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
July 27, 2026
Work Session at 4:45 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/89567666953?pwd=bURHsb6NljB1SKCnydPfUwKi4hQ4DO.1

Meeting ID: 895 6766 6953
Passcode: 245813

One tap mobile
+13462487799,,89567666953#,,,,*245813# 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 proposed budget for Fiscal Year 2026-2027. Andrew Sibai, Finance Director

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.

E. **CONFLICT OF INTEREST DISCLOSURES**

F. **PUBLIC HEARINGS**

1. Public hearing regarding the proposed Guidelines and Criteria for Commercial Tax Abatement in reinvestment zones created in the City of Palestine, Texas, pursuant to Chapter 312 of the Texas Tax Code. Christophe Trahan, EDC Director
   a. Open Public Hearing
   b. Receive Public Comments
   c. Close Public Hearing

G. **CITY MANAGER'S REPORT**

1. May 2026 Tourism Monthly Report
2. June 2026 Financial Statement
3. June 2026 Police Monthly Reports
4. May/June 2026 Economic Development Monthly Report
5. June/July 2026 Economic Development Monthly Report

H. **BOARD APPOINTMENTS**

1. Consider the appointment of Iesha Bryant to Place 4 on the Parks Advisory Board with a term to expire on September 30, 2027, and Tracy Torma to Place 6 with a term to expire on September 30, 2028. Mitchell Jordan, Mayor
2. Consider the reappointment of Chris Arthur to Place 2 and Jacob Wheeler to Place 3 on the Parks Advisory Board, with terms to expire September 30, 2027. Mitchell Jordan, Mayor

I. **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 regular meeting held on July 13, 2026. April Jackson, City Secretary
2. Consider authorizing the City Manager to seek sealed bids for the sale of City-owned property located at 800 Van Fleet Street. Teresa Herrera, City Manager
3. Consider approval of a Hotel Occupancy Tax Marketing Agreement between the City of Palestine and the Texas State Railroad in an amount not to exceed $25,000.00. Cassie Ham, Tourism Marketing Manager
4. Consider awarding bid RFP 2026-002 – Wastewater Treatment Plant Chemicals to Univar Solutions USA Inc. for Sodium Bisulfite in an amount not to exceed $77,151.00; SNF Polydyne Inc. for Cationic Water Soluble Polymer in Emulsion in an amount not to exceed $37,950.00; and Brenntag Southwest, LLC for Chlorine in an amount not to exceed $56,000.00. Jason Shelton, Interim Public Works Director
5. Consider awarding bid RFP 2026-003 – Water Treatment Plant Chemicals to Veolia North America for Aluminum Sulfate (Alum) in an amount not to exceed $91,320.00; Airgas Specialty Products, Inc. for Anhydrous Ammonia in an amount not to exceed $26,832.00; Norit Americas Inc. for Activated Carbon in an amount not to exceed $68,209.00; Hawkins, Inc. for Copper Sulfate in an amount not to exceed $61,250.00 and Polyphosphate in an amount not to exceed $63,000.00; Garrison Minerals, LLC for Lime in an amount not to exceed $70,852.00; and Brenntag Southwest, LLC for Chlorine in an amount not to exceed $63,750.00. Jason Shelton, Interim Public Works Director

6. Consider awarding bid RFP 2026-004 – Annual Price Agreement for Asphalt to Texas Materials at the following rates: $110.00 per ton for Hot Mix, in an amount not to exceed $440,000.00, and $113.00 per ton for Cold Mix, in an amount not to exceed $166,500.00. Jason Shelton, Interim Public Works Director
7. Consider awarding bid RFP 2026-005 – Annual Price Agreement for Base Material to Cash Killion Trucking, LLC for Flex Base at a rate of $32.50 per ton, in an amount not to exceed $201,280.00. Jason Shelton, Interim Public Works Director
8. Consider authorizing the City Manager to seek sealed bids for the Waterline Replacement (Parts Only) on E. Neches Street from Crockett Road to S. Dowling Street. Jason Shelton, Interim Public Works Director
9. Consider authorizing the City Manager to seek sealed bids for the Waterline Replacement (Labor Only) on E. Neches Street from Crockett Road to S. Dowling Street. Jason Shelton, Interim Public Works Director

