%
Non-Departmental	(477,735)	3,351,236	-14.3%	$ 502,976	3,275,259	15.4%
Total Expenditures	$ 3,100,676	$ 23,693,399	13.1%	$ 3,140,962	$ 24,376,823	12.9%



OVERVIEW
January 31, 2025 marks the fourth period of the FY 2025 budget year. The year-to-date budget percentage for budgetary comparison is therefore 33%. Year to date expenditures total $3,100,676 or 13.1% of the budget and are therefore under budgetary expectations. FY 2025 expenditures decreased approximately -$40,286, or about -1.28%, more than FY 2024. This is due to differences in project completion and invoicing.

* Department moved to General Fund 010-510
** Department Closed FY22-23 - expense was due to remaining encumbrance from FY21-22.

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010 -GENERAL FUND- DETAIL								
REVENUE								
PROPERTY TAXES								
010-41001	AD VALOREM TAXES - CURRENT	8,991,027	2,928,929	5,634,387	62.7%	3,356,640	5,840,207	(205,820)
010-41002	PROPERTY TAX DELINQUENT	80,000	32,358	94,546	118.2%	(14,546)	34,570	59,976
010-41003	PROPERTY TAX PENALTY	90,000	13,754	31,292	34.8%	58,708	14,341	16,951
	***** REVENUE CATEGORY TOTALS *****	**9,161,027**	**2,975,042**	**5,760,225**	**62.9%**	**3,400,802**	**5,889,118**	**(128,893)**
SALES TAX								
010-41010	CITY SALES TAX	5,490,255	448,479	1,860,863	33.9%	3,629,392	1,775,236	85,626
010-41011	MIXED BEVERAGE TAX	38,170	4,318	17,905	46.9%	20,265	11,659	6,246
010-41012	CITY SALES TAX - PROP TAX REDU	653,601	56,060	232,608	35.6%	420,993	221,905	10,703
	***** REVENUE CATEGORY TOTALS *****	**6,182,026**	**508,857**	**2,111,376**	**34.2%**	**4,070,651**	**2,008,800**	**102,576**
FRANCHISE TAX								
010-41101	FRANCHISE - ELECTRICAL	825,000	-	240,973	29.2%	584,027	272,124	(31,151)
010-41102	FRANCHISE - GAS	200,000	54,856	88,737	44.4%	111,263	-	88,737
010-41103	FRANCHISE - TELEPHONE	27,000	-	5,331	19.7%	21,669	-	5,331
010-41104	FRANCHISE - CABLE TV	15,000	2,126	4,340	28.9%	10,660	2,895	1,445
	***** REVENUE CATEGORY TOTALS *****	**1,067,000**	**56,982**	**339,381**	**31.8%**	**727,619**	**275,019**	**64,362**
PERMITS LICENSES AND FEES								
010-41301	BUILDING PERMIT FEES	150,000	12,177	110,391	73.6%	39,609	45,423	64,968
010-41302	ELECTRICAL PERMIT FEES	13,000	1,533	10,647	81.9%	2,353	6,220	4,427
010-41303	PLUMBING PERMIT FEES	10,000	6,574	11,842	118.4%	(1,842)	4,669	7,173
010-41304	HEALTH PERMITS	55,000	9,100	49,500	90.0%	5,500	29,650	19,850
010-41305	ALARM PERMITS	5,000	1,180	5,020	100.4%	(20)	4,915	105
010-41306	MECHANICAL PERMITS	5,250	315	840	16.0%	4,410	1,070	(230)
010-41307	FIRE OPERATION PERMITS	205	-	915	446.5%	(710)	330	585
010-41310	OTHER PERMITS	500	-	300	60.0%	200	450	(150)
010-41311	MERCHANT PERMITS	550	221	5,316	966.5%	(4,766)	415	4,901
010-41312	BEVERAGE PERMITS	7,000	3,738	7,670	109.6%	(670)	7,000	670
010-41313	ZONING AND PLAT FEES	8,000	-	870	10.9%	7,130	39,289	(38,419)
010-41315	CONTRACTOR LICENSE	10,000	1,250	4,625	46.3%	5,375	4,750	(125)
010-41317	RIGHT OF WAY FEES (ROW)	5,000	102	2,623	52.5%	2,377	1,658	965
	***** REVENUE CATEGORY TOTALS *****	**269,505**	**36,189**	**210,559**	**78.1%**	**58,946**	**145,838**	**64,720**
FINES AND WARRANTS								
010-41401	MUNICIPAL COURT FINES	330,000	33,226	87,240	26.4%	242,760	103,032	(15,792)
010-41403	LIBRARY FINES	5,000	316	1,154	23.1%	3,846	1,390	(237)
010-41404	WARRANT SERVICE FEES	120	35	82	68.2%	38	35	47
010-41405	JFCI JUDICIAL FEE - CITY	35	2	8	21.7%	27	8	(0)
010-41406	MUNICIPAL JURY FUND	200	19	51	25.6%	149	58	(7)
010-41411	LIEN REVENUE	-	-	263	0.0%	(263)	-	263
010-41413	ALARM FINES	-	-	-	0.0%	-	-	-
	***** REVENUE CATEGORY TOTALS *****	**335,355**	**33,599**	**88,797**	**26.5%**	**246,558**	**104,524**	**(15,727)**
LEASE/RENTAL REVENUE								
010-41605	OTHER RENTS & LEASES	700	-	120	17.1%	580	120	-
010-41608	FARMERS MARKET RENTS	-	-	400	0.0%	(400)	-	400
010-41611	CELL TOWER RENTAL	26,760	2,434	10,960	41.0%	15,800	9,953	1,007
	***** REVENUE CATEGORY TOTALS *****	**27,460**	**2,434**	**11,480**	**41.8%**	**15,980**	**10,073**	**1,407**
CHARGES FOR SERVICE								
010-41706	SALE OF EQUIPMENT	358,182	25,773	102,458	28.6%	255,724	17,952	84,506

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-41712	OPEN RECORD FEE	3,000	295	2,020	67.3%	980	609	1,411
010-41713	RECREATION FEE	4,000	280	1,470	36.8%	2,530	1,100	370
010-41715	SANITATION COLLECTION CHARGES	-	-	-	0.0%	-	-	-
010-41720	FIRING RANGE FEE	-	-	-	0.0%	-	-	-
010-41723	SALES TAX DISCOUNT	-	-	-	0.0%	-	-	-
010-41726	POOL PASS FEES	1,200	-	-	0.0%	1,200	-	-
010-41730	RETIREE INSURANCE	30,000	2,359	9,434	31.4%	20,566	2,914	6,520
010-41734	ATHLETIC FEES	-	-	-	0.0%	-	-	-
010-41735	MAIN STREET REVENUE	-	110	736	0.0%	(736)	1,080	(344)
	***** REVENUE CATEGORY TOTALS *****	**396,382**	**28,817**	**116,118**	**29.3%**	**280,264**	**23,655**	**92,463**
INTERGOVERNMENTAL REVENUE								
010-41804	STATE & FEDERAL GRANTS	27,000	643	6,086	22.5%	20,914	-	6,086
010-41805	EMERGENCY MANAGEMENT REIMB	-	-	-	0.0%	-	-	-
010-41806	COUNTY - LIBRARY	75,000	75,000	75,000	100.0%	-	75,000	-
010-41808	TSRA ACCOUNTING SERVICE FEE	1,520	-	1,520	100.0%	-	-	1,520
010-41811	PEDC GRANT	-	-	-	0.0%	-	-	-
010-41812	LIBRARY GRANTS	5,000	-	-	0.0%	5,000	-	-
	***** REVENUE CATEGORY TOTALS *****	**108,520**	**75,643**	**82,606**	**76.1%**	**25,914**	**75,000**	**7,606**
OTHER INCOME								
010-41901	INTEREST REVENUE	400,000	38,525	154,777	38.7%	245,223	189,968	(35,191)
010-41902	INSURANCE RECOVERIES	10,000	25,346	41,590	415.9%	(31,590)	10,339	31,251
010-41907	FIRE SUPPRESSION REVENUE	-	-	-	0.0%	-	-	-
010-41910	FIRE RECOVERY REVENUE	-	-	-	0.0%	-	333	(333)
010-41912	DONATIONS	10,000	1,038	19,771	197.7%	(9,771)	3,407	16,364
010-41913	LIBRARY LOST/DAMAGED BOOKS	1,000	39	226	22.6%	774	305	(79)
010-41916	LOT CLEANUP REIMBURSEMENT	-	-	-	0.0%	-	-	-
010-41918	LIBRARY REVENUE	5,100	462	1,318	25.8%	3,782	762	556
010-41919	AIRPORT FUEL SALES	-	-	-	0.0%	-	-	-
010-41922	REBATE REVENUE	-	-	190	0.0%	(190)	129	61
010-41927	TAX SALE EXCESS PROCEEDS	-	-	-	0.0%	-	-	-
010-41923	EMS FUEL SALES	-	-	-	0.0%	-	-	-
010-41924	MISC REVENUE	1,000	(49)	7,357	735.7%	(6,357)	1,447	5,910
010-41926	SCRAP METAL RECOVERY	4,000	-	-	0.0%	4,000	923	(923)
010-41938	SALE OF PROPERTY	-	-	-	0.0%	-	-	-
010-41940	CASH OVER/SHORT	-	6	6	0.0%	(6)	(15)	20
	***** REVENUE CATEGORY TOTALS *****	**431,100**	**65,366**	**225,234**	**52.2%**	**205,866**	**207,598**	**17,636**
INTERFUND ACTIVITY								
010-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
010-49150	TRANSFER FROM OCCUPANCY TAX	31,371	2,614	10,457	33.3%	20,914	10,457	-
010-49215	TRANSFER FROM PEDC	31,371	2,614	10,457	33.3%	20,914	10,457	-
010-49561	TRANSFER FROM UNEMP FUND	-	-	-	0.0%	-	-	-
010-49610	TRSF FROM UTILITY FUND	1,395,000	116,250	465,000	33.3%	930,000	396,975	68,025
010-49620	TRANSFER FROM SANITATION	1,232,333	102,694	410,778	33.3%	821,555	399,383	11,395
010-49625	TRSF FROM RETAIL FUND	-	-	-	0.0%	-	-	-
010-49819	TRANSFER FROM EMERGENCY FUND	-	-	-	0.0%	-	-	-
	***** REVENUE CATEGORY TOTALS *****	**2,690,075**	**224,173**	**896,692**	**33.3%**	**1,793,383**	**817,272**	**79,420**
	***** TOTAL REVENUE *****	**20,668,450**	**4,007,102**	**9,842,467**	**47.6%**	**10,825,983**	**9,556,897**	**285,571**
010 -GENERAL FUND- DETAIL								
EXPENSE								
PERSONNEL								
010-51010	SALARIES & WAGES	8,998,796	661,580	2,604,737	28.9%	6,394,059	2,415,168	189,570
010-51011	PART-TIME WAGES	-	-	-	0.0%	-	-	-

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-51020	OVERTIME	518,658	76,930	248,383	47.9%	270,275	238,152	10,232
010-51021	STEP OVERTIME	-	1,333	5,437	0.0%	(5,437)	2,228	3,209
010-51030	LONGEVITY	72,864	5,796	20,195	27.7%	52,669	20,521	(326)
010-51031	CERTIFICATION PAY	302,394	25,910	89,367	29.6%	213,026	82,500	6,867
010-51032	SHIFT PAY	15,600	1,200	4,135	26.5%	11,465	4,189	(54)
010-51033	CAR ALLOWANCE	6,300	525	2,048	32.5%	4,253	1,950	98
010-51034	UNIFORM ALLOWANCE	13,848	1,145	3,891	28.1%	9,957	3,439	452
010-51036	CELL PHONE ALLOWANCE	6,000	400	1,598	26.6%	4,403	2,071	(474)
010-51037	ON CALL PAY	1,200	400	1,340	111.7%	(140)	-	1,340
010-51040	SOCIAL SECURITY	760,129	57,655	222,576	29.3%	537,553	207,373	15,203
010-51050	HEALTH INSURANCE	1,295,721	112,974	422,149	32.6%	873,572	438,340	(16,191)
010-51061	WORKER'S COMPENSATION	357,281	32,818	122,317	34.2%	234,964	123,965	(1,648)
010-51063	UNEMPLOYMENT CLAIMS EXP.	50,000	2,632	2,632	5.3%	47,368	-	2,632
010-51070	RETIREMENT	1,482,642	117,181	434,989	29.3%	1,047,654	391,056	43,932
	***** EXPENSE CATEGORY TOTALS *****	**13,881,433**	**1,098,479**	**4,185,793**	**30.2%**	**9,695,640**	**3,930,951**	**254,841**
SUPPLIES AND MATERIALS								
010-52010	OFFICE SUPPLIES/EQUIPMENT	75,030	4,360	11,815	15.7%	63,215	14,781	(2,966)
010-52020	POSTAGE	15,455	666	2,914	18.9%	12,541	2,150	764
010-52030	JANITORIAL SUPPLIES	45,300	988	4,432	9.8%	40,868	9,365	(4,933)
010-52031	CHEMICALS	4,000	-	1,609	40.2%	2,391	105	1,504
010-52032	PLANTS SEED FERTILIZER	2,000	-	-	0.0%	2,000	-	-
010-52040	UNIFORMS/APPAREL	61,000	5,866	28,661	47.0%	32,339	27,177	1,484
010-52050	MEDICAL SUPPLIES	15,100	-	4,020	26.6%	11,080	1,477	2,543
010-52051	ANIMAL MEDICAL SUPPLIES	250	-	152	60.6%	98	-	152
010-52060	PUBLICATIONS	4,158	-	569	13.7%	3,589	561	8
010-52061	SAFETY MATERIALS	6,000	-	171	2.9%	5,829	191	(20)
010-52062	POLICE INFORMANT	3,000	-	-	0.0%	3,000	-	-
010-52070	GASOLINE AND OIL	3,500	163	500	14.3%	3,000	372	128
010-52080	SMALL TOOLS/EQUIPMENT	110,625	7,318	25,819	23.3%	84,806	26,886	(1,068)
010-52082	PERS PROTECTIVE EQUIP	30,000	11,242	16,632	55.4%	13,368	1,330	15,301
010-52083	ARSENAL	18,000	2,009	2,440	13.6%	15,560	3,633	(1,193)
010-52084	ELECTION EXPENSE	17,000	-	(295)	-1.7%	17,295	5,375	(5,670)
010-52091	FURNITURE & OFFICE EQUIPMENT	1,000	-	35	3.5%	965	290	(255)
010-52092	COMPUTER EQUIPMENT	-	-	-	0.0%	-	-	-
010-52120	STREET SIGNS	9,000	663	6,664	74.0%	2,336	7,322	(659)
010-52130	GARBAGE BAGS	-	-	-	0.0%	-	-	-
010-52201	READING PROGRAM	4,000	-	339	8.5%	3,661	1,978	(1,639)
010-52210	MARKETING SUPPLIES	1,800	994	1,206	67.0%	594	-	1,206
	***** EXPENSE CATEGORY TOTALS *****	**426,218**	**34,268**	**107,682**	**25.3%**	**318,536**	**102,994**	**4,688**
PROF/CONTRACTUAL SERV								
010-53010	LEGAL SERVICES	120,000	6,724	13,792	11.5%	106,208	7,385	6,408
010-53011	LEGAL LITIGATION EXPENSES	50,000	5,291	5,291	10.6%	44,709	6,090	(799)
010-53012	LEGAL SERVICES - HR RELATED	6,000	-	61	1.0%	5,939	3,386	(3,325)
010-53016	JURY EXPENSE	500	-	-	0.0%	500	-	-
010-53017	MUNICIPAL PROSECUTORS	10,000	405	1,380	13.8%	8,620	1,365	15
010-53019	TOWING FEE	1,200	482	482	40.1%	718	-	482
010-53020	AUDIT & ACCOUNTING SERVICES	27,225	-	4,452	16.4%	22,773	2,619	1,833
010-53021	APPRAISAL DISTRICT	232,000	-	53,186	22.9%	178,814	57,178	(3,991)
010-53022	TAX ASSESSOR-COLLECTOR	14,000	2,773	3,839	27.4%	10,161	-	3,839
010-53023	RAILROAD WATER LINE LEASE	400	-	-	0.0%	400	-	-
010-53026	CODIFICATION	6,000	4,320	4,320	72.0%	1,680	975	3,345
010-53027	RECORDS MANAGEMENT	1,200	-	169	14.1%	1,031	587	(419)
010-53029	POLY/PSYCH	1,125	-	375	33.3%	750	-	375
010-53030	PROFESSIONAL SERVICES	14,350	3,268	3,673	25.6%	10,677	3,892	(219)
010-53031	CONSULTANT SERVICES	181,600	12,457	124,937	68.8%	56,663	17,909	107,029
010-53033	EMPLOYEE EAP	7,200	-	-	0.0%	7,200	-	-
010-53034	CITY SPONSORED EVENT	25,000	-	-	0.0%	25,000	-	-

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-53035	MEDICAL/DOCTOR-HOSPITAL	-	-	-	0.0%	-	-	-
010-53037	PRE-EMPLOYMENT SCREENINGS	15,000	973	3,661	24.4%	11,339	4,276	(615)
010-53039	CIVIL SERVICE EXAMS	8,000	1,423	1,423	17.8%	6,578	2,848	(1,425)
010-53041	CITY ISSUED CELL PHONES	22,780	1,615	6,338	27.8%	16,442	5,913	425
010-53042	CITY ISSUED TABLETS	12,940	692	2,765	21.4%	10,175	4,505	(1,740)
010-53043	PENALTIES AND FEES	-	-	-	0.0%	-	-	-
010-53060	DEMOLITION/CLEANUP	5,000	-	-	0.0%	5,000	-	-
010-53070	UNIFORM SERVICES	-	-	-	0.0%	-	-	-
010-53075	RECRUITMENT / RETENTION	5,000	-	-	0.0%	5,000	-	-
010-53076	CERTIFICATION FEES	2,850	-	2,393	84.0%	457	2,357	36
010-53083	POSITION 1 TRAVEL	1,500	-	2,314	154.3%	(814)	630	1,684
010-53084	POSITION 2 TRAVEL	1,500	-	1,278	85.2%	222	801	477
010-53085	POSITION 3 TRAVEL	1,500	-	-	0.0%	1,500	514	(514)
010-53086	POSITION 4 TRAVEL	1,500	-	2,693	179.5%	(1,193)	714	1,979
010-53087	POSITION 5 TRAVEL	1,500	-	-	0.0%	1,500	652	(652)
010-53088	POSITION 6 TRAVEL	1,500	-	2,294	153.0%	(794)	714	1,580
010-53089	MAYOR POSITION TRAVEL	1,500	-	1,379	91.9%	121	440	939
010-53090	IT SUPPORT	75,640	12,028	24,056	31.8%	51,585	24,056	-
010-53095	SOFTWARE MAINTENANCE	429,861	16,546	311,022	72.4%	118,839	252,062	58,959
010-53100	CHAPTER 380 AGREEMENT	-	-	-	0.0%	-	-	-
010-53150	MARKETING SERVICES	500	-	-	0.0%	500	-	-
010-53210	FINANCIAL SERVICE CHARGES	-	-	-	0.0%	-	106	(106)
010-53310	EQUIPMENT RENTAL/LEASE	29,719	1,029	35,452	119.3%	(5,732)	2,978	32,473
010-53311	PRINTER/COPIER LEASE	33,345	2,486	4,883	14.6%	28,462	6,158	(1,275)
010-53315	VEHICLE LEASE FEES	687,565	61,196	221,245	32.2%	466,320	106,079	115,166
010-53321	UPRR LEASED LAND	500	-	500	100.0%	-	-	500
010-53331	CONTRACT SERV-HUMANE SOCIETY	35,000	-	-	0.0%	35,000	-	-
010-53333	BUILDING DEMOLITION	60,000	-	16,500	27.5%	43,500	-	16,500
010-53334	PESTICIDE SPRAYING	25,000	-	-	0.0%	25,000	-	-
010-53342	DUE TO OMNI	-	-	-	0.0%	-	-	-
010-53343	CHILD SAFETY FEE	-	-	-	0.0%	-	-	-
010-53501	COMMUNICATIONS	-	-	-	0.0%	-	-	-
010-53503	RETIREE INSURANCE PREMIUMS	30,000	4,687	11,717	39.1%	18,283	9,460	2,257
010-53509	MEMBERSHIPS & SUBSCRIPTIONS	48,183	1,370	19,573	40.6%	28,610	28,985	(9,412)
010-53510	TRAVEL AND TRAINING	173,354	260	33,441	19.3%	139,913	51,392	(17,950)
010-53511	ADVERTISING	15,250	5,670	7,350	48.2%	7,900	1,899	5,451
010-53512	PRINTING SERVICES	6,900	48	939	13.6%	5,961	126	813
010-53513	MERCHANT CR CRD PROCESSING	24,500	5,698	18,419	75.2%	6,081	7,015	11,404
010-53514	TML INSURANCE	211,058	-	246,222	116.7%	(35,165)	211,247	34,975
010-53515	INSURANCE AND BONDS	500	-	-	0.0%	500	-	-
010-53516	LIFE, DISABILITY, AD & D PREM	-	8,940	22,405	0.0%	(22,405)	17,104	5,301
010-53517	CONTRACTUAL SERVICES	166,295	10,914	41,417	24.9%	124,878	38,511	2,906
010-53518	CITY POOL	146,020	-	72,962	50.0%	73,058	39,220	33,742
010-53520	JANITORIAL SERVICES	67,753	10,235	22,283	32.9%	45,470	17,036	5,247
	***** EXPENSE CATEGORY TOTALS *****	**3,046,813**	**181,529**	**1,352,882**	**44.4%**	**1,693,931**	**939,184**	**413,698**
MAINTENANCE & REPAIR								
010-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	337,372	14,331	107,251	31.8%	230,121	66,154	41,097
010-54011	PLANTER BOXES-MAINTENANCE	200	-	240	120.2%	(40)	-	240
010-54020	STREET MAINTENANCE	200,000	145,147	387,090	193.5%	(187,090)	740,415	(353,325)
010-54022	CONCRETE REPAIR	20,000	3,600	17,160	85.8%	2,840	-	17,160
010-54110	MOTOR VEHICLE REPAIRS	78,100	21,033	60,313	77.2%	17,787	58,941	1,373
010-54120	EQUIPMENT REPAIR/MAINT EXP	49,200	14,700	23,367	47.5%	25,833	5,798	17,569
010-54121	GREEN'S PARK PORTABLE	-	-	-	0.0%	-	1,357	(1,357)
010-54125	LADDER TESTING	2,000	-	2,076	103.8%	(76)	-	2,076
010-54130	AIR PACK TESTING	1,500	-	-	0.0%	1,500	-	-
010-54135	PUMP TESTING	1,600	-	1,245	77.8%	355	1,536	(291)
010-54140	JAWS TESTING	4,400	-	-	0.0%	4,400	-	-
	***** EXPENSE CATEGORY TOTALS *****	**694,372**	**198,811**	**598,743**	**86.2%**	**95,629**	**874,200**	**(275,457)**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
UTILITIES								
010-54500	UTILITIES - ELECTRIC	489,800	45,010	111,268	22.7%	378,532	111,424	(156)
010-54501	UTILITIES - WATER/SEWER	57,700	2,762	13,245	23.0%	44,455	16,452	(3,207)
010-54502	UTILITIES - GAS	16,500	3,698	6,529	39.6%	9,971	5,998	532
010-54503	PHONES/INTERNET	74,756	5,248	23,274	31.1%	51,482	35,939	(12,665)
010-54504	CITY POOL ELECTRIC	8,000	692	1,848	23.1%	6,152	2,893	(1,045)
	***** EXPENSE CATEGORY TOTALS *****	**646,756**	**57,409**	**156,163**	**24.1%**	**490,593**	**172,705**	**(16,542)**
OTHER/MISC.								
010-55001	EMPLOYEE APPRECIATION	10,000	-	-	0.0%	10,000	5,429	(5,429)
010-55002	EVENTS & PROMOTIONS	5,000	-	383	7.7%	4,617	254	129
010-55200	MEETING MEALS	2,650	-	618	23.3%	2,032	1,361	(744)
010-55202	ANIMAL FOOD	200	-	-	0.0%	200	-	-
010-55203	CHRISTMAS ACTIVITIES	1,500	100	367	24.5%	1,133	1,100	(733)
010-55409	EMERGENCY RESPONSE EXP	-	-	-	0.0%	-	-	-
010-55411	DONATION FUNDED EXPENSE	10,000	364	11,186	111.9%	(1,186)	16,604	(5,418)
	***** EXPENSE CATEGORY TOTALS *****	**29,350**	**464**	**12,554**	**42.8%**	**16,796**	**24,749**	**(12,195)**
CAPITAL OUTLAY								
010-58030	IMPROVEMENTS	-	-	-	0.0%	-	121,930	(121,930)
010-58040	VEHICLES & EQUIPMENT	467,500	26,444	148,744	31.8%	318,756	237,257	(88,513)
010-58060	COMPUTER SOFTWARE	-	-	-	0.0%	-	-	-
010-58070	LIBRARY BOOKS	50,000	1,093	16,189	32.4%	33,811	17,961	(1,771)
	***** EXPENSE CATEGORY TOTALS *****	**517,500**	**27,537**	**164,933**	**31.9%**	**352,567**	**377,148**	**(212,214)**
INTERFUND ACTIVITY								
010-59240	TRANSFER TO AIRPORT FUND	307,633	25,636	102,544	33.3%	205,089	102,544	-
010-59283	TRANS TO HOME GRANT FUND-283	-	-	-	0.0%	-	-	-
010-59310	TRANSFER TO DEBT SERVICE FUND	1,054,225	87,852	351,408	33.3%	702,817	316,512	34,897
010-59511	TRSF TO VEH/EQUIP FUND	-	-	-	0.0%	-	-	-
010-59570	TRANSFER TO FLEET FUND	553,550	19,608	158,029	28.5%	395,521	167,881	(9,852)
	***** EXPENSE CATEGORY TOTALS *****	**1,915,408**	**133,096**	**611,982**	**32.0%**	**1,303,426**	**586,937**	**25,045**
	***** TOTAL EXPENSE *****	**$ 21,157,850**	**$ 1,731,594**	**$ 7,190,732**	**34.0%**	**$ 13,967,118**	**$ 7,008,868**	**$ 181,864**
310 -DEBT SERVICE FUND- DETAIL								
REVENUE								
310-41001	AD VALOREM TAXES - CURRENT	429,656	132,473	254,828	59.3%	174,828	333,566	(78,738)
310-41002	DELINQUENT TAX REVENUE	25,680	3,065	7,367	28.7%	18,313	3,546	3,821
310-41003	PENALTY & INTEREST TAXES	22,229	1,544	3,074	13.8%	19,155	1,721	1,353
310-41901	INTEREST REVENUE	1,500	1,526	2,673	178.2%	(1,173)	4,184	(1,510)
310-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
310-49010	TRANSFER FROM GENERAL FUND	1,054,225	87,852	351,408	33.3%	702,817	316,512	34,897
310-49610	TRSF FROM UTILITY FUND	-	-	-	0.0%	-	-	-
	***** TOTAL REVENUE *****	**1,533,290**	**226,461**	**619,351**	**40.4%**	**913,939**	**659,528**	**(40,177)**
310 -DEBT SERVICE FUND- DETAIL								
EXPENSE								
310-53030	PROFESSIONAL SERVICES	-	-	-	0.0%	-	-	-
310-53045	COMPLIANCE REPORTING	3,500	-	-	0.0%	3,500	-	-
310-55412	AGENT FEES	-	-	-	0.0%	-	-	-
310-56024	PRINCIPAL- BONDED DEBT	425,833	-	-	0.0%	425,833	-	-
310-56025	PRINCIPAL - CAPITAL LEASE	230,379	-	165,815	72.0%	64,564	161,819	3,996
310-56050	INTEREST- BONDED DEBT	913,327	-	-	0.0%	913,327	-	-
310-56051	INTEREST- CAPITAL LEASE	20,331	-	16,071	79.0%	4,261	20,066	(3,996)

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
310-56054	PAY/ESCROW AGENT FEES	-	806	806	0.0%	(806)	2,363	(1,556)
	***** TOTAL EXPENSE *****	**$ 1,593,370**	**$ 806**	**$ 182,692**	**11.5%**	**$ 1,410,678**	**$ 184,248**	**$ (1,556)**
610 -WATER & WASTEWATER FUND - DETAIL								
REVENUE								
610-41706	SALE OF EQUIPMENT	91,713	4,614	34,114	37.2%	57,600	-	34,114
610-41709	WATER METERED SALES	5,748,650	495,470	1,620,126	28.2%	4,128,524	1,549,245	70,881
610-41710	METER REPLACEMENT FEE	-	-	-	0.0%	-	-	-
610-41711	SEWER SERVICE CHARGES	4,550,533	385,612	1,259,955	27.7%	3,290,578	1,251,713	8,242
610-41716	BULK WATER SALES	1,000	-	314	31.4%	686	-	314
610-41717	SEWER SURCHARGE	-	-	-	0.0%	-	-	-
610-41718	WATER TAPS	45,000	16,978	43,260	96.1%	1,740	10,769	32,491
610-41719	SEWER TAPS	45,000	11,498	17,416	38.7%	27,584	6,527	10,889
610-41724	SERVICE FEES	120,000	10,555	25,435	21.2%	94,565	30,259	(4,824)
610-41725	TAMPERING FEES	1,800	-	450	25.0%	1,350	-	450
610-41727	SEPTAGE FEES AND OTHER	30,000	2,238	7,592	25.3%	22,408	8,171	(579)
610-41728	REBATE - COMPOST FACILITY	20,000	-	-	0.0%	20,000	-	-
610-41732	MISC. CHARGES THRU WATER BILLS	1,000	66	297	29.7%	703	(555)	852
610-41733	PENALTY WATER BILLINGS	170,000	19,345	69,191	40.7%	100,809	74,383	(5,193)
610-41804	STATE & FEDERAL GRANTS	-	-	8,374	0.0%	(8,374)	-	8,374
610-41815	UNMWA REIMB.	50,000	35,305	35,305	70.6%	14,695	-	35,305
610-41818	DEBT OR OTHER FINANCING	-	-	-	0.0%	-	-	-
610-41901	INTEREST REVENUE	90,000	13,954	62,807	69.8%	27,193	54,379	8,428
610-41902	INSURANCE RECOVERIES	-	3,066	3,066	0.0%	(3,066)	13,576	(10,510)
610-41903	BOND SALE PREMIUM	-	-	-	0.0%	-	-	-
610-41924	MISC REVENUE	-	-	-	0.0%	-	-	-
610-41926	SCRAP METAL RECOVERY	-	-	1,220	0.0%	(1,220)	2,383	(1,163)
610-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
610-49620	TRANSFER FROM SANITATION	-	-	-	0.0%	-	-	-
	***** TOTAL REVENUE *****	**10,964,697**	**998,702**	**3,188,920**	**29.1%**	**7,775,776**	**3,000,850**	**188,070**
610 -WATER & WASTEWATER FUND - DETAIL								
EXPENSE								
PERSONNEL								
610-51010	SALARIES & WAGES	1,401,735	107,315	420,131	30.0%	981,604	410,821	9,310
610-51020	OVERTIME	164,720	21,017	71,831	43.6%	92,889	80,277	(8,446)
610-51030	LONGEVITY	6,768	654	2,231	33.0%	4,537	2,187	44
610-51031	CERTIFICATION PAY	28,800	2,600	8,870	30.8%	19,930	15,773	(6,903)
610-51032	SHIFT PAY	3,600	400	1,380	38.3%	2,220	1,061	319
610-51034	UNIFORM ALLOWANCE	6,451	487	1,739	27.0%	4,712	1,462	277
610-51036	CELL PHONE ALLOWANCE	6,600	550	1,973	29.9%	4,628	2,298	(326)
610-51037	ON CALL PAY	-	2,000	7,455	0.0%	(7,455)	-	7,455
610-51040	SOCIAL SECURITY	122,550	10,106	38,712	31.6%	83,838	38,450	261
610-51050	HEALTH INSURANCE	296,089	23,989	93,881	31.7%	202,208	104,115	(10,234)
610-51061	WORKER'S COMPENSATION	57,211	5,949	22,642	39.6%	34,570	20,593	2,049
610-51070	RETIREMENT	239,769	20,415	74,951	31.3%	164,817	72,579	2,372
	***** EXPENSE CATEGORY TOTALS *****	**2,334,293**	**195,482**	**745,795**	**31.9%**	**1,588,498**	**749,616**	**(3,821)**
SUPPLIES AND MATERIALS								
610-52010	OFFICE SUPPLIES/EQUIPMENT	6,800	161	392	5.8%	6,408	110	281
610-52020	POSTAGE	35,900	5,053	15,189	42.3%	20,711	15,303	(114)
610-52030	JANITORIAL SUPPLIES	2,600	718	718	27.6%	1,882	-	718
610-52031	CHEMICALS	500,000	13,792	95,452	19.1%	404,548	87,734	7,717
610-52040	UNIFORMS/APPAREL	11,500	220	3,202	27.8%	8,298	6,027	(2,824)
610-52050	MEDICAL SUPPLIES	400	76	76	18.9%	324	405	(330)
610-52057	LAB SUPPLIES	16,500	1,578	4,094	24.8%	12,406	4,615	(521)
610-52061	SAFETY MATERIALS	11,500	1,229	3,473	30.2%	8,027	1,599	1,874