J. **REGULAR AGENDA**

1. Discussion and possible action regarding a resolution establishing and adopting Guidelines and Criteria for Commercial Tax Abatement in reinvestment zones created in the City of Palestine, Texas, pursuant to Chapter 312 of the Texas Tax Code. Christophe Trahan, EDC Director
2. Discussion and possible action regarding the Base Bid and Bid Alternate pavement options for the Palestine Municipal Airport Runway Rehabilitation Project. Teresa Herrera, City Manager

K. **ITEMS FROM COUNCIL**

L. **MAYOR'S REPORT**

M. **CLOSED SESSION**

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

1. Section 551.071 consultation with attorney: pending or contemplated litigation or a settlement offer: Palestine Municipal Airport and Robert Bearden v. City of Palestine.
2. Section 551.072 deliberation regarding real property: the purchase, exchange, lease, or value of real property owned by Palestine ISD.

N. **RECONVENE IN REGULAR SESSION**

1. Take any action necessary regarding pending or contemplated litigation or a settlement offer: Palestine Municipal Airport and Robert Bearden v. City of Palestine.
2. Take any action necessary regarding real property: the purchase, exchange, lease, or value of real property owned by Palestine ISD.

O. **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 **Tuesday, July 21, 2026.**

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:	July 27, 2026
To:	City Council
From:	Andrew Sibai, Finance Director
Agenda Item:	FY 2026-2027 Budget Work Session
Date Submitted:	07/17/2026

SUMMARY:

Discussion regarding the General Fund budget calculations to date, including major changes to projected costs.

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Agenda Date:	July 27, 2026
To:	City Council
From:	Cassie Ham, Tourism Marketing Manager
Agenda Item:	Review the Tourism Monthly Report for May 2026
Date Submitted:	07/17/2026

SUMMARY:

Review the Tourism Monthly Report for May 2026.

RECOMMENDED ACTION:

No action is necessary.

CITY MANAGER APPROVAL:

Attachments

May 2026 Tourism Report

Contact: Cassie Ham
Visit Palestine
Phone: (903) 723-3014
Direct: (903) 723-3053
tourism@palestine-tx.org

TOURISM REPORT – May 2026

Executive Summary

May brought a mix of steady fundamentals and standout digital growth. Hotel performance held essentially flat on occupancy year-over-year while rate and revenue both grew, the Visitor Information Center logged strong walk-in traffic across the month, and our social channels posted some of the largest engagement gains we've seen this year. We also reached a milestone with the Texas Film Commission on our Film Friendly Texas certification.

Hotel performance held steady against a strong prior-year comparison, with occupancy at 59.86% (–0.3%), ADR climbing to $96.46 (+3.6%), and RevPAR reaching $57.74 (+3.3%). May revenue came in at $1,290,583, a 3.2% improvement over May 2025.

The Visitor Information Center recorded 402 total contacts in May, including 221 total visitors (211 in-state walk-ins), 116 information calls, and 67 visitor guides mailed. The website generated roughly 14,000 active users, with Direct and Organic Social as the top acquisition channels. On May 18, we submitted our signed Film Friendly Texas Trademark Use and License Agreement to the Texas Film Commission, completing our end of the certification process.

Hotel Occupancy Income Tax Collected / STR Reporting

	May 2026	May 2025	+/- to Last Year	Year-to-Date 2026	Running 12-Months
Occupancy	59.86%	60.04%	-0.3%	63.56%	60.59%
Average Daily Rate (ADR)	$96.46	$93.10	+3.6%	$98.44	$95.90
Revenue Per Avail. Room (RevPAR)	$57.74	$55.90	+3.3%	$62.56	$58.11
Revenue (We collect 7% of this amount, locally)	$1,290,583	$1,251,056	+3.2%	$6,814,919	$15,307,117

Census includes 12 hotels, 721 rooms. Of the 12 hotels reporting in May 2026 (77.8% of rooms), the market operated at 59.86% occupancy. According to AirDNA.com, Palestine's STR market includes up to 30 properties. We are not currently collecting Hotel Occupancy Tax on Short Term Rentals.