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
610-52070	GASOLINE AND OIL	500	-	15	3.0%	485	18	(3)
610-52080	SMALL TOOLS/EQUIPMENT	48,600	2,578	22,552	46.4%	26,048	22,491	61
	***** EXPENSE CATEGORY TOTALS *****	**634,300**	**25,406**	**145,163**	**22.9%**	**489,137**	**138,303**	**6,860**
PROF/CONTRACTUAL SERV								
610-53020	AUDIT & ACCOUNTING SERVICES	19,800	-	2,938	14.8%	16,862	1,729	1,210
610-53030	PROFESSIONAL SERVICES	45,000	6,974	22,295	49.5%	22,705	21,958	338
610-53041	CITY ISSUED CELL PHONES	1,200	80	322	26.8%	878	322	0
610-53042	CITY ISSUED TABLETS	2,900	106	526	18.2%	2,374	608	(81)
610-53043	PENALTIES AND FEES	-	-	-	0.0%	-	-	-
610-53046	COMPLIANCE MONITORING	54,456	12,888	19,574	35.9%	34,882	2,950	16,624
610-53090	IT SUPPORT	15,175	2,132	4,263	28.1%	10,912	4,263	-
610-53095	SOFTWARE MAINTENANCE	43,538	1,191	37,406	85.9%	6,131	33,392	4,014
610-53310	EQUIPMENT RENTAL/LEASE	11,500	6,555	6,725	58.5%	4,775	508	6,217
610-53311	PRINTER/COPIER LEASE	6,400	589	1,148	17.9%	5,252	1,115	33
610-53315	VEHICLE LEASE FEES	143,813	13,387	41,031	28.5%	102,782	23,235	17,797
610-53341	COLLECTIONS/LEGAL MVBA	1,000	-	170	17.0%	830	-	170
610-53501	COMMUNICATIONS	-	-	-	0.0%	-	-	-
610-53507	SLUDGE COLLECTION	365,000	18,483	80,520	22.1%	284,480	79,319	1,200
610-53509	MEMBERSHIPS & SUBSCRIPTIONS	1,260	-	48	3.8%	1,212	70	(22)
610-53510	TRAVEL AND TRAINING	29,450	11,520	14,212	48.3%	15,238	5,210	9,001
610-53512	PRINTING SERVICES	11,000	3,832	3,832	34.8%	7,168	3,494	337
610-53513	MERCHANT CR CRD PROCESSING	200,000	52,412	148,557	74.3%	51,443	61,682	86,875
610-53514	TML INSURANCE	147,441	-	155,654	105.6%	(8,212)	145,187	10,466
610-53517	CONTRACTUAL SERVICES	600	99	149	24.8%	452	153	(4)
610-53519	TANK MAINTENANCE	215,000	8,753	73,035	34.0%	141,965	-	73,035
610-53520	JANITORIAL SERVICES	17,347	2,673	6,167	35.6%	11,180	4,064	2,103
610-53521	UNRMWA WATER CONTRACT	203,582	-	49,283	24.2%	154,299	28,784	20,499
	***** EXPENSE CATEGORY TOTALS *****	**1,535,462**	**141,674**	**667,854**	**43.5%**	**867,608**	**418,042**	**249,812**
MAINTENANCE & REPAIR								
610-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	55,000	11,915	24,548	44.6%	30,452	19,263	5,285
610-54110	MOTOR VEHICLE REPAIRS	-	-	-	0.0%	-	-	-
610-54120	EQUIPMENT REPAIR/MAINT EXP	295,360	69,244	72,868	24.7%	222,492	99,367	(26,499)
610-54220	WATER METERS	-	-	-	0.0%	-	-	-
610-54310	SEWER LINE MAINTENANCE	-	-	-	0.0%	-	-	-
610-54311	SEWER PLANT MAINTENANCE	250,000	72,389	85,729	34.3%	164,271	18,373	67,356
610-54313	LIFT STATION MAINTENANCE	290,000	3,182	30,832	10.6%	259,168	124,705	(93,873)
610-54314	GENERATOR MAINTENANCE	13,500	1,000	1,879	13.9%	11,621	5,525	(3,646)
610-54315	PRETREATMENT FOG MGMT	2,300	-	-	0.0%	2,300	371	(371)
610-54421	WATER METER REPLACEMENT PROJECT	150,000	5,733	47,713	31.8%	102,287	171,255	(123,542)
610-54450	WATER/SEWER LINE REPAIR	600,000	70,588	151,687	25.3%	448,313	222,597	(70,910)
610-54460	METER READER HANDHELDS	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**1,656,160**	**234,051**	**415,257**	**25.1%**	**1,240,903**	**661,458**	**(246,201)**
UTILITIES								
610-54500	UTILITIES - ELECTRIC	401,100	43,756	108,810	27.1%	292,290	106,464	2,346
610-54501	UTILITIES - WATER/SEWER	32,700	3,827	16,666	51.0%	16,034	11,054	5,612
610-54502	UTILITIES - GAS	-	-	-	0.0%	-	-	-
610-54503	PHONES/INTERNET	25,500	1,615	7,073	27.7%	18,427	11,425	(4,352)
	***** EXPENSE CATEGORY TOTALS *****	**459,300**	**49,198**	**132,550**	**28.9%**	**326,750**	**128,944**	**3,607**
OTHER/MISC.								
610-55005	TCEQ PERMITTING	65,000	3,581	61,013	93.9%	3,987	55,617	5,396
610-55030	BAD DEBT EXPENSE	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**65,000**	**3,581**	**61,013**	**93.9%**	**3,987**	**55,617**	**5,396**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
REVENUE BOND PRINCIPAL PAYMENT								
610-56005	REVENUE BOND PRIN PAYMENT	760,000	(855,309)	(855,309)	-112.5%	1,615,309	-	(855,309)
610-56009	CERT OBLIG PRIN PAYMENT	327,167	(210,000)	(210,000)	-64.2%	537,167	-	(210,000)
610-56025	PRINCIPAL - CAPITAL LEASE	63,417	-	63,417	100.0%	-	61,955	1,462
610-56050	INTEREST- BONDED DEBT	713,641	-	(106,982)	-15.0%	820,623	(110,179)	3,198
610-56051	INTEREST- CAPITAL LEASE	1,497	-	1,497	100.0%	-	2,959	(1,462)
610-56054	PAY/ESCROW AGENT FEES	2,000	500	500	25.0%	1,500	750	(250)
	***** EXPENSE CATEGORY TOTALS *****	**1,867,722**	**(1,064,809)**	**(1,106,877)**	**-59.3%**	**2,974,599**	**(44,515)**	**(1,062,362)**
CAPITAL OUTLAY								
610-58030	IMPROVEMENTS	12,659,550	343,669	1,303,470	10.3%	11,356,080	526,155	777,315
610-58040	VEHICLES & EQUIPMENT	404,000	78,221	166,842	41.3%	237,158	39,616	127,226
610-58044	COMMUNICATION EQUIPMENT	50,000	-	3,897	7.8%	46,103	-	3,897
610-58046	LIFT STATION REPLACEMENT	1,146,800	33,063	33,063	2.9%	1,113,738	-	33,063
	***** EXPENSE CATEGORY TOTALS *****	**14,260,350**	**454,952**	**1,507,271**	**10.6%**	**12,753,079**	**565,771**	**941,501**
INTERFUND ACTIVITY								
610-59010	TRANSFER TO/FROM GENERAL FUND	1,395,000	116,250	465,000	33.3%	930,000	396,975	68,025
610-59570	TRANSFER TO FLEET FUND	158,700	7,285	56,139	35.4%	102,561	58,530	(2,391)
	***** EXPENSE CATEGORY TOTALS *****	**1,553,700**	**123,535**	**521,139**	**33.5%**	**1,032,561**	**455,505**	**65,634**
	***** TOTAL EXPENSE *****	**$ 24,366,288**	**$ 163,070**	**$ 3,089,166**	**12.7%**	**$ 21,277,122**	**$ 3,128,739**	**$ (39,573)**
620-SANITATION FUND- DETAIL								
REVENUE								
620-41715	SANITATION COLLECTION CHARGES	3,160,569	267,345	913,885	28.9%	2,246,684	901,757	12,128
620-41721	COLLECTION BAG SALES	20,000	1,691	6,081	30.4%	13,919	5,256	825
620-41722	CLEAN STREETS PROGRAM	166,233	14,036	56,129	33.8%	110,104	56,383	(254)
620-41723	SALES TAX DISCOUNT	600	121	373	62.2%	227	469	(96)
620-41729	ROLL OFF CHARGES	721,313	(208)	258,657	35.9%	462,656	233,192	25,464
620-41901	INTEREST REVENUE	7,000	-	137	2.0%	6,863	277	(140)
620-41902	INSURANCE RECOVERIES	-	-	-	0.0%	-	-	-
620-41922	REBATE REVENUE	15,000	-	-	0.0%	15,000	35,598	(35,598)
620-41924	MISC REVENUE	-	-	-	0.0%	-	-	-
620-41926	SCRAP METAL RECOVERY	-	-	-	0.0%	-	-	-
620-49010	TRANSFER FROM GENERAL FUND	-	-	-	0.0%	-	-	-
	***** TOTAL REVENUE *****	**4,090,715**	**282,985**	**1,235,262**	**30.2%**	**2,855,453**	**1,232,932**	**2,330**
620-SANITATION FUND- DETAIL								
EXPENSE								
SUPPLIES AND MATERIALS								
620-52080	SMALL TOOLS/EQUIPMENT	500	-	-	0.0%	500	27	(27)
620-52130	GARBAGE BAGS	10,000	-	4,984	49.8%	5,016	4,966	18
	***** EXPENSE CATEGORY TOTALS *****	**10,500**	**-**	**4,984**	**47.5%**	**5,516**	**4,994**	**(9)**
PROF/CONTRACTUAL SERV								
620-53504	ROLL OFFS	453,932	-	232,838	51.3%	221,094	171,738	61,100
620-53505	RESIDENTIAL COLLECTION	808,000	-	228,358	28.3%	579,642	291,195	(62,837)
620-53506	COMMERCIAL COLLECTION	1,456,000	-	409,671	28.1%	1,046,329	511,894	(102,223)
620-53508	CITY WIDE CLEAN-UP COLLECTION	85,000	-	41,111	48.4%	43,889	37,532	3,580
620-53520	JANITORIAL SERVICES	1,450	121	242	16.7%	1,209	362	(121)
	***** EXPENSE CATEGORY TOTALS *****	**2,804,382**	**121**	**912,220**	**32.5%**	**1,892,162**	**1,012,721**	**(100,502)**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
MAINTENANCE & REPAIR								
620-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	500	-	-	0.0%	500	-	-
620-54110	MOTOR VEHICLE REPAIRS	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**500**	**-**	**-**	**0.0%**	**500**	**-**	**-**
OTHER/MISC.								
620-55030	BAD DEBT EXPENSE	20,000	-	-	0.0%	20,000	-	-
620-55599	DEPRECIATION EXPENSE	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**20,000**	**-**	**-**	**0.0%**	**20,000**	**-**	**-**
INTERFUND ACTIVITY								
620-59010	TRANSFER TO/FROM GENERAL FUND	1,232,333	102,694	410,778	33.3%	821,555	399,383	11,395
620-59570	TRANSFER TO FLEET FUND	23,000	-	7,254	31.5%	15,746	8,898	(1,644)
	***** EXPENSE CATEGORY TOTALS *****	**1,255,333**	**102,694**	**418,031**	**33.3%**	**837,302**	**408,280**	**9,751**
	***** TOTAL EXPENSE *****	**$ 4,090,715**	**$ 102,815**	**$ 1,335,235**	**32.6%**	**$ 2,755,480**	**$ 1,425,995**	**$ (90,760)**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
215 -ECONOMIC DEVELOPMENT CORP (PEDC)- DETAIL								
REVENUE								
215-41013	PEDC SALES TAX	$ 1,325,055	$ 112,120	$ 465,216	35.1%	$ 859,839	443,809.03	$ 21,407
215-41609	RENT - SUITE B	36,000	3,000	12,000	33.3%	24,000	12,000	-
215-41610	RENT - RESULTS CO	-	-	-	0.0%	-	71,815	(71,815)
215-41807	ETEX FIBER RECAPTURE	400,000	104,153	206,553	51.6%	193,447	197,810	8,743
215-41818	DEBT OR OTHER FINANCING	-	-	-	0.0%	-	-	-
215-41901	INTEREST REVENUE	65,000	11,274	46,586	71.7%	18,414	44,023	2,563
215-41932	TAH LOAN PYMT	34,064	2,839	11,355	33.3%	22,709	11,355	-
215-41938	SALE OF PROPERTY	-	-	-	0.0%	-	10	(10)
215-41924	MISC REVENUE	$ -	$ -	$ -	0.0%	$ -	0.00	$ -
	***** TOTAL REVENUE *****	**1,860,119**	**233,386**	**741,710**	**39.9%**	**1,118,409**	**780,822**	**(39,112)**
215 -ECONOMIC DEVELOPMENT CORP (PEDC)- DETAIL								
EXPENSE								
PERSONNEL								
215-51010	SALARIES & WAGES	175,555	13,433	53,042	30.2%	122,513	43,202	9,840
215-51020	OVERTIME	-	-	-	0.0%	-	-	-
215-51030	LONGEVITY	288	42	122	42.3%	166	72	49
215-51031	CERTIFICATION PAY	-	-	-	0.0%	-	-	-
215-51036	CELL PHONE ALLOWANCE	600	50	173	28.8%	428	177	(4)
215-51040	SOCIAL SECURITY	13,817	1,023	4,060	29.4%	9,757	3,320	740
215-51050	HEALTH INSURANCE	24,943	2,621	9,397	37.7%	15,546	6,821	2,576
215-51061	WORKER'S COMPENSATION	708	55	219	30.9%	489	178	41
215-51070	RETIREMENT	26,124	2,061	7,830	30.0%	18,294	6,202	1,628
	***** EXPENSE CATEGORY TOTALS *****	**242,034**	**19,286**	**74,841**	**30.9%**	**167,193**	**59,972**	**14,870**
SUPPLIES AND MATERIALS								
215-52010	OFFICE SUPPLIES/EQUIPMENT	4,100	-	327	8.0%	3,773	552	(225)
215-52020	POSTAGE	300	-	-	0.0%	300	60	(60)
215-52091	FURNITURE & OFFICE EQUIPMENT	2,500	-	33	1.3%	2,467	575	(543)
	***** EXPENSE CATEGORY TOTALS *****	**6,900**	**-**	**360**	**5.2%**	**6,540**	**1,187**	**(827)**
PROF/CONTRACTUAL SERV								
215-53010	LEGAL SERVICES	55,000	3,002	3,879	7.1%	51,121	19,486	(15,607)
215-53020	AUDIT & ACCOUNTING SERVICES	5,000	-	742	14.8%	4,258	436	306
215-53030	PROFESSIONAL SERVICES	45,000	4,895	4,895	10.9%	40,105	2,273	2,622
215-53031	CONSULTANT SERVICES	20,000	630	630	3.2%	19,370	-	630
215-53041	CITY ISSUED CELL PHONES	-	-	-	0.0%	-	-	-
215-53090	IT SUPPORT	1,897	305	609	32.1%	1,288	609	-
215-53095	SOFTWARE MAINTENANCE	833	161	391	46.9%	442	273	118
215-53150	MARKETING SERVICES	75,000	7,620	24,745	33.0%	50,255	13,508	11,237
215-53210	FINANCIAL SERVICE CHARGES	-	-	-	0.0%	-	-	-

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
215-53311	PRINTER/COPIER LEASE	3,500	275	512	14.6%	2,988	518	(6)
215-53315	VEHICLE LEASE FEES	-	-	-	0.0%	-	-	-
215-53330	CITY-PAID EXPENSES	-	-	-	0.0%	-	-	-
215-53500	LEGAL NOTICES	3,000	449	449	15.0%	2,551	-	449
215-53501	COMMUNICATIONS	-	-	-	0.0%	-	693	(693)
215-53509	MEMBERSHIPS & SUBSCRIPTIONS	22,250	-	21,449	96.4%	801	17,099	4,351
215-53510	TRAVEL AND TRAINING	10,000	83	7,241	72.4%	2,759	663	6,578
215-53512	PRINTING SERVICES	-	-	-	0.0%	-	-	-
215-53514	TML INSURANCE	13,000	-	15,187	116.8%	(2,187)	12,135	3,052
215-53515	INSURANCE AND BONDS	1,100	-	-	0.0%	1,100	912	(912)
215-53520	JANITORIAL SERVICES	4,100	1,000	1,600	39.0%	2,500	1,225	375
215-53617	PROJECTS SUPPORT GRANTS	300,000	-	-	0.0%	300,000	-	-
215-53662	ATH COMPLEX IMPROVEMENTS GRANT	25,000	-	-	0.0%	25,000	-	-
215-53663	COM DEV GRANT-GENERAL PROGRAM	75,000	-	-	0.0%	75,000	-	-
215-53664	BLDG IMPROVEMENT GRANT PROG	250,000	-	66,303	26.5%	183,697	26,200	40,103
215-53665	PRIOR YEAR BLDG IMPROV GRANTS	67,500	60,792	79,354	117.6%	(11,854)	-	79,354
	***** EXPENSE CATEGORY TOTALS *****	**977,180**	**79,210**	**227,986**	**23.3%**	**749,194**	**96,031**	**131,955**
MAINTENANCE & REPAIR								
215-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	100,000	2,908	6,573	6.6%	93,427	27,744	(21,172)
215-54120	EQUIPMENT REPAIR/MAINT EXP	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**100,000**	**2,908**	**6,573**	**6.6%**	**93,427**	**27,744**	**(21,172)**
UTILITIES								
215-54500	UTILITIES - ELECTRIC	78,000	5,048	11,836	15.2%	66,164	1,572	10,264
215-54501	UTILITIES - WATER/SEWER	4,000	295	1,188	29.7%	2,812	1,050	138
215-54503	PHONES/INTERNET	3,000	239	1,039	34.6%	1,961	1,638	(599)
	***** EXPENSE CATEGORY TOTALS *****	**85,000**	**5,582**	**14,063**	**16.5%**	**70,937**	**4,259**	**9,803**
OTHER/MISC.								
215-55002	EVENTS & PROMOTIONS	-	-	-	0.0%	-	-	-
215-55009	BUSINESS RETENTION/EXPANSION	15,000	-	-	0.0%	15,000	308	(308)
215-55066	COMMUNITY EVENTS	-	-	-	0.0%	-	-	-
215-55067	HOSPITAL DEMOLITION	-	-	-	0.0%	-	-	-
215-55200	MEETING MEALS	3,500	-	485	13.9%	3,015	1,027	(542)
	***** EXPENSE CATEGORY TOTALS *****	**18,500**	**-**	**485**	**2.6%**	**18,015**	**1,336**	**(851)**
DEBT SERVICE								
215-56005	REVENUE BOND PRIN PAYMENT	563,374	73,542	40,663	7.2%	522,711	(5,687)	46,350
215-56050	INTEREST- BONDED DEBT	168,554	70,235	70,235	41.7%	98,319	-	70,235
215-56054	PAY/ESCROW AGENT FEES	-	-	-	0.0%	-	25,340	(25,340)
	***** EXPENSE CATEGORY TOTALS *****	**731,928**	**143,776**	**110,897**	**15.2%**	**621,030**	**19,653**	**91,244**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
CAPITAL OUTLAY								
215-58000	CAPITAL OUTLAY	-	140	140	0.0%	(140)	-	140
	***** EXPENSE CATEGORY TOTALS *****	**-**	**140**	**140**	**0.0%**	**(140)**	**-**	**140**
INTERFUND ACTIVITY								
215-59010	TRANSFER TO/FROM GENERAL FUND	49,586	2,614	10,457	21.1%	39,129	10,457	-
215-59570	TRANSFER TO FLEET FUND	250	26	233	93.1%	17	56	177
	***** EXPENSE CATEGORY TOTALS *****	**49,836**	**2,641**	**10,690**	**21.4%**	**39,146**	**10,513**	**177**
	***** TOTAL EXPENSE *****	**$ 2,211,378**	**$ 253,543**	**$ 446,035**	**20.2%**	**$ 1,765,343**	**$ 220,694**	**$ 225,341**

City of Palestine, Texas
Financial Statement
As of January 31, 2025

NON MAJOR FUNDS SUMMARY

	200	240	250	251	252	260	270
	HOTEL	AIRPORT	MUNICIPAL COURT -	MUNICIPAL	MUNICIPAL	PD FORFEITURE FUND	COMMUNITY FOREST
Beginning Fund Balance	$ 1,393,016	$ 29,056	$ 75,562	$ 55,426	$ 73,037	$ 69,664	$ 2,877
REVENUE							
PROPERTY TAXES	-	-	-	-	-	-	-
SALES TAX	-	-	-	-	-	-	-
FRANCHISE TAX	-	-	-	-	-	-	-
PERMITS LICENSES & FEES	-	-	-	-	-	-	-
FINES AND WARRANTS	-	-	2,542	2,095	12,626	-	-
LEASE/RENTAL REVENUE	-	2,000	-	-	-	-	-
CHARGES FOR SERVICE	-	-	-	-	-	8,875	-
INTERGOVERNMENTAL REVENUE	-	68,518	-	-	-	450	-
OTHER INCOME	234,730	5,766	998	747	1,592	1,870	4,810
INTERFUND ACTIVITY	-	102,544	-	-	-	-	-
Total	**234,730**	**178,829**	**3,541**	**2,842**	**14,217**	**11,195**	**4,810**
EXPENSE							
PERSONNEL	64,729	13,189	-	-	-	-	-
SUPPLIES AND MATERIALS	882	60	6,490	1,037	-	-	-
PROF/CONTRACTUAL SERV	84,904	39,120	-	-	-	-	40,000
MAINTENANCE & REPAIR	3,460	10,053	-	-	-	-	-
UTILITIES	3,570	2,482	-	-	-	-	-
OTHER/MISC.	7,951	-	-	-	-	-	-
DEBT SERVICE	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-
INTERFUND ACTIVITY	10,532	1,025	-	-	-	-	-
Total	**176,029**	**65,928**	**6,490**	**1,037**	**-**	**-**	**40,000**
Surplus (Deficit)	**58,701**	**112,901**	**(2,950)**	**1,805**	**14,217**	**11,195**	**(35,190)**
Ending Fund Balance	$ 1,451,717	$ 141,956	$ 72,612	$ 57,231	$ 87,254	$ 80,858	$ (32,313)

City of Palestine, Texas
Financial Statement
As of January 31, 2025

NON MAJOR FUNDS SUMMARY

	271	280	290	400	740	770	
	PERPETUAL CEMETERY FUND	GRANTS	STREET MAINTENANCE / REPAIR TAX	GENERAL CIP FUND	EQUIPMENT REPLACEMENT	FLEET FUND	TOTAL NON MAJOR FUNDS
Beginning Fund Balance	**$ 232,103**	**$ 21,766**	**$ 746,530**	**$ 22,084,037**	**$ 834,893**	**$ (77,634)**	**$ 25,540,333**
REVENUE							
PROPERTY TAXES	-	-	-	-	-	-	-
SALES TAX	-	-	232,608	-	-	-	232,608
FRANCHISE TAX	-	-	-	-	-	-	-
PERMITS LICENSES & FEES	-	-	-	-	-	-	-
FINES AND WARRANTS	-	-	-	-	-	-	17,263
LEASE/RENTAL REVENUE	-	-	-	-	-	-	2,000
CHARGES FOR SERVICE	5,000	-	-	-	-	-	13,875
INTERGOVERNMENTAL REVENUE	-	-	-	-	-	-	68,968
OTHER INCOME	1,795	198	-	174,357	-	31,587	458,450
INTERFUND ACTIVITY	-	-	-	-	-	222,755	325,299
Total	**6,795**	**198**	**232,608**	**174,357**	**-**	**254,342**	**1,118,463**
EXPENSE							
PERSONNEL	-	-	-	-	-	64,909	142,827
SUPPLIES AND MATERIALS	-	49,248	-	-	-	130,603	188,320
PROF/CONTRACTUAL SERV	-	-	-	-	-	13,314	177,339
MAINTENANCE & REPAIR	58,020	-	18,898	-	-	81,458	171,890
UTILITIES	-	-	-	-	-	3,238	9,290
OTHER/MISC.	-	-	-	-	-	-	7,951
DEBT SERVICE	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	669,642	-	-	669,642
INTERFUND ACTIVITY	-	-	-	-	-	-	11,557
Total	**58,020**	**49,248**	**18,898**	**669,642**	**-**	**293,522**	**1,378,815**
Surplus (Deficit)	**(51,226)**	**(49,050)**	**213,710**	**(495,284)**	**-**	**(39,180)**	**(260,352)**
Ending Fund Balance	**$ 180,877**	**$ (27,285)**	**$ 960,240**	**$ 21,588,753**	**$ 834,893**	**$ (116,814)**	**$ 25,279,981**

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: January 31, 2025

	Par Value	Book Value	Market Value	Ratio Market-to-Book Value
Beginning Balances				
Cash	$ 17,523,685.63	$ 17,523,685.63	$ 17,523,685.63	100.00%
Investments	34,092,357.26	34,092,357.26	34,092,357.26	100.00%
Total	$ 51,616,042.89	$ 51,616,042.89	$ 51,616,042.89	100.00%
Activity				
Cash	$8,369.52	8,369.52	8,369.52	
Investments				
Net Accretion & Amortization		-	-	
Purchases	250,000.00	250,000.00	250,000.00	
Maturities/Calls		-	-	
Changes to Market Value		-		
Withdrawals/Deposits	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	
Interest Earnings	75,746.50	75,746.50	75,746.50	
Net Monthly Activity	($665,883.98)	(665,883.98)	(665,883.98)	
Ending Balances				
Cash	17,532,055.15	17,532,055.15	17,532,055.15	100.00%
Investments	33,418,103.76	33,418,103.76	33,418,103.76	100.00%
Total	$ 50,950,158.91	$ 50,950,158.91	$ 50,950,158.91	100.00%

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: January 31, 2025

Purchase Date	Maturity Date	CUSIP / CD Number	Security Type	Par Value	Coupon	Purchase Price	Purchase Yield	Purchase Principal	Book Value	Market Value	Unrealized Gain / (Loss)	Days to Maturity
N/A	N/A	N/A	Prosperity Bank - Cash	$4,416,602		$ 100.000	0.200%	$4,416,602	$ 4,416,602	$ 4,416,602	$ -	1
N/A	N/A	N/A	BNY Mellon - Cash Reserve	226,975		100.000	0.000%	226,975	226,975	226,975	-	1
N/A	N/A	N/A	TexSTAR - Local Government Investment Pool	5,439,835		100.000	4.390%	5,439,835	5,439,835	5,439,835	-	1
N/A	N/A	N/A	TexSTAR - General Obligation Bond 2014	10,927,645		100.000	4.390%	10,927,645	10,927,645	10,927,645	-	1
N/A	N/A	N/A	FNC - Cash, Money Funds, & Bank Deposits	98,219		100.000	0.010%	98,219	98,219	98,219	-	1
N/A	N/A	N/A	FNC PEDC - Cash, Money Funds, & Bank Deposits	303,269		100.000	0.010%	303,269	303,269	303,269	-	1
2/18/2022	2/18/2025	3130AQRN5	Bond - Federal Home Loan Bank	1,000,000		100.000	1.150%	1,000,000	1,000,000	999,050	(950)	18
4/5/2022	4/5/2025	14042TFC6	CD - Capital One Bank	250,000		100.000	2.580%	250,000	250,000	249,408	(593)	64
2/18/2022	2/18/2025	05580AJ39	CD - BMW Bank North America	200,000		100.000	1.460%	200,000	200,000	199,686	(314)	18
5/11/2022	5/19/2025	02007GRK1	CD - Ally Bank	250,000		100.000	3.100%	250,000	250,000	249,200	(800)	108
5/11/2022	5/19/2025	0258ACS9	CD - American Express	250,000		100.000	3.100%	250,000	250,000	249,220	(780)	108
5/11/2022	5/19/2025	140442RRH6	CD - Capital One National Bank	250,000		100.000	3.100%	250,000	250,000	249,220	(780)	108
5/11/2022	5/19/2025	61690UJ43	CD - Morgan Stanley Bank	250,000		100.000	3.150%	250,000	250,000	249,230	(770)	108
5/11/2022	5/19/2025	61768EJP9	CD - Morgan Stanley Private Bank	250,000		100.000	3.150%	250,000	250,000	249,230	(770)	108
5/25/2022	5/27/2025	06740KQN0	CD- Barclays Bank	250,000		100.000	3.050%	250,000	250,000	249,120	(880)	116
5/25/2022	5/27/2025	254673E69	CD - Discover Bank	250,000		100.000	3.100%	250,000	250,000	249,153	(848)	116
6/30/2022	6/30/2025	90348J4C1	CD - UBS Bank	250,000		100.000	3.300%	250,000	250,000	249,078	(923)	150
7/22/2022	7/22/2025	87164XN36	CD - Synchrony Bank	250,000		100.000	3.050%	250,000	250,000	248,870	(1,130)	172
7/25/2022	7/25/2025	32022RRW9	CD - First Financial Bank	250,000		100.000	3.050%	250,000	250,000	248,578	(1,423)	175
9/28/2022	9/29/2025	307811EZ8	CD - Farmers & Merchants Bank	250,000		100.000	3.750%	250,000	250,000	249,128	(873)	241
9/29/2022	9/29/2025	8266GET7	CD - Signature Bank	250,000		100.000	4.050%	250,000	250,000	249,553	(448)	241
9/30/2022	9/30/2025	32112UEC1	CD - First National Bank	250,000		100.000	3.750%	250,000	250,000	249,160	(840)	242

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: January 31, 2025

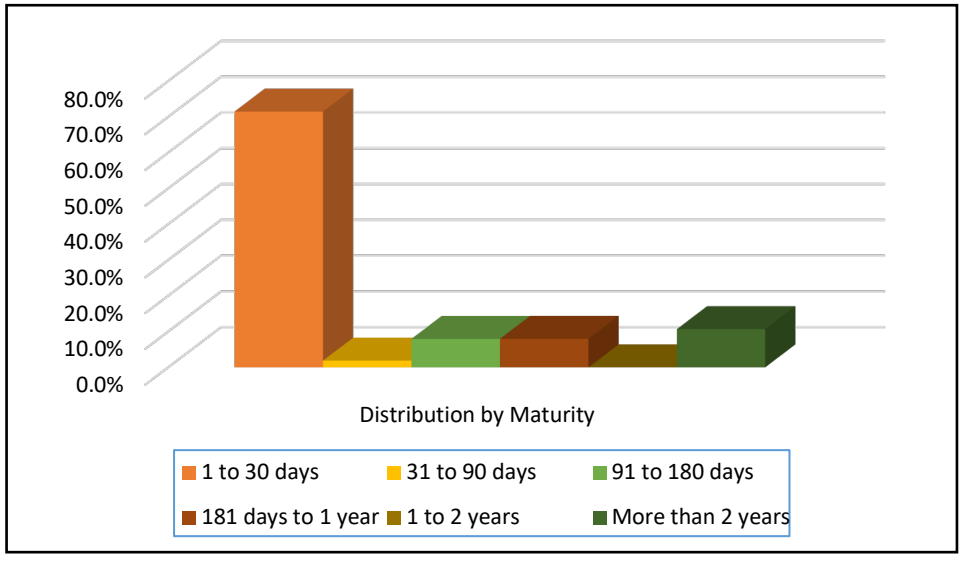
Purchase Date	Maturity Date	CUSIP / CD Number	Security Type	Par Value	Coupon	Purchase Price	Purchase Yield	Purchase Principal	Book Value	Market Value	Unrealized Gain / (Loss)	Days to Maturity
9/30/2022	9/30/2025	52470QCA0	CD - Legacy Bank & Trust	250,000		100.000	4.000%	250,000	250,000	249,538	(463)	242
10/7/2022	4/7/2025	84229LAX0	CD - Southern Bank	250,000		100.000	3.740%	250,000	250,000	249,715	(285)	66
10/13/2022	10/14/2025	07815ACD7	CD - Bell St Bank & Trust	250,000		100.000	4.210%	250,000	250,000	249,790	(210)	256
10/14/2022	4/14/2025	620476BB6	CD - Mound City Bank	250,000		100.000	4.160%	250,000	250,000	249,968	(33)	73
10/26/2022	10/28/2024	23204HLJ5	CD - Customers Bank	-		100.000	4.510%	-	-	-	-	-95
10/28/2022	10/28/2025	319477AN5	CD - First Citizens Bank & Trust	250,000		100.000	4.700%	250,000	250,000	250,578	578	270
11/15/2022	8/15/2024	66476QDC9	CD - Northern Bank & Trust	-		100.000	4.750%	-	-	-	-	-169
9/20/2019	9/20/2025	182001541	CD - Prosperity Bank	168,579		100.000	1.900%	168,579	168,579	168,579	-	232
9/20/2020	9/20/2024	182001540	CD - Prosperity Bank	165,252		100.000	0.500%	165,252	165,252	165,252	-	-133
9/27/2022	10/15/2024	62384RAQ9	CD - Mountain Amer Cr Un	-		100.000	4.750%	-	-	-	-	-108
11/23/2022	11/24/2025	849061AA4	CD - Spokane Teachers Cr Un	248,000		100.000	5.000%	248,000	248,000	249,917	1,917	297
11/28/2022	5/28/2024	397129AJ6	CD - Greenwood Cr Un	-		100.000	4.950%	-	-	-	-	-248
11/28/2022	11/28/2025	07181JAX	CD - Baxter Cr Un	248,000		100.000	4.950%	248,000	248,000	249,798	1,798	301
12/30/2022	12/30/2025	01882MAD4	CD - Alliant Cr Un	248,000		100.000	5.100%	248,000	248,000	250,346	2,346	333
1/20/2023	7/22/2024	564759RU4	CD - Manufacturers & Traders Tr Co (PEDC)	-		100.000	4.600%	-	-	-	-	-193
1/31/2023	7/31/2024	33651FAH2	CD - First Source Fed Cr Un	-		100.000	4.750%	-	-	-	-	-184
2/15/2023	2/14/2025	369674CJ3	CD - General Electric Cr Un	248,000		100.000	5.000%	248,000	248,000	248,149	149	14
2/24/2023	2/24/2025	87868YAJ2	CD - Technology Cr Un San Jose	248,000		100.000	5.000%	248,000	248,000	248,176	176	24
3/8/2023	3/8/2028	011852AE0	CD - Alaska USA Fed Cr Un	249,000		100.000	4.600%	249,000	249,000	253,435	4,435	1132
3/10/2023	3/10/2028	92891CCZ3	CD - Vystar Cr Un	249,000		100.000	4.550%	249,000	249,000	253,076	4,076	1134
5/24/2023	5/27/2025	59001PAT6	CD - Meritrust Fed Cr Un	150,000		100.000	5.000%	150,000	150,000	150,702	702	116
5/30/2023	5/30/2025	67054NBG7	CD - Numerica Cr Un	250,000		100.000	5.000%	250,000	250,000	250,840	840	119
7/14/2023	7/14/2028	91739JAA3	CD - Utah First Fed Cr Un	249,000		100.000	4.750%	249,000	249,000	259,983	10,983	1260

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: January 31, 2025

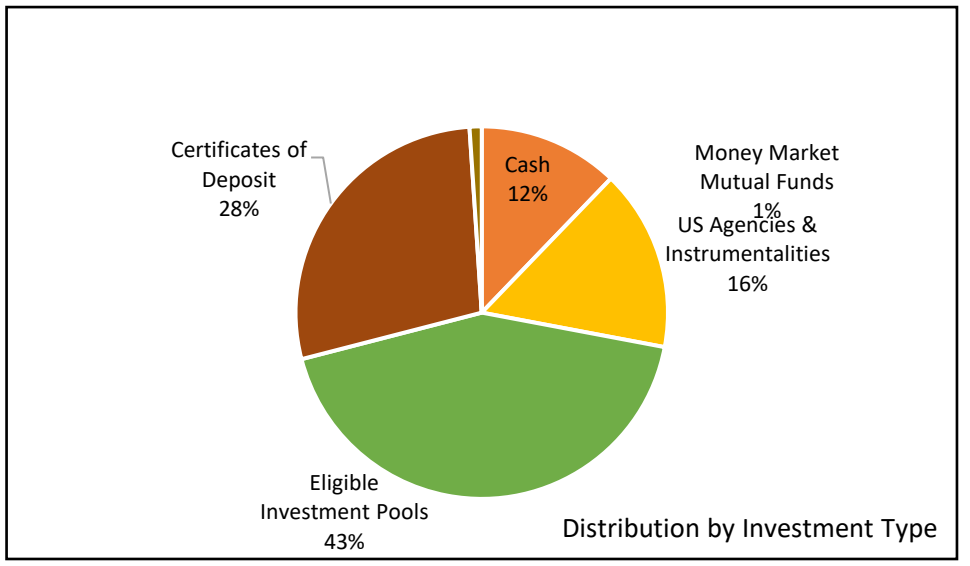
Purchase Date	Maturity Date	CUSIP / CD Number	Security Type	Par Value	Coupon	Purchase Price	Purchase Yield	Purchase Principal	Book Value	Market Value	Unrealized Gain / (Loss)	Days to Maturity
2/16/2024	2/14/2025	3135GAP62	Bond - Federal Natl Mtg Assn (CIP)	5,000,000		100.000	5.000%	5,000,000	5,000,000	4,997,250	(2,750)	14
2/28/2024	3/1/2027	01025RAP4	SH CTF - Alabama Cr Un	250,000		100.000	4.500%	250,000	250,000	250,965	965	759
2/28/2024	3/1/2027	30960QAW7	SH CTF - Farmers Ins Group Fed Cr Un	250,000		100.000	4.500%	250,000	250,000	250,965	965	759
4/16/2024	8/31/2025	TSRYS5638348	US Treasury Securities NTS	500,000		100.000	5.000%	500,000	500,000	501,540	1,540	212
6/13/2024	6/14/2027	32026U5Y8	CD - First Fndtn Bk	240,000		100.000	4.900%	240,000	240,000	244,958	4,958	864
6/28/2024	6/28/2027	32023HBT4	CD - First Fed Svgs & Ln	248,000		100.000	5.250%	248,000	248,000	250,820	2,820	878
7/19/2024	7/21/2025	89841MBG1	CD - Trustone Finl Cr Un (PEDC)	248,000		100.000	5.100%	248,000	248,000	248,804	804	171
7/22/2024	7/21/2028	19058RAG6	CD - Coastal1 Cr Un	244,000		100.000	4.550%	244,000	244,000	248,414	4,414	1267
7/30/2024	7/30/2029	18507MAD3	CD - Clearpath Fed Cr Un	248,000		100.000	5.400%	248,000	248,000	249,292	1,292	1641
7/31/2024	7/31/2025	291916AQ7	CD - Empower Fed Cr Un (PEDC)	244,000		100.000	5.100%	244,000	244,000	244,852	852	181
7/31/2024	8/2/2027	795451DN0	CD - Sallie Mae Bk	250,000		100.000	5.000%	250,000	250,000	250,858	858	913
7/9/2024	1/10/2028	74048CBG6	CD - Premier Cmnty Bk	250,000		100.000	4.450%	250,000	250,000	251,560	1,560	1074
8/23/2024	8/23/2027	44330U3E0	CD - HSBC Bk	250,000		100.000	4.200%	250,000	250,000	247,683	(2,318)	934
8/12/2024	8/12/2027	3133ERNT4	Bond - Fed Farm Cr Bk	1,000,000		100.000	4.950%	1,000,000	1,000,000	999,530	(470)	923
9/13/2024	9/13/2027	87164DXJ4	CD - Synovus Bk	250,000		100.000	4.500%	250,000	250,000	249,533	(468)	955
Totals/Weighted Average				$39,555,375			3.778%	$39,555,375	$ 39,555,375	$ 39,584,288	$ 28,912	143
Benchmark - 4 Weeks Coupon Equivalent- Treasury Bill Rate							4.320%					

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: January 31, 2025

Distribution by Maturity	Par Value	Percent
1 to 30 days	$28,273,797	71.5%
31 to 90 days	750,000	1.9%
91 to 180 days	3,148,000	8.0%
181 days to 1 year	3,156,579	8.0%
1 to 2 years	-	0.0%
More than 2 years	4,227,000	10.7%
	$ 39,555,375	100.0%



Distribution by Investment Type	Book Value	Percent
Cash	$4,643,578	11.7%
US Agencies & Instrumentalities	6,000,000	15.2%
Eligible Investment Pools	16,367,479	41.4%
Certificates of Deposit	10,642,830	26.9%
US Treasury Bills / Notes / Bonds	1,500,000	3.8%
Money Market Mutual Funds	401,488	1.0%
Repurchase Agreements	-	0.0%
	$ 39,555,375	100.0%



City of Palestine, Texas
Cash and Investment Distribution by Fund
For the Month Ending: January 31, 2025

Transaction Information		010	200	215	240	250	251	252
Description	Security Type	GENERAL FUND	HOTEL OCCUPANCY TAX	PALESTINE ECON. DEV. CORP. (PEDC)	AIRPORT FUND	MUNICIPAL COURT - BLDG. SECURITY	MUNICIPAL COURT - TECH. FUND	MUNICIPAL COURT - CHILD SAFETY
TexSTAR	Investment Pool	$ 3,067,885	$ 319,009	$ 716,413	$ 115,874	$ 21,215	$ 16,374	37,528
FNC/Pershing	Cash, Money Funds, & Bank Dep.	$ 57,437	$ 5,972	$ 316,682	$ 2,169	$ 397	$ 307	703
CD's	Certificates of Deposit	$ 5,936,031	$ 617,248	$ 1,878,183	$ 224,203	$ 41,049	$ 31,683	72,613
Total of Investments		9,061,353	942,229	2,911,278	342,246	62,662	48,364	110,844
Cash		1,574,206	617,873	59,458	10,886	8,402	19,257	20,920
Total Investments & Cash		10,635,559	1,560,102	2,970,736	353,132	71,064	67,620	131,764

Transaction Information		260	270	271	280	281	290	310
Description	Security Type	PD FORFEITURE FUND	COMMUNITY FOREST	PERPETUAL CEMETERY FUND	GRANTS	RESTRICTED DONATIONS	STREET MAINT. TAX FUND	DEBT SERVICE FUND
TexSTAR	Investment Pool	40,769	238,491	28,692	(6,653)	-	329,773	136,838
FNC/Pershing	Cash, Money Funds, & Bank Dep.	763	4,465	537	(125)	-	6,174	2,562
CD's	Certificates of Deposit	78,884	461,454	55,516	(12,873)	-	638,076	264,766
Total of Investments		120,416	704,410	84,746	(19,651)	-	974,023	404,166
Cash		14,723	163,691	(3,414)	-	-	169,215	122,375
Total Investments & Cash		135,139	868,101	81,332	(19,651)	$ -	$ 1,143,238	526,541

Transaction Information		400	610	620	740	770	TOTAL
Description	Security Type	GENERAL CIP FUND	W/WW UTILITY FUND	SANITATION	EQUIPMENT REPLACEMENT FUND	FLEET FUND	
TexSTAR	Investment Pool	10,927,645	394,188	(2,262)	-	(14,299)	16,367,479
FNC/Pershing	Cash, Money Funds, & Bank Dep.	-	3,755	(42)	-	(268)	401,488
CD's	Certificates of Deposit	7,974,389	388,040	(4,376)	-	(27,668)	18,617,219
Total of Investments		18,902,033	785,983	(6,680)	-	(42,235)	35,386,186
Cash		(7,337)	329,882	(1,161)	70,215	-	3,169,189
Total Investments & Cash		$ 18,894,696	$ 1,115,864	$ (7,841)	$ 70,215	$ (42,235)	$ 38,555,375

City of Palestine, Texas
Summary of Investment Earnings by Fund
For the Month Ending: January 31, 2025

Description	010 GENERAL FUND	200 HOTEL OCCUPANCY TAX	215 PALESTINE ECONOMIC DEV. CORP. (PEDC)	240 AIRPORT	250 MUNICIPAL COURT - BLDG SECURITY FUND	251 MUNICIPAL COURT - TECH. FUND	252 MUNICIPAL COURT - CHILD SAFETY FEES
Bank Interest	1,049.97	109.18	509.86	39.66	7.26	5.60	12.84
TexSTAR	9,322.22	969.35	2,176.93	352.10	64.47	49.76	114.04
FNC/Pershing	514.90	53.54	1,007.03	19.45	3.56	2.75	6.30
CD's	20,248.42	2,105.50	6,859.52	764.78	140.02	108.07	247.69
Total	31,135.50	3,237.57	10,553.33	1,175.98	215.31	166.18	$ 380.87

Description	260 PD FORFEITURE FUND	270 COMMUNITY FOREST	271 PERPETUAL CEMETERY FUND	280 GRANTS	281 RESTRICTED DONATIONS	290 STREET MAINT. TAX FUND	310 DEBT SERVICE FUND
Bank Interest	13.95	81.62	9.82	(2.28)	-	112.86	46.83
TexSTAR	123.88	724.69	87.19	(20.22)	-	1,002.06	415.80
FNC/Pershing	6.84	40.03	4.82	(1.12)	-	55.35	22.97
CD's	269.08	1,574.07	189.37	(43.91)	-	2,176.54	903.15
Total	413.76	2,420.41	291.19	(67.52)	-	3,346.82	1,388.75

Description	400 GENERAL CIP FUND	610 W/WW UTILITY FUND	620 SANITATION FUND	740 EQUIPMENT REPLACEMENT FUND	770 FLEET FUND	TOTAL
Bank Interest	-	68.64	(0.77)	-	(4.89)	2,060.15
TexSTAR	40,583.41	1,328.53	(6.87)	-	(43.45)	57,243.88
FNC/Pershing	-	33.66	(0.38)	-	(2.40)	1,767.28
CD's	25,775.84	1,323.65	(14.93)	-	(94.38)	62,532.48
Total	$ 66,359.25	$ 2,754.47	$ (22.95)	$ -	$ (145.12)	$ 123,603.79

This monthly report is in full compliance with the investment strategies as established in the City's Investment Policy and the Public Funds Investment Act, Chapter 2256, Texas Government Code.

Andrew Sibai
Finance Director

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	January 2025 Police Monthly Report
Date Submitted:	02/20/2025

SUMMARY:

January 2025 Police Monthly Report

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

CID Stats - January 2025
PLACE Stats - January 2025
PPD Stats - January 2025

PALESTINE POLICE DEPARTMENT

CID Council Report

Printed on February 3, 2025

Offense	Disposition	Disposition Date
Closed		
HIT & RUN	Closed	01/09/25
WELFARE CONCERN	Closed	01/09/25
HIT & RUN	Closed	01/09/25
FOUND PROPERTY	Closed	01/15/25
FOUND PROPERTY	Closed	01/09/25
MENTAL SUBJECT	Closed	01/09/25
Closed Total: 6		
DA Ready		
UNAUTORIZED USE OF MOTOR VEHICLE	DA Ready	01/27/25
ASSAULT	DA Ready	01/06/25
GENERAL INFORMATION	DA Ready	01/30/25
SEX OFFENSE	DA Ready	01/16/25
THEFT	DA Ready	01/27/25
AGGRAVATED ASSAULT	DA Ready	01/21/25
DA Ready Total: 6		
Referred to DA		
INJURY TO A CHILD/ELDERLY/DISABLED	Referred to DA	01/22/25
AGGRAVATED ASSAULT	Referred to DA	01/02/25
THEFT	Referred to DA	01/02/25
ASSAULT	Referred to DA	01/02/25
Traffic Stop	Referred to DA	01/02/25
THEFT	Referred to DA	01/02/25
SHOTS FIRED	Referred to DA	01/22/25
THEFT	Referred to DA	01/02/25
ACCIDENT-INJURY	Referred to DA	01/02/25
ASSAULT	Referred to DA	01/02/25
POSSESSION CONTROLLED SUBSTANCE	Referred to DA	01/02/25
ASSAULT	Referred to DA	01/02/25
SEX OFFENSE	Referred to DA	01/22/25
Referred to DA Total: 13		

Total Records: 25

Palestine Police Department
P.L.A.C.E. Team Activity Report
504 North Queen Street
Palestine, Texas 75801

January 2025

Code Violations

Maintenance of Property	31
Trash / Rubbish	19
Tall Weeds and Grass	9
Vehicles / Trailers	24
Other Violation	29
Animal Control	12
Illegal Dump Sites	32
Estimated Total Weight	3307

Violation Status

Compliant upon Contact	68
Non-Compliance	84
Citations	5
Municipal Court	0

Known Expenditures

Properties Cleaned	0
Property Liens	0
Community Service Persons	5
Total Accumulated Hours	42

Litter Abatement

Total # Dump Sites	12
Estimated Total Weight	1275 lbs

Animal Control

Total Calls for Month	166
Bites / Quarantine	5
Emergency Calls – OT	0
Citations	14
Warnings	2
Animal Intake	34

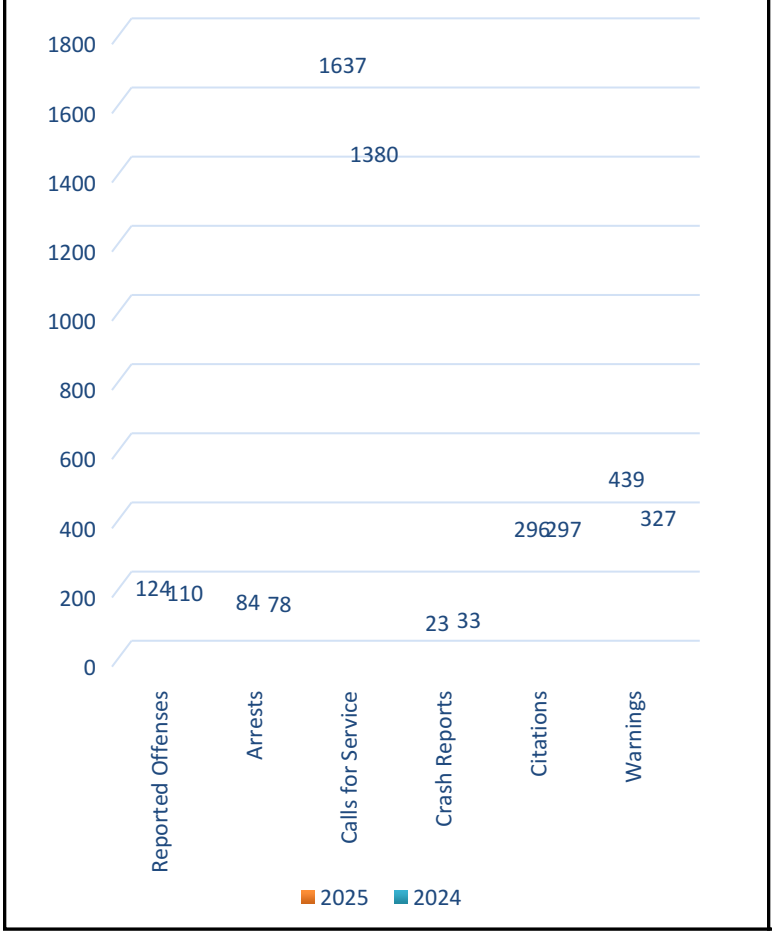
Palestine Police Department
Monthly Activity Report

Date Reported: **1/1/2025 – 1/31/2025**

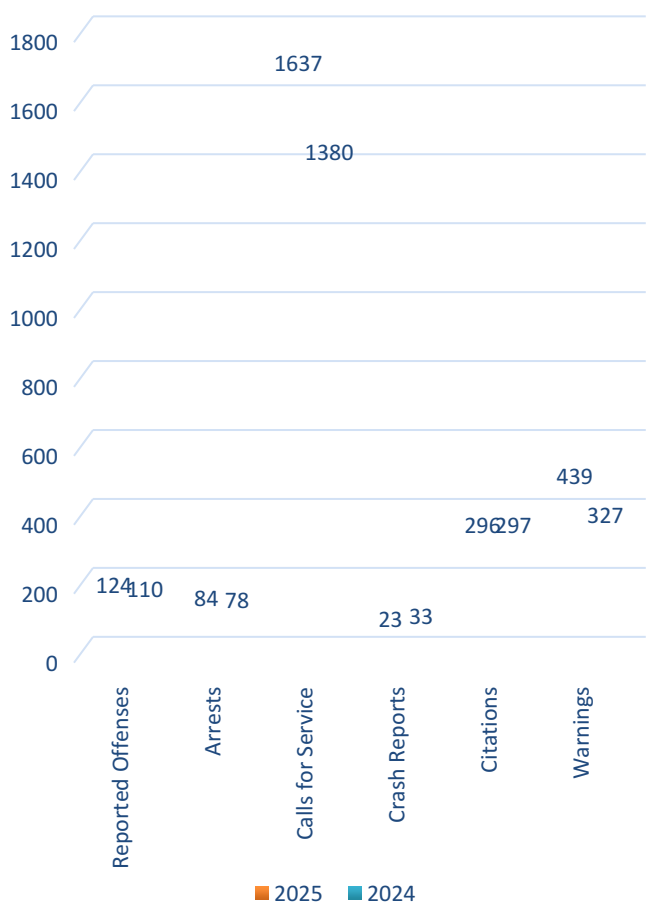
Palestine Police Department
504 N Queen St
Palestine, TX 75801
(903) 729-2254

	MONTH			YEAR TO DATE		
Reported Offenses	**January 2025**	**January 2024**	**% Diff**	**January 2025**	**January 2024**	**% Diff**
	124	110	11%	124	110	11%
Arrests	**January 2025**	**January 2024**	**% Diff**	**January 2025**	**January 2024**	**% Diff**
	84	78	7%	84	78	7%
Calls for Service	**January 2025**	**January 2024**	**% Diff**	**January 2025**	**January 2024**	**% Diff**
	1637	1380	16%	1637	1380	16%
Traffic	**January 2025**	**January 2024**	**% Diff**	**January 2025**	**January 2024**	**% Diff**
Crash Reports	23	33	43%	23	33	43%
Citations	296	297	1%	296	297	1%
Warnings	439	327	26%	439	327	26%

Month Comparison



Year Comparison



Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	PEDC Monthly Report January/February 2025
Date Submitted:	02/19/2025

SUMMARY:

Economic Development Monthly Report January/February 2025

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

PEDC Report Jan-Feb 2025

Economic Development Activities- January/February 2025

Business Retention & Expansion

- **Conducted a BRE visit with LS Tractor on 2/5. LS is currently in full compliance with its economic incentive agreements and has grown beyond its initial investment with both pending and completed site expansions, wage increases, and product line diversification.**
- **Attended the first quarterly meeting of the Workforce Advisory Council of Anderson County on 1/16.**

New & Small Business Development

- **Met with SBDC & ETCOG on 1/16 to discuss potential partnership for administration of a Revolving Loan Fund program in Anderson County.**
- **Assisted two local entrepreneurs with zoning questions & connections with SBDC.**
- **Met with Rabb Ward with the Rabb Construction Company & assisted with site selection for a retail prospect on 1/16.**

Targeted Marketing & Attraction

- **Presented & secured city council approval of interlocal agreement to develop Industrial Rail Park on 2/10.**
- **Met with Roderick Riley on 2/6 to visit commercial properties owned by Mr. Riley, discuss assistance with site selection, & collect information for promotion of sites on EDC website.**

Incentives/Infrastructure & Quality of Life

- **Attended the ribbon cutting of the new Trinity Valley Community College – Palestine TDCJ Training Facility on 1/23.**
- **Drafted Community Development Grant agreement for improvements to the City's Farmers Market Pavilion.**
- **Final drafting & negotiation of incentives for Palestine Mall project.**

Prospects

PEDC January leads: 3

No. of Projects by Industry

1 Retail

1 Recreation

1 Data Mining

Source of Leads:

3 Direct

No. of open leads

14

Strategic Plan – Activity Chart

Strategic Plan 2024 - 2027

Palestine EDC

Project start date: 01-Oct-24

Legend: **Completed Activities**

New Activities

GOALS	2024			2025								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Design business retention and expansion contact program		2	3		1							
Create Business Education Advisory Council and Workforce Advisory Board		1	2	1/2								
Identify emerging high demand career pathways				1	1							
Work with TVCC, UT Tyler, the SBDC, Greater Texas Capital Corporation, and SCORE to provide services to new and small businesses	2	2	1	2								
Determine feasibility of creating a Revolving Loan Fund Program (RLF)		2	1	2								
Create incubator/makerspace and co-workspace		1										
Promote Palestine/Anderson County as an SBA HUB Zone		1										
Design marketing materials that create a brand for Palestine as a business/education destination	1	1	1		1							
Update website, community profile, available sites and buildings, workforce/education		1	1		1							
Support the development of a large-scale conference/meeting space within the City of Palestine		1	2									
Complete the development of the rail-served 333-acre Industrial Park	2	2	5	2								
Assess the feasibility of an airport/NASA-Columbia business park/Education District												
Work with NASA-Columbia to attract suppliers and vendors												
Market Palestine as a retirement and military/veteran friendly community.												
Determine feasibility of creating a FAME (Federation of Advanced Manufacturing Education) curriculum to support advanced manufacturing.												
Support UT Tyler/Palestine and TVCC local and regional initiatives.		2	2	3								
Expand/upgrade broadband infrastructure/technology												
Create incentives to attract skilled workers.												
Create Promise scholarships for two- and four- year schools												
Support tourists/visitors, special events, and festivals	2		1									
Secure State of Texas certifications for tourism, film, music, and digital media												
Organize local builders to provide affordable apartments/housing and new subdivisions/neighborhoods using local, state, and federal incentives			4		1							
Support incentives to repurpose old, underutilized residential and commercial buildings in Palestine	2	1	2	2	3							
Expand healthcare services												
Support the City of Palestine, Anderson County, and TxDOT to upgrade roads and streets												
Update/expand local parks and recreational facilities		1	2		2							
Extend utility infrastructure to WNW Loop				1	1							
Support efforts to extend/widen airport runways and upgrade technology				1	2							
Preserve and repurpose historic buildings	4	5	5	4/1	1							
Promote and capitalize on federal Opportunity Zones located in Palestine and Anderson County				2								

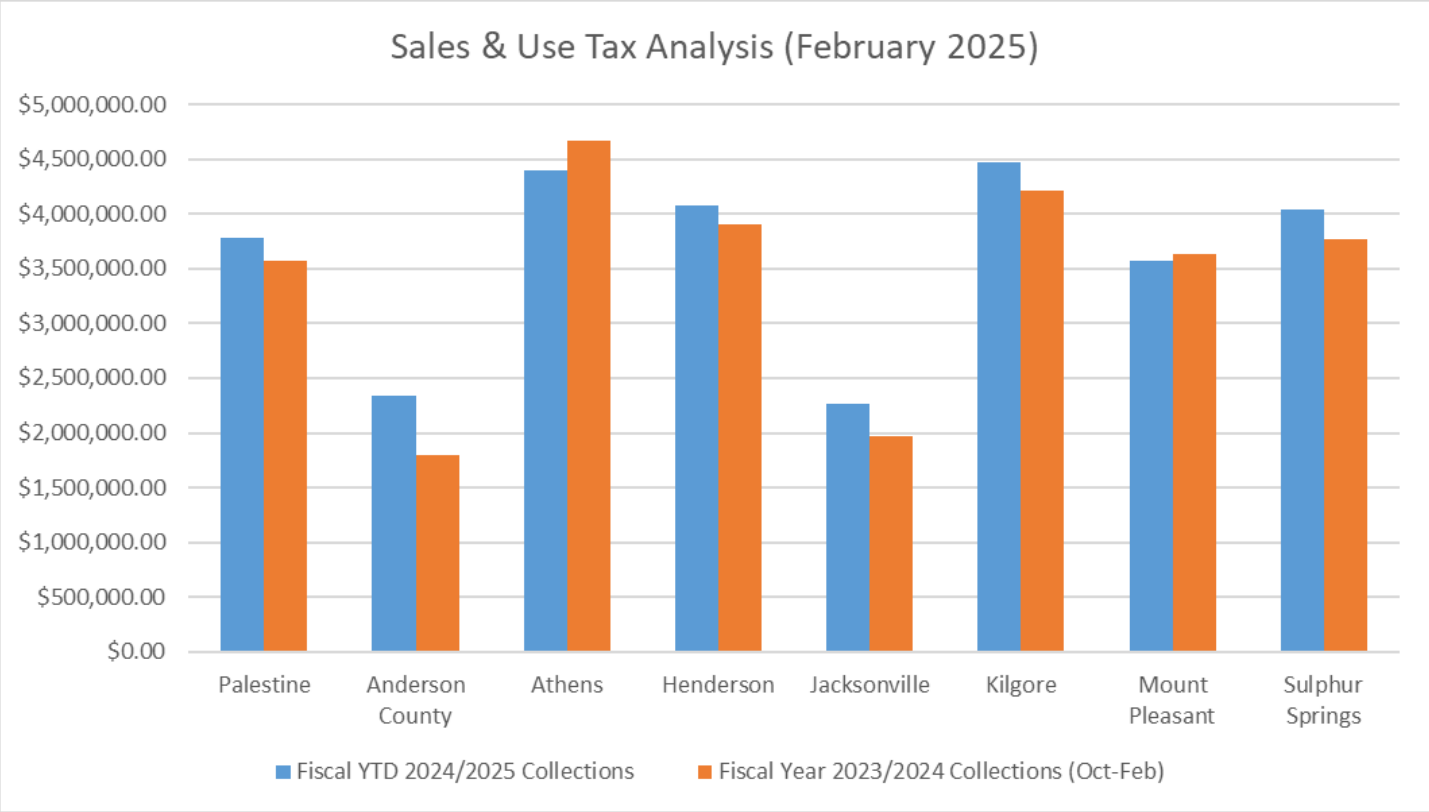
Economic Climate

- **Retail Sector**

Local Sales & Use Tax Summary
Palestine, Anderson County & Index Cities
Fiscal Year Comparisons

Collection:	Period	Net Payment Current Year 2024/2025	Net Payment Prior Year 2023/2024	Net Change
Palestine	Feb	$990,242.88	$913,545.97	7.7%
	Fiscal YTD	$3,781,536.75	$3,576,400.14	5.4%
Anderson County	Feb	$565,602.53	$482,386.00	14.7%
	Fiscal YTD	$2,335,716.21	$1,797,964.01	23.0%
Athens	Feb	$990,029.91	$1,674,285.92	-69.1%
	Fiscal YTD	$4,399,983.57	$4,672,002.86	-6.2%
Henderson	Feb	$981,764.94	$795,933.09	18.9%
	Fiscal YTD	$4,080,409.81	$3,898,271.02	4.5%
Jacksonville	Feb	$547,434.48	$470,821.19	14.0%
	Fiscal YTD	$2,265,591.12	$1,974,997.87	12.8%
Kilgore	Feb	$964,089.14	$899,675.14	6.7%
	Fiscal YTD	$4,470,382.42	$4,213,466.34	5.7%
Mount Pleasant	Feb	$946,602.03	$730,904.57	22.8%
	Fiscal YTD	$3,571,049.98	$3,633,324.94	-1.7%
Sulphur Springs	Feb	$979,549.79	$853,946.79	12.8%
	Fiscal YTD	$4,040,891.53	$3,773,066.98	6.6%

* Source: ***Texas Comptroller of Public Accounts***
* Note: All Net Payments represent collections conducted approx. 2 months prior



➢ Workforce Data

Unemployment Rates in Anderson & Index Counties – December 2024:

Anderson County – 3.3%

State of Texas – 3.7%

Henderson County – 3.5%

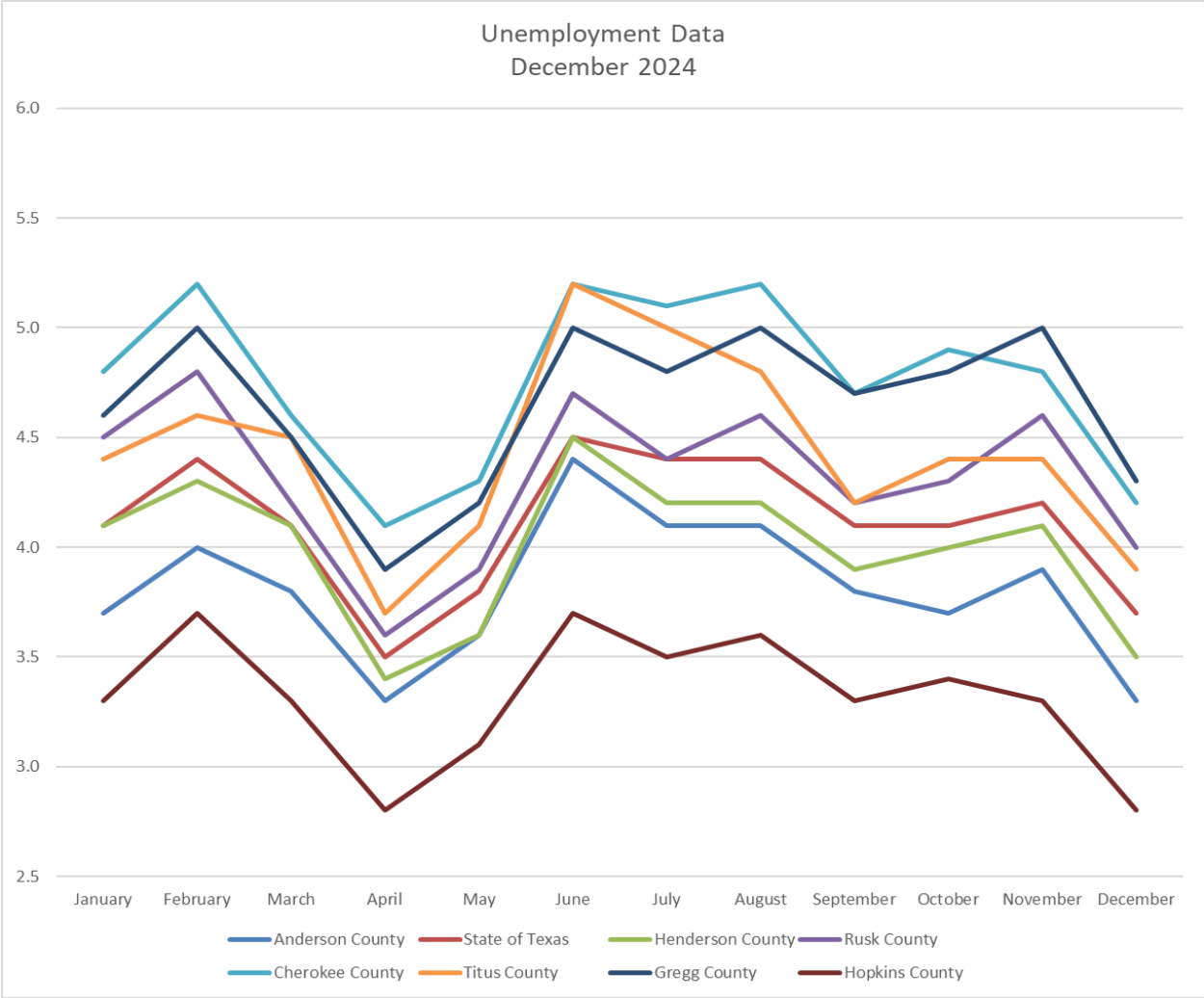
Rusk County – 4.0%

Cherokee County – 4.2%

Titus County – 3.9%

Gregg County – 4.3%

Hopkins County – 2.8%



Source: Texas Labor Market Information

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Approval of Minutes
Date Submitted:	02/21/2025

SUMMARY:

Consider approval of the minutes of the Work Session and Regular Agenda of February 10, 2025.

RECOMMENDED ACTION:

Staff recommends approval of the minutes as presented.

CITY MANAGER APPROVAL:

Attachments

February 10, 2025, Minutes

D R A F T

MINUTES

The City Council of the City of Palestine convened for a regular meeting on February 10, 2025, at 4:00 p.m. for the Work Session, and at 5:30 p.m. for the Regular Meeting in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following members present:

Present:	Mitchell Jordan, Mayor; Ava Harmon, Mayor Pro Tem; Sean Conner, Council Member; James Smith, Council Member; Kenneth Davidson, Council Member; Angela Woodard, Council Member; Christopher Gibbs, Council Member
Also Present:	Teresa Herrera, City Manager; April Jackson, City Secretary; Rezzin Pullum, City Attorney; Christophe Trahan, EDC Director; Andrew Sibai, Finance Director; Shannon Davis, Fire Chief; Lisa Cariker, Human Resource Director; Ana Sanchez, Library Director (Zoom); Patsy Smith, Parks & Recreation Director; Susan Davis, Planning Tech.; Mark Harcrow, Police Chief; Jason Shelton, Interim Public Works Director; Cassie Ham, Tourism Marketing Manager

WORK SESSION

With a quorum present, Mayor Jordan called the Work Session to order at 4:01 p.m.

1. First reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Community Development Grant Program. Christophe Trahan, EDC Director

   Mayor Jordan conducted the first reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Community Development Grant Program.

   EDC Director Christophe Trahan summarized resolution expanding funding for the Palestine Economic Development Corporation's Community Development Grant Program in an amount not to exceed $150,000.00 in accordance with its amended and approved budget for Fiscal Year 2024-2025.

2. First reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Economic Development Grant to Palestine Mall Redevelopment, LLC. Christophe Trahan, EDC Director

   Mayor Jordan conducted the first reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Economic Development Grant to Palestine Mall

Redevelopment, LLC.

Mr. Trahan summarized a resolution approving an economic development grant to Palestine Mall Redevelopment, LLC to incentivize the company to construct, renovate, and lease a retail shopping complex in the City of Palestine.

3. Discuss proposed amendments to the City Charter. Teresa Herrera, City Manager

City Attorney Rezzin Pullum reviewed the language of the proposed charter amendments with City Council. Council discussed modifying the language regarding the proposed proposition, specifically removing the requirement for the City Manager to attend all City Council meetings. City Attorney Pullum proposed following new language for clarification: "Shall Section 6.3 of the Charter be amended to allow the City Manager permissible absences from Council meetings and the appointment of a qualified designee in their absence?"

Additionally, Council requested modifications to the proposed proposition concerning the increase in compensation for the Mayor and Council Members to clarify that the compensation is received annually.

Mayor Jordan also requested that a proposition be added to remove the term "Chief Executive Officer" from the City Manager's title in Section 6.1 of the City Charter. A discussion was held regarding the duties and responsibilities of a chief executive officer and who should be assigned the title.

4. Discuss the possibility of a new city hall and the future of the Reagan School Building. Mitchell Jordan, Mayor

Mayor Jordan discussed a proposal for a new City Hall. He suggested demolishing the existing City Hall and separating the Police Department from it. The proposal includes renovating the Reagan School Building to serve as a temporary City Hall until the new City Hall is completed. Once the new City Hall is finished, the Police Department will relocate to the Reagan School Building. Additionally, Mayor Jordan proposed a bond election to let voters decide whether to build a new City Hall and renovate the Reagan School Building. He also addressed the challenges of not having an office.

City Manager Herrera informed the Mayor that in 2021, Architect Mark Thacter completed a report on the Reagan Building. The construction cost to renovate the Reagan School Building was 10.3 million dollars; this amount did not include fixtures, fees, or equipment.

Council discussed taxpayer concerns regarding the financial impact of a bond election and the renovation costs for the Reagan School Building. This item will be added to a future City Council meeting for further consideration.

With no other business to come before Council, the work session was adjourned at 5:20 p.m.

REGULAR MEETING

A. **CALL TO ORDER**

Mayor Jordan called the Regular Meeting to order at 5:37 p.m.

B. **INVOCATION AND PLEDGE OF ALLEGIANCE**

The invocation was given by Pastor Geoff Lightsey of the First Methodist Church of Palestine and was followed by the Pledge of Allegiance.

C. **PROPOSED CHANGES OF AGENDA ITEMS**

There were no proposed changes to agenda items.

D. **PUBLIC RECOGNITION, PUBLIC COMMENTS, AND ANNOUNCEMENTS**

David Braun discussed his employment history.

1. Black History Month Proclamation. Mitchell Jordan, Mayor

Mayor Jordan read aloud the Black History Month Proclamation.

E. **CONFLICT OF INTEREST DISCLOSURES**

No action was taken.

F. **CITY MANAGER'S REPORT**

City Manager Herrera reported on the following: the deadline to file an application for a place on the ballot for the May 3, 2025, General Election; the deadline for applying for the Civil Service Exam on March 8, 2025; the closure of City offices in observance of Presidents' Day; and the installation of new playground equipment at Calhoun Park. She reminded everyone that the walking trail and fitness court were available at Reagan Park and wished Council Member Davidson a happy birthday.

City Manager Herrera informed that department directors were present to address questions from Council regarding reports.

The following departmental reports were provided:

1. November/December 2024 Tourism Monthly Report
2. January 2025 Development Services Monthly Report
3. January 2025 Fire Monthly Report
4. January 2025 Library Monthly Report
5. January 2025 Municipal Court Monthly Report
6. January 2025 Parks and Recreation/Facility Maintenance Monthly Report
7. January 2025 Public Works Monthly Report

G. **CONSENT AGENDA**

The following items may be acted upon in one motion. No separate discussion or action is necessary unless requested by the Mayor or a Council Member, in which event those items will be pulled for separate consideration. Approval of the consent agenda authorizes the City Manager to implement each item in accordance with staff recommendations.

1. Consider approval of the minutes of the Work Session and Regular Agenda of January 27, 2025. April Jackson, City Secretary

2. Consider approval of a resolution approving agreements for election services between Anderson County, Texas, Palestine Independent School District, Westwood Independent School District, and the City of Palestine, Texas, for the May 3, 2025, General Election and Special Elections. April Jackson, City Secretary **(Resolution No. R-04-25)**
3. Consider approval of an ordinance calling and ordering a General Election to be held on May 3, 2025, for the purpose of electing City Officers. April Jackson, City Secretary **(Ordinance No. O-05-25)**
4. Consider authorizing the City Manager to seek sealed bids for asphalt resurfacing on 30 streets in Districts 1 and 2. Jason Shelton, Interim Public Works Director
5. Consider approval of a First Amendment to a Downtown Grant Performance Agreement between the Palestine Economic Development Corporation and Palestine Community Theater, Inc. Christophe Trahan, EDC Director
6. Consider approval of a resolution authorizing the City to enter into an agreement with the State of Texas for the temporary closure of State Highways for the Dogwood Festival Parade. Cassie Ham, Tourism Marketing Manager **(Resolution No. R-05-25)**

Motion by Mayor Pro Tem Ava Harmon, seconded by Council Member Angela Woodard to approve the Consent Agenda as presented, adopting **Ordinance No. O-05-25**, **Resolution No. R-04-25**, and **Resolution No. R-05-25**.