Accomplishments, Activities & Successes

Film Friendly Texas Certification

On May 18, the Texas Film Commission followed up on our Film Friendly Texas application; we sent our signed Trademark Use and License Agreement the same day, completing our end of the certification process. We're now waiting on the state's countersignature before we can begin using the Film Friendly Texas Certified Logo across our channels.

Marketing

- Continued managing the Visit Palestine social ecosystem (Facebook, Instagram, and Google Business Profile) and paid social campaigns throughout May.
- Instagram paid social (the "Palestine Traffic Ad Set") was the single largest driver of site sessions among non-Google sources this month, generating 4,633 sessions and 4,446 active users — 51.8% and 55.5% of the non-Google campaign total, respectively.
- Presented Palestine at National Travel & Tourism Week event in Waskom, Texas

Digital Performance Overview: www.VisitPalestine.com

Key Metrics

Metric	May 2026
Active Users	~14,000
New Users	~14,000
Avg. Engagement Time / User	21 seconds

Top Traffic Sources (Sessions)

Channel	Sessions
Direct	5,800

Channel	Sessions
Organic Social	5,000
Organic Search	3,400
Referral	326
Email	156
Unassigned	53
Organic Shopping	24

Top Performing Pages

Page	Views
Visit Palestine Homepage	8,600
America 250: Star-Spangled...	587
Palestine, TX Events Calendar	569
Davey Dogwood Park	388
Fairy Garden Trail	356
Texas State Railroad	290

Social Media Reporting

Facebook 5/1/26 – 5/31/26

Figures below reflect Meta Business Suite's built-in period-over-period comparison, not a year-over-year comparison.

Metric	May 2026	vs. Prior Period
Views	318,600	+88.0%
Viewers	79,000	+83.1%
Content Interactions	4,000	+48.7%
Link Clicks	337	-34.2%
Page Visits	3,600	-21.0%
Follows	309	+51.5%
Lifetime Followers	24,451	—

Instagram 5/1/26 – 5/31/26

Metric	May 2026	vs. Prior Period
Reach	3,700	+0.5%
Content Interactions	948	+6.6%

Metric	May 2026	vs. Prior Period
Profile Visits	346	-15.4%
Follows	82	+24.2%
Unfollows	153	+255.8%
Lifetime Followers	8,523	—

Visitation Data (Datafy May 2026)

Top Visitor Origin Markets (DMA Visitor Days)

DMA	Visitor Days
Dallas–Ft. Worth	18.44%
Houston	18.39%
Tyler–Longview–Lufkin-Nacogdoches	8.25%
Waco–Temple–Bryan	4.56%
Austin	3.14%
Roanoke–Lynchburg	2.85%
Shreveport	2.63%
San Antonio	2.11%
Odessa–Midland	1.33%
Beaumont–Port Arthur	1.19%

Length of Stay by Top DMAs

DMA	Avg. Length of Stay
Dallas–Ft. Worth	4.4 Days
Houston	4.8 Days
Tyler–Longview–Lufkin-Nacogdoches	4.4 Days
Waco–Temple–Bryan	4.3 Days
Austin	5.0 Days
Roanoke–Lynchburg	4.5 Days
Shreveport	4.7 Days
San Antonio	4.9 Days
Odessa–Midland	6.5 Days

Visitor Days by Length of Stay

Length of Stay	Share of Visitor Days
2 Days	31.83%
3 Days	19.70%
4 Days	11.69%
5 Days	10.33%
6+ Days	26.44%

Visitor Demographics

- Top age range: 45–64 (32.63% of visitors); top household income bracket: $50K+ (63.21%).
- 65.5% of visitors were repeat visitors versus 34.5% first-time — a strong loyalty signal for the destination.
- Top education level: High School (59.89%); top ethnicity: White (74.69%).

Visitor Behavior Highlights

- Saturday visitation was indexed at 100% (the month's high point), with Friday close behind at 89% — the clearest weekly peak of the year so far.
- 30.53% of overnight+ trips lasted 2 days, with 6+ day trips (26.44% of visitor days) the next most common — Datafy attributes most of the latter to work-related travel.