Vote: 7 - 0 - Unanimously

H. **REGULAR AGENDA**

1. Second reading and possible action regarding a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Corporation, and those project-related expenditures in furtherance of the PEDC's Community Development Grant Program. Christophe Trahan, EDC Director **(Resolution No. R-06-25)**

Mayor Jordan conducted the second reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Corporation, and those project-related expenditures in furtherance of the PEDC's Community Development Grant Program.

Motion by Council Member Kenneth Davidson, seconded by Council Member James Smith to approve the item as presented, adopting **Resolution No. R-06-25**.

Vote: 7 - 0 - Unanimously

2. Second reading and possible action regarding a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Economic Development Grant to Palestine Mall Redevelopment, LLC. Christophe Trahan, EDC Director **(Resolution No. R-07-25)**

Mayor Jordan conducted the second reading of a resolution approving and authorizing a project of the Palestine Economic Development Corporation, a Type B Economic Development Sales Tax Corporation, and those project-related expenditures in furtherance of the PEDC's Economic Development Grant to Palestine Mall Redevelopment, LLC.

Motion by Council Member Kenneth Davidson, seconded by Council Member James Smith to approve the item as presented, adopting **Resolution No. R-07-25**.

Vote: 7 - 0 - Unanimously

3. Discussion and possible action regarding an Interlocal Agreement between the Palestine Economic Development Corporation and the Texas State Railroad Authority for the development of rail infrastructure improvements. Christophe Trahan, EDC Director

EDC Director Christophe Trahan requested approval for an interlocal agreement between the Palestine Economic Development Corporation and the Texas State Railroad Authority. The purpose of this agreement is to develop the acreage purchased by the Palestine Economic Development Corporation, with the intention of creating a rail-served business park. The agreement details a capital investment of $1.3 million to be made by the Texas State Railroad Authority over two fiscal years for the construction of rail infrastructure. Additionally, the Palestine Economic Development Corporation grants the Texas State Railroad Authority exclusive rights to transload and conduct rail activities on the property.

Motion by Council Member Kenneth Davidson, seconded by Mayor Mitchell Jordan to approve the item as presented.

Vote: 7 - 0 - Unanimously

4. Discussion and possible action regarding the General Warranty Deed conveying a 4.000-acre tract of land to the Texas A&M University System. Teresa Herrera, City Manager

City Attorney Pullum informed the Council about ongoing negotiations with the Texas A&M University System regarding the lease of four acres of land for specific public purposes. These purposes include parking, staging, and storing emergency response equipment and resources, as well as other educational or emergency response uses.

Mr. Pullum explained that the deed's language allows the City to retain mineral rights for the four acres. However, for the Texas A&M University System to fully benefit from the land, the City must refrain from drilling or conducting any activities that would extract oil or gas from the property. He noted that the deed includes a reversionary clause stating that if the property is not used for the specified public purposes for six consecutive months or more, ownership will revert to the City of Palestine.

Motion by Council Member Sean Conner, seconded by Council Member Christopher Gibbs to approve the item as presented.

Vote: 7 - 0 - Unanimously

5. Discussion and possible action regarding an ordinance calling and ordering a Special Election to be held on May 3, 2025, for the purpose of submitting a proposition on the reauthorization of the local sales and use tax at the rate of one-fourth (1/4) of one percent (1%) to continue providing revenue for the maintenance and repair of municipal streets. April Jackson, City Secretary **(Ordinance No. O-06-25)**

City Secretary April Jackson requested approval of an ordinance to order a special election on May 3, 2025, to be held in conjunction with the General Election to submit a proposition to reauthorize the local sales and use tax at a rate of one-fourth of one

percent. The funds generated from this tax are used for the maintenance and repair of existing municipal streets.

Motion by Council Member Christopher Gibbs, seconded by Council Member Kenneth Davidson to approve the item as presented, adopting **Ordinance No. O-06-25**.

Vote: 7 - 0 - Unanimously

6. Discussion and possible action regarding an ordinance calling and ordering a Special Election to be held on May 3, 2025, for the purpose of voting for or against proposed amendments to the Palestine City Charter. April Jackson, City Secretary **(Ordinance No. O-07-25)**

City Attorney Pullum provided an updated copy of the proposed propositions. This update included the addition of Proposition R regarding the amendment of Section 6.1 of the Charter to remove the term "Chief Executive Officer" from the City Manager's title in order to avoid confusion with the responsibilities of the Mayor. Additionally, Proposition T was amended to specify that the City Manager would miss council meetings only for permissible absences and that, in the event of an absence, a qualified designee would be appointed. Proposition X was also amended to include the phrase "per year," clarifying that the compensation received by the Mayor and City Council is on an annual basis.

Motion by Council Member Christopher Gibbs, seconded by Council Member Sean Conner to approve **Ordinance No. O-07-25** calling and ordering a Special Election to be held on May 3, 2025, for the purpose of voting for or against proposed amendments to the Palestine City Charter and the updated propositions with the exclusion of Proposition R.

Vote: 7 - 0 - Unanimously

I. MAYOR'S REPORT

Mayor Jordan expressed his condolences to the families of Doug Smith and Gerald Fitzgerald and spoke about his relationships with both individuals. He also announced that the LEAD organization will host a Black History Program at the Palestine Independent School District Auditorium on February 22, 2025.

J. ITEMS FROM COUNCIL

Council Member Smith expressed his condolences to the family of Doug Smith. He also acknowledged EDC Director Christophe Trahan and the crew that cleaned Upper Lake. Mr. Smith discussed attending a health program in Antioch Church and commended Planning Technician Susan Davis for her efforts in planning and zoning within the City of Palestine.

Council Member Davidson thanked Interim Public Works Director Jason Shelton for accompanying him to assess roads that need repairs. Mr. Davidson also thanked everyone who attended and supported the Community Mpact Black History Gala.

Council Member Woodard announced that We Care Palestine will be hosting their annual Good Neighbor Banquet on February 25, 2025, and encouraged anyone with a good neighbor to nominate them for the Good Neighbor Award. Ms. Woodard also commended Police Officer Huddleston for receiving positive feedback from a citizen. Additionally, she

praised City Manager Herrera for diligently following up and addressing complaints.

Council Member Gibbs recognized Community Mpact and discussed the Black History Gala hosted by the organization. He also commended Commissioner Mims, who was recognized during the gala for his contributions to Anderson County.

K. CLOSED SESSION

Mayor Jordan announced that Council would go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D. The time was 6:13 p.m.

1. Section 551.087 deliberation regarding Economic Development negotiations: Palestine Mall Redevelopment, LLC.
2. Section 551.071 consultation with attorney: pending or contemplated litigation or a settlement offer: Palestine Municipal Airport and Laza.

L. RECONVENE IN REGULAR SESSION

Mayor Jordan reconvened Council into Open Session at 6:43 p.m.

1. Take any action necessary regarding Palestine Mall Redevelopment, LLC.

   No action was taken.

2. Take any action necessary regarding Palestine Municipal Airport and Laza.

   No action was taken.

M. ADJOURNMENT

With no other business to come before Council, the meeting was adjourned at 6:43 p.m.

PASSED AND APPROVED THIS 24TH DAY OF FEBRUARY 2025.

_____
Mitchell W. Jordan, Mayor

ATTEST:

_____
April Jackson, City Secretary

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	2025 Steering Committee Served by Atmos Resolution
Date Submitted:	02/18/2025

SUMMARY:

Most municipalities have retained original jurisdiction over gas utility rates and services within municipal limits. The Atmos Cities Steering Committee ("ACSC") is composed of 186 municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division, that have retained original jurisdiction. Atmos is a monopoly provider of natural gas. Because Atmos has no competitors, regulation of the rates that it charges its customers is the only way that cities can ensure that natural gas rates are fair. Working as a coalition to review the rates charged by Atmos allows cities to accomplish more collectively than each city could do acting alone. Cities have more than 100 years of experience in regulating natural gas rates in Texas.

ACSC is the largest coalition of cities served by Atmos Mid-Tex. There are 186 ACSC member cities, which represent more than 60 percent of the total load served by Atmos-Mid Tex. ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of residential and small commercial customers within the cities. Although many of the activities undertaken by ACSC are connected to rate cases (and therefore, expenses are reimbursed by the utility), ACSC also undertakes additional activities on behalf of municipalities for which it needs funding support from its members.

ACSC is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Atmos within the City. These activities will continue throughout the calendar year. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that ACSC be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

RECOMMENDED ACTION:

Staff recommends approval of the resolution as presented.

CITY MANAGER APPROVAL:

Attachments

ACSC Master City List
ACSC 2024 Year in Review
Memorandum
2025 ACSC Invoice
Resolution

ACSC Master List of Members (186 Total)

1. Abilene
2. Addison
3. Albany
4. Allen
5. Alvarado
6. Angus
7. Anna
8. Archer City
9. Argyle
10. Arlington
11. Aubrey
12. Azle
13. Bartonville
14. Bedford
15. Bellmead
16. Belton
17. Benbrook
18. Beverly Hills
19. Blossom
20. Blue Ridge
21. Bowie
22. Boyd
23. Bridgeport
24. Brownwood
25. Bryan
26. Buffalo
27. Burkburnett
28. Burleson
29. Caddo Mills
30. Canton
31. Carrollton
32. Cedar Hill
33. Celeste
34. Celina
35. Centerville
36. Cisco
37. Clarksville
38. Cleburne
39. Clyde
40. College Station
41. Colleyville
42. Colorado City
43. Comanche
44. Coolidge
45. Coppell
46. Corinth
47. Crandall
48. Cross Roads
49. Crowley
50. Dalworthington Gardens
51. Denison
52. Denton
53. DeSoto
54. Draper
55. Duncanville
56. Early
57. Eastland
58. Edgecliff Village
59. Emory
60. Ennis
61. Euless
62. Everman
63. Fairview
64. Farmers Branch
65. Farmersville
66. Fate
67. Flower Mound
68. Forest Hill
69. Forney
70. Fort Worth
71. Frisco
72. Frost
73. Gainesville
74. Garland
75. Garrett
76. Georgetown
77. Glenn Heights
78. Grand Prairie
79. Grapevine
80. Groesbeck
81. Gunter
82. Haltom City
83. Harker Heights
84. Haskell
85. Haslet
86. Hewitt
87. Highland Park
88. Highland Village
89. Honey Grove
90. Hurst
91. Hutchison
92. Hutto
93. Iowa Park
94. Irving
95. Justin
96. Kaufman
97. Keene
98. Keller
99. Kemp
100. Kennedale
101. Kerens
102. Kerrville
103. Killeen
104. Krum
105. Lakeside
106. Lake Dallas
107. Lake Worth
108. Lancaster
109. Lavon
110. Lewisville
111. Little Elm
112. Little River Academy
113. Llano
114. Lorena
115. Madisonville
116. Malakoff
117. Mansfield
118. McKinney
119. Melissa
120. Mesquite
121. Midlothian
122. Murphy
123. Newark
124. New Fairview
125. Nocona
126. North Richland Hills
127. Northlake
128. Oak Leaf
129. Ovilla
130. Palestine
131. Pantego
132. Paris
133. Parker
134. Pecan Hill
135. Petrolia
136. Plano
137. Ponder
138. Pottsboro
139. Prosper
140. Quitman
141. Red Oak
142. Reno (Parker County)
143. Rhome
144. Richardson
145. Richland
146. Richland Hills
147. River Oaks
148. Roanoke
149. Robinson
150. Rockwall
151. Roscoe
152. Rowlett
153. Royse City
154. Sachse
155. Saginaw
156. Sansom Park
157. Seagoville
158. Seymour
159. Sherman
160. Snyder
161. Southlake
162. Springtown
163. Stamford
164. Stephenville
165. Sulphur Springs
166. Sweetwater
167. Temple
168. Terrell
169. The Colony
170. Trophy Club
171. Tyler
172. University Park
173. Venus
174. Vernon
175. Waco
176. Watauga
177. Waxahachie
178. Westlake
179. Westover Hills
180. Westworth Village
181. Whitesboro
182. White Settlement
183. Wichita Falls
184. Wilmer
185. Woodway
186. Wylie

2024 ACSC Newsletter

ACSC
Atmos Cities Steering Committee

2024 YEAR IN REVIEW ISSUE

This past year was a busy one for ACSC. This annual review highlights the significant events of 2024 that impacted ACSC and what's on the horizon next year.

ACSC Thanks Outgoing President Jennifer Richie

The Atmos Cities Steering Committee offered its sincere thanks in 2024 to Jennifer Richie, who resigned her post as City Attorney for the City of Waco. With her Aug. 12 departure, Ms. Richie also left her post as head of ACSC, a position she has held with distinction since 2014.

Thomas Brocato, general counsel for ACSC, praised Ms. Richie for her leadership. "Jennifer is the consummate professional and a great friend. It has been my pleasure partnering with her over the years."

Waco Mayor Jim Holmes also expressed his thanks. "We are appreciative of Jennifer's contributions to our city — her expertise and dedication have been vital in navigating the complex landscape of municipal governance," he said.

Richie, who received her law degree in 1998 from the Paul M. Hebert Law Center at Louisiana State University, said she is leaving her post to pursue other opportunities. She praised the City of Waco's legal team and said "it has been a true joy" working with her colleagues during a period of unprecedented growth for the city. "I have been so lucky to lead a legal team made up of smart, talented, and diligent professionals," she said. "I am confident that this team will continue to excel and support Waco's growth and development."

On December 17, 2014, ACSC held a quarterly meeting at the Arlington Convention Center during with Ms. Richie was elected as president to replace Jay Doegey, who had retired from the City of Arlington.

With Ms. Richie's departure, the ACSC officers for 2025 are Chair Meg Jakubik, Treasurer David Johnson, and Secretary Lupe Orozco. The vice chair position remains open.

From left: Lloyd Gosselink attorney Jamie Mauldin, outgoing ACSC Chair Jennifer Ritchie, and Lloyd Gosselink attorney Thomas Brocato

ACSC Welcomed New Members in 2024

The Atmos Cities Steering Committee welcomed two new members in 2024 — the town of Bartonville and the city of Llano. Bartonville and Llano became ACSC's 185th and 186th members respectively.

Town of Bartonville. Located eight miles south of Denton in south central Denton County, Bartonville was settled in 1878, and by 1890 had twenty-five residents, a general store, a gristmill, and cotton gin — all owned by the family of the town's namesake, T. Bent Barton. The present town of Bartonville, which incorporated in 1973, continues to grow as part of the general development of the area north of the Dallas / Fort Worth International Airport.

City of Llano. The county seat of Llano County, this Central Texas municipality was founded in 1855 as a frontier trading hub. Various 19th century buildings remain standing in the city's historic downtown area — including the charming Llano County courthouse, which was completed in 1893; and the grey granite building known as the Red Top Jail, built in 1895.

Welcome aboard Bartonville and Llano!

2024 Rate Case Round-Up

Atmos West Texas Seeks $66.1 Million Hike; ACSC Intervenes for Consumers

Atmos Energy has filed paperwork seeking to increase system-wide base rates in its West Texas Division by approximately $66.1 million. If approved, annual revenues received from the incorporated areas of that division would increase by approximately $26.9 million, which equates to 32.27 percent, excluding gas costs. Average monthly residential bills also would go up by about $16.66, or 10 percent, according to the company's Oct. 25 filing. The company seeks a rate of return of 8.21 percent.

In addition to establishing new rates, the company seeks in its filing to establish a new "System Safety and Integrity Rider" through which it could recover expenses for inspection activities, incremental leak surveying, pipeline integrity testing, and other associated costs. Atmos likewise seeks to obtain approval to recover cloud computing costs through the interim Gas Reliability Infrastructure Program, and it seeks approval to increase limits on recoverable meals and lodging expenditures.

ACSC has intervened in the matter. The case number is 00018879.

Atmos Rev Rider Filing

On Oct. 15, the Texas Railroad Commission ordered a $38,875,709 reduction in Atmos Pipeline Texas rates, the result of a utility filing earlier in the year through the Rider Revenue Adjustment process.

Under the new Rev Rider Adjustment, the city gate capacity charge decreased by $.100616, bringing the new charge to $20.30379. Measured in million British thermal units of maximum gas quantity flowing over the pipeline system, the charge gets allocated in an indirect fashion to residential customers. According to ACSC calculations, typical bills would decrease by approximately $1.20 per month as a result.

The effective date was Nov. 1, 2024. More information can be found at the Railroad Commission website, under Case No. 00018176.

Rate Review Mechanism and GRIP

Atmos has a statutory right to an annual rate increase associated with recovery of capital investment made in the preceding 12 months. The statutory right to recovery of capital costs is pursuant to a process referred to as Gas Reliability Infrastructure Program (also known as "GRIP," see below). However, ACSC has always objected to GRIP as piecemeal ratemaking because it does not evaluate rising revenues or declining expenses that may offset the need for a rate increase associated with increased capital investment.

Additionally, cities are not entitled to challenge any portion of a GRIP filing as unreasonable. In response, ACSC negotiated a Rate Review Mechanism ("RRM") with Atmos as a substitute for GRIP. The RRM has no existence in statutes and exists only pursuant to city ordinances.

Environs (areas outside municipal limits) are subject to GRIP, and some non-ACSC member cities have chosen to remain under GRIP. ACSC current rates are lower than GRIP rates, and research has shown that consumer outcomes under the RRM process are generally better than under GRIP.

Atmos RRM Filings

Mid-Tex RRM. On April 1, Atmos Energy filed its annual Rate Revenue Mechanism rate case for the RRM cities of its Mid-Tex Division. The company initially sought a $196.8 million annual revenue increase on a system-wide basis. The initial request was reduced to $182.5 million due to limitations in the RRM tariff. ACSC consultants conducted a review of the filing and prepared a report identifying other potential decreases totaling $32.9 million. The company subsequently agreed to settle for a $164.7 million increase, or a reduction of $32.1 million from its initial request.

West Texas RRM. On April 1, Atmos filed its annual RRM request for its West Texas service territory. As filed, the request would have resulted in a $6.7 million revenue increase for affected customers. The initial request for the utility's West Texas Division was subsequently reduced to $5.8 million due to limitations in the RRM tariff. Consultants for the Cities Served by Atmos West Texas conducted a review of the filing and prepared a report identifying more potential decreases totaling $2.7 million. The company subsequently agreed to settle for a $4.3 million increase, or a reduction of $2.4 million from its initial request.

Atmos GRIP Filings

Mid-Tex. On May 14, the Texas Railroad Commission approved an interim $173.4 million increase for the environs in the Atmos Mid-Tex region, of which $8,529,031 is recoverable from the 97,217 customers subject to the order.

Atmos made the rate request on February 23 under the state's GRIP statute. The residential charge set in the last environs base rate case in 2018 was $17.05. Since then, six consecutive GRIP cases have added $29.06 to the customer charge (including $6.73 in the current filing). With the new Railroad Commission action, the residential customer charge in the environs will be $46.11, or more than 170 percent of the charge set in the last rate case. More information in Case No. 00016391.

Atmos West Texas. On May 14, the Texas Railroad Commission approved a $16.8 million increase for the Atmos West Texas region, of which $1,379,450 is recoverable from 25,257 customers subject to the order. Atmos made the rate request on February 23 under the state's GRIP statute. The residential charge set in the last base rate case was $16.10. Since then, six consecutive GRIP cases have added $19.01 to the environs customer charge (including $3.62 in the current filing), more than doubling the charge set in the 2018 rate case. With the new Railroad Commission action, the residential customer charge now becomes $35.11. Find more information in Case No. 00016393.

Atmos Pipeline. On May 14, the Texas Railroad Commission approved an $82,440,179 million increase for Atmos Pipeline Texas. The company requested the increase on February 27. The increase represents the first such GRIP adjustment for Atmos Pipeline Texas since the last base rate case (Case No. 00013758) in 2023. The adjustment adds $2.12 to the Atmos Pipeline capacity charge, bringing the total to $20.35. (The capacity charge is measured in million British thermal units of MDQ, where MDQ is defined as the maximum daily quantity of gas over the pipeline system). Find more information in Case No. 00016396.

RRC Chair Craddick Elected to Third Term

Railroad Commission Chair Christi Craddick has won reelection for her third term to the powerful energy-related regulatory agency.

In addition to regulating the Texas oil and gas industries, the Railroad Commission oversees gas utility regulatory matters. The GCCC intervenes in gas utility rate cases at the Railroad Commission.

As a top campaign issue, Craddick pointed to the growth of the Texas oil and gas industries during her tenure. She also criticized federal regulations intended to reduce emissions and fight climate change but that she said would damage the fossil fuel industries.

Each of Craddick's opponents — Democrat Katherine Culbert, Libertarian Hawk Dunlap, and Green Party Candidate Eddie Espinoza —called for reform, arguing that the fossil fuel industry exerts too much control over the Railroad Commission.

Because the Texas Railroad Commission regulates the economically and politically powerful Texas fossil fuel industry, a seat there has been called one of the nation's most important elected offices relating to energy.

However, the agency has no authority over Railroads, and members of the public often report confusion about the agency's mission.

The elected officials who sit on the three-member commission serve six-year terms and run in staggered elections. As such, one commission is always up for re-election every two years.

All Railroad commissioners have been Republicans since the mid-1990s.

RRC Approves Gas Conservation Program Rules

New regulations to implement House Bill 2263, state legislation that authorized gas utilities to create ratepayer-supported energy conservation programs, received final approval in 2024.

HB 2263 specifies that local gas distribution companies such as Atmos in the Dallas-Fort Worth area and CenterPoint in Houston can offer energy conservation programs to their residential and commercial customers. The legislation also sets forth rules for cost recovery by utilities.

The Texas Railroad Commission adopted the final rules on March 20 after a public comment period and input from various stakeholders, including the Atmos Cities Steering Committee. As adopted, the rules establish a new section in state law, 16 Texas Administrative Code §7.480, that specifically addresses the implementation of Energy Conservation Programs by gas utilities.

The Details

- The new rules create a cost cap for energy conservation programs, such that the maximum rate for them may not exceed a volumetric charge of $0.20 per Mcf for residential and commercial customers. The rate increase due to an ECP charge would be no more than approximately 1.2 percent of the 2023 average cost of residential gas service in Texas according to the U.S. Energy Information Administration. Various stakeholder groups supported this change.
- The final adopted rules did not include a cost-effectiveness standard for the conservation programs, although commission staff indicated that they may revisit the issue after the program is up and running. ASCC and other stakeholder groups recommended the inclusion of such a standard.
- The rules did not include a contested case prudence review of costs, as recommended by consumer and city groups, including the ACSC.
- The rule included a 120-day deadline in which commission staff must complete its administrative review of an ECP application. This deadline was suggested by ACSC.
- ACSC asked that the Commission allow program modifications more frequently than once every three years. The Commission pointed to its limited staff resources and said that once every year would not be manageable. However, it agreed with ACSC that once every three years is too infrequent, so the Commission included a provision in the final rule to allow new program applications every other year.
- The final rule contemplates an annual review of the ECP rate to ensure rates match ECP costs, as suggested by ACSC. Staff will instruct the local distribution company to adjust its ECP rate for the next program year if the rate needs to be adjusted.

2025 ACSC Meetings
March 6
June 12 — Virtual
September 11
December 11— Virtual

2025 Officers
Chair—Meg Jakubik (Bedford)
Vice Chair—Open
Secretary—Lupe Orozco (Keller)
Treasurer—David Johnson (Arlington)

For more questions or concerns regarding any ACSC matter or communication, please contact the following representative, who will be happy to provide assistance:

Lloyd Gosselink
ATTORNEYS AT LAW

Thomas L. Brocato
(512) 322-5857
tbrocato@lglawfirm.com

Jamie Mauldin
(512) 322-5890
jmauldin@lglawfirm.com

Atmos Reports Fiscal Year Earnings for 2024

Atmos Energy made $2.9 billion in capital expenditures during the fiscal year ending Sept. 30 — an increase from the $2.8 billion in capital expenditures it made during the prior fiscal year.

The company also expects to make another $3.7 billion in capital expenditures during the 2025 fiscal year.

Those top-line capital expenditure numbers were among the highlights of a conference call conducted by Atmos executives on Nov. 7. Atmos Energy also released additional regulatory information to investment analysts on the call.

Fiscal Year Data

- Atmos reports that about $1.3 billion in 2024 capital spending — or 83 percent of this year's $2.9 billion total — was used to repair and replace transmission and distribution pipelines.
- Atmos reported $854.5 million in distribution income and $500.9 million in pipeline income during the 2024 fiscal year. That compares to $692.6 million in distribution income and $364.5 million in 2023 pipeline income during the prior fiscal year.
- Some of the key income drivers in 2024 were a $219.2 million net increase from distribution rate adjustments and $68.4 million from pipeline rate adjustments.

RRC Makes Big Legislative Ask for IT Funding

The Railroad Commission would receive tens of millions of dollars in additional funding for new hardware, software, and information technology-related capital projects, under a budgeting request issued by the agency in advance of the 89th Texas Legislature.

In all, the commission has requested $466,560,272 in biennial funding, with revenues from fees and surcharges covering 34.9 percent of its request and tax-supported General Revenue sources comprising 41.2 percent. The federal government will provide 23.3 percent.

But the "last big ask" in its Legislative Appropriations Request is for IT, according to Railroad Commission chairwoman Christi Craddick. "We have to work to get more data," she said, according to media reports.

Some details:

Microfilm Digitization — $907,496

The agency endeavors to make all oil and gas records available digitally online for use by the public. However, records held at the district offices won't be completely digitized until the end of the 2025 fiscal year. The agency requests $907,496 to complete this project.

Oversight and Safety Regulatory Filing Systems — $6,288,068

The Railroad Commission collects multiple reports with large amounts of data from natural gas utilities related to the sale of natural gas. The Commission uses this data to audit utility companies and ensure the accuracy of collected Natural Gas Utility Taxes. As such, the agency requests $6,288,068 to create a new online filing system to make reporting easier for utility companies and an Alternative Fuels Online System to streamline the permitting process for operators.

Data Center Services Adjustment — $7,700,000

The agency seeks an additional $7,700,000 to fund Data Center Services (DCS) for the biennium. The agency says the extra funding is needed because its DCS costs are estimated to increase by 50.5 percent beyond the 2024-2025 appropriated amount.

Capital Budget— $40,844,771

The agency seeks capital spending authority totaling $40,844,771 for four capital projects: $21,475,647 for mainframe modernization; $15,280,374 for Data Center Services capital expenditures; $3,000,000 for Inspection and Enforcement Tracking and Reporting System upgrades; and $1,088,750 for new personal computers.

In addition, the agency notes that funding from the 2021 Infrastructure and Investment Jobs Act supports or is anticipated to support several programs including well plugging and site remediation activities, the Commission's Brownfields program, and a program providing for the remediation of pre-1977 mining sites in Texas.

MEMORANDUM

TO: Atmos Cities Steering Committee
FROM: Meg Jakubik, Chair, Atmos Cities Steering Committee
DATE: January 13, 2025
RE: **Action Needed - 2025 Atmos Cities Steering Committee Membership Assessment Invoice**

On December 12, 2025, the Atmos Cities Steering Committee ("ACSC") held a quarterly meeting with representatives from Atmos Energy. During the meeting, the group held a discussion of upcoming natural gas issues and approved the assessment for ACSC membership. Using the population-based assessment protocol previously adopted by ACSC, the assessment for 2025 is a per capita fee of $0.05. This is the same amount as was adopted for 2019-2024.

ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of the residential and small commercial customers within the cities. Cities are the only consumer advocates that work to keep natural gas rates reasonable. The work undertaken by ACSC has saved ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice at the Railroad Commission, at the Legislature, and in the courts, ACSC must have your support. Please take action to pay the membership assessment as soon as possible. Payment of the membership assessment fee shall be deemed to be in agreement with the terms of the ACSC participation agreement.

Although ACSC does not require that your city take action by resolution to approve the assessment, some members have requested a model resolution authorizing payment of the 2025 membership assessment. To assist you in the assessment process, we have provided the following documents for your use:

- ACSC 2024 Year in Review
- Model resolution approving the 2025 assessment (optional, provided for those cities that have requested a resolution to authorize payment)
- Model staff report supporting the resolution
- List of Atmos Cities Steering Committee members
- 2025 Assessment invoice
- 2024 Assessment invoice and statement (only included if not yet paid)
- Blank member contact form to update the distribution lists

Please forward the membership assessment fee and, if applicable, the signed resolution to City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004. Checks should be made payable to*: "City of Arlington, c/o Atmos Cities Steering Committee."*

If you have any questions, please contact ACSC Chairperson, Meg Jakubik ((972) 874-6082). ACSC's counsel, Thomas Brocato (tbrocato@lglawfirm.com) at 512/322-5857 is also available to assist you.

Atmos Cities Steering Committee
C/O City of Arlington
Attn: Brandi Stigler
PO Box 90231
Arlington, TX 76004

Invoice

Date	Invoice #
1/30/2025	25-122

Bill To
City of Palestine

Item	Population	Per Capita	Amount
2025 Membership Assessment	19,372	0.05	968.60

Please make check payable to: Atmos Cities Steering Committee and mail to Atmos Cities Steering Committee,C/O City of Arlington, Attn: Brandi Stigler,
PO Box 90231, Arlington, Texas 76004

Total $968.60

RESOLUTION NO. R- -25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, AUTHORIZING MEMBERSHIP IN THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION.

WHEREAS, the City of Palestine is a regulatory authority under the Gas Utility Regulatory Act (GURA) and has exclusive original jurisdiction over the rates and services of Atmos Energy Corporation, Mid-Tex Division (Atmos) within the municipal boundaries of the city; and

WHEREAS, the Atmos Cities Steering Committee (ACSC) has historically intervened in Atmos rate proceedings and gas utility related rulemakings to protect the interests of municipalities and gas customers residing within municipal boundaries; and

WHEREAS, ACSC is participating in Railroad Commission dockets and projects, as well as court proceedings and legislative activities, affecting gas utility rates; and

WHEREAS, the City would like to become a member of ACSC; and

WHEREAS, in order for ACSC to continue its participation in these activities which affects the provision of gas utility service and the rates to be charged, it must assess its members for such costs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, THAT:

SECTION 1. The foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.

SECTION 2. The City is authorized to become a member in the Atmos Cities Steering Committee to protect the interests of the City of Palestine and protect the interests of the customers of Atmos Energy Corporation, Mid-Tex Division residing and conducting business within the City limits.

SECTION 3. The City is further authorized to pay its 2025 assessment to the ACSC in the amount of five cents ($0.05) per capita.

SECTION 4. A copy of this Resolution and approved assessment fee payable to "City of Arlington, c/o *Atmos Cities Steering Committee,*" shall be sent to: City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004.

SECTION 5. Should any of the clauses, sentences, paragraphs, sections, or parts of this Resolution be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action not be constructed to affect any other valid portion of this Resolution.

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SECTION 6. This Resolution shall take effect immediately upon its passage and publication.

SECTION 7. It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public and the public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, and Chapter 551. Notice was also provided as required by Chapter 52 of Texas Local Government Code.

PASSED, APPROVED, AND ADOPTED on this the 24th day of February, 2025, by a vote of ____ ayes and ____ nays at a regular meeting of the City Council of the City of Palestine, Texas.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Amendment of Ordinance No. O-06-25, Calling Special Election for Reauthorization of Street Maintenance Sales Tax
Date Submitted:	02/20/2025

SUMMARY:

On February 10, 2025, the City Council approved Ordinance No. O-06-25 to hold a special election on May 3, 2025, to reauthorize a local sales and use tax to provide revenue for maintenance and repair of municipal streets. The original ordinance proposed a local sales and use tax rate of one-fourth (1/4) of one percent (1%); however, the correct rate should be one-eighth (1/8) of one percent (1%). This ordinance amends the previous ordinance to rectify the tax rate.

RECOMMENDED ACTION:

Staff recommends approval of the ordinance as presented.

CITY MANAGER APPROVAL:

Attachments

Ordinance

ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY OF PALESTINE, TEXAS, AMENDING ORDINANCE NO. O-06-25, CALLING AND ORDERING A SPECIAL ELECTION TO BE HELD ON MAY 3, 2025, FOR THE PURPOSE OF SUBMITTING A PROPOSITION ON THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX AT THE RATE OF ONE-EIGHTH (1/8) OF ONE PERCENT (1%) TO CONTINUE PROVIDING REVENUE FOR THE MAINTENANCE AND REPAIR OF MUNICIPAL STREETS; PROVIDING FOR THE CONDUCT OF THE ELECTION; PROVIDING FOR EARLY VOTING; PROVIDING FOR POLLING PLACES; PROVIDING FOR OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTIONS; PROVIDING FOR PROPER NOTICE AND MEETING; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Chapter 327 of the Texas Tax Code authorizes cities to impose a local sales and use tax rate for funds dedicated to street maintenance and repair upon a properly held election approving the same; and

WHEREAS, the City Council of the City of Palestine, Texas ("City") hereby finds and determines that an election should be held to determine whether to reauthorize the City to levy and collect a sales and use tax within the City under provisions of Chapter 327, as amended, Texas Tax Code, for the maintenance and repair of municipal streets; and

WHEREAS, the City intends to hold a Special Election in conjunction with the May 3, 2025 General Election; and

WHEREAS, the sales and use tax will only be effective if the majority of qualified voters voting at the May election on the proposition support the reauthorization to continue providing revenue for maintenance and repair of municipal streets; and

WHEREAS, the combined rate of all local sales tax and use taxes imposed by the City and other political subdivisions having territory in the City will not exceed two (2) percent; and

WHEREAS, this Ordinance is amending the previously adopted Ordinance No. O-06-25 to correct the rate at which the local sales and use tax will be reauthorized and the corresponding ballot language to be submitted to the voters of the City; and

WHEREAS, the Council hereby finds and determines that the holding of this election on the date set forth below is in the best interest of the citizens of the City.

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

That the Registered Voters of Palestine, Texas are hereby notified:

SECTION 1. In accordance with and pursuant to the provisions and requirements of the laws of the State of Texas, and of the Palestine City Charter, an Election is hereby ordered to be held on May 3, 2025, for the purpose of voting for or against a proposition for the reauthorization of the local sales and use tax in Palestine, Texas at the rate of one-~~fourth~~eighth (~~1/4~~1/8) of one percent (1%) to continue providing revenue for maintenance and repair of municipal

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streets. The tax expires on the fourth anniversary of the date of any sales and use tax election, unless the imposition of the tax is reauthorized.

SECTION 2. The votes shall be upon official ballots prepared in such a manner as will permit the voters to vote "For" or "Against" the proposition submitted, with the propositions to be expressed on the official ballot in a form substantially as follows:

PROPOSITION A

THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX IN THE CITY OF PALESTINE, TEXAS AT THE RATE OF ONE-~~FOURTH~~EIGHTH (~~1/4~~ 1/8) OF ONE PERCENT (1%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS. THE TAX EXPIRES ON THE FOURTH ANNIVERSARY OF THE DATE OF THIS ELECTION UNLESS THE IMPOSITION OF THE TAX IS REAUTHORIZED.

PROPUESTA A

LA REAUTORIZACIÓN DEL IMPUESTO LOCAL SOBRE LAS VENTAS Y USO EN LA CIUDAD DE PALESTINE, TEXAS A UNA TASA DE UN-~~CUARTO~~OCTAVO (~~1/4~~ 1/8) DE UN PORCIENTO (1%) PARA CONTINUAR PROPORCIONANDO INGRESOS PARA EL MANTENIMIENTO Y LA REPARACIÓN DE LAS CALLES DEL MUNICIPIO. EL IMPUESTO CADUCARÁ EN EL CUARTO ANIVERSARIO DE LA FECHA DE ESTA ELECCIÓN A NO SER QUE DICHO IMPUESTO SEA REAUTORIZADO.

SECTION 3. The Special Election shall be held in accordance with the Election Code of this State and only resident qualified voters of the City shall be eligible to vote at the election.

SECTION 4. The Mayor shall give notice of this election in accordance with the terms and provisions of Sections 4.004, 83.010, 85.004, and 85.007 of the Texas Election Code, Section 9.004 of the Local Government Code, and all necessary orders and writs for the election shall be issued by the proper authority. Returns of the election shall be made to the City Council immediately after the closing of the polls.

SECTION 5. Early Voting by Personal Appearance will be conducted at the Anderson County Courthouse Annex, 703 N. Mallard Street, Suite 103A, Palestine, Texas, beginning on April 22, 2025, and ending on April 29, 2025, with hours to be determined.

SECTION 6. Applications for ballot by mail shall be mailed to: Casey Brown, Elections Administrator, 703 N. Mallard Street, Suite 116, Palestine, Texas, 75801.

SECTION 7. Applications for ballot by mail must be received by mail no later than the close of business on April 22, 2025.

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SECTION 8. The polling places listed below will be open from 7:00 a.m. to 7:00 p.m. on May 3, 2025, for voting:

District 1 – Freedom Fellowship Church, 125 Kickapoo Street
District 2 – New Fellowship Christian Church, 1500 W. Reagan Street
District 3 – Washington Early Childhood Center, 1020 Hamlett Street
District 4 – Westwood Baptist Church, 1809 Bassett Road
District 5 – Palestine I.S.D. Administrative Offices, 1007 E. Park Avenue
District 6 – Palestine High School, 1600 S. Loop 256

SECTION 9. It is officially found, determined, and declared that the meeting at which this Ordinance was adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10. This Ordinance shall take effect and be in full force immediately upon passage and approval.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Palestine, Texas, on the 24th day of February 2025.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

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ORDENANZA NO. O- -25

UNA ORDENANZA DE LA CIUDAD DE PALESTINE, TEXAS, CONVOCANDO Y ORDENANDO UNA ELECCIÓN ESPECIAL QUE SE LLEVARÁ A CABO EL 3 DE MAYO DE 2025, CON EL PROPÓSITO DE PRESENTAR UNA PROPOSICIÓN SOBRE LA REAUTORIZACIÓN DEL IMPUESTO LOCAL SOBRE LAS VENTAS Y EL USO A LA TASA DE UN OCTAVO (1/8) DEL UNO POR CIENTO (1%) PARA CONTINUAR PROPORCIONANDO INGRESOS PARA EL MANTENIMIENTO Y REPARACIÓN DE LAS CALLES MUNICIPALES; PROVEER PARA LA REALIZACIÓN DE LA ELECCIÓN; PROVEER A LA VOTACIÓN ANTICIPADA; PROPORCIONAR LUGARES DE VOTACIÓN; PREVER OTROS ASUNTOS INCIDENTES Y RELACIONADOS CON DICHAS ELECCIONES; PROPORCIONAR UNA NOTIFICACIÓN Y REUNIÓN ADECUADAS; Y ESTABLECER UNA FECHA DE ENTRADA EN VIGOR.

CONSIDERANDO QUE, el Capítulo 327 del Código Tributario de Texas autoriza a las ciudades a imponer una tasa impositiva local sobre las ventas y el uso para los fondos dedicados al mantenimiento y reparación de calles sobre una elección debidamente celebrada que apruebe la misma; y

CONSIDERANDO QUE, el Concejo Municipal de la Ciudad de Palestine, Texas ("Ciudad") por la presente determina y determina que se debe llevar a cabo una elección para determinar si se reautoriza a la Ciudad a imponer y recaudar un impuesto sobre las ventas y el uso dentro de la Ciudad bajo las disposiciones del Capítulo 327, según enmendado, Código Tributario de Texas, para el mantenimiento y reparación de las calles municipales; y

CONSIDERANDO QUE, la Ciudad tiene la intención de celebrar una Elección Especial junto con las Elecciones Generales del 3 de Mayo de 2025; y

CONSIDERANDO QUE, el impuesto sobre las ventas y el uso solo entrará en vigencia si la Mayoría de los votantes calificados que votarán en las elecciones de Mayo sobre la proposición apoyan la reautorización para continuar proporcionando ingresos para el mantenimiento y reparación de las calles municipales.

CONSIDERANDO QUE, la tasa combinada de todos los impuestos locales sobre las ventas y los impuestos sobre el uso impuestos por la Ciudad y otras subdivisiones políticas que tengan territorio en la Ciudad no excederá el dos (2) por ciento; y

CONSIDERANDO QUE, el Concejo por la presente encuentra y determina que la celebración de esta elección en la fecha establecida a continuación es en el mejor interés de los ciudadanos de la Ciudad.

AHORA, POR LO TANTO, SEA ORDENADO POR EL CONCEJO MUNICIPAL DE LA CIUDAD DE PALESTINE, TEXAS:

Que se notifica a los Votantes Registrados de Palestine, Texas:

SECCIÓN 1. De acuerdo con y de conformidad con las disposiciones y requisitos de las leyes del Estado de Texas y de la Carta Constitucional de la Ciudad de Palestine, por la presente se ordena la celebración de una Elección el 3 de

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Mayo de 2025, con el propósito de votar a favor o en contra de una proposición para la reautorización del impuesto local sobre las ventas y el uso en Palestine, Texas a razón de un ~~cuarto~~octavo (~~1/4~~ 1/8) del uno por ciento (1%) para continuar proporcionando ingresos para el mantenimiento y reparación de las calles municipales. El impuesto expira en el cuarto aniversario de la fecha de cualquier elección de impuesto sobre las ventas y el uso, a menos que se vuelva a autorizar la imposición del impuesto.

SECCIÓN 2. Los votos se efectuarán en papeletas oficiales preparadas de tal manera que permitan a los votantes votar "A favor" o "en contra" de la proposición presentada, y las proposiciones se expresarán en la papeleta oficial de la siguiente forma:

PROPOSICIÓN A

LA REAUTORIZACIÓN DEL IMPUESTO LOCAL SOBRE LAS VENTAS Y EL USO EN LA CIUDAD DE PALESTINE, TEXAS, A UNA TASA DE UN ~~CUARTO~~OCTAVO (~~1/4~~ 1/8) DEL UNO POR CIENTO (1%) PARA CONTINUAR PROPORCIONANDO INGRESOS PARA EL MANTENIMIENTO Y REPARACIÓN DE LAS CALLES MUNICIPALES. EL IMPUESTO EXPIRA EN EL CUARTO ANIVERSARIO DE LA FECHA DE ESTA ELECCIÓN, A MENOS QUE SE VUELVA A AUTORIZAR LA IMPOSICIÓN DEL IMPUESTO.

PROPOSITION A

THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX IN THE CITY OF PALESTINE, TEXAS AT THE RATE OF ONE-~~FOURTH~~EIGHTH (~~1/4~~ 1/8) OF ONE PERCENT (1%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS. THE TAX EXPIRES ON THE FOURTH ANNIVERSARY OF THE DATE OF THIS ELECTION UNLESS THE IMPOSITION OF THE TAX IS REAUTHORIZED.

SECCIÓN 3. La Elección Especial se llevará a cabo de acuerdo con el Código Electoral de este Estado y solo los votantes calificados residentes de la Ciudad serán elegibles para votar en la elección.

SECCIÓN 4. El alcalde notificará esta elección de acuerdo con los términos y disposiciones de las Secciones 4.004, 83.010, 85.004 y 85.007 del Código Electoral de Texas, la Sección 9.004 del Código de Gobierno Local, y todas las órdenes y mandamientos necesarios para la elección serán emitidos por la autoridad correspondiente. Las devoluciones de la elección se harán al Concejo Municipal inmediatamente después del cierre de las urnas.

SECCIÓN 5. La Votación Anticipada por Comparecencia Personal se llevará a cabo en el Anderson County Courthouse Annex, 703 N. Mallard Street, Suite 103A, Palestine, Texas, comenzando el 22 de Abril de 2025 y finalizando el 29 de Abril de 2025, con horarios por determinar.

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SECCIÓN 6. Las solicitudes para votar por correo se enviarán a: Casey Brown, Administrador de Elecciones, 703 N. Mallard Street, Suite 116, Palestine, Texas, 75801.

SECCIÓN 7. Las solicitudes para votar por correo deben recibirse por correo a más tardar al cierre de operaciones el 22 de Abril de 2025.

SECCIÓN 8. Los lugares de votación que se enumeran a continuación estarán abiertos de 7:00 a.m. a 7:00 p.m. el 3 de Mayo de 2025 para votar:

Distrito 1 – Freedom Fellowship Church, 125 Kickapoo Street
Distrito 2 – New Fellowship Christian Church, 1500 W. Reagan Street
Distrito 3 – Washington Early Childhood Center, 1020 Hamlett Street
Distrito 4 – Westwood Baptist Church, 1809 Bassett Road
Distrito 5 – Palestine I.S.D. Administrative Offices, 1007 E. Park Avenue
Distrito 6 – Palestine High School, 1600 S. Loop 256

SECCIÓN 9. Se encuentra, determina y declara oficialmente que la reunión en la que se adopta esta Ordenanza estuvo abierta al público y se dio aviso público de la hora, el lugar y el tema de los asuntos públicos que se considerarán en dicha reunión, incluida esta Ordenanza, todo según lo requerido por el Capítulo 551, según enmendado, del Código de Gobierno de Texas.

SECCIÓN 10. La presente Ordenanza entrará en vigor y entrará en pleno vigor inmediatamente después de su aprobación y aprobación.

APROBADO, APROBADO Y ADOPTADO por el Concejo Municipal de la Ciudad de Palestine, Texas, el día 24 de Febrero de 2025.

_____
MITCHELL JORDAN
ALCALDE

ATESTIGUAR:

_____
APRIL JACKSON
SECRETARIA DE LA CIUDAD

PROBADO EN CUANTO A LA FORMA:

_____
REZZIN PULLUM
ABOGADO DE LA CIUDAD

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Annual Review of City of Palestine Investment Policy and Investment Strategies
Date Submitted:	02/18/2025

SUMMARY:

Texas Government Code Chapter 2256, known as the Public Funds Investment Act (PFIA), mandates that the City Council conduct an annual review of its investment policy and strategies. This investment policy serves as a guideline for the prudent management of the City of Palestine's funds, focusing on key objectives such as safety, liquidity, yield, and diversification in all investment activities.

Additionally, the City of Palestine's Investment Policy requires the annual review, revision, and adoption of a list of qualified brokers, dealers, and financial institutions that are authorized to engage in securities transactions on behalf of the City of Palestine.

RECOMMENDED ACTION:

Staff recommends approval of the resolution as presented.

CITY MANAGER APPROVAL:

Attachments

Resolution

City of Palestine Investment Policy

RESOLUTION NO. R- -25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, AMENDING THE CITY OF PALESTINE INVESTMENT POLICY TO COMPLY WITH THE TEXAS PUBLIC FUNDS INVESTMENT ACT; PROVIDING A REVIEW OF THE INVESTMENT POLICY AS REQUIRED BY LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 2256 of the Texas Government Code, commonly known as the "Public Funds Investment Act," requires the City to adopt an investment policy by rule, order, or resolution; and

WHEREAS, it is the policy of the City of Palestine, Texas ("City") to administer city funds and facilitate the investment of those funds at the highest possible level of public trust and in accordance with the Texas Public Funds Investment Act and other applicable law; and

WHEREAS, the City Council of the City of Palestine, Texas ("City Council") has previously adopted policies regarding the administration of city funds and the investment of city funds; and

WHEREAS, the Public Funds Investment Act requires the Investment Officer of the City to attend investment training; and

WHEREAS, the City's Investment Officer has attended an investment training course, as required by the Public Funds Investment Act; and

WHEREAS, the City Council has determined that the City's investment policies should be reviewed, amended, and updated; and

WHEREAS, the attached investment policy and incorporated revisions comply with the Public Funds Investment Act, as amended, and authorize the investment of the City's funds in safe and prudent investments.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS THAT:

SECTION 1. The foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.

SECTION 2. The City of Palestine has complied with the requirements of the Public Funds Investment Act, and the Investment Policy, as amended, attached hereto as "Exhibit A," is hereby adopted as the investment policy of the City effective February 24, 2025.

SECTION 3. The City of Palestine hereby adopts the approved Brokers and Dealers list which is attached as an addendum to the Investment Policy.

DRAFT

SECTION 4. Should any section, paragraph, sentence, clause, phrase or word of this ordinance be declared unconstitutional or invalid for any purpose, the remainder of this ordinance shall not be affected thereby.

SECTION 5. The City Secretary is hereby directed to publish a caption of this Ordinance that summarizes its purpose and penalty, as provided in Section 52.011 of the Texas Local Government Code.

SECTION 6. This ordinance shall take effect immediately upon its passage and publication.

SECTION 7. It is officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

PASSED, APPROVED, and ADOPTED, by the City Council of the City of Palestine, Texas, on this the 24th day of February, 2025.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

ATTACHMENT A
City of Palestine Investment Policy

DRAFT

City of Palestine Texas
Investment Policy

City of Palestine
Finance Department
504 N. Queen St.
Palestine, Texas 75801

I. PURPOSE....3
II. GOVERNING AUTHORITY....3
A. Public Funds Investment Act....3
B. Local Governance....3
C. Trained Staff....3
III. SCOPE....3
A. Included Funds....3
B. Excluded Funds....3
C. Pooled Cash....3
IV. OBJECTIVES....4
A. Suitability....4
B. Safety....4
C. Liquidity....4
D. Marketability....4
E. Diversification....4
F. Yield....4
V. STANDARDS OF CARE....4
A. Prudence....4
B. Ethics and Conflicts of interest....4
VI. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES AND BROKER/DEALERS....5
VII. COMPETITIVE TRANSACTIONS....6
VIII. SAFEKEEPING AND CUSTODY....6
A. Delivery vs. Payment....6
B. 3rd party custodians....6
IX. INTERNAL CONTROLS....6
X. AUTHORIZED AND SUITABLE INVESTMENTS....7
A. Permitted Investments....7
1. Obligations of the United States....7
2. Obligations of State of Texas....7
3. US- and State-guaranteed debt....7
4. Certificates of Deposit....7
5. Repurchase Agreements....7
6. Bankers Acceptances....7
7. Commercial Paper....7
8. Government Pools....8
9. Collateralized Bank Accounts....8
B. Prohibited Investments....8
XI. DIVERSIFICATION....9
XII. MAXIMUM MATURITIES....9
XIII. COLLATERAL....9
XIV. PERFORMANCE STANDARDS....10
A. Benchmark....10
B. Downgraded Securities....10
XV. REPORTING AND DISCLOSURE....10
A. Quarterly Reports....10
B. Annual Reports....10
C. Annual Audit....11
XVI. INVESTMENT STRATEGY....11
XVII. REVIEW, APPROVAL AND ADOPTION....11
XVIII. GLOSSARY....11

ADDENDA:

Public Funds Investment Act (2256) and Public Funds Collateral Act (2257)....16
Approved Broker Dealer List....17
Broker Dealer Questionnaire....18

I. PURPOSE

The purpose of this Policy is to provide policy and strategy guidelines for the prudent investment of funds of the City of Palestine, Texas, in order to achieve the goals of safety, liquidity, yield, and diversification for all investment activity. It is the policy of the City of Palestine that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with State and Federal Regulations, applicable Bond Resolution requirements, adopted Investment Policy and adopted investment Strategy.

II GOVERNING AUTHORITY

Public Funds Investment Act. All investments shall be managed in a manner responsive to the public trust, consistent with state and local law, including Texas Government Code Chapter §2256, the Public Funds Investment Act (PFIA or "the Act").

Local Governance. The City Council retains ultimate fiduciary responsibility for the city portfolio. The Finance Director is designated by City Council as the Investment Officer of the City and an Assistant Finance Director, Accounting Manager or Other Investment Officers may be additionally designated to provide adequate redundancy at all times by properly trained and informed staff. The City may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with the entity's objectives (PFIA §2256.005 (f)). Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy and held to the Prudent Investor standard of care. No person may engage in an investment transaction except as provided under the terms of this Policy.

Trained Staff. All investment officers shall attend at least one training session approved by the entity's governing body or investment committee, and must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with PFIA provided by an independent source, in accordance with the Act, within 12 months after assuming investment duties and shall attend ten hours of training every two successive fiscal years beginning at the first day of the fiscal year. (PFIA §2256.008)

III. SCOPE

Included Funds. This investment policy applies to all funds and investment activities of the City of Palestine. Investments of City funds may be made on a pooled basis, funds being defined and reported in the City's Annual Comprehensive Financial Report and include any new funds created unless specifically excluded by City Council.

Excluded Funds. This policy specifically excludes separately managed retirement or deferred compensation funds and the proceeds of certain financing programs subject to provisions of specific bond issuance requirements.

Pooled Cash. The City of Palestine maintains one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in the portfolio. Allocation methodology will be the maximum dollar-weighted average maturity of the portfolio, based on the stated maturity date. Although different funds have differing cash flow and liquidity requirements, the current practice of the city is to pool invested cash, taking into consideration the current-year budgeted debt Service and Capital Improvement expenditures (may be either kept in liquid investments or matched with

maturities).

IV. OBJECTIVES

The City of Palestine shall manage and invest its cash and assets with major objectives, listed in order of priority

A. Suitability of the investment to the financial requirements of the city;

B. Safety - preservation and safety of principal. A primary objective of the City's investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses arising from security default, institution default, broker-dealer default, safekeeping fraud, or avoidable loss on sale of an investment.

C. Liquidity. The City's investment portfolio shall be structured to meet all expected obligations in a timely manner, achieved by comparing investment maturities with forecasted cash flow liabilities and maintaining sufficient liquidity for contingencies across all funds.

D. Marketability. Marketability of the investment prioritizes guarding against investment principal loss should the need arises to liquidate the investment before maturity;

E. Diversification. The City's portfolio shall be diversified with appropriate attention given to market sector, issuers and maturity dates.

F. Yield. Having first satisfied the preceding priorities, the investment program shall seek to exercise prudent stewardship by achieving reasonable returns consistent with risk limitations and prudent investment practices.

V Standards of Care

Prudence. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

> *The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."*

Ethics and Conflicts of Interest. Officers and employees involved in the investment process shall refrain from or disclose personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose, to the governing body, any material financial interest in financial institutions with which they conduct business and any large personal financial / investment positions that could be related to the performance of the City's portfolio. Employees and officers shall refrain from or disclose any personal investment transactions with the same agents with whom business is conducted on behalf of the City and shall avoid or disclose transactions that might impair public confidence.

An investment officer has a personal relationship (to city council and/or the Texas Ethics

Commission) with an entity that the city has an investment interest in if 1) they are related within the second degree of consanguity to a counter party to an investment transaction; or 2) they own 10 percent or more of the voting stock or shares of the entity, or owns $5,000 or more of the fair market value of the entity, or 3) they received funds personally from the entity exceed 10 percent of their gross income for the preceding 12 months, or 4) they personally acquired investments from the entity during the preceding 12 months with a market value of $2,500 or more, or 5) they or a family member has received gifts with an aggregate value of $100 in the preceding 12 months. (Local Government Code §176.003(a)(2)(A) and (B))

Investment Policy must require the investment officer(s) to file a disclosure statement with the Texas Ethics Commission and the governing body if:

a. The officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City (as defined in 2256.00 (i)(1-3)); or

b. The officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the entity. **PFIA 2256.005 (i)**

VI Authorized Financial institutions, Depositories and Broker/Dealers

The City of Palestine shall, at least annually, review, revise, and adopt a list of qualified brokers/dealers and financial institutions authorized to engage in securities transactions with the City of Palestine. The designated investment members will at least annually review and adopt the list of qualified brokers/dealers (see Attachment). Those firms that request to become qualified bidders for securities transactions will be required to provide a completed broker/dealer questionnaire that provides information regarding creditworthiness, experience and reputation and 2) a certification stating the firm has received, read and understood City of Palestine's investment policy and agree to comply with the policy. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories. All investment providers, including financial institutions, banks, money market mutual funds, and local government investment pools, must sign a certification acknowledging that the organization has received and reviewed City of Palestine's investment policy and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by City of Palestine's policy. **PFIA 2256.005(k-l)**

VII COMPETITIVE TRANSACTIONS

A. Competitive bid information will be required on all purchases of investment instruments purchased on the secondary market (new issues are excepted). A competitive bid can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

B. If the Entity is offered a security for which there is no readily available competitive offering on the same specific issue, then the Investment Officer shall document quotations for comparable

or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities as the same original issue price.

C. If the Entity hires an investment adviser to provide investment management services, the adviser must provide documentation of competitive pricing execution on each transaction. The investment adviser will retain documentation and provide upon request.

VIII SAFEKEEPING AND CUSTODY

A. **Delivery vs. Payment**. All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds. (PFIA §2256.005(b)(4)(E))

B. **Third-Party Safekeeping**. Securities will be held by an independent third-party safekeeping institution selected by the City. All securities will be evidenced by safekeeping receipts in the City's name. The safekeeping institution shall annually provide a copy of its most recent report on internal controls - Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16 (effective June 15, 2011.)

IX Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the city are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:

- Preventions of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Dual authorizations of wire transfers
- Staff training and
- Review, maintenance and monitoring of security procedures both manual and automated.

The external independent auditor shall provide an annual independent review to assure compliance with state law, policies, procedures and a compliance audit of management controls on investments and adherence to the entity's established investment policies.

X AUTHORIZED AND SUITABLE INVESTMENTS

Investments described below are authorized by the Public Funds Investment Act as eligible securities for the City, subject to the following limitations by City Council:

A. PERMITTED INVESTMENTS:

- Obligations of the United States or its agencies and instrumentalities (PFIA §2256.009).
  Example: U.S. Treasury bills, notes and bonds
- Direct obligations of State of Texas or its agencies and instrumentalities (PFIA §2256.009)
  Example: State of Texas bonds or issues of other Texas cities and agencies
- Other obligations, the principal and interest on which are unconditionally guaranteed, or insured by, the full faith and credit of the State of Texas or the United States or their respective instrumentalities. (PFIA §2256.009)
  Example: Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB)
- Certificates of deposit (CDs) and share certificates issued by a depository institution guaranteed or insured as required by PFIA §2256.010. A certificate of deposit or share certificate is authorized if the certificate is issued by a depository institution that is (1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations that have a market value of not less than the principal amount of the certificates; or (3) secured in any other manner and amount provided by law for deposits of the investing entity.
- Repurchase Agreements that (1) have a defined termination date; (2) are secured by a combination of cash and obligations described by PFIA Section 2256.009.a.1; and (3) require the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and (4) are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. (PFIA §2256.011)
- Bankers Acceptances, if the instrument (1) has a stated maturity of 270 days or fewer from the date of its issuance; (2) will be, in accordance with its terms, liquidated in full at maturity; (3) is eligible for collateral for borrowing from a Federal Reserve Bank; and (4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally-recognized credit rating agency. (PFIA §2256.012)
- Commercial Paper, if the commercial paper (1) has a stated maturity of 270 days or fewer from the date of its issuance; and (2) is rated not less than A-1 or P-1 or an equivalent rating by at least: (A) two nationally recognized credit rating agencies; or (B) one nationally-recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state. (PFIA §2256.0130
- Government Investment Pools are specifically authorized if the city council ("by rule, order, ordinance, or resolution, as appropriate"), authorizes investment in the particular pool. The City of Palestine specifically authorizes investments in TexPool and TexSTAR. (PFIA §2256.016)

  TexPool is a Texas Local Government Investment Pool administered by the Texas

Comptroller of Public Accounts as public funds investment pool authorized to receive, transfer, and disburse money and securities as provided by statute or belonging to the state, agencies, and local political subdivisions and other organizations created on behalf of the state or agency or political subdivision of the state. TexPool invests in U.S. Treasury and government agency securities, repurchase agreements, and certain mutual funds.

TexSTAR is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives administered by First Southwest and J.P. Investment Management Inc. The fund is rated AAA by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas PFIA for local government investment pools.

- Collateralized Money Market, Savings or Demand Deposits (Checking accounts) are to be held by institutions domiciled in Texas, governed by a depository contract that complies with this policy and State and Federal regulations for municipal funds, and are to be guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or secured by obligations conforming to this policy and the collateralization requirements of the Texas Public Funds Collateral Act. The total value of eligible security to secure a deposit of public funds must be in an amount not less than the amount of the deposit of public funds: (1) increased by the amount of any accrued interest; and (2) reduced to the extent that the United States or an instrumentality of the United States insures the deposit. (Public Funds Collateral Act. §2257.022)
- If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the city until this Policy has been amended and the amended version adopted by the governing body.

B. PROHIBITED INVESTMENTS:

- Collateralized mortgage obligations
- Inverse Floaters
- Money market mutual funds
- Principle-only or Interest-only mortgage-backed securities
- Any investment not permitted by City Council in this policy
- Any investment specifically prohibited in **PFIA 2256.009 (b)(1-4)**

XI DIVERSIFICATION

At the time of purchase:

The maximum allowable portion of the City's total portfolio invested in

- Obligations of the United States or its agencies and instrumentalities shall be 80% or less.
- State and local government securities shall be 50% or less.
- The maximum allowable exposure to any one issuer shall be 10% or less of the total portfolio,

across all city portfolio holdings.

- Bankers Acceptances shall be 20% or less.
- Commercial Paper shall be 20% or less.
- Repurchase Agreements shall be 20% or less.
- Certificate of Deposit (CDs) shall be 80% or less.
- Government Investment Pools may be up to 100%.
- Collateralized Money Market, Savings or Demand Deposits may be up to 100%.

Bond proceeds may be invested in a single security, subject to Federal arbitrage restrictions.

Staggered maturities are to be a component of the investment strategy employed to minimize reinvestment risk due to rate fluctuations. A laddered strategy is to be employed for that portion of the City's portfolio that represents fund balance held in compliance with city reserve policy plus reasonable reserves above reserve policy.

XII MAXIMUM MATURITIES

The weighted average days to maturity for the investment portfolio in total shall not exceed 2½ years. The maximum maturity of any one investment shall not exceed five years.

XIII COLLATERAL

Consistent with State law requirements (Public Funds Collateral Act §2257 et al), the City requires all bank deposits to be federally-insured or collateralized with eligible securities. Financial institutions serving as City depositories will execute a Depository Agreement. The safekeeping portion of the Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations.

Time and Demand Pledged Collateral. All City time and demand deposits shall be secured above FDIC coverage by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, collateral will be maintained and monitored by the depository at 102% of market value of principal and accrued interest on the deposits. The bank shall review collateral at least weekly to assure that the market value of the pledged securities is maintained at 102% or more.

Repurchase Agreements' purchased security value shall include accrued interest applicable to the security. The security's market value must be maintained at a minimum level of 102% of the principal value. Market value of repurchase agreement securities are to be required monthly.

Collateral pledged to secure deposits shall be held by an independent financial institution outside the holding company of the depository in accordance with a safekeeping agreement signed by authorized representatives of the City, the Depository, and the custodian (with the exception of the Federal Reserve as Custodian).

The City shall require monthly reports from institutions that hold deposits for the City, demonstrating compliance of pledged securities. All collateral shall be subject to inspection and audit by the City or the City's independent auditors.

XIV PERFORMANCE STANDARDS

A. **Benchmark**. The City's cash management portfolio shall be managed using a comparison object of the yield of TexPool, the Texas governmental pool which is typically the next investment choice for cash deemed to be available over and above foreseeable city checking account needs. (This is not a requirement of PFIA §2256 et al)

B. **Downgraded Securities**. The city may, from time to time, be invested in a security whose rating is downgraded. In the event a rating drops below the minimum allowed by this policy, the investment officer will liquidate any investment that is downgraded to less than the required minimum rating. (PFIA §2256.021)

XV REPORTING AND DISCLOSURE

A. **Quarterly Reports**. The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. (PFIA §2256.023) This management summary will be prepared in a manner which will allow the city council to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the city manager and the city council. The report should include, at a minimum, the following:

1. An asset listing showing par value, cost and accurate and complete market value of each security (including marking to market), type of investment, issuer, and interest rate;

2. Average maturity of the portfolio;

3. Maturity distribution of the portfolio;

4. Credit quality of portfolio holdings; and,

5. Average weighted yield to maturity of portfolio on investments and comparison to applicable benchmark

6. Distribution by type of investment.

7. Market value of investments (market value can be attained through monthly reports released from holders of investments).

B. **Annual reports**. The year-end investment report shall be reviewed at least annually within 120 days of the end of the fiscal year to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

C. **Annual audit**. Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Quarterly reports must be formally reviewed at least annually by an independent auditor. Such audit will include tests deemed appropriate by the auditor according to current audit standards. (PFIA §2256.005(m))

XVI INVESTMENT STRATEGY

A. **Buy and Hold**. As a strategy, the City of Palestine's investments will not be actively traded,

meaning that no attempt to "buy low and sell high" or "time the market" will be made. Investments purchased with the intent of providing investment income shall be intended to be held to maturity, relying on following a prudent course of action for income rather than predicting market direction. Securities may be sold before they mature if market conditions present an opportunity for the City to capture a benefit or to avoid a risk but the strategy will be primarily buy-and-hold. (PFIA §2256.005(d))

B. **Portfolio Segmenting**. In keeping with the priorities of Safety, Liquidity then Yield, the first considerations of investing will be the immediate operational needs and scheduled disbursements of capital expenditures and debt service payments. This constitutes the Liquidity Segment of the portfolio and will be maintained sufficiently available to assure availability when needed. The portion of the city's cash reserves which, upon historical analysis, long-term budgetary planning or council-approved reserve policy, will not be subject to spending can be invested comfortably in a longer-term program. This constitutes the Investment Income segment of the portfolio. This portion can be laddered, a common municipal strategy, dividing up into smaller staggered maturities, safely invested for longer periods of time. (PFIA §2256.005(d))

XVII REVIEW, APPROVAL AND ADOPTION

The City Council of the City of Palestine shall review its investment strategies and policy no less than annually and adopt by ordinance or resolution. (PFIA §2256.005(e))

XVIII GLOSSARY

Accrued Interest – Interest earned but not yet received.

Active Investment Management – the active trading of securities in an effort to earn above-average returns on a portfolio by the continual monitoring of financial markets, spreads and pricing opportunities of individual securities. (see also Passive Investment Management)

Amortization – a mathematical calculation that pays off a balance evenly while at the same time adding the interest earned every period that is due.

Arbitrage – The simultaneous buying and selling of similar assets and the profit from the price difference. The term is commonly used by municipal debt issuers (the City is a debt issuer) for investing bond proceeds.

Bankers Acceptance – (also known as a Bill of Exchange) a commercial bank draft requiring the bank to pay the holder of the instrument a specified amount on a specified date, which is typically 90 days from the date of issue, but can range from 1 to 180 days..

Bond proceeds - the proceeds from the sale of bonds, notes, and other obligations issued by an entity, and reserves and funds maintained by an entity for debt service purposes.

Book entry – the recording or receiving of security ownership electronically, as opposed to receiving a paper certificate.

Book value - the original acquisition cost of an investment plus or minus the accrued amortization or accretion.

Broker – someone who brings buyers and sellers together, compensated for this service.

Callable Bond – a bond issue in which all or part of its outstanding principal amount may be

redeemed before maturity by the issuer.

Capital Expenditures – is an amount spent to acquire or improve a long-term asset such as equipment or buildings, typically large projects, typically spent in large payments often across multiple years.

Certificate of Deposit (CD) – a deposit of funds for a specified period of time that earns interest at a specific interest rate.

Collateral – The underlying securities that are pledged to secure deposits, a requirement of municipal funds. Also used in conjunction with repurchase agreements to protect the investor from default by the counter party.

Commercial Paper – Short-term negotiable unsecured promissory notes of corporations.

Counter Party – A counterparty is the other party that participates in a financial transaction. Every buyer of an asset must be paired up with a seller that is willing to sell and vice versa.

Coupon – the annual rate of interest that a bond's issuer pays the bondholder.

Custody– (also known as Safekeeping) The service, usually by a financial institution (the custodian), of holding and reporting a customer's holdings. This is a fraud prevention best practice, guarding against dishonest practices of reporting assets that don't exist.

Debt Service – the payments consisting of the principal and interest due on the amortization schedule of debt, usually referring to the paydown of city debt, normally included in the current year's budget.

Deliver vs. Payment (DVP) – A settlement procedure whereby (electronic) payment for a purchase or a sale is made simultaneously with the (electronic) transfer of the investment to or from the custodian.

Demand Deposit – funds on deposit available at any time, "on demand," such as a checking account.

Discount– The amount that an investment sells for which is less than its face value, for example to equalize the interest rate of the issue with prevailing rates in the market. . A discounted price will be paid for a bond that pays 2% coupons in a market that is now paying 5% returns.

DK – (don't know) a trade that cannot be settled by a clearing house because data is missing or the counterparties have contradictory or otherwise inconsistent information on the trade.

Diversification – Dividing investments among a variety of securities, issuers, maturities and depositories to reduce the risk to the investor of any one failure. Think "putting eggs in more than one basket" in various ways.

Duration – a measure of the timing of the cash flows to be received from an investment, an indicator of its price volatility for given interest rate changes. The calculation is based on three variables: term to maturity, coupon rate and yield to maturity.

Fannie Mae – The trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Deposit Insurance Corporation (FDIC) – Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit per account.

Federal Reserve System – the central bank of the U.S. which consists of a seven-member Board of Governors, 12 regional banks and commercial member banks.

Financial Industry Regulatory Authority, Inc. (FINRA) - a private corporation that acts as a self-regulatory organization (SRO). FINRA is the successor to the National Association of Securities Dealers, Inc. (NASD) and the member regulation, enforcement and arbitration operations of the New York Stock Exchange.

Freddie Mac – The Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Funds – 1) cash in the custody of a state agency or local government that: (A) are not required by law to be deposited in the state treasury; and (B) the investing entity has authority to invest; 2) a completely separate set of books established to account for activities of the city for which accountability is required separately. The city's General Fund accounts for all activities for which separate accounting is not required separately.

GASB - Government Accounting Standards Board. The governing and standard-setting authority that prescribes the set of rules the City and all municipalities are subject to.

Ginnie Mae – the trade name for the Government National Mortgage Association (GNMA), a Government sponsored entity whose debt obligations bear the full faith and credit of the U.S. Government.

Government Securities – An obligation of the government, backed by the full faith and credit of that government. U.S. Treasury Bills, Notes and Bonds are regarded as the highest quality of investment securities in the U.S. securities market.

Interest Rate – the price at which a present value is compensated for a future value, expressed as a percentage.

Interest Rate Risk – the risk associated with declines or rises in interest rate that cause an investment in a fixed-income security to increase or decrease in market value.

Investment pool - an entity created under this code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are: (A) preservation and safety of principal; (B) liquidity; and (C) yield.

Leverage - Increasing the output compared to the input. In investments, a negative application would be multiplying the yield on investable funds by investing using borrowed funds in addition to cash on hand; the risk is that when a loss is experienced, the borrowed funds must be repaid in full, multiplying the loss to the investor.

Liquidity – An asset that can easily and rapidly be converted into cash (without loss of value).

Mark-to-Market- the requirement of reporting the value of an investment at its market value, rather than its cost (book value) or its future value.

Market Risk – the risk that the value of a security will rise or decline as a result of changes in market conditions, typically interest rates.

Market value - the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.

Maturity – the date upon which the principal of an investment is due and paid.

Medium term – (also known as Mid-Term) maturities of one to two years.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate

includes authority over firms that distribute mutual fund shares as well as other securities.

Par Value – (face value) the amount of principal that must be paid at maturity.