Visitor Information Center Report

The Visitor Information Center (VIC) remained a steady first point of contact for travelers throughout May, fielding a healthy mix of phone inquiries and in-person visits. The VIC recorded 402 total contacts; a figure that includes 221 total visitors (211 in-state walk-ins), 116 information calls, and 67 visitor guides mailed to prospective visitors requesting trip-planning support.

May 2026 Contact Summary

Metric	May 2026
Total Calls	116
In-State Walk-Ins	211
Total Visitors	221
Total Contacts	402
Visitor Guides Mailed	67

Contacts by Day of Week

Day	Calls	In-State Visitors	Out-of-State	International
Monday	13	29	0	2
Tuesday	26	24	1	4
Wednesday	11	17	2	1
Thursday	22	37	0	0

Day	Calls	In-State Visitors	Out-of-State	International
Friday	31	60	0	0
Saturday	13	44	0	0
Sunday	0	0	0	0

Challenges

- Our STR report sample coverage stands at 77.8% of the local hotel market for May; independent and short-term-rental inventory remains only partially represented in STR's benchmark, and we continue to supplement with Datafy geolocation data for a fuller picture.
- In the month of May, we discovered an elevated number of 404 errors on our website. With over 1200 URLs contained in our website, it is a constant job to keep it up to date, and remove/update old links.

Upcoming Initiatives & Goals

Film Friendly Texas — Certification Follow-Up

We are now licensed to use the Film Friendly Texas logo on our website and marketing materials. We will be updating our marketing assets to include the designation. We also have future plans, after the America250 celebration, to update filming location assets, and develop a film producer "pitch deck."

Complete Tourism Friendly Designation

We are scheduled for our final interview for Tourism Friendly in July.

Agenda Date:	July 27, 2026
To:	City Council
From:	Andrew Sibai, Finance Director
Agenda Item:	June 2026 Financial Statement
Date Submitted:	07/17/2026

SUMMARY:

June 2026 Financial Statement

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

June 2026 Financial Statement

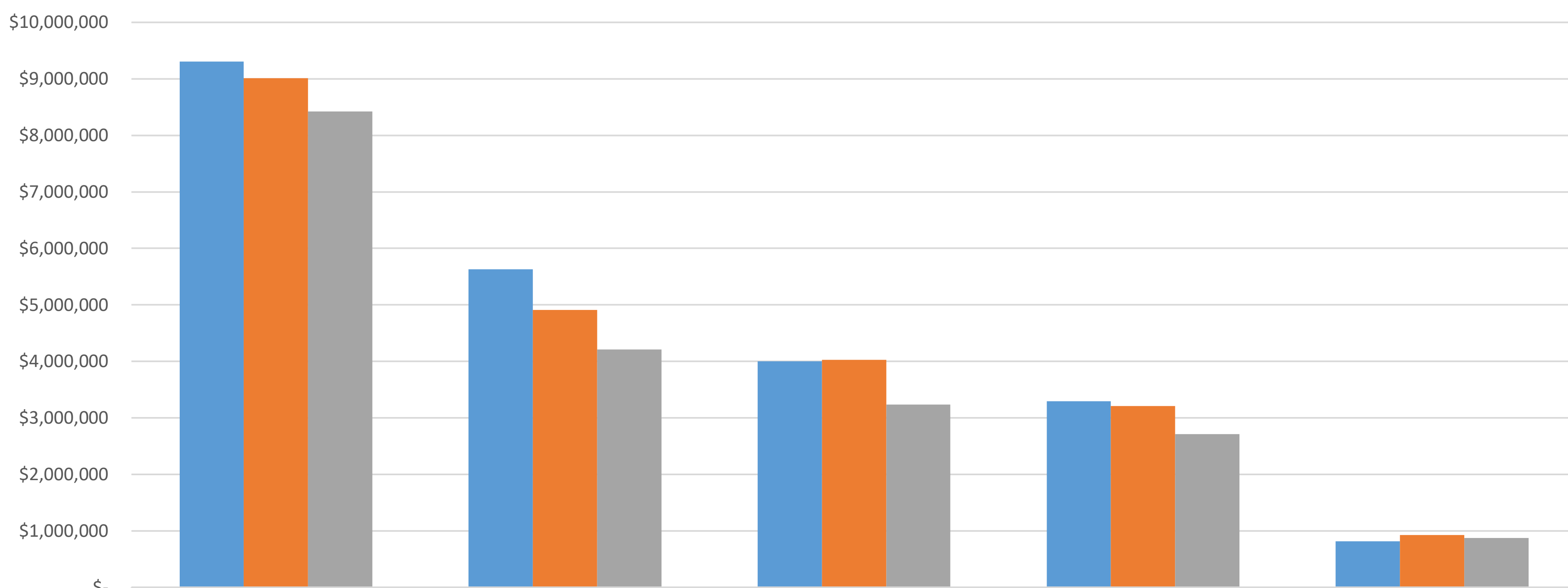
City of Palestine, Texas
Financial Statement
As of June 30, 2026