Passive Investment Management- investing with the intention of holding them to maturity rather than seeking to make gains through market price fluctuations.

Pooled fund group - an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

Premium – The amount by which the price paid for an investment exceeds its face value. A premium price will be paid for a bond that pays 5% coupons in a market that is now paying 2% returns.

Principal – The initial investment paid. The cost associated with an expected return.

Qualified representative - a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following: (A) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers; (B) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; (C) for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or (D) for an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or, if not subject to registration under that Act, registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

Repurchase Agreement – (also known as a Repo) A transaction in which a holder of securities sells those securities to an investor with an agreement to repurchase (buy) them back for a fixed price at a certain date. A Master Repurchase Agreement is a written contract governing all future transactions between the parties.

Reverse Repurchase Agreement – The opposite of a Repurchase Agreement. The investor owns the securities or collateral and a bank or dealer temporarily exchanges cash for the collateral, for a specific period of time at a certain interest rate.

Risk – the degree of uncertainty of return of principal and/or interest.

Separately invested asset - an account or fund of a state agency or local government that is not invested in a pooled fund group.

State agency - an office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities.

Total Return – interest income plus the gain (or loss) on an investment. Note that the gain or loss may be unrealized, as in the case where the investment is required to be reported at the market price even though the City plans to hold it to maturity and receive full face value.

Treasury Bills - (T-Bills) short term direct obligations of the U.S. Government, issued with original maturities of 13, 26 and 52 weeks (3-, 6-month and 1-year).

Treasury Bonds - (T-bonds) long term direct obligations of the U.S. Government, issued with

original maturities greater than 10 years.

Underwriter – a dealer who purchases a new issue of municipal securities for resale.

Yield – (return) the income received through from interest received. A dollar today is worth more than a dollar tomorrow, therefore an investor expects compensation for giving up a dollar today. The return includes factoring in risk that interest rates will change, that an investment can become worth less or worthless, and that reinvestment rates will be lower when the dollar is returned.

Addendum - Texas State Government Code References

Government Code, Title 10. General Government, Subtitle F. State And Local Contracts And Fund Management, Chapter 2256. Public Funds Investment, Subchapter A. Authorized Investments For Governmental Entities

Can be found at: http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2256.htm

Government Code, Title 10. General Government, Subtitle F. State And Local Contracts And Fund Management, Chapter 2257. Collateral For Public Funds

Can be found at: http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2257.htm

Addendum - Approved Brokers / Dealers

The following Brokers have submitted Broker Dealer Questionnaires, supplied the requested documentation and have supplied Texas municipality references to confirm their current good standing:

- Financial Northeastern Corporation (Stephen Azzato) September 2021
- Multi-Bank Securities, Inc. (Rene Molina) September 2021

City of Palestine

Addendum - Broker/Dealer Questionnaire

The East Texas city of Palestine, incorporated in 1846, provides a full range of municipal services, including general government, economic development, parks, cemetery, public safety (police and fire), parks and recreation, streets, community development, planning and zoning, code enforcement, airport, public library, and municipal services such as water treatment, wastewater and engineering. Roughly 200 employees serve about 18,000 residents covering about 20 square miles with an annual operating budget of around $35 million. The City's manageable cash ranges from $10 to $15 million of which $5 is laddered principally in CDs and GSA medium term notes with remaining liquidity maintained in governmental investment pools TexPool and TexStar. The City has adopted a written Investment Policy that regulates the standards and procedures used in its cash management activities. The most current policy is publicly available on the city website and should be reviewed prior to completing this form.

Firm Name: _____
Year Founded: _____
Corporate office address: _____
_____
_____
Telephone #s: _____
_____
Principal, Managing Director or Partner:
Name _____
Title _____
Direct phone _____
E-mail address _____

Is your firm a broker (does not own securities being offered)?_____
Is your firm a dealer (does own securities being offered)?_____

Local office address: _____
_____
_____

Please attach a bio or resumé of the primary and secondary representatives covering this account, including securities-related employment history, licensing, certificates, complaints, disciplinary action, arbitration, litigation:

Primary Representative:
Name _____
Title _____
Direct phone _____
E-mail address _____

Secondary Representative:
Name _____
Title _____
Direct phone _____
E-mail address _____

Provide proof of registration with State of Texas	☐ attached	☐ na
Provide proof of Financial Industry Regulatory Authority (FINRA)	☐ attached	☐ na
Provide documentation that your firm is qualified under SEC rule 15C3-1 (Uniform Net Capital Rule	☐ attached	☐ na
Provide most recent audited financials	☐ attached	☐ na

Is your firm is examined by and subject to rules and regulations of:

FDIC	☐ Yes	☐ No
SEC	☐ Yes	☐ No
NYSE	☐ Yes	☐ No
Comptroller of Currency	☐ Yes	☐ No
Federal Reserve System	☐ Yes	☐ No

List three current, active, comparable, municipal client references (Texas municipalities subject to PFIA):

Entity Name _____
Contact _____
Address _____
Phone / E-mail _____

Entity Name _____
Contact _____
Address _____
Phone / E-mail _____

Entity Name _____
Contact _____
Address _____
Phone / E-mail _____

What market sectors are you and your firm currently involved? (Please feel free to provide additional information regarding specialization in any of the following market sectors).

	Firm Involvement	Broker Involvement
US Treasuries	_____	_____
US Agency Bonds	_____	_____
Texas State Bonds	_____	_____
Municipal Bonds	_____	_____
Corporate Bonds	_____	_____
Negotiable CDs	_____	_____
Time CDs	_____	_____
CDARS	_____	_____
Repurchase Agreements	_____	_____
Mutual Funds	_____	_____
Other	_____	_____
	_____	_____

Has this firm, or the representatives assigned to this account, been subject to a regulatory agency, state or federal investigation for alleged improper, disreputable, unfair or fraudulent activities related to the sale of securities or money market instruments that resulted in a suspension or censure? ☐ Yes (attached) ☐ No

Is there outstanding litigation which would materially affect your financial stability?
☐ Yes (attached) ☐ No

Do you provide any fixed income research and economic commentary?
☐ Yes (attached) ☐ No

Describe the precautions taken by your firm to protect the interests of the public when dealing with a local public entity. ☐ Attached ☐ na

Has any client sustained a loss on a securities transaction engendered from a misunderstanding or misrepresentation of the risk characteristic of a financial instrument by your firm? ☐ Yes (attached) ☐ No

Please confirm that you are:

(1) familiar with the Government Code Sections 2256, *et seq,* (Public Funds Investment Act) and 2257 (Public Funds Collateral Act), *et seq,* and

(2) have read, understand and agree to comply with the provisions of City of Palestine's current investment policy

by signing below.

Name: _____ Signature: _____

Title: _____ Date: _____

Name: _____ Signature: _____

Title: _____ Date: _____

Name: _____ Signature: _____

Title: _____ Date: _____

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Amendment of Ordinance No. O-03-25
Date Submitted:	02/21/2025

SUMMARY:

On January 27, 2025, City Council considered an ordinance to amend the official zoning map and change the zoning classification of the properties located at 111 Kentucky Street, 115 Kentucky Street, and 0 Ohio Street from Industrial to Mixed Residential. After deliberation, City Council approved the change in the zoning classification for the properties south of the railroad tracks, excluding the property north of the railroad tracks from this rezoning.

The ordinance that was approved and adopted did not accurately reflect the action taken by City Council. The updated ordinance amending Ordinance No. O-03-25 reflects the correct decisions made by City Council.

RECOMMENDED ACTION:

Staff recommends approval of the ordinance as presented.

CITY MANAGER APPROVAL:

Attachments

Ordinance

ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, AMENDING ORDINANCE NO. O-03-25, PROVIDING FOR A CHANGE IN ZONING CLASSIFICATION FROM I, INDUSTRIAL TO MR, MIXED RESIDENTIAL AT 111 KENTUCKY STREET, 115 KENTUCKY STREET, AND 0 OHIO STREET; AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF PALESTINE, TEXAS; PROVIDING FOR AN AMENDMENT TO THE COMPREHENSIVE PLAN; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, a public hearing was held before the Planning and Zoning Commission of the City of Palestine, Texas, on the 5th day of December, 2024 and on the 2nd day of January, 2025, and a public hearing was before the City Council of the City of Palestine, Texas, on the 27th day of January, 2025, at 5:30 p.m., where all interested persons were provided with an opportunity to be heard on a proposed application for a zoning change as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, said hearing being held at City Hall, with all notices being given as required by law; and

WHEREAS, the Planning and Zoning Commission gave written notice of such hearing to all real property owners within 200 feet of the hereafter described territory as reflected by the last approved tax roll for the City of Palestine, and notice being more than 10 days prior to the date of said hearing by mailing the same, properly addressed to said owners; and

WHEREAS, all persons present were given an opportunity to be heard, and the Planning and Zoning Commission considered all of the testimony and made its final report in writing to the City Council; and

WHEREAS, the City Council considered all of the testimony, and all persons were given an opportunity to be heard; and

WHEREAS, the City Council is of the opinion that the following Ordinance should be passed and that the same is in the public interest and necessary for the promotion of health, safety, morals, and general welfare of the City.

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

SECTION 1. The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

SECTION 2. A change of zoning is granted from I, Industrial to MR, Mixed Residential on 111 Kentucky Street also known as Yokum & Hearn, Block 1, Lot 3 and Lot 4B; 115 Kentucky Street also known as John Arthur Survey, A-4, Block 883, Tract 47 (**SAVE AND EXCEPT** Tract 36); and 0 Ohio Street also known as John Arthur Survey, A-4, Block 882, Tract 13 and Tract 14, which is more particularly described and shown in Exhibit A attached hereto and

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incorporated by reference, and as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, subject to and governed by the terms of the Ordinance. The City Manager is hereby authorized to promptly note the zoning change on the Official Zoning Map of the City of Palestine, Texas.

SECTION 3. The zoning changes imposed by this Ordinance shall be incorporated into the Official Zoning District Map of the City of Palestine promptly after the adoption of this Ordinance by the City Council of the City of Palestine.

SECTION 4. To the extent this Ordinance represents any deviation from the current City of Palestine Comprehensive Plan, such plan is hereby amended to conform with this Ordinance.

SECTION 5. All other laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 6. In the event any part of this Ordinance is declared to be invalid or unconstitutional, such declaration shall not affect the remaining portions of the Ordinance which shall remain in full force and effect as if the portion so declared invalid or unconstitutional was not originally a part of the Ordinance.

SECTION 7. That this Ordinance shall become effective immediately upon its approval.

SECTION 8. It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

PASSED, APPROVED, AND ADOPTED this the 24th day of February 2025, by the City Council of the City of Palestine, Texas.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

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EXHIBIT A

Property Description

TRACT ONE: YOKUM & HEARN, BLOCK 1, LOT 3 & 4B

All that certain lot, tract, or parcel of land, a part of Lot 4, and Lot 3, of Block 1, of the Yoakum and Hearne Addition to the City of Palestine, Anderson County, Texas, recorded in Envelope No. 41-B of the Map Records of Anderson County, Texas, also being part of that certain tract of land conveyed to Wesley Hasty, et us by Nina Meyers on March 29, 1969, recorded in Volume 760, Page 440, of the Deed Records of Anderson County, Texas, and being more completely described as follows, to-wit:

BEGINNING at a 5/8" Iron Rod for corner at the Southwest corner of Block 1, the Southwest corner of Lot 4, in the North Margin of Kentucky Street.

THENCE N 12º 17' 29" W with the West line of Block 1, the west line of Lot 4, a distance of 137.75 feet to a 1" Iron Rod found for corner in the South Right-of-Way line of the M. & P. Railroad.

THENCE N 77º 42' 31" E at 107.20 feet, passing the Northwest corner of Lot 3, the Southwest corner of Lot 2, Bock 1, continuing with the North line of Lot 3, the South line of Lot 2, the South line of the M. & P. Railroad Right-of-Way a total distance of 150.24 feet to a 5/8" Iron Rod for corner.

THENCE S 12º 17' 29" E a distance of 137.75 feet to a 5/8" Iron Rod for corner in the South line of Lot 3, Block 1, the North Margin of Kentucky Street.

THENCE S 77º 42' 31" W with the South line of Lot 3, Block 1, the North Margin of Kentucky Street at 43.04 feet passing the Southwest corner of Lot 3, the Southeast corner of Lot 4, continuing with the South line of Lot 4, the North line of Kentucky Street a total distance of 150.24 feet to the place of beginning, containing 0.475 of an acre of land.

TRACT TWO: JOHN ARTHUR SURVEY, A-4, BLOCK 883, TRACT 47

All that certain lot, tract, or parcel of land, in the John Arthur Survey, A-4, Block 883, Tract 47 situated in the City of Palestine, Anderson County, Texas, and being part of the same land acquired in several difference deeds by John and Ellen O'Connell, which deeds are recorded in Vol. W, Page 638, Vol. Z, Page 128, Vol. 36, Page 558, Vol. 37, Page 450, and Vol. 138, Page 536, of the Deed Records of Anderson County, Texas, to which deeds reference is hereby made.

SAVE AND EXCEPT: All that certain lot, tract, or parcel of land, in the John Arthur Survey, A-4, Block 883, Tract 36, situated in the City of Palestine, Anderson County, Texas.

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TRACT THREE: JOHN ARTHUR SURVEY, A-4, BLOCK 882, TRACT 14

All that certain lot, tract, or parcel of land containing 1.0 acres, more or less, in the John Arthur Survey, A-4, Tract 14, Block 882 (Ohio Street), City of Palestine, Anderson County, Texas, being that same property more particularly described in Volume 396, Page 77 of the Deed Records of Anderson County, Texas.

TRACT FOUR: JOHN ARTHUR SURVEY, A-4, BLOCK 882, TRACT 13

All that certain lot, tract, or parcel of land in the John Arthur Survey, A-4, Tract 13, Block 882, City of Palestine, Anderson County, Texas, being a part of that same tract called 0.670 acre in deed from the City of Palestine to Wesley Hasty, Jr., dated February 12, 1999, recorded in Volume 1680, Page 326 (described in Volume 866, Page 846) of the Official Public Records of Anderson County, Texas.

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Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	Downtown Grant Performance Agreement between PEDC and Bill Byers
Date Submitted:	02/14/2025

SUMMARY:

Consider approval of a Downtown Grant Performance Agreement between the Palestine Economic Development Corporation and Bill Byers, in an amount not to exceed $13,819.50.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Downtown Grant Agreement - Bill Byers

DOWNTOWN GRANT PERFORMANCE AGREEMENT

This Downtown Grant Performance Agreement ("GRANT AGREEMENT") is executed by and between the Palestine Economic Development Corporation, a Texas Section 4B Economic Development Corporation ("PEDC"), whose address is 100 Willow Creek Pkwy. Suite A, Palestine, Texas 75801, and Bill Byers ("APPLICANT"), whose current address is 308 Shadow Lane, Euless, TX, 76039.

RECITALS

WHEREAS, the PEDC is an Economic Development Corporation, organized under the Texas Development Corporation Act of 1979, Article 5190.6, Section 4B of Vernon's Texas Civil Statutes, now Section 501 et seq. of the Texas Local Government Code (the Act), and authorized by the City of Palestine, Texas (City);

WHEREAS, the PEDC has adopted, and the City approved, a Downtown Grant Program ("GRANT PROGRAM");

WHEREAS, the APPLICANT submitted its Application dated January 31, 2025 for a Downtown Grant ("APPLICATION"); and

WHEREAS, the APPLICANT plans to make real property capital investments of **Twenty-Four Thousand Five Hundred Sixty-Eight Dollars and No Cents ($24,568.00)** for the purpose of complete restoration of sewer lines at the mixed-use property located at 104 W. Crawford Street, Palestine, TX 75801 ("PROJECT"). PEDC has found that the proposed improvements of APPLICANT'S property will encourage economic development in the City and will add to the ad valorem tax rolls of the City and other local taxing entities, and the PEDC and City have approved a cash performance grant to APPLICANT that matches funds expended by APPLICANT not to exceed a grant of **Thirteen Thousand Eight Hundred Nineteen Dollars and Fifty Cents ($13,819.50)** ("GRANT").

NOW, THEREFORE, in consideration of mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. APPLICANT'S OBLIGATIONS

1.1. The GRANT PROGRAM, APPLICATION, and APPLICATION GRANT APPROVAL are incorporated herein by reference as if specifically set forth herein.

1.2. APPLICANT accepts such grant subject to PEDC and City approval.

1.3. APPLICANT recognizes that, pursuant to the terms and provisions of Texas law, this GRANT AGREEMENT will not be valid and binding on PEDC until it is approved by the City Council of the City of Palestine, Texas.

1.4. APPLICANT will secure completion of the improvements in compliance within its APPLICATION, the GRANT APPLICATION APPROVAL, and the GRANT PROGRAM before November 24, 2025.

1.5. APPLICANT will obtain all permits required by the CITY or otherwise required by other government authorities for the improvement project.

1.6. PEDC, by its designated representative, shall have the right to inspect during the construction of the improvements and, following APPLICANT'S notice of completion, to evaluate APPLICANT'S compliance with the APPLICATION, the GRANT APPLICATION APPROVAL, and the GRANT PROGRAM.

2. FUNDING

2.1. APPLICANT will be provided with 50% of the total grant award upon execution of this GRANT AGREEMENT.

2.2. APPLICANT shall provide PEDC with written notification of project completion by certified mail, return receipt requested, stating that all improvements have been completed in accordance with the APPLICATION and GRANT APPLICATION APPROVAL and GRANT PROGRAM, and that full payments have been made for all labor and materials with attached payment receipts for materials and labor, required permits, inspection reports, and project photographs.

2.3. Upon PEDC'S receipt of APPLICANT'S notification of completion, an on-site inspection may be made by a representative or representatives of PEDC. Such inspection shall not be considered in any way as a reflection of PEDC'S approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of APPLICANT.

2.4. Following on-site inspection, PEDC will review the findings and may request additional information if needed and then either notify the APPLICANT of compliance or identify items of non-compliance. APPLICANT shall correct the items of non-compliance within thirty (30) days of notice thereof or this GRANT AGREEMENT shall be immediately cancelled and the APPLICANT shall immediately refund of all grant monies received to date, if any.

2.5. Upon the PEDC board of directors making a finding of completion of the project, as per the terms of the APPLICATION, the GRANT APPLICATION APPROVAL and the GRANT AGREEMENT, payment of the remaining 50% of the total grant award will be made.

3. REPRESENTATION AND WARRANTIES

APPLICANT represents and warrants to PEDC that:

3.1. APPLICANT has the power and authority, corporate or otherwise, to conduct its business and to perform all of its obligations under this GRANT AGREEMENT.

3.2. APPLICANT'S execution, delivery, and performance of this GRANT AGREEMENT has been duly authorized by all necessary action, corporate or otherwise, and does not and will not violate any provision of any existing law, rule, regulation, contract, or lien by which APPLICANT or its property or assets is bound or affected.

3.3. To the best of APPLICANT'S knowledge neither it, nor any division, branch, subsidiary, or related agency of the APPLICANT, is a party to any administrative or legal proceeding that is active or threatened against the APPLICANT or APPLICANT'S officers which may result in any material adverse change in APPLICANT'S business operations or assets which may be the subject of this GRANT AGREEMENT.

3.4. APPLICANT represents and warrants that they are not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Government Code.

3.5. Information, documentation, and other material in connection with the GRANT AGREEMENT may be subject to public disclosure pursuant to Chapter 552 of the Government Code **(the "Public Information Act")**. To the extent, if any, that any provision of the Agreement is in conflict with the Public Information Act, such provision shall be void and have no force or effect.

In accordance with Section 2252.907 of the Government Code, APPLICANT is required to make any information created or exchanged with the PEDC pursuant to the GRANT AGREEMENT, regardless of contrary provisions contained herein, and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the PEDC.

3.6. ***No Indemnification by the PEDC.*** APPLICANT and the PEDC expressly acknowledge that the PEDC'S authority to indemnify and hold harmless any third party is governed by Article XI, Section 7, of the Texas Constitution and any provision that purports to require indemnification by the PEDC is invalid. Nothing in this GRANT AGREEMENT requires that the PEDC incur debt, assess or collect funds, or create a sinking fund.

3.7. APPLICANT is aware of the limitations imposed on this GRANT and the use of funds by law and acknowledges that the funds herein granted shall be utilized solely for purposes authorized under law and by the terms of this GRANT AGREEMENT. In the event that an audit determines that the financial incentives granted under this GRANT AGREEMENT were not used for proper purposes, APPLICANT agrees to reimburse PEDC for the sums of money spent for purposes not authorized by law or this GRANT AGREEMENT, with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending

rate. The payment of interest shall be from the date that the money was spent for purposes not authorized by law or this GRANT AGREEMENT.

3.8. APPLICANT does not and will not knowingly employ an undocumented worker, as that term is defined by Tex. Gov't. Code Sec. 2264.001, directly or indirectly through a contractor or subcontractor. If, after receiving the funds herein granted, APPLICANT is convicted of a violation under 8 U.S.C. § 1324a(t), APPLICANT shall repay the amount of the grant paid by PEDC to APPLICANT with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be, no later than 120 days after the date that APPLICANT receives notification of such a violation.

3.9. APPLICANT shall fully comply with all local, state and federal laws applicable or otherwise implicated by APPLICANT'S receipt of funds under this GRANT PROGRAM, which includes but is not limited to APPLICANT'S compliance with Title VII, Civil Rights Act of 1964, as amended, the Texas Labor Code, the Drug Free Workplace Act of 1988, and the Americans with Disabilities Act, as well as APPLICANT'S refraining from discrimination of persons based on race, color, religion, sex (including pregnancy, childbirth, and related medical conditions; sexual orientation), national origin, disability, age, citizenship status, genetic information, political affiliation or participation in civil rights activities. Furthermore, while the City of Palestine fully supports the exercise of freedom of speech, the City of Palestine will not financially support or fund projects that incorporate or promote ideas of hate or which are intended to vilify, humiliate, or incite hatred against a group or a class of persons on the basis of race, religion, skin color, sexual identity, gender identity, ethnicity, disability or national origin.

3.10. APPLICANT will use all commercially reasonable efforts to continue operations in Palestine, Anderson County, Texas.

3.11. APPLICANT shall timely pay all ad valorem taxes due and owed by it to the CITY and all other taxing authorities having jurisdiction over the APPLICANT'S property. APPLICANT shall also timely pay any and all water and sewer bills owed to the CITY. In addition, APPLICANT shall timely pay all employment, income, franchise, and other taxes owed by it to all local, state, and federal government entities.

3.12. APPLICANT shall properly notify the Anderson County Appraisal District of all capital improvements, personal property, and equipment and shall list the City of Palestine as the taxable situs of all capital improvements, personal property, and equipment located on the property.

3.13. If APPLICANT'S operations, past or present, cause the CITY or PEDC to be fined by any governmental entity, this AGREEMENT shall terminate immediately and the PEDC will have no further obligations under this GRANT AGREEMENT and APPLICANT shall immediately repay the CITY or PEDC for such fines, penalties, and expenses within thirty (30) days.

3.14. If the business property, that being 104 W. Crawford St., Palestine, Texas 75801, is sold, conveyed, or utilized for a purpose not originally intended by the GRANT APPLICATION within one year of grant funding being awarded to APPLICANT, APPLICANT shall be required to reimburse the PEDC immediately for the full amount of the grant.

4. REMEDIES

4.1. Upon default, the non-defaulting party shall have the right to seek any remedy available in law or equity including, termination of this GRANT AGREEMENT, recovery of GRANT funds, and pre-judgment and post-judgment interest at the rate provided by law or as otherwise provided by this GRANT AGREEMENT (whichever is greater).

4.2 **Attorney's Fees.** Except as otherwise expressly provided herein, each party shall bear its own costs and attorney's fees in connection with this Agreement, including any dispute relating thereto.

5. MISCELLANEOUS PROVISIONS

5.1. All representations, warranties, covenants, and agreements, as well as rights and benefits for the parties to this GRANT AGREEMENT shall survive the payment of grant funds to APPLICANT.

5.2. This GRANT AGREEMENT may not be assigned by APPLICANT without the prior written consent of PEDC. No such assignment shall relieve APPLICANT of any of its obligations under this GRANT AGREEMENT.

5.3. The GRANT AGREEMENT may not be amended, modified, altered, or changed unless in writing, signed by both parties to this GRANT AGREEMENT and approved by the City of Palestine.

5.4. **APPLICANT SHALL INDEMNIFY AND HOLD THE PEDC, ITS EMPLOYEES, AND ITS AGENTS HARMLESS FOR ANY DAMAGES, BOTH PERSONAL AND PROPERTY, WHICH MAY RESULT DIRECTLY OR INDIRECTLY FROM ANY INCIDENT ASSOCIATED WITH PROJECT BOTH DURING AND AFTER CONSTRUCTION, AND THAT PEDC, ITS EMPLOYEES, AND ITS AGENTS SHALL NOT BE LIABLE FOR ANY DEBTS INCURRED IN ASSOCIATION WITH THE EXECUTION AND COMPLETION OF THE SUBJECT PROJECT OF THIS APPLICATION.**

PEDC, ITS EMPLOYEES, AND ITS AGENTS, DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING. THEREFORE, PEDC, ITS EMPLOYEES AND AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT FOR ANY PROJECT WHOSE APPLICATION HAS BEEN APPROVED OR HAS RECEIVED ACTUAL GRANT FUNDING.

5.5. **Severability.** In the event of any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporations, or circumstance, shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity, or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the application, validity, or constitutionality of the remaining parts of this Agreement shall not be affected thereby.

5.6. This GRANT AGREEMENT shall be binding upon an inure to the benefit of the parties and their respective heirs, administrators, and assigns.

5.7. No failure or delay on the part of the PEDC in exercising any right, power, or exercise hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No notice to or demand on APPLICANT in any case shall entitle APPLICANT to any other or further notice or demand in similar or other circumstances.

5.8. All notices, consents, requests, demands, and other communication hereunder shall be in writing and shall be deemed to have been duly given to the party hereto if mailed by certified mail, prepaid, to the APPLICANT'S address shown above as first written.

5.9. Time is of the essence of this agreement.

5.10. Neither party will be liable for delays or failure in its performance hereunder to the extent that such delay or failure is caused by acts of God, war, terrorism, or threats of terrorism, natural disaster, strike, lockout, labor dispute, work stoppage, fire, third-party criminal act, quarantine restriction, epidemic, pandemic, act of government, or other events outside of the reasonable control of a party (a "Force Majeure Event"); provided that the delayed party took reasonable precaution to prevent the impact of the Force Majeure Event.

5.11. This GRANT AGREEMENT shall be deemed a contract made under the laws of the State of Texas and for all purposes shall be construed in accordance with the Laws of said State. The venue shall be in Anderson County, Texas.

5.12. The providing of this GRANT AGREEMENT by PEDC to APPLICANT by any means of delivery constitutes an offer by PEDC to APPLICANT to accept this GRANT AGREEMENT on the terms and conditions contained therein, subject to approval by the City of Palestine City Council. If APPLICANT has not accepted the offer by ninety (90) days from the date approved by the City Council of the City of Palestine, Texas, the offer will lapse, and the offer and this GRANT AGREEMENT shall become null and void.

6. TERM

6.1. This GRANT AGREEMENT shall be effective on the date of the last signature below. The GRANT AGREEMENT shall terminate one year from the date that the PEDC board of directors

makes a finding of completion of the project pursuant to Section 2.5 of this GRANT AGREEMENT or earlier as otherwise terminated according to the provisions of this GRANT AGREEMENT.

AGREED and **SIGNED** to be effective as of the Effective Date.

For the Applicant(s):
Bill Byers

By _____ Date _____
Bill Byers, Building Owner

For the PEDC:
Palestine Economic Development Corporation

By_____ Date _____
Dan Bochsler, Board President

APPROVED:
City of Palestine, Texas

By _____ Date _____
Mitchell Jordan, Mayor

Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	Community Development Grant Performance Agreement between PEDC and Meals on Wheels of Palestine, Inc.
Date Submitted:	02/14/2025

SUMMARY:

Consider approval of a Community Development Grant Performance Agreement between the Palestine Economic Development Corporation and Meals on Wheels of Palestine, Inc., in an amount not to exceed $75,000.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Community Development Grant Agreement - Meals on Wheels

COMMUNITY DEVELOPMENT GRANT
FUNDING AND PERFORMANCE AGREEMENT

THIS COMMUNITY DEVELOPMENT GRANT FUNDING AND PERFORMANCE AGREEMENT (the "Agreement") is entered into by and between Palestine Economic Development Corporation (the "PEDC"), a Texas non-profit corporation and Type B Economic Development Corporation, whose address is 100 Willow Creek Pkwy. Suite A, Palestine, Texas 75801, and the Meals on Wheels of Palestine, Inc., d/b/a Tri-County Meals on Wheels ("Applicant"), whose address is 200 N. Church Street Palestine, TX 75801.

RECITALS

1. PEDC is an Economic Development Corporation, organized under the Texas Development Corporation Act of 1979, Article 5190.6, Sec. 4B of Vernon's Texas Civil Statutes, now Section 501 et seq. of the Texas Local Government Code (the "Act"), and authorized by the City of Palestine, Texas (the "City").

2. Meals on Wheels of Palestine, Inc. is a domestic nonprofit corporation d/b/a Tri-County Meals on Wheels registered to do business in Texas, an eligible applicant under the Guidelines and Criteria for the Community Development Grant Program.

3. PEDC created the Community Development Grant Program (the "Grant Program") to enhance the quality of life in the City of Palestine and advance the mission of the PEDC which is, in part, to provide the leadership and resources to successfully compete for jobs and enhance community wealth.

4. Applicant submitted its Application dated August 20, 2024, for a Community Development Grant ("Application"), which is attached hereto as Exhibit "A".

5. The project which is the subject of this Agreement is the development of an outdoor space expansion of the Palestine Senior Activity Center entailing planning & design, site preparation, and construction of amenities including a nature preserve trail, concert atrium, gazebo, multi-use pavilion, and an event/activity lawn located at 200 N. Church St. Palestine, TX 75801 (the "Project"). Applicant plans to make a total capital investment of an amount up to and not to exceed **Seven Hundred Thirty Thousand Dollars and No Cents (<u>$730,000.00</u>)** over time for the Project. PEDC has found that Applicant's Project will be required or suitable for use for convention purposes which will ultimately attract resident and visitor participation, contribute to the quality of life, and add value to the tax rolls of Palestine and other local taxing entities.

6. The PEDC finds the Project is an authorized project under Texas Local Government Code 505.152 (Convention Facilities) and will promote new and expanded business development pursuant to Texas Local Government Code 505.158.

7. The PEDC published general notice of the Grant Program in the Palestine Herald on August 29, 2024, as required by Texas Local Government Code 505.160.

8. The PEDC board of directors has approved a grant and funding to the Applicant in an amount not to exceed **Seventy-Five Thousand Dollars and Zero Cents (<u>$75,000.00</u>)** in Project-related expenses.

NOW, THEREFORE, in consideration of mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Applicant and the PEDC agree as follows:

FUNDING AND PERFORMANCE

1. Recitals: The above-stated recitals are true and correct and are incorporated herein by reference and made a part hereof.

2. Agreement to Fund Project: The PEDC agrees to provide the Applicant an amount up to and not to exceed Seventy-Five Thousand Dollars and No Cents (**$75,000.00)** in 4B Revenues to be used to facilitate the Project.

3. Term. This Agreement shall commence on the date last executed below and shall terminate on July 1, 2026.

4. Agreement to Perform: The Applicant agrees to complete the approved Project and provide a written Project final report to the PEDC within fifteen (15) months of the execution of the Agreement. The Applicant agrees to recognize the PEDC as a sponsor and financial contributor of the Project in all advertising, publicity, and promotional materials, using verbiage that identifies the PEDC as a financial contributor to the Project.

5. Project Budget: The Applicant agrees that if it is unable to provide sufficient written proof to the PEDC, at the PEDC's sole determination, that is has raised at least Three Hundred Twenty Seven Thousand Five Hundred Dollars and No Cents ($327,500.00) of its total Project budget by June 30, 2025, then this Agreement shall be automatically terminated and the Applicant shall immediately repay to the PEDC any funds paid to date by the PEDC to the Applicant.

6. Project Administration: The Applicant agrees that it will administer or supervise the administration of the Project in compliance with the PEDC Community Development Grant Program Guidelines absent slight deviations which are hereby approved.

7. No Undocumented Workers: The Applicant agrees that it does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the Applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the Applicant will be required to repay the amount of the grant (a public subsidy) provided under the Agreement plus interest, at an agreed rate, not later than the 120th day after the date the PEDC notifies the Applicant of the violation.

8. Payments Due: The PEDC will tender the Grant of **$75,000.00** to the Applicant only after approval of this performance agreement by the City Council of the City of Palestine at its open meeting on February 24, 2025, and upon Applicant request for reimbursement of its Project-related expenses with all required supporting documentation as provided herein.. Up to 80% of the total approved Project grant amount may be requested for reimbursement during the course of the Project but prior to the final Project completion. All requests for reimbursement submitted to the PEDC must be accompanied by copies of paid invoices/receipts and proof of payment. The remaining 20% of grant proceeds may be paid to Applicant following the PEDC's receipt of all paid invoices/receipts, proof of payment and release of liens; documentation of fulfillment of obligations to PEDC, including the Applicant's final report on the Project.

9. Use of Grant Payment: All funds tendered to the Applicant under this Agreement will be used exclusively for the Project as defined herein.

10. Claw Back: If all or any portion of the Grant funds received by the Applicant are not actually used for the Project or not used in accordance with the terms of this agreement or Guidelines, the Applicant must return those Grant funds to the PEDC within thirty (30) days from the date the PEDC provides notice of funds to be repaid.

11. Severability: The provisions of this agreement are severable, and if for any reason a

provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

12. Applicable Law: This Agreement is governed by and construed in accordance with the laws of the State of Texas. This Agreement is entered into and fully performable within Anderson County, Texas. The Parties agree that venue for any cause of action arising pursuant to the Agreement is proper only in Anderson County, Texas.

13. Interpretation: Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.

14. No Joint Venture: Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between any or all of the Parties.

15. Parties in Interest: Nothing in this Agreement shall entitle any Party other than PEDC or Applicant to any claim, cause of action, remedy, or right of any term of this Agreement.

16. Survival of Terms: All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.

17. Entire Agreement: This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.

Executed on the date shown opposite the signature of each party.

For the Applicant(s):

Meals on Wheels of Palestine, Inc. d/b/a Tri-County Meals on Wheels

By _____Date _____
Van Howard, Executive Director

For the PEDC:

Palestine Economic Development Corporation

By _____Date _____
Dan Bochsler, Board President

For the City:

City of Palestine, Texas

By _____Date_____
Mitchell Jordan, Mayor

Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	Community Development Grant Performance Agreement between PEDC and Dogwood Arts Council, Inc.
Date Submitted:	02/14/2025

SUMMARY:

Consider approval of a Community Development Grant Performance Agreement between PEDC and Dogwood Arts Council, Inc., in an amount not to exceed $75,000.

RECOMMENDED ACTION:

Staff recommends approval as submitted.

CITY MANAGER APPROVAL:

Attachments

Community Development Grant Agreement - Dogwood Arts Council

COMMUNITY DEVELOPMENT GRANT
FUNDING AND PERFORMANCE AGREEMENT

THIS COMMUNITY DEVELOPMENT GRANT FUNDING AND PERFORMANCE AGREEMENT (the "Agreement") is entered into by and between Palestine Economic Development Corporation (the "PEDC"), a Texas non-profit corporation and Type B Economic Development Corporation, whose address is 100 Willow Creek Pkwy. Suite A, Palestine, Texas 75801, and the Dogwood Arts Council, Inc. (the "Applicant"), whose address is P.O Box 2601, Palestine, TX 75802.

RECITALS

1. PEDC is an Economic Development Corporation, organized under the Texas Development Corporation Act of 1979, Article 5190.6, Sec. 4B of Vernon's Texas Civil Statutes, now Section 501 et seq. of the Texas Local Government Code (the "Act"), and authorized by the City of Palestine, Texas (the "City").

2. Dogwood Arts Council, Inc. is a nonprofit 501c3 corporation, an eligible applicant under the Guidelines and Criteria for the Community Development Grant Program.

3. PEDC created the Community Development Grant Program (the "Grant Program") to enhance the quality of life in the City of Palestine and advance the mission of the PEDC which is, in part, to provide the leadership and resources to successfully compete for jobs and enhance community wealth.

4. Dogwood Arts Council, Inc. submitted its Application dated February 5, 2025, for a Community Development Grant ("Application"), which is attached hereto as Exhibit "A".

5. The project that is the subject of this Agreement is lighting improvements, electrical capacity upgrades, structural & weatherproofing improvements, asphalt surface improvements, and accessibility improvements to the Palestine Farmers Market Pavilion located at 813 West Spring Street within the city limits of Palestine, Texas (the "Project"). Applicant plans to make a total capital investment of **One Hundred Five Thousand Dollars and No Cents** (**$105,000.00)** over time for the Project. PEDC has found that Applicant's Project will attract resident and visitor participation and contribute to the quality of life, business development which will ultimately add value to the tax rolls of Palestine and other local taxing entities.

6. The PEDC finds the Project is an authorized project under Texas Local Government Code 505.152 (Park Facilities and Open Space Improvements**)** and will promote new and expanded business development pursuant to Texas Local Government Code 505.158.

7. The PEDC published general notice of the Project in the Palestine Herald on December 12, 2024, as required by Texas Local Government Code 505.160.

8. The PEDC board of directors has approved a grant and funding to the Applicant in an amount not to exceed **Seventy-Five Thousand Dollars and No Cents** (**$75,000.00)** in Project-related expenses.

NOW, THEREFORE, in consideration of mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Applicant and the PEDC agree as follows:

FUNDING AND PERFORMANCE

1. Agreement to Fund Portion of Project: The PEDC agrees to provide the Applicant an amount up to and not to exceed **$75,000.00** in 4B Revenues to be used to facilitate the Project.

2. Agreement to Perform: The Applicant agrees to complete the approved Project within one year of the execution of the Agreement. The Applicant agrees to recognize the PEDC as a sponsor and financial contributor of the Project in all advertising, publicity, and promotional materials, using verbiage that identifies the PEDC as a financial contributor to the Project.

3. Project Administration: The Applicant agrees that it will administer or supervise the administration of the Project in compliance with the PEDC Community Development Grant Program Guidelines absent slight deviations which are hereby approved.

4. No Undocumented Workers: The Applicant agrees that it does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the Applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the Applicant will be required to repay the amount of the grant (a public subsidy) provided under the Agreement plus interest, at an agreed rate, not later than the 120th day after the date the PEDC notifies the Applicant of the violation.

5. Payments Due: The PEDC will tender the Grant of **$75,000.00** to the Applicant as a portion of its Project-related expenses upon approval of this performance agreement by the City Council of the City of Palestine at its open meeting on February 24, 2025.

6. Use of Grant Payment: All funds tendered to the Applicant under this Agreement will be used exclusively for the purposes described in the Application.

7. Claw Back: If all or a portion of the Grant funds received by the Applicant are not actually used for the Project or not used in accordance with the terms of this agreement or Guidelines, the Applicant must return those Grant funds to the PEDC.

8. Severability: The provisions of this agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

9. Applicable Law: This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Anderson County, Texas. The Parties agree that venue for any cause of action arising pursuant to the Agreement is proper only in Anderson County, Texas.

10. Interpretation: Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.

11. No Joint Venture: Nothing contained in this Agreement is intended by the Parties to create

a partnership or joint venture between any or all of the Parties.

12. Parties in Interest: Nothing in this Agreement shall entitle any Party other than PEDC or the Applicant to any claim, cause of action, remedy, or right of any term of this Agreement.

13. Survival of Terms: All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.

14. Entire Agreement: This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.

Executed on the date shown opposite the signature of each party.

For the Applicant(s):

Dogwood Arts Council, Inc.

By _____Date _____
Mary Jean Mollard, Treasurer

For the PEDC:

Palestine Economic Development Corporation

By _____Date _____
Dan Bochsler, Board President

For the City:

City of Palestine, Texas

By _____Date _____
Mitchell Jordan, Mayor

Agenda Date:	February 24, 2025
To:	City Council
From:	Cassie Ham, Tourism Marketing Manager
Agenda Item:	Interlocal agreement with GoBus Transit for the 2025 Shuttle Service
Date Submitted:	02/18/2025

SUMMARY:

Consider authorizing the City Manager to enter into an agreement with ETCOG for GoBus Transit for the annual Shuttle Service in 2025.

RECOMMENDED ACTION:

Consider approving the item as presented.

CITY MANAGER APPROVAL:

Attachments

GoBus & COP Agreement 2025

TRANSPORTATION SERVICES
INTERLOCAL AGREEMENT

THIS AGREEMENT, effective **January 1, 2025**, by and between **City of Palestine Visitor Center,** hereafter referred to as **"Palestine",** and **East Texas Council of Governments, hereinafter "ETCOG" for Provision of GoBus Transit Services.**

WHEREAS, pursuant to Chapter 791 of the Texas Government Code, Palestine desires to engage ETCOG under an Interlocal Cooperation Contract, to provide transportation services for diverse events organized and funded by the City of Palestine, Texas.

WHEREAS, The City of Palestine, Texas is a political subdivision of the State of Texas and a member of ETCOG; and

WHEREAS, ETCOG is a governmental entity created pursuant to the provisions of Chapter 391 of the Local Government Code and as such constitutes a corporate and political entity organized under state law and a political subdivision pursuant to the definition set out in Chapter 791 of the Texas Government Code, entitled "Interlocal Cooperation Contract;" and

WHEREAS, Palestine and ETCOG are therefore authorized pursuant to Chapter 791 of the Texas Government Code to enter into an interlocal contract, the purpose of which is to increase the efficiency and effectiveness of both local government entities; and

WHEREAS, Section 791.011 of the Texas Government Code specifically authorizes said interlocal contract between Palestine and ETCOG, more specifically authorizing an interlocal contract for the purpose of providing a governmental function or service that each party to the contract is authorized to perform individually; and

WHEREAS, Palestine and the governing body of ETCOG desire to enter into an interlocal contract to authorize the East Texas Council of Governments to provide transportation services and/or support services as needed.

NOW, THEREFORE, Palestine and ETCOG, in consideration of the mutual benefits to be derived by each, do hereby stipulate, and agree each with the other as follows:

1. **EMPLOYMENT OF ETCOG**. Palestine hereby agrees to engage ETCOG and ETCOG hereby agrees to furnish transportation services as described under the scope of services in this agreement.

2. **COMPLIANCE WITH LAWS**. Qualified third-party vendors and/or ETCOG, shall perform all necessary actions provided under this agreement in connection with transportation services. Qualified third-party vendors and/or ETCOG, shall perform all obligations and services pursuant to this Agreement in compliance with all applicable laws, statutes, regulations, and ordinances. This involves maintaining compliance with all Texas Department of Transportation (TxDOT) regulations in order to provide transportation service, including third-party vendor oversight and compliance with the Federal Transportation Administration Drug and Alcohol Program. All third-party vendors are subject to annual asset inventory inspections, and Drug and Alcohol Program audits.

3. **SCOPE OF SERVICE**. ETCOG agrees to provide transportation services for the following:

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Palestine Seasonal Services: A six-week period starting mid-November through December for seasonal transportation services providing deviated fixed route services throughout the city targeting hotels and tourist attractions.
Six (6) additional events to include up to three (3) vehicles where as ETCOG will provide services within the city of Palestine. These events are as follows:

a. Dogwood Blooms Tour
b. Wiggy Thump Festival
c. Imagine the Possibilities Downtown Tour
d. Local Familiarity Tour
e. (rollover from 2024) Rotary District Conference service
f. (rollover from 2024) Fall Foliage Tour

All requests for services to be performed during normal operating hours must be requested at least one (1) week in advance. Service requests to be performed afterhours require notice of at least fourteen (14) business days and are subject to approval and availability. ETCOG operating hours are Monday-Friday 6:30am-5:30pm. ETCOG may operate during special events outside of the forementioned service hours when available. ETCOG is not permitted to cross state lines.

Vehicles shall be maintained in a clean, neat, and orderly fashion and in good working order and condition. Scheduled departure and arrival times are an estimate based on traffic, weather, and the number of passengers occupying the vehicle.

4. **PERSONNEL**. ETCOG has, or will secure, all personnel required to perform services under this agreement. The ETCOG personnel shall comply with all applicable laws and terms of this agreement.

5. **PERIOD OF PERFORMANCE**. Services shall commence on/or around January 1, 2025 and shall continue through December 31, 2025.

6. **COMPENSATION AND CONTINUATION**. Palestine agrees to pay GoBus $16,000 for the events mentioned in Scope of Service. For additional transportation services, Palestine agrees to pay ETCOG via monthly reimbursement through the chosen pricing format based on the event requirements (see the ETCOG Pricing Table immediately below). The ETCOG Pricing Table lists four reimbursement prices. The pricing table is based on a tier system.

   a. **Trips that are 15 miles or less are Tier 1**

   b. **Trips that are between 15 miles up to 40 miles are Tier 2**

   c. **Trips that are more than 40 miles are Tier 3**

ETCOG Pricing Table		
Tier 1 – In Town 0-15 one-way miles	$19.00	Per Trip
Tier 2 – Within Region 15-40 one-way miles	$55.00	Per Trip
Tier 3 – Hourly Rate 41 or more one-way miles	$100.00	Per Hour

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Tier 4 – Trolley Special Event/Request	$150.00	Per Hour

ETCOG will invoice Palestine and provide supporting documentation for each monthly reimbursement. Reimbursement may also be paid via in-kind services. The cost of in-kind services will be based on open market pricing of the same or similar goods or services. All in-kind services must be agreed upon by both parties and will be deducted from the total price of the monthly invoice.

7. **TERMINATION**. Either party retains the right to terminate this Agreement, for any reason or no reason, at any time giving written notice to other party of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination. Such termination notice shall not affect Palestine's responsibility to pay for services rendered prior to the termination date.

8. **CHANGES**. Palestine and/or ETCOG may, from time to time, require changes in the scope of the services to be performed hereunder. Such changes will be mutually agreed upon by both parties and in writing as an amendment to the Agreement.

9. **INTEREST OF MEMBERS OF ETCOG AND OTHERS**. No officer, member, employee, or delegate of ETCOG and no member of its governing body, and no other public official of the governing body of the locality or localities in which the project is situated or being carried out who exercises any functions or responsibilities in the review of approval of the undertaking or carrying out of this project shall participate in any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

10. **INSURANCE**. ETCOG shall ensure that all personnel operating an asset belonging to ETCOG shall be fully licensed and competent to operate the vehicle. In addition, ETCOG shall acquire and/or maintain during the term of this agreement all appropriate insurance coverage, including but not limited to, commercial liability insurance, workers compensation insurance, auto insurance, and any other insurance a prudent owner and operator of a vehicle used for public transportation would maintain.

11. **SPECIAL CONSIDERATIONS AND CONDITIONS**. During unforeseen circumstances, such as extreme weather, the services provided by ETCOG may be halted for the safety of a qualified third-party vendor and ETCOG employees and patrons. ETCOG commits to coordinating with Palestine during the event of these occurrences. Any disruption of normal service due to harsh weather or other, will be immediately communicated with Palestine upon event.

12. **POINT OF CONTACT**. There shall be a designated point of contact for each organization, Palestine and ETCOG. The points of contact will be outlined below to maintain an organized flow of communication and coordinate meetings as needed.

City of Palestine	**ETCOG**
Cassie Ham	**Preston Garcia**
tourism@palestine-tx.org	Preston.Garcia@etcog.org

13. **HOLD HARMLESS**. Each party to this Agreement does hereby agree to waive all claims against, release and hold the other party and its respective officials, officers, agents, and employees, both in their official capacity and individual capacity, harmless from and against any and all liability, claims, suits, demands,

losses, damages (including court costs and attorneys' fees) or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

14. **INDEMNIFICATION.** The parties agree that Palestine will not be liable for any loss, cost, expense or damage, whether indirect, incidental, punitive, exemplary, consequential of any kind whatsoever for any acts by ETCOG or a third-party vendor or contractor or its representatives and agents for any act arising out of or in connection with this agreement. ETCOG, its successors and assigns agree to indemnify, hold harmless, and defend Palestine against any claim, demand, loss, injury, damages, action, or liability of any kind against Palestine resulting from or arising out of any activity contemplated in this agreement including those actions by a third-party vendor or contractor procured as contemplated in this agreement.

15. **MUTUAL COOPERATION.** Palestine and ETCOG agree to cooperate with each other, in good faith, at all times during the term hereof in order to effectuate the purpose and intent of this Agreement. ETCOG agrees to provide Palestine with all data held by ETCOG related to the services contemplated by this agreement.

16. **AUTHORITY TO CONTRACT.** Each party acknowledges and represents that this Agreement has been duly authorized by their respective governing body.

17. **NO PARTNERSHIP.** Nothing contained herein shall be deemed or construed by the parties hereto or by any third party, as creating the relationship of employer-employee, principal-agent, partners, joint ventures, or any other similar such relationships, between the parties hereto.

18. **ENTIRE AGREEMENT; AMENDMENTS.** This Agreement contains the entire Agreement of the parties respecting the subject matter and supersedes all prior negotiations, representations and/or agreements, either written or oral, between the parties. This Agreement may not be modified or amended except by written Agreement duly executed by both parties.

19. **INTERPRETATION.** This Agreement has been entered into and under the authority granted under the Texas Law. All terms and provisions are to be construed and interpreted consistently by Texas Law. Should any part of this Agreement be in dispute, the parties agree that the Agreement shall not be construed more favorably for either party.

20. **SEVERABILITY.** The provisions of this Agreement are severable. In the event that any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement shall be found to be contrary to law, or contrary to any rule or regulation having the force and effect of the law, such decisions shall not affect the remaining portions of this Agreement; however, upon the occurrence of such event, either party may terminate this Agreement by giving the other party thirty days written notice of its intent to terminate.

21. **ASSIGNMENT AND SUBLETTING.** This Agreement shall not be assigned in whole or in part without the written consent of both parties.

22. **WAIVER.** The waiver by either party of a breach of this Agreement shall not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision.

23. **REMEDIES.** No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy granted by law or equity, but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this Agreement may be waived without the express written consent of the parties. It is further

DRAFT

agreed that one or more instances of forbearance by either party in the exercise of its respective rights under this Agreement shall in no way constitute a waiver thereof.

24. **APPLICABLE LAWS.** This Agreement will be construed in accordance with the laws and Constitution of the State of Texas. All obligations are performable in Palestine, Texas. The exclusive venue shall be Palestine, Texas.

25. **CAPTIONS.** Title and headings of Sections or Paragraphs hereof have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent.

26. **COUNTERPARTS.** This Agreement shall be executed in duplicate originals, and all shall constitute but the same instrument.

DRAFT

IN WITNESS WHEREOF Palestine and ETCOG have executed this agreement as of _____(date).

City of Palestine
Teresa Herrera
City Manager

Signature_____

Date _____

East Texas Council of Governments
David A. Cleveland
Executive Director

Signature_____

Date_____

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	Cassie Ham, Tourism Marketing Manager
Agenda Item:	Proposed updated Visitor Center hours beginning March 2025
Date Submitted:	02/18/2025

SUMMARY:

We are proposing adjusting the opening hours of the Palestine Visitor Center to be from Monday-Saturday, except for special circumstances (holidays).
The main reasons behind the change in hours:

- Many of the events we advertise occur on the weekend. It would be nice to be open to provide information to guests when they are visiting.
- During Christmas 2024, the Visitor Center was open on Saturdays for 6 weeks, and on those 6 Saturdays, we had more visitors than any other day of the week, despite the shorter opening hours (10-3, rather than 10-5).

Our proposed hours of operation (open to the public) are as follows:
Monday - 10-5
Tuesday - 10-5
Wednesday - 11-5
Thursday - 10-5
Friday - 10-5
Saturday 10-4

This change would not result in an increase in payroll hours or expenses, as current staff would be able to shift their schedules to accommodate the opening hours.

RECOMMENDED ACTION:

Consider approving the updated operating hours for the Palestine Visitor Center.

CITY MANAGER APPROVAL:

Agenda Date:	February 24, 2025
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Award of Bid for Airport Hangars Project
Date Submitted:	02/21/2025

SUMMARY:

On January 13, 2025, City Council authorized staff to seek sealed bids for the Airport Hangars Project. Public notice for advertisement and invitation for bids was published in the Palestine Herald Press on February 1 and February 8, 2025. Additionally, this information was made available on the City's website. Sealed bids were opened on February 18, 2025, and a total of eight bids were received as follows:

Contractor	Total
Terra Texas Land Company	$234,796.75
Dynasty Development	$244,158.00
Texas Chile Inc.	$252,022.00
Baker & Company	$256,749.00
Doughtie Construction, Inc.	$266,566.00
ML Contracting Inc.	$278,387.00
Tegrity Contractors	$299,777.00
Crockett Construction, Inc.	$332,035.00

Terra Texas Land Company was the lowest bidder. Both Terra Texas Land Company and the second-lowest bidder, Dynasty Development, were asked to provide references, which are attached.

RECOMMENDED ACTION:

Staff recommends that City Council consider awarding the bid for the Airport Hangars Project.

CITY MANAGER APPROVAL:

Attachments

Reference Check Letter
Bid Tabulation

February 20, 2025

City of Palestine
504 N. Queen Street
Palestine, Tx 75801

Re: **City of Palestine – Airport Hangars**

As you are aware, bids for the above referenced project were solicited and opened on Tuesday, February 18, 2025. A total of eight (8) bids were received. A summary of the received bids is below:

Contractor	**Total**
Terra Texas Land Company	$234,796.75
Dynasty Development	$244,158.00
Texas Chile Inc.	$252,022.00
Baker & Company	$256,749.00
Doughtie Construction, Inc.	$266,566.00
ML Contracting Inc.	$278,387.00
Tegrity Contractors	$299,777.00
Crockett Construction, Inc.	$332,035.00

The low-bidder was Terra Texas Land Company. Both Terra Texas Land Company and the second lowest bidder, Dynasty Development were asked to provide references.

Reference Check Information:

Terra Texas Land Company – Magnolia, TX

- Larry Garland (817-909-1597) – General Contractor that has mutually worked both under and over Terra Texas Land Group. Worked together on 21 mile bayou project for the N Houston water plant. They did an excellent job ahead of schedule with no complaints.

- Joseph Wick (281-802-8155) – Worked with them for 10-15 years, did concrete and dirt work as subcontractor, good work done on time and on budget.

- Mark Burdick (936-494-9311) – Worked with them on 8 large scale development projects. Professional all the way through including payment, work done, change orders, permitting, progress meeting. No major concerns working with them again.

- Leisure Lane RV Resorts - Kim Finnegan (936-689-4777) – Built 4 RV parks, doing landscaping and dirt work for the first park then were brought in for the full project on the next 3. Clean work done in a timely manner. Any issues were dealt with quickly and simply.

- Welcome Home Communities - Carlos Villarreal (281-210-4060) – Responsible for majority of project (road, sewer, sidewalk). Took care of all the permitting. No issues with budget or schedule.

Dynasty Development – Tyler, TX

- The Genecov Group - Trey Brewer (903-509-8844) – Dynasty Development is their in house civil company. Chris worked on projects for them under Pritchard & Abbott. All the projects that he worked on were on time and under budget.

- Benchmark Design Group - Andrew Snodgrass (903-312-2086) – working under The Genecov Group. Chris McNertney has been project manager for several of the projects we've worked on with no issues. Any problems that came up during those projects were solved quickly.

- Brannon Corp - Bob Breedlove (903-597-2122) – Fairly new company. Chris has worked with them previously. Currently working with them on a subdivision project. No issues with them so far with none expected.

- K.L. Kilgore - Kevin Kilgore (903-581-7800) – Fairly new company. Worked with them on 2 to 3 projects with no issues.

Sincerely,
Schaumburg & Polk, Inc.

Jeffrey C. Simmons

Jeffrey Simmons, P.E.
Project Manager

City of Palestine
Airport Hangers
February 18, 2025 at 1PM
City of Palestine, 504 N. Queen Street, Palestine, TX 75801

Base Bid Items				Terra Texas Land Company LLC.		Dynasty Development		Texas Chile Inc.		Baker & Company Construction		Doughtie Construction Co. Inc.		ML Contracting Inc.		Tegrity Contractors Inc.		Crockett Construction	
Bid No.	Quantity	Unit	Item Description	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	1	LS	MOBILIZATION, BONDING, & INSURANCE PER TXDOT ITEM 500	$ 9,175.76	$ 9,175.76	$26,605.00	$ 26,605.00	$ 20,000.00	$ 20,000.00	$ 26,500.00	$ 26,500.00	$ 14,385.00	$ 14,385.00	$ 25,000.00	$ 25,000.00	$ 35,065.83	$ 35,065.83	$ 35,000.00	$ 35,000.00
2	1	LS	TRAFFIC CONTROL	$ 2,064.55	$ 2,064.55	$3,500.00	$ 3,500.00	$ 10,000.00	$ 10,000.00	$ 1,875.00	$ 1,875.00	$ 4,500.00	$ 4,500.00	$ 10,000.00	$ 10,000.00	$ 11,500.00	$ 11,500.00	$ 5,000.00	$ 5,000.00
3	1	LS	CONSTRUCTION STAKING	$ 6,308.33	$ 6,308.33	$5,000.00	$ 5,000.00	$ 10,000.00	$ 10,000.00	$ 7,850.00	$ 7,850.00	$ 11,500.00	$ 11,500.00	$ 12,500.00	$ 12,500.00	$ 5,750.00	$ 5,750.00	$ 11,000.00	$ 11,000.00
4	1	LS	EROSION CONTROL PER TXDOT ITEM 506	$ 8,143.48	$ 8,143.48	$12,000.00	$ 12,000.00	$ 3,000.00	$ 3,000.00	$ 12,300.00	$ 12,300.00	$ 6,475.00	$ 6,475.00	$ 8,000.00	$ 8,000.00	$ 5,566.99	$ 5,566.99	$ 3,500.00	$ 3,500.00
5	912	CY	EMBANKMENT (TY C) (GR 2) (DENSITY CONTROL) (COMPLETE IN PLACE) (IN FINAL POSITION) PER TXDOT ITEM	$ 21.76	$ 19,842.58	$22.00	$ 20,064.00	$ 25.00	$ 22,800.00	$ 25.50	$ 23,256.00	$ 28.00	$ 25,536.00	$ 8.50	$ 7,752.00	$ 57.45	$ 52,398.05	$ 51.00	$ 46,512.00
6	98	LF	12" REINFORCED CONCRETE PIPE PER TXDOT ITEM 464	$ 92.21	$ 9,036.97	$85.00	$ 8,330.00	$ 100.00	$ 9,800.00	$ 56.00	$ 5,488.00	$ 135.00	$ 13,230.00	$ 279.00	$ 27,342.00	$ 95.01	$ 9,311.27	$ 145.00	$ 14,210.00
7	6	HR	PROOF ROLLING PER TXDOT ITEM 216	$ 324.97	$ 1,949.84	$85.00	$ 510.00	$ 70.00	$ 420.00	$ 120.00	$ 720.00	$ 125.00	$ 750.00	$ 210.00	$ 1,260.00	$ 126.00	$ 756.00	$ 275.00	$ 1,650.00
8	1	LS	CONCRETE DRIVE PER TXDOT ITEM 530 AND DEMOLITION OF EXISTING CONCRETE DRIVEWAY/PAVEMENT PER TXDOT	$ 6,308.33	$ 6,308.33	$12,850.00	$ 12,850.00	$ 2,000.00	$ 2,000.00	$ 6,310.00	$ 6,310.00	$ 15,675.00	$ 15,675.00	$ 22,000.00	$ 22,000.00	$ 11,408.40	$ 11,408.40	$ 7,000.00	$ 7,000.00
9	1	LS	PERMENANT SEEDING PER TXDOT ITEM 164 OF ALL DISTURBED AREAS INCLUDING EMBANKMENT BORROW PIT	$ 11,010.91	$ 11,010.91	$7,500.00	$ 7,500.00	$ 3,500.00	$ 3,500.00	$ 5,375.00	$ 5,375.00	$ 3,500.00	$ 3,500.00	$ 8,000.00	$ 8,000.00	$ 6,900.00	$ 6,900.00	$ 10,000.00	$ 10,000.00
10	208	CY	FLEX BASE (6" THICK GRADES 1 OR 2) PER TXDOT ITEM 247	$ 120.10	$ 24,981.00	$106.00	$ 22,048.00	$ 100.00	$ 20,800.00	$ 113.00	$ 23,504.00	$ 175.00	$ 36,400.00	$ 75.00	$ 15,600.00	$ 129.60	$ 26,956.80	$ 135.00	$ 28,080.00
11	1,246	SY	LIME/FLYASH TREATMENT (ROAD MIXED) (8" DEPTH) PER TXDOT ITEM 275	$ 11.44	$ 14,256.83	$11.00	$ 13,706.00	$ 9.00	$ 11,214.00	$ 13.50	$ 16,821.00	$ 9.00	$ 11,214.00	$ 12.50	$ 15,575.00	$ 15.09	$ 18,799.65	$ 15.00	$ 18,690.00
12	35	TN	FLYASH PER TXDOT ITEM 275	$ 380.14	$ 13,304.85	$300.00	$ 10,500.00	$ 280.00	$ 9,800.00	$ 250.00	$ 8,750.00	$ 225.00	$ 7,875.00	$ 340.00	$ 11,900.00	$ 318.06	$ 11,131.94	$ 325.00	$ 11,375.00
13	9	TN	LIME PER TXDOT ITEM 275	$ 114.70	$ 1,032.27	$469.00	$ 4,221.00	$ 200.00	$ 1,800.00	$ 250.00	$ 2,250.00	$ 325.00	$ 2,925.00	$ 360.00	$ 3,240.00	$ 626.89	$ 5,642.03	$ 550.00	$ 4,950.00
14	249	GAL	PRIME COAT (MC-30) PER TXDOT ITEM 310	$ 26.26	$ 6,537.73	$6.00	$ 1,494.00	$ 20.00	$ 4,980.00	$ 13.00	$ 3,237.00	$ 18.00	$ 4,482.00	$ 10.00	$ 2,490.00	$ 8.63	$ 2,147.63	$ 15.00	$ 3,735.00
15	137	TN	HMAC TYPE D (2") PER TXDOT ITEM 340	$ 226.05	$ 30,968.19	$206.00	$ 28,222.00	$ 400.00	$ 54,800.00	$ 315.00	$ 43,155.00	$ 303.00	$ 41,511.00	$ 260.00	$ 35,620.00	$ 231.15	$ 31,667.55	$ 425.00	$ 58,225.00
16	1	LS	CLEARING EXISTING DITCHES TO FACILITATE DRAINAGE	$ 6,767.12	$ 6,767.12	$4,500.00	$ 4,500.00	$ 4,000.00	$ 4,000.00	$ 6,250.00	$ 6,250.00	$ 3,500.00	$ 3,500.00	$ 9,000.00	$ 9,000.00	$ 1,666.87	$ 1,666.87	$ 10,000.00	$ 10,000.00
17	1	LS	OWNER'S ALLOWANCE FOR ONCOR ELECTRICAL INSTALLATION, CONTINGENT ON THE OWNER'S APPROVAL	$ 28,108.00	$ 28,108.00	$28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00	$ 28,108.00
18	1	LS	OWNER'S ALLOWANCE FOR MATERIAL TESTING, CONTINGENT ON THE OWNER'S APPROVAL	$ 5,000.00	$ 5,000.00	$5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00
19	1	LS	OWNER'S ALLOWANCE FOR MISCELLANEOUS ITEMS, CONTINGENT ON THE OWNER'S APPROVAL	$ 30,000.00	$ 30,000.00	$30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00
Total Base Bid (Items 1 - 19):				**$ 234,796.75**		**$ 244,158.00**		**$ 252,022.00**		**$ 256,749.00**		**$ 266,566.00**		**$ 278,387.00**		**$ 299,777.00**		**$ 332,035.00**	

Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	Second Amendment to Performance Agreement between Palestine EDC, Lonestar Oil Tech, LLC, and Texas Futura, LLC.
Date Submitted:	02/19/2025

SUMMARY:

Consider and take possible action on a Second Amendment to Performance Agreement between the Palestine Economic Development Corporation, Lonestar Oil Tech, LLC, and Texas Futura, LLC.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Second Amendment to Performance Agreement - Texas Futura & Lonestar Oil Tech

SECOND AMENDMENT TO PERFORMANCE AGREEMENT

THIS SECOND AMENDMENT TO PERFORMANCE AGREEMENT ("Second Amendment") is made effective the ___ day of _____, ___, ("Effective Date") by and among Palestine Economic Development Corporation, a Texas non-profit Type B economic development corporation ("PEDC"), and Texas Futura, LLC, a Texas limited liability company ("Futura"), and Lonestar Oil Tech, LLC, a Texas limited liability company ("Lonestar"). Collectively, the PEDC, Futura, and Lonestar may be referred to herein as the "Parties" and, each separately, as a "Party."

RECITALS

A. The Parties entered into that certain Economic Development Performance Incentive Agreement executed by PEDC on November 27, 2023 ("Performance Agreement"), which is incorporated herein by reference.

B. The Parties have previously amended the Performance Agreement pursuant to the terms of that certain First Amendment to Performance Agreement dated to be effective February 12, 2024.

C. Futura and Lonestar have experienced timeline delays affecting, among other things, the construction and installation of the Re-Refining Facility and other improvements to be made to the Project Property.

D. The Parties wish to further amend the Performance Agreement as set forth herein to ensure the successful completion of the obligations and requirements under the Performance Agreement.

E. The ultimate purposes and goals of the Performance Agreement for encouraging economic development and job creation can still be met; therefore, the extension of deadlines and clarification of obligations are warranted to accomplish those purposes and goals.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above-stated recitals are true and correct and are incorporated herein by reference and made a part hereof.

2. Section 2.01(i) of the Performance Agreement is amended as follows:

> **"'<u>Construction Period</u>'** or **'<u>Period of Construction</u>'** means that period of time that Lonestar is required to construct its Re-Refining Facility and install the Step-Down Transformer. The **'<u>Construction Period</u>'** or **'<u>Period of Construction</u>'** shall begin on the Effective Date of this Agreement and shall end on August 31, 2025."

3. Section 2.01(l) of the Performance Agreement is amended as follows:

"A **'Default'** is a material breach of this Agreement – that allows for the termination of this Agreement – that occurs if Futura or Lonestar (i) fail to complete construction of and obtain a Certificate of Occupancy for the Re-Refining Facility no later than August 31, 2025; (ii) fail to construct the Re-Refining Facility; (iii) fail to comply with any of the material terms of this Agreement; (iv) fail to meet their responsibilities, representations, promises, covenants, and obligations as required by Article IV of this Agreement; (v) fail to comply with any of the terms of the Abatement Agreement; or, (vi) if any representation by Futura or Lonestar in this Agreement is found to be false or misleading in any respect."

4. Section 2.01(x) of the Performance Agreement is amended as follows:

"'Period of Construction' or **'Construction Period'** means that period of time that Lonestar is required to construct its Re-Refining Facility and install the Step-Down Transformer. The **'Period of Construction'** or **'Construction Period'** shall begin on the Effective Date of this Agreement and shall end on August 31, 2025."

5. Section 2.01(y) of the Performance Agreement is amended as follows:

"The **'**Period of Performance' is the period of time during which Futura shall establish and maintain ongoing and uninterrupted business operations at the Project Property for a period of at least ten (10) years, beginning upon the issuance of a Certificate of Occupancy for the Re-Refining Facility and in no case later than August 31, 2025."

6. Section 4.01(a) of the Performance Agreement is amended as follows:

"*Construction of Re-Refining Facility.* Lonestar shall construct its Re-Refining Facility and install the Step-Down Transformer during the Period of Construction. The **'Period of Construction' (or, 'Construction Period')** shall begin on the Effective Date of this Agreement and shall end on August 31, 2025. During the Construction Period, Lonestar shall provide the PEDC a copy of all documents submitted to the City in furtherance of and as required for the construction of the Re-Refining Facility and installation of the Step-Down Transformer. During the Period of Construction, Lonestar shall submit a quarterly report, in writing, to the PEDC detailing the progress of the construction of the Re-Refining Facility and the installation of the Step-Down Transformer."

7. Section 4.01(c) of the Performance Agreement is amended as follows:

"*Ongoing and Uninterrupted Business Operations.* Futura shall establish and maintain ongoing and uninterrupted business operations at the Project Property for a period of at least ten (10) years, beginning upon the issuance of a Certificate of Occupancy for the Re-Refining Facility **(the 'Period of Performance')**. Operations at the Re-Refining Facility shall begin no later than August 31, 2025."

8. Section 7.01 of the Performance Agreement is amended as follows:

"Declaration of Default. During the period during which this Agreement is effective, the PEDC may declare a default by Futura or Lonestar, respectively if: (i) Lonestar fails to complete construction of, and Futura fails to obtain a Certificate of Occupancy for, the Re-Refining Facility by August 31, 2025; (ii) Lonestar fails to construct the Re-Refining Facility; (iii) Futura or Lonestar fail to comply with any of the material terms of this Agreement; (iv) Futura or Lonestar fail to meet their responsibilities, representations, promises, covenants, and obligations as require by Article IV of this Agreement; (v) Futura or Lonestar fail to comply with any of the terms of the Abatement Agreement; or, (vi) if any representation by Futura or Lonestar in this Agreement is found to be false or misleading in any respect **('Default')."**

9. Except as expressly set forth in this Second Amendment, the Parties hereby restate and reaffirm all other representations, warranties and covenants stated in the Performance Agreement and the First Amendment to Performance Agreement. Except as expressly modified by this Second Amendment, all other terms and conditions of the Performance Agreement and the First Amendment to Performance Agreement shall continue unmodified and remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be executed as of the Effective Date.

Palestine Economic Development Corporation
(a Texas non-profit Type B economic development corporation)

By: _____
Name: Dan Bochsler
Its: President

Texas Futura, LLC
(a Texas limited liability company)

By: _____
Name: Nelson Varughese
Its: President

Lonestar Oil Tech, LLC
(a Texas limited liability company)

By: _____
Name: Nelson Varughese
Its: President

This is the signature page to that certain Second Amendment to Performance Agreement effective February ____, 2025.

Agenda Date:	February 24, 2025
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	First Amendment to Performance Agreement between Palestine EDC, Callizo Aromas LLC, and Perfect Life TX LLC.
Date Submitted:	02/19/2025

SUMMARY:

Consider and take possible action on a First Amendment to Performance Agreement between Palestine Economic Development Corporation, Callizo Aromas LLC, and Perfect Life TX LLC.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

First Amendment to Performance Agreement - Callizo Aromas & Perfect Life TX

FIRST AMENDMENT TO PERFORMANCE AGREEMENT

THIS FIRST AMENDMENT TO PERFORMANCE AGREEMENT ("First Amendment") is made effective the ___ day of _____, ___, ("Effective Date") by and among Palestine Economic Development Corporation, a Texas non-profit Type B economic development corporation ("PEDC"), and Callizo Aromas LLC, a Texas limited liability company ("Callizo"), and Perfect Life TX LLC, a Texas limited liability company ("Perfect Life"). Collectively, the PEDC, Callizo, and Perfect Life may be referred to herein as the "Parties" and, each separately, as a "Party."

RECITALS

A. The Parties entered into that certain Economic Development Performance Incentive Agreement executed by PEDC on July 24, 2024 ("Performance Agreement"), which is incorporated herein by reference.

B. Unless otherwise defined herein, all capitalized terms used in this First Amendment shall have the same meanings as defined in the Performance Agreement.