OVERVIEW

June 30, 2026 marks the end of the ninth period of the FY 2026 budget year.
Therefore, the year-to-date budget percentage for budgetary comparison is 75%.

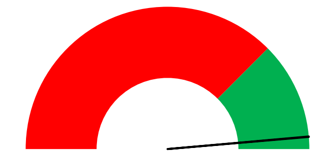
As of June 30, 2026, General & Utility Fund combined revenues are $36,394,265.
This is higher than budgeted expectations at 108% of the annual budgeted amount.
FY 2026 revenues are increased $9.68 million or 36% more than FY 2025.
This is due to an increase in property tax rates and sales tax income between FY 2025 and FY 2026 and because of bond proceeds deposited in Feb 2026 sale deposit.

Top 5 Revenue Sources- Comparison to Prior Fiscal Years



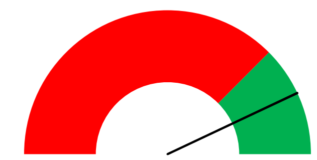
	Property Taxes	Sales Taxes	Water Sales	Sanitary Sewer Charges	Franchise Tax
FY 2026	$9,306,164	$5,631,743	$4,003,764	$3,296,444	$815,046
FY 2025	$9,012,383	$4,907,396	$4,029,217	$3,208,214	$929,020
FY 2024	$8,423,236	$4,210,276	$3,233,754	$2,709,309	$872,639