C. Callizo and Perfect Life have determined that additional electrical work is needed to accommodate equipment changes that will impact the timeline for construction of the aromatic ingredient manufacturing facility and other improvements to be made to the Project Property.

D. The Parties wish to modify the Performance Agreement as set forth herein to ensure the successful completion of the obligations and requirements under the Performance Agreement.

E. The ultimate purposes and goals of the Performance Agreement for encouraging economic development and job creation can still be met; therefore, the extension of deadlines and clarification of obligations are warranted to accomplish those purposes and goals.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above-stated recitals are true and correct and are incorporated herein by reference and made a part hereof.

2. Section 3.01(l) of the Performance Agreement is amended as follows:

> "The '**Period of Performance**' is the period of time during which Callizo shall establish and maintain ongoing and uninterrupted business operations at the Property for a period of at least ten (10) years, beginning upon the Callizo's acquisition of a certificate of occupancy for the aromatic ingredient manufacturing facility on the Property and in no case later than April 30, 2025."

3. Section 4.01(a) of the Performance Agreement is amended as follows:

*"**Construction of the Facility.*** Perfect Life agrees that it shall construct its aromatic ingredient manufacturing facility and Callizo shall acquire a certificate of occupancy for the facility on the Property, on or before April 30, 2025."

4. Section 4.01(b) of the Performance Agreement is amended as follows:

"***Ongoing and Uninterrupted Business Operations.*** Callizo shall maintain ongoing and uninterrupted business operations at the Property for a period of at least ten (10) years, beginning upon the receipt of the certificate of occupancy for the aromatic ingredient manufacturing facility on the Property by Callizo (the 'Period of Performance'). Operations of the aromatic ingredient manufacturing facility shall begin no later than April 30, 2025."

5. Section 6.01 of the Performance Agreement is amended as follows:

"This agreement shall be effective as of the Effective Date and shall terminate at the end of the ten (10) year period beginning upon the acquisition of a certificate of occupancy for the facility on the Property by Callizo and in no case later than April 30, 2025."

6. Except as expressly set forth in this First Amendment, the Parties hereby restate and reaffirm all other representations, warranties and covenants stated in the Performance Agreement. Except as expressly modified by this First Amendment, all other terms and conditions of the Performance Agreement shall continue unmodified and remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed as of the Effective Date.

Palestine Economic Development Corporation
(a Texas non-profit Type B economic development corporation)

By: _____
Name: Dan Bochsler
Its: President

Callizo Aromas LLC
(a Texas limited liability company)

By: _____
Name: Sergio Callizo
Its: CEO

Perfect Life TX LLC
(a Texas limited liability company)

By: _____
Name: Sergio Callizo
Its: CEO

This is the signature page to that certain First Amendment to Performance Agreement effective February ____, 2025.

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Specific Use Permit for Impound Vehicle Storage Facility at 1921 Crockett Road
Date Submitted:	02/19/2025

SUMMARY:

Discussion and consideration of a Specific Use Permit for an Impound Vehicle Storage Facility use at 1921 Crockett Road, William S McDonald Survey, A-43, Block 890, Tract 8, which is zoned Retail Commercial. The applicant, Ferrell Towing, LLC, is licensed to operate a towing/vehicle impound facility and is required to maintain a solid fence around the facility and limit the number of days a vehicle can be stored at the facility. On January 17, 2025, sixteen notices were mailed to property owners within 200 feet of the location of the specific use permit request. Three (19%) have been returned in favor of the request, three (19%) have been returned in opposition, and ten (62%) have not responded. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Specific Use Permit.

RECOMMENDED ACTION:

Staff recommends approval of the ordinance as presented.

CITY MANAGER APPROVAL:

Attachments

Application
Staff Report
Ordinance

SPECIFIC USE PERMIT APPLICATION

APPLICANT INFORMATION

Applicant Name: FERRELLS TOWING LLC

Address: 1321 W PALESTINE AVE

City: PALESTINE State: TX Zip: 75801

Phone Number: 903-724-3341 Email: [redacted] Fax: 1-903-900-4444

PROPERTY DESCRIPTION

Address (if available): 1921 CROCKETT RD

Subdivision: A0043 MCDONALD WM Lot: Block: 890

Anderson County Appraisal District Block Map # 15734 Tract #: 8

Existing Deed Restrictions: ☐ Yes (Attach a copy with the application) ☑ No

Proposed Deed Restrictions: ☐ Yes (Attach a copy with the application) ☑ No

PRESENT USE OF PROPERTY

Describe how the property is currently being used: VACANT

PROPOSED USE OF PROPERTY

Describe the proposed use of the property (be specific):

IMPOUND VEHICLE STORAGE FACILITY

TOW TRUCK COMPANY

Attach additional sheets if necessary including any surveys or drawings that will show the proposed improvements on the property.

CITY COUNCIL
AGENDA DATE: February 24, 2025
ITEM XZ-25-01 / STAFF REPORT

REQUEST:	A specific use permit to allow an Impound Vehicle Storage Facility use to be placed at 1921 Crockett Road
APPLICANT:	Ferrells Towing, LLC
EXHIBITS:	Application, Maps and Photos
PREPARED BY:	Susan Davis, Planning Tech

PROPERTY INFORMATION

LOCATION:	1921 Crockett Road
ZONING:	Retail Commercial
OVERLAY ZONES:	None
LAND USE:	Vacant
ADJACENT ZONING:	Retail Commercial
ACREAGE:	1.8370 acres
PROPERTY DESCRIPTION:	William S McDonald Survey, A-43, Block 890, Tract 8

SUMMARY OF REQUEST

The applicant, Ferrell Towing, LLC, applied for a specific use permit to allow an Impound Vehicle Storage Facility use at 1921 Crockett Road. Kayla Doolittle, a representative of Ferrell Towing, LLC, confirmed that the company will build a six-foot metal fence around the property to screen impounded vehicles and is also required by the Texas Department of Licensing and Regulation (TDLR) to limit the number of days a vehicle may be stored on the property.

PROPERTY ZONING AND LAND USE

The property where the Impound Vehicle Storage Facility use is proposed to be located is zoned Retail Commercial. Adjacent zoning districts include Retail Commercial to the north, east, south, and Industrial to the west.

PUBLIC NOTICE

On January 17, 2025, sixteen notices were mailed to property owners within 200 feet of the location of the specific use permit request. Three (19%) have been returned in favor of the request, three (19%) have been returned in opposition, and ten (62%) have not responded.

ZONING AND DEVELOPMENT REQUIREMENTS

Chapter 39, Article II, Section 39.2.2-13 of the Code of Ordinances for the City of Palestine requires a Specific Use Permit for a Impound Vehicle Storage Facility use in the Retail Commercial zoning district.

Supplementary Use Requirements listed in Chapter 39, Article II, Section 39.2.4-28 are listed as follows:

1. Temporary Parking and storage of impounded operable or inoperable motor vehicles is limited to a period of time not to exceed 90 days.
2. All enclosed and unenclosed facilities must be paved with an all-weather surface.
3. Vehicles may not be salvaged, dismantled, or repaired at the facility.

SPECIFIC USE PERMIT LOCATION MAP

STAFF COMMENTS

The driveway access of off Crockett Road is between existing business, which will screen the view of the facility.

PLANNING AND ZONING RECOMMENDATION

On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Specific Use Permit.

ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, GRANTING A SPECIFIC USE PERMIT FOR A IMPOUND VEHICLE STORAGE USE AT 1921 CROCKETT ROAD, ZONED RETAIL COMMERCIAL, PERTAINING TO THE PROPERTY BEING APPROXIMATELY +/- 1.8370 ACRES KNOWN AS WILLIAM S MCDONALD SURVEY, A-43, BLOCK 890, TRACT 8, CITY OF PALESTINE, ANDERSON COUNTY, TEXAS; AND PROVIDING FOR SEVERABILITY, REPEALER, AN EFFECTIVE DATE, AND PROPER NOTICE & MEETING.

WHEREAS, a public hearing was held before the Planning and Zoning Commission of the City of Palestine, Texas, on the 6th day of February, 2025, and a public hearing was before the City Council of the City of Palestine, Texas, on the 24th day of Febuary, 2025, at 5:30 p.m., where all interested persons were provided with an opportunity to be heard on a proposed application for a Specific Use Permit for an impound vehicle storage use at 1921 Crockett Road as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, said hearing being held at City Hall, with all notices being given as required by law; and

WHEREAS, the Planning and Zoning Commission gave written notice of such hearing to all real property owners within 200 feet of the hereafter described territory as reflected by the last approved tax roll for the City of Palestine, and notice being more than 10 days prior to the date of said hearing by mailing the same, properly addressed to said owners; and

WHEREAS, the Planning and Zoning Commission considered all of the testimony, and all persons present were given an opportunity to be heard, and made its final report in writing to the City Council; and

WHEREAS, the City Council considered all of the testimony, and all persons were given an opportunity to be heard; and

WHEREAS, the City Council is of the opinion that the following Ordinance should be passed and that the same is in the public interest and necessary for the promotion of health, safety, morals, and general welfare of the City.

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

SECTION 1. The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

SECTION 2. That a Specific Use Permit to allow impound vehicle storage use be granted to Ferrells Towing LLC for the property known as William S McDonald Survey, A-43, Block 890, Tract 8, City of Palestine, Anderson County, Texas, at 1921 Crockett Road as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, subject to and governed by the terms of the Ordinance.

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SECTION 3. To the extent this Ordinance represents any deviation from the City of Palestine Comprehensive Plan (the "Comprehensive Plan"), such plan is hereby amended to conform with this Ordinance.

SECTION 4. All other laws, ordinances, or resolutions, or parts of the same, that are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 5. In the event any part of this Ordinance is declared to be invalid or unconstitutional, such declaration shall not affect the remaining portions of the Ordinance, which shall remain in full force and effect as if the portion so declared invalid or unconstitutional was not originally a part of the Ordinance.

SECTION 6. This Ordinance shall be effective immediately upon passage.

SECTION 7. It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

PASSED, APPROVED, AND ADOPTED this the 24th day of February 2025, by the City Council of the City of Palestine, Texas.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Consider Assigning a Zoning District to City Annexed Property
Date Submitted:	02/19/2025

SUMMARY:

Discussion and consideration of an ordinance providing for a change in zoning classification to Urban Residential for a recently annexed tract described as an approximately 18.63-acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C; amending the Official Zoning Map of the City of Palestine, Texas; and providing for an amendment to the Comprehensive Plan. The City approved the voluntary annexation of unimproved property on December 9, 2024. Section 39.2.1-5 of the Zoning Ordinance states, "Areas Not Included. In every case where land has not been included within a district on the Zoning Map, the land is determined to be in the Residential Estate zoning district until a different zoning designation is approved by City Council." Parcels annexed into the City of Palestine should be classified as the most closely corresponding or similar zoning. The newly annexed property is adjacent to the Broadway Addition to the East and the Lakewood Addition to the South. The Broadway Addition and the Lakewood Addition are both zoned Urban Residential. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the assignment of Urban Residential zoning to the newly annexed property.

RECOMMENDED ACTION:

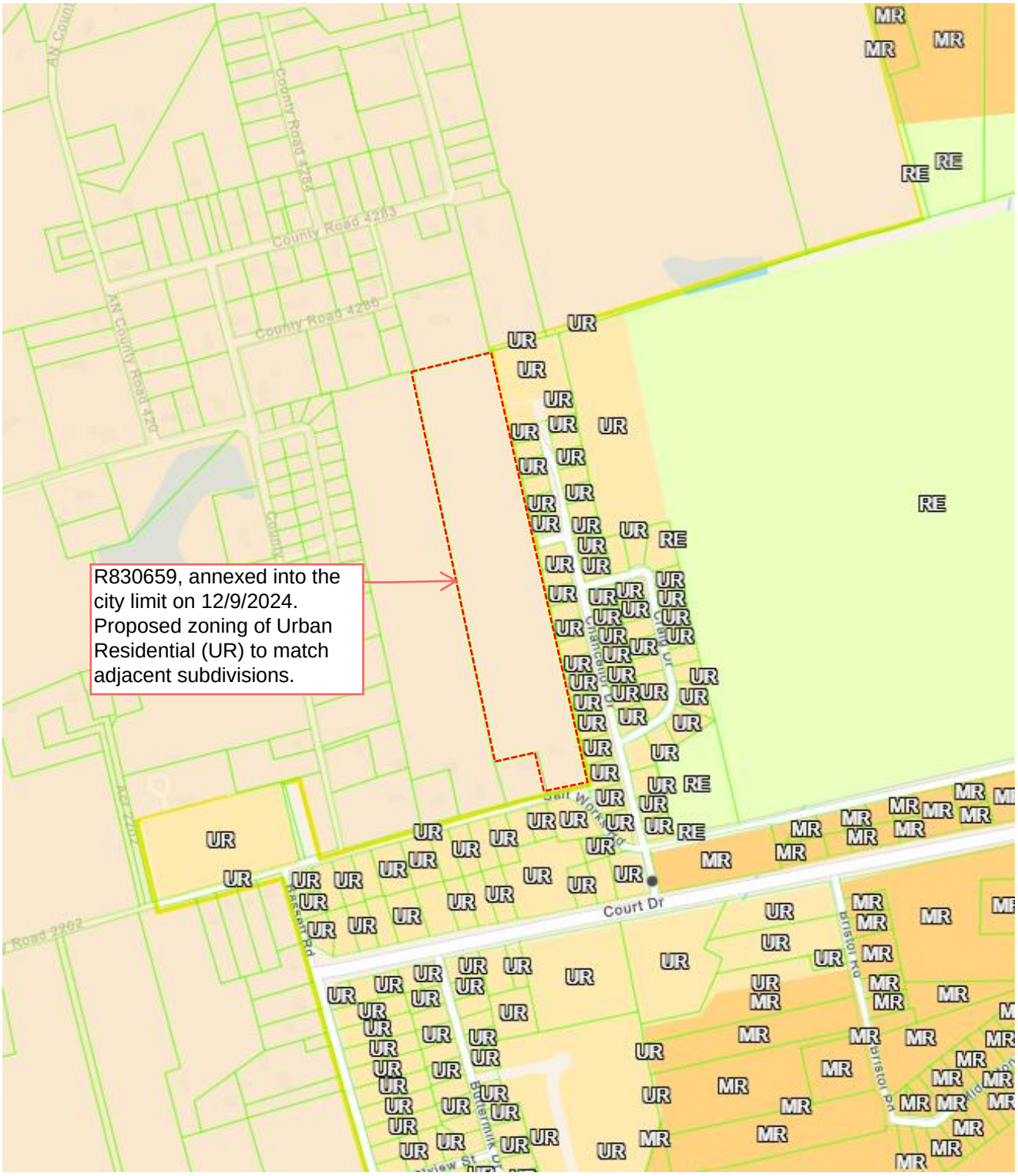
Staff recommends approval of the ordinance as presented.

CITY MANAGER APPROVAL:

Attachments

Zoning Map
Ordinance

Zoning Map – Consideration of Zoning Newly Annexed Property



ORDINANCE NO. O- -25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, PROVIDING FOR A CHANGE IN ZONING CLASSIFICATION TO URBAN RESIDENTIAL FOR A RECENTLY ANNEXED TRACT DESCRIBED AS AN APPROXIMATELY 18.63 ACRE TRACT OF LAND OUT OF THE JOSEPH JORDAN SURVEY, A-33, BLOCK 1226, TRACT 17, 17A, 17B, AND 17C; AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF PALESTINE, TEXAS; PROVIDING FOR AN AMENDMENT TO THE COMPREHENSIVE PLAN; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, this tract including approximately 18.63 acres of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C, which is depicted and described fully in Exhibit A, has been discussed in public hearings held before the Planning and Zoning Commission of the City of Palestine, Texas, and the City Council of the City of Palestine, Texas, where all interested persons were provided with an opportunity to be heard on a proposed application for annexation and zoning as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, said hearings being held at City Hall, with all notices being given as required by law; and

WHEREAS, the Planning and Zoning Commission on February 6, 2025, recommended that the City Council zone the tract as Urban Residential; and

WHEREAS, any persons present were given an opportunity to be heard, and the Planning and Zoning Commission considered all of the testimony and made its final report in writing to the City Council; and

WHEREAS, the City Council has considered all of the testimony from persons who have been present thereby providing an opportunity to be heard; and

WHEREAS, the City Council is of the opinion that the following ordinance should be passed to zone this tract recently annexed in response to a Voluntary Annexation Request by the Owner and that the same is in the public interest and necessary for the promotion of health, safety, morals and general welfare of the City.

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

SECTION 1 The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct and adopted herein for all purposes.

SECTION 2 The zoning classification of the newly annexed tract shall be approved as Urban Residential for the 18.63 acre tract of land out of the Joseph Jordan Survey, A-33, Block 1226, Tract 17, 17A, 17B, and 17C, which

DRAFT

is depicted and described fully in Exhibit A which is attached hereto and incorporated herein, as provided in the Comprehensive Zoning Ordinance of the City of Palestine, Texas, subject to and governed by the terms of the Ordinance.

SECTION 3 The zoning changes imposed by this Ordinance shall be incorporated into the Official Zoning District Map of the City of Palestine promptly after the adoption of this Ordinance by the City Council of the City of Palestine.

SECTION 4 To the extent this Ordinance represents any deviation from the current City of Palestine Comprehensive Plan, such plan is hereby amended to conform with this Ordinance.

SECTION 5 All other laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 6 In the event any part of this Ordinance is declared to be invalid or unconstitutional, such declaration shall not affect the remaining portions of the Ordinance which shall remain in full force and effect as if the portion so declared invalid or unconstitutional was not originally a part of the Ordinance.

SECTION 7 That this Ordinance shall become effective immediately upon its approval.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Palestine, Texas, at a regular meeting held on the 24th day of February 2025.

_____
MITCHELL JORDAN
MAYOR

ATTEST:

_____
APRIL JACKSON
CITY SECRETARY

APPROVED AS TO FORM:

_____
REZZIN PULLUM
CITY ATTORNEY

DRAFT

EXHIBIT A

Property Description

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Being an 18.63 acre tract or parcel of land situated in the Joseph Jordan Survey, Abstract No. 33, Anderson County, Texas, and being part of the remainder of that certain called 25.985 acre tract of land conveyed from K.D. Calloway, et al, to David L. Castleberry, by General Warranty Deed, as recorded in Volume 2603, Page 779, Official Public Records, Anderson County, Texas, (Bearings are based on NAD 83 (2011), Texas North Central 4202, as observed by GPS. Area and distances shown hereon are at grid), and being more particularly described by metes and bounds as follows:

BEGINNING at a point at the most Westerly Southwest corner of said 25.985 acre tract, at the Northwest corner of a called 1 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 636, Official Public Records, Anderson County, Texas, and in the East line of a called 19.36 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 632, Official Public Records, Anderson County, Texas, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 11 seconds West, a distance of 3.08 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 15 degrees 26 minutes 59 seconds East, a distance of 209.95 feet;

THENCE North 15 degrees 26 minutes 59 seconds West, with the West line of said 25.985 acre tract and with the East line of said 19.36 acre tract, a distance of 1,896.75 feet to a point at the Northwest corner of said 25.985 acre tract and in the South line of Happy Acres Subdivision, as recorded in Envelope 106A, Map Records, Anderson County, Texas, from which a concrete monument found bears South 15 degrees 26 minutes 59 seconds East, a distance of 5.17 feet, a 1/2" inch rod found capped (Smith 4181) bear South 15 degrees 26 minutes 59 seconds East, a distance of 1.63 feet, and a 3/4" iron pipe found bears South 72 degrees 55 minutes 23 seconds West, a distance of 778.00 feet;

THENCE North 72 degrees 55 minutes 23 seconds East, with the North line of said 25.985 acre tract and with the South line of said Happy Acres Subdivision, a distance of 379.79 feet to a 1/2" iron rod found at the Southeast corner of Happy Acres Subdivision and the Southwest corner of a called 4.489 acre tract of land conveyed to Castillo Tower Properties, LLC, by deed as recorded in File No. 2020-1084, Official Public Records, Anderson County, Texas;

THENCE North 71 degrees 45 minutes 52 seconds East, with the North line of the remainder of said 25.985 acre tract and with the South line of said 4.489 acre tract, a distance of 20.70 feet to a 1/2" iron rod found capped (4091) for corner, from which 1/2" iron rod found capped (4091) at the Southeast corner of said 4.489 acre tract bears North 71 degrees 45 minutes 52 seconds East, a distance of 260.51 feet;

THENCE South 15 degrees 44 minutes 26 seconds East, over and across said 25.985 acre tract, a distance of 375.78 feet to a 1/2" iron rod found at an ell corner of said 25.985 acre tract and at the Northwest corner of Broadway Addition, Section 2, as recorded in Envelope 289B, Map Records, Anderson County, Texas, from which a 1/2" iron rod found capped (4091) at the most Easterly Southeast corner of said 25.985 acre tract and at the Northeast corner of said Broadway Addition, Section 2 bears North 74 degrees 17 minutes 03 seconds East, a distance of 319.98 feet;

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THENCE South 15 degrees 47 minutes 14 seconds East, with an East line of said 25.985 acre tract, with the West line of said Broadway Addition, Section 2, and with the West line of Broadway Addition, as recorded in Envelope 214A, Map Records, Anderson County, Texas, a distance of 1,728.92 feet to a point at the most Southerly Southeast corner of said 25.985 acre tract and in the North margin of Salt Works Road, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 51 seconds West, a distance of 0.17 feet and a 1/2" iron rod found capped (KGJ 1414) bears South 15 degrees 47 minutes 14 seconds East, a distance of 145.09 feet;

THENCE South 72 degrees 37 minutes 51 seconds West, with the most Southerly South line of said 25.985 acre tract and along the North margin of Salt Works Road, a distance of 202.53 feet to a point at the most Southerly Southwest corner of said 25.985 acre tract and at the Southeast corner of said 1 acre tract, from which a 1/2" iron rod found bears North 16 degrees 29 minutes 40 seconds West, a distance of 1.64 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 72 degrees 37 minutes 51 seconds West, a distance of 210.10 feet;

THENCE with the common line of said 25.985 acre tract and said 1 acre tract, the following courses and distances:
North 16 degrees 29 minutes 40 seconds West, a distance of 209.90 feet to a 1/2" iron rod found at an ell corner of said 25.985 acre tract and at the Northeast corner of said 1 acre tract;
South 72 degrees 37 minutes 11 seconds West, a distance of 206.27 feet the POINT OF BEGINNING and CONTAINING 18.63 acres of land.

DRAFT

Agenda Date:	February 24, 2025
To:	City Council
From:	Susan Davis, Planning Technician
Agenda Item:	Consider Approval of the Final Plat for Hidden Hills Addition, Unit 1
Date Submitted:	02/19/2025

SUMMARY:

Discussion and consideration of the Final Plat for the Hidden Hills Addition, Unit 1, containing 4.86 acres with a density of 18 lots with street and utility easements. Construction plans were submitted with the Final Plat for Unit 1 and are undergoing review by a Civil Engineer with Bureau Veritas as well as the Interim Director of the Public Works Department for the City of Palestine. On February 6, 2025, the Planning and Zoning Commission unanimously voted to approve the Final Plat contingent upon the civil plan review and approval.

RECOMMENDED ACTION:

For discussion and consideration of the Final Plat for the Hidden Hills Addition, Unit 1.

CITY MANAGER APPROVAL:

Attachments

Final Plat Application

Final Plat Unit 1

THE CITY OF PALESTINE TEXAS • 1846

PLAT APPLICATION

TYPE OF PLAT

☐	Amending Plat		Preliminary Plat	☒	Final Plat	☐	Minor Plat	☐	Replat

PROPERTY INFORMATION

Address (if available): _____

Legal Description: Tract 17, 17A, 17B, 17C; Block 1226 (18.63 Acres) Joseph Jordan Survey

Zoning Classification: Urban Residential

Current Property Use: Undeveloped

Reason for Plat Application: To allow for residential Single Family housing development

Proposed Subdivision Name: Hidden Hills Addition, Unit1

Existing Deed Restrictions: ☐ Yes (Attach a copy with the application) ☒ No

Proposed Deed Restrictions: ☐ Yes (Attach a copy with the application) ☒ No

APPLICANT INFORMATION

Applicant Name: JD Builders and Developers, LLC

Address: 12941 North Freeway, Suite 800B

City: Houston State: TX Zip: 77060

Phone Number: [redacted] Email: [redacted] Fax: _____

OWNER INFORMATION

Owner Name: JD Builders and Developers LLC

Address: 12941 North Freeway, Suite 800D

City: Houston State: TX Zip: 77060

Phone Number [redacted] Email: [redacted] Fax: _____

ENGINEER INFORMATION

Firm Name: The CT Brannon Corporation

Engineer Name: Robert A. Breedlove, PE

City: Tyler State: TX Zip: 75701

Phone Number: [redacted] Email: [redacted] Fax: _____

THE CITY OF PALESTINE TEXAS • 1846

PLAT APPLICATION

PROPERTY OWNER OR AUTHORIZED APPLICANT ACKNOWLEDGEMENT

I acknowledge under penalty of perjury that I am the legal owner of the property described in the application or, alternatively, that I am authorized to represent all of the owners of the property described in this application.

State of: TX County of: HARRIS

This instrument was acknowledged before me on the 01-14-2025

Day/Month/Year

By: VANESSA PEÑA

Signature of Notary Public

Signature of Applicant

VANESSA PENA
Notary ID #125248542
My Commission Expires
March 12, 2025

CURVE TABLE					
CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	10.18'	9.00'	64°48'03"	N15°54'21"E	9.64'
C2	83.46'	75.00'	63°45'22"	N16°25'42"E	79.22'
C3	39.27'	25.00'	90°00'00"	S29°33'01"W	35.36'
C4	15.53'	10.00'	88°57'19"	S60°58'20"E	14.01'
C5	1.41'	9.00'	8°57'03"	N12°01'08"W	1.40'
C6	8.77'	9.00'	55°50'43"	N20°22'53"E	8.43'

APPROVAL OF THE COUNCIL AND PLANNING COMMISSION

This plat has been submitted to and considered by the City of Palestine, Texas, with respect to the platting of the land and is hereby approved.

Dated this _____ day of _____, 20___.

_____
Mayor, City of Palestine

_____
Chairman, Planning and Zoning Commission

CERTIFICATION BY THE COUNTY CLERK

I, _____, Anderson County Clerk, certify that this plat was filed for record in my office on the _____ day of _____, 20___.

_____
County Clerk, Anderson County, Texas

CERTIFICATION OF CITY DEVELOPMENT STAFF

We, the undersigned, public works director and director of development services of the City of Palestine, Texas, certify that the plat conforms to the city comprehensive plan, and all applicable design criteria and standards of the City of Palestine, Texas.

Dated this _____ day of _____, 20___.

_____
Public Works Director

_____
Director of Development Services

STATE OF TEXAS
COUNTY OF ANDERSON

I, Tina Ballard, Registered Public Surveyor No. 6746 in the State of Texas, hereby, certify that this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground.

PRELIMINARY THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

_____
TINA BALLARD
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 6746

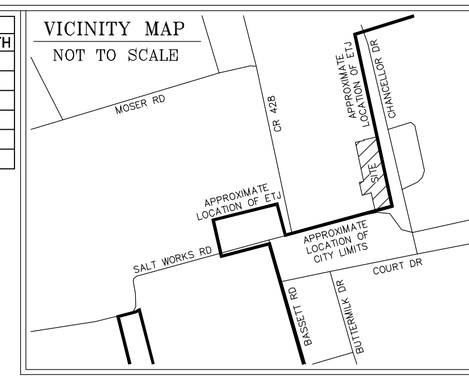
SURVEYOR'S NOTES:
1) BEARINGS ARE BASED ON NAD 83(2011), TEXAS NORTH CENTRAL 4202, AS OBSERVED BY GPS. AREA AND DISTANCES SHOWN HEREON ARE AT GRID.
2) NO EASEMENT RECORD SEARCH WAS MADE BY THIS OFFICE CONCERNING THIS PROPERTY.
3) THIS SURVEY WAS MADE WITHOUT THE BENEFIT OF A CURRENT TITLE COMMITMENT, AND MAY BE SUBJECT TO RECORD EVIDENCE WHICH IS NOT AVAILABLE FOR CONSIDERATION AT THE TIME OF THIS SURVEY.
4) THE PROPERTY SHOWN HEREON WAS SURVEYED BASED ON DEEDS AND/OR LEGAL DESCRIPTIONS OBTAINED THROUGH NORMAL RESEARCH PROCEDURES. THERE MAY BE OTHER DOCUMENTS RECORDED/UNRECORDED THAT MAY AFFECT THE SUBJECT, AND THIS SURVEY IN NO WAY IMPARTS OWNERSHIP OF ALL OR ANY PART OF THE SUBJECT AS SHOWN HEREON.

FLOOD STATEMENT:
THE PROPERTY IS SHOWN AS BEING LOCATED IN ZONE X BY FLOOD INSURANCE RATE MAP NO. 48001C0395D, DATED 2/3/2010. IT IS SHOWN AS NOT BEING LOCATED IN A SPECIAL FLOOD HAZARD AREA INUNDATED BY 100-YEAR FLOOD.

TOTAL ACREAGE: 4.86 ACRES
DESIGNATED LAND USES: URBAN RESIDENTIAL
DENSITY: 18 UNITS / 4.86 ACRES = 3.70 DU/ACRE
MAXIMUM DWELLING UNITS (DU) PER LOT: 5.8/ACRE (1DU/7,500 SQ. FT.)
TOTAL NUMBER OF LOTS CREATED: 18 LOTS

OWNER/APPLICANT

JD BUILDERS & DEVELOPERS, LLC
12941 NORTH FREEWAY
SUITE 800B
HOUSTON, TEXAS 77060



LEGEND

CM Controlling Monument
O.P.R.A.C.T. OFFICIAL PUBLIC RECORDS, ANDERSON COUNTY, TEXAS
M.R.A.C.T. MAP RECORDS, ANDERSON COUNTY, TEXAS
B.L. BUILDING LINE (BY THIS PLAT)
U.E. UTILITY EASEMENT (BY THIS PLAT)
D.E. DRAINAGE EASEMENT (BY THIS PLAT)
○ 1/2" IRON ROD FOUND
∘ POINT FOR CORNER
⊗ 1/2" IRON ROD SET (BY-LINE)
CONCRETE MONUMENT FOUND
ASPHALT

LEGAL DESCRIPTION

Being a 4.86 acre tract or parcel of land situated in the Joseph Jordan Survey, Abstract No. 33, Anderson County, Texas, and being part of that certain called 18.63 acre tract of land conveyed from David L. Castleberry and wife, Cynthia Castleberry, to JD Builders & Developers, LLC, by General Warranty Deed, as recorded in File No. 2024-3879, Official Public Records, Anderson County, Texas, (Bearings are based on NAD 83 (2011), Texas North Central 4202, as observed by GPS. Area and distances shown hereon are at grid), and being more particularly described by metes and bounds as follows:

BEGINNING at a point at the most Southerly Southwest corner of said 18.63 acre tract, at the Southeast corner of a called 1 acre tract of land conveyed to Clara M. Page, Trustee, by deed as recorded in Volume 2237, Page 636, Official Public Records, Anderson County, Texas, and in the North line of Salt Works Road, also known as County Road 2202, from which a 1/2" iron rod found bears North 16 degrees 29 minutes 40 seconds West, a distance of 1.64 feet and a concrete monument found at the Southwest corner of said 1 acre tract bears South 72 degrees 37 minutes 51 seconds West, a distance of 210.10 feet;

THENCE with the common line of said 18.63 acre tract and said 1 acre tract, the following courses and distances:
North 16 degrees 29 minutes 40 seconds West, a distance of 209.90 feet to a 1/2" iron rod found at an ell corner of said 18.63 acre tract and at the Northeast corner of said 1 acre tract;
South 72 degrees 37 minutes 11 seconds West, a distance of 108.96 feet to a 1/2" iron rod set capped (By-Line) for corner;

THENCE over and across said 18.63 acre tract, the following courses and distances:
North 15 degrees 26 minutes 59 seconds West, a distance of 153.67 feet to a point;
North 74 degrees 33 minutes 01 seconds East, a distance of 52.74 feet to a 1/2" iron rod set capped (By-Line);
North 15 degrees 26 minutes 59 seconds West, a distance of 465.89 feet to a 1/2" iron rod set capped (By-Line);
North 74 degrees 33 minutes 01 seconds East, a distance of 101.21 feet to a 1/2" iron rod set capped (By-Line);
North 15 degrees 26 minutes 59 seconds West, a distance of 10.00 feet to a point;
North 74 degrees 33 minutes 01 seconds East, a distance of 156.31 feet to a 1/2" iron rod set capped (By-Line) in the East line of said 18.63 acre tract and in the West line of Broadway Addition, as recorded in Envelope 214A, Map Records, Anderson County, Texas, from which a 1/2" iron rod found at an angle point in the East line of said 18.63 acre tract bears North 15 degrees 47 minutes 14 seconds West, a distance of 899.94 feet;

THENCE South 15 degrees 47 minutes 14 seconds East, with the East line of said 18.63 acre tract and with the West line of said Broadway Addition, a distance of 828.98 feet to a point at the Southeast corner of said 18.63 acre tract and in the North margin of Salt Works Road, from which a 1/2" iron rod found bears South 72 degrees 37 minutes 51 seconds West, a distance of 0.17 feet and a 1/2" iron rod found capped (KGJ 1414) bears South 15 degrees 47 minutes 14 seconds East, a distance of 145.09 feet;

THENCE South 72 degrees 37 minutes 51 seconds West, with the most Southerly South line of said 18.63 acre tract and along the North margin of Salt Works Road, a distance of 202.53 feet to the POINT OF BEGINNING and CONTAINING 4.86 acres of land.

STATE OF TEXAS
COUNTY OF ANDERSON

We, the undersigned, owner of the land shown on this plat, and designated as Hidden Hills Addition, Unit 1 in the City of Palestine, Anderson County, Texas, and whose name is subscribed hereto, hereby dedicate to the use of the public forever all streets, parks, watercourses, drains, easements and public places thereon shown for the purpose and consideration therein expressed.

All public easements denoted on this plat are hereby dedicated to the use of the public forever. Any public utility, including the City of Palestine, shall have the right at all times of ingress and egress to and from and upon said easements for the purpose of construction, reconstruction, inspection, patrolling, maintaining and adding to or removing all or parts of its respective systems without the necessity at any time of procuring the permission of the property owner. Any public utility, including the City of Palestine shall have the right to move and keep moved all or part of any building, fences, trees, shrubs, other growths or improvements that in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems on any of the easements shown on this plat. Neither the City of Palestine or any public utility shall be responsible for replacing or reimbursing the property owner due to removal or relocation of any obstructions in the public easements.

By: _____
Representative for JD Builders & Developers, LLC

STATE OF TEXAS
COUNTY OF ANDERSON

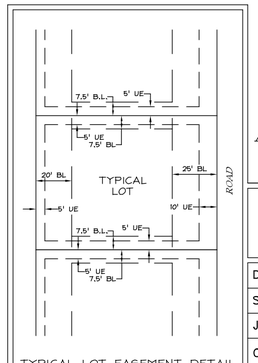
This instrument was acknowledged before me on the _____ day of _____, 20___ by

_____, representative for JD Builders & Developers, LLC.

_____
NOTARY PUBLIC FOR STATE OF TEXAS

_____
Print Name

MY COMMISSION EXPIRES: _____



TYPICAL LOT EASEMENT DETAIL
1" = 60'

FINAL PLAT OF HIDDEN HILLS ADDITION UNIT 1

AN ADDITION TO THE CITY OF PALESTINE ANDERSON COUNTY, TEXAS

COUNTY ROAD 2202
PALESTINE, TEXAS

DATE:	2/14/2025
SCALE:	1" = 60'
JOB NO.:	2024-412
CLIENT:	JORGE DIAZ
TECHNICIAN:	AMN

BY-LINE SURVEYING LLC
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