97.2% of Annual Projection



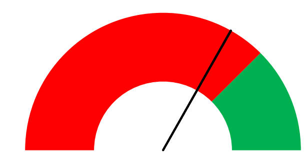
Property Taxes

86% of Annual Projection



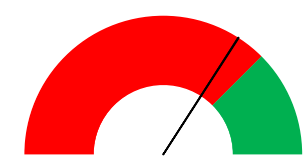
Sales Taxes

66.3% of Annual Projection



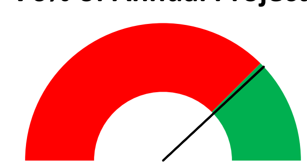
Water Sales

68.1% of Annual Projection



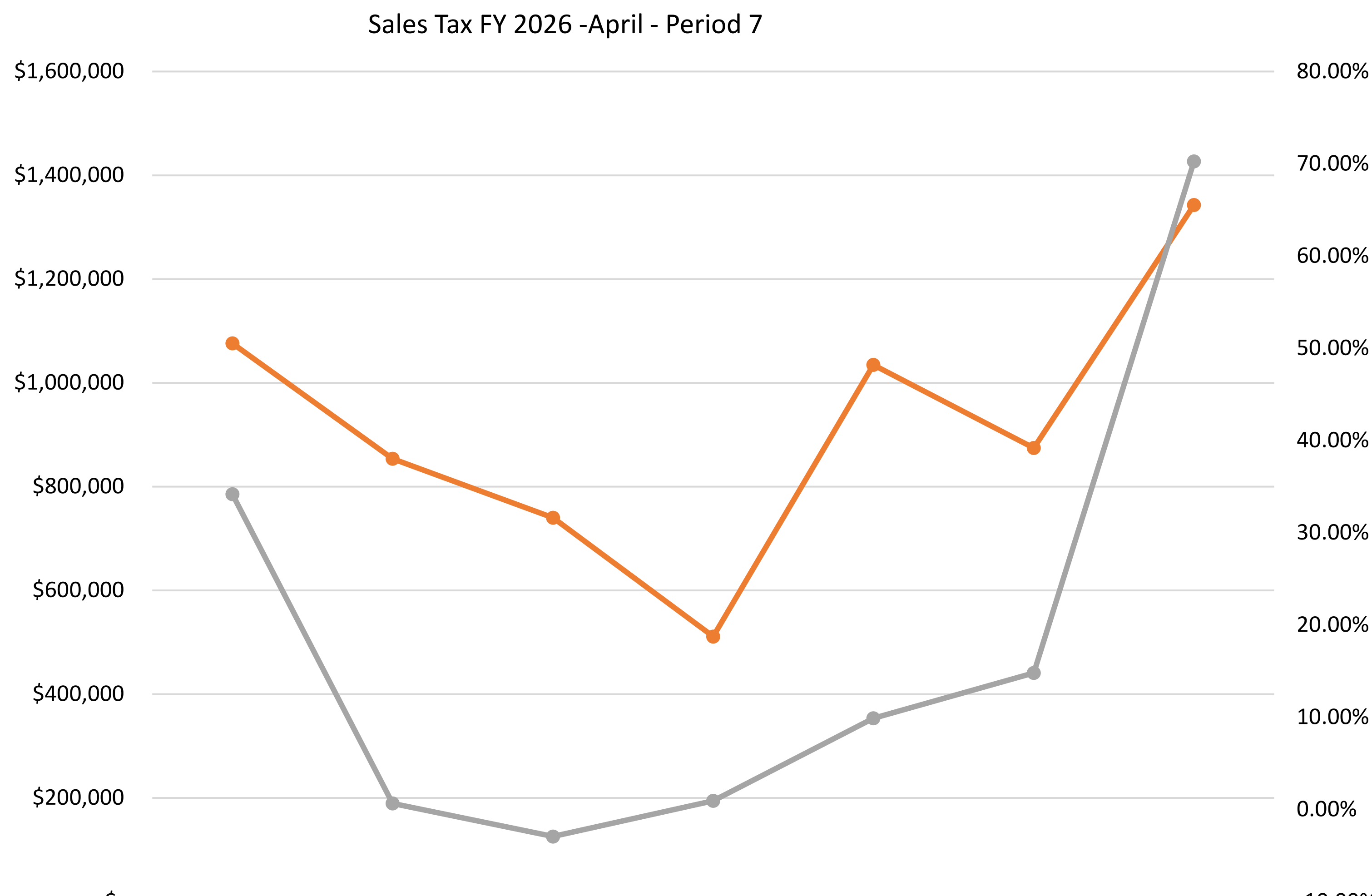
Sanitary Sewer Charges

76% of Annual Projection



Franchise Taxes

City of Palestine
Financial Statement
As of June 30, 2026



	Palestine	Athens	Henderson	Jacksonville	Kilgore	Mount Pleasant	Sulphur Springs
$ Sales Tax Received June 2026	1,076,004.97	853,586.17	739,908.05	511,086.22	1,034,577.60	874,102.93	1,342,787.68
% Inc(+) Dec(-) from prior year	34.18%	0.63%	-2.93%	0.93%	9.87%	14.78%	70.25%

City of Palestine
Financial Statement
As of June 30, 2026

Sales Tax History: Fiscal Years 2024 - 2026

FY 2024

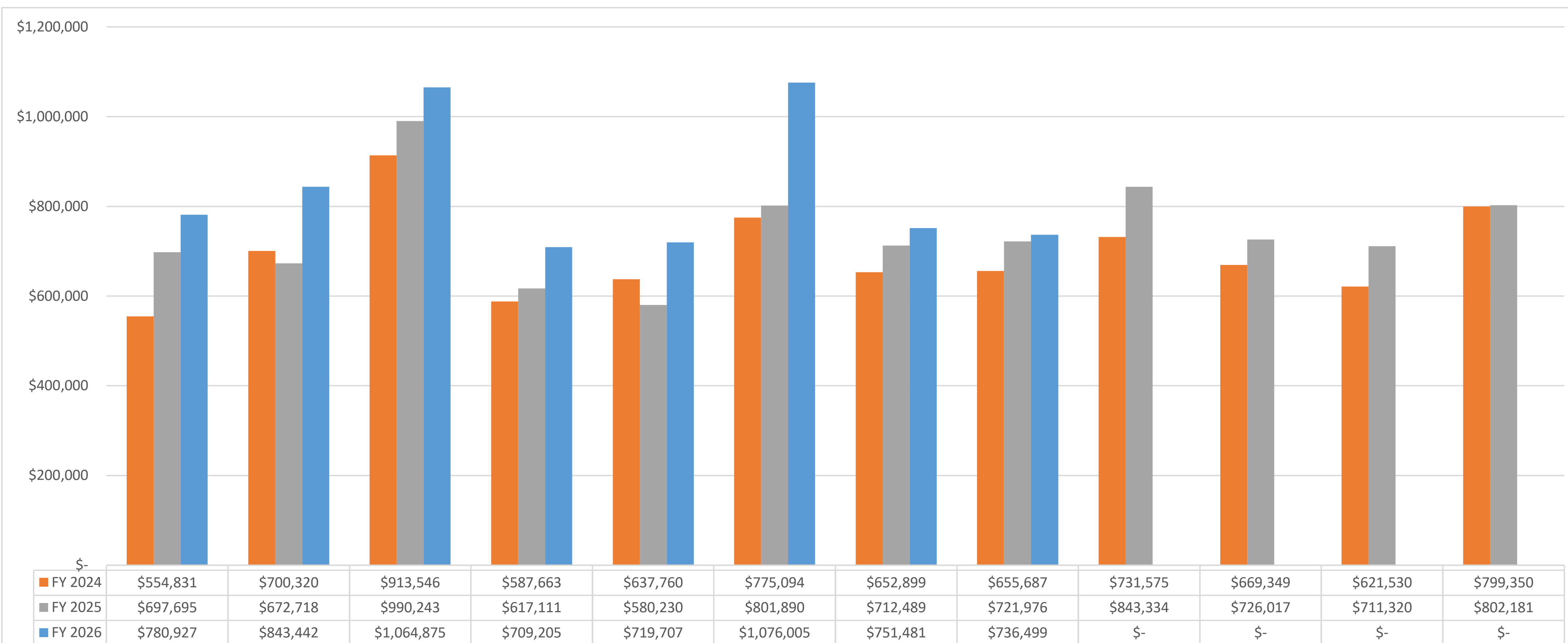
	CITY 83.33%	PEDC 16.67%	TOTAL 100.00%	CUMULATIVE TOTAL
October	$ 462,340	$ 92,490	$ 554,831	$ 554,831
November	583,576	116,743	$ 700,320	1,255,151
December	761,258	152,288	$ 913,546	2,168,697
January	489,699	97,963	$ 587,663	2,756,359
February	531,445	106,315	$ 637,760	3,394,119
March	645,886	129,208	$ 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	825,169	165,073	$ 990,243	2,360,656
January	514,238	102,872	$ 617,111	2,977,767
February	483,506	96,724	$ 580,230	3,557,997
March	668,215	133,675	$ 801,890	4,359,888
April	593,717	118,772	$ 712,489	5,072,377
May	601,623	120,353	$ 721,976	5,794,353
June	702,750	140,584	$ 843,334	6,637,687
July	604,990	121,027	$ 726,017	7,363,704
August	592,743	118,577	$ 711,320	8,075,024
September	668,458	133,724	$ 802,181	8,877,205
	$ 7,397,375	$ 1,479,830	$ 8,877,205	

FY 2026

	CITY 83.33%	PEDC 16.67%	TOTAL 100.00%	CUMULATIVE TOTAL
October	$ 650,747	$ 130,181	$ 780,927	$ 780,927
November	702,840	140,602	$ 843,442	1,624,369
December	887,360	177,515	$ 1,064,875	2,689,244
January	590,981	118,224	$ 709,205	3,398,449
February	599,732	119,975	$ 719,707	4,118,156
March	896,635	179,370	$ 1,076,005	5,194,161
April	626,209	125,272	$ 751,481	5,945,642
May	613,724	122,774	$ 736,499	6,682,141
June	-	-	$ -	6,682,141
July	-	-	$ -	6,682,141
August	-	-	$ -	6,682,141
September	-	-	$ -	6,682,141
	$ 5,568,228	$ 1,113,913	$ 6,682,141	



City of Palestine, Texas
Financial Statement
As of June 30, 2026

GENERAL FUND REVENUES

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

	June 2026				Year-To-Date				Annual			Prior Year		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Projected	%	Actual	Projected	%
Property Taxes		$ 87,058	$ 798,018	10.9%		$ 9,306,164	$ 7,182,164	129.6%	$ 9,306,164	$ 9,576,219	97.2%	$ 9,012,383	$ 7,969,028	113.1%
Sales Tax		567,724	545,888	104.0%		5,631,743	$ 4,912,993	114.6%	5,631,743	6,550,658	86.0%	4,907,396	5,455,077	90.0%
Franchise Tax		-	89,333	0.0%		815,046	$ 804,000	101.4%	815,046	1,072,000	76.0%	929,020	1,055,713	88.0%
Permits Licenses & Fees		26,080	34,017	76.7%		216,743	$ 306,154	70.8%	216,743	408,205	53.1%	373,664	104,534	357.5%
Fines & Warrants		30,700	29,702	103.4%		261,554	$ 267,319	97.8%	261,554	356,425	73.4%	278,568	355,460	78.4%
Lease / Rental Revenue		2,555	2,288	111.7%		23,709	$ 20,595	115.1%	23,709	27,460	86.3%	25,550	27,460	93.0%
Charges for Services		33,346	13,225	252.1%		281,686	$ 119,025	236.7%	281,686	158,700	177.5%	382,685	40,400	947.2%
Intergovernmental Revenue		1,094	68,958	1.6%		372,103	$ 620,625	60.0%	372,103	827,500	45.0%	142,225	2,271,622	6.3%
Other Income		64,903	32,158	201.8%		493,466	$ 289,425	170.5%	493,466	385,900	127.9%	484,127	148,152	326.8%
Interfund Activity		230,575	229,044	100.7%		2,075,177	$ 2,061,399	100.7%	2,075,177	2,748,532	75.5%	2,017,556	2,483,757	81.2%
Total Revenues		$ 1,044,034	$ 1,842,633	56.7%		$ 19,477,391	$ 16,583,699	117.4%	$ 19,477,391	$ 22,111,599	88.1%	$ 18,553,174	$ 19,911,203	93.2%

YEAR-TO-DATE OVERVIEW
June 30, 2026 marks the end of the eighth period of the fiscal year. General Fund revenue of $19,477,391 is around $2,893,692 more than projected and increased 4.98% over last fiscal year mostly due to more permits issued from construction activity and higher property and sales tax .

PROPERTY TAXES
Tax collection of $9,306,164 is around $2.12 million more than projected and increased around $293,781 compared to last year or 3.26% over last fiscal year.

SALES TAX
Through June 30, 2026, $5,631,743 of sales tax revenue has been received. Receipts are around $718,750 less than projected and are increased about $724,347 from last fiscal year.

FRANCHISE TAX
Year-to-date Franchise Taxes total $815,046. Receipts are $11,046 more than projected. Collections are -$113,974 less than the previous fiscal year.

PERMITS LICENSES & FEES
Revenue of $216,743 is about -$89,411 less than the year-to-date projection and is decreased around -$156,921 over May 2025 year-to-date receipts.

FINES & WARRANTS
Revenue of $261,554 is -$5,764 less than the year-to-date projection. Collections are decreased around -$17,013 from the prior year.

LEASE & RENTAL REVENUE
Through June 30, 2026, $23,709 of lease & rental revenue has been earned. This amount is about $3,114 less than the year-to-date projection and is about -$1,841 less than last fiscal year.

CHARGES FOR SERVICES
Charges for services revenue year-to-date is $281,686 which is about $162,661 more than year-to-date projections. Collections are decreased approximately -$100,999 over last fiscal year.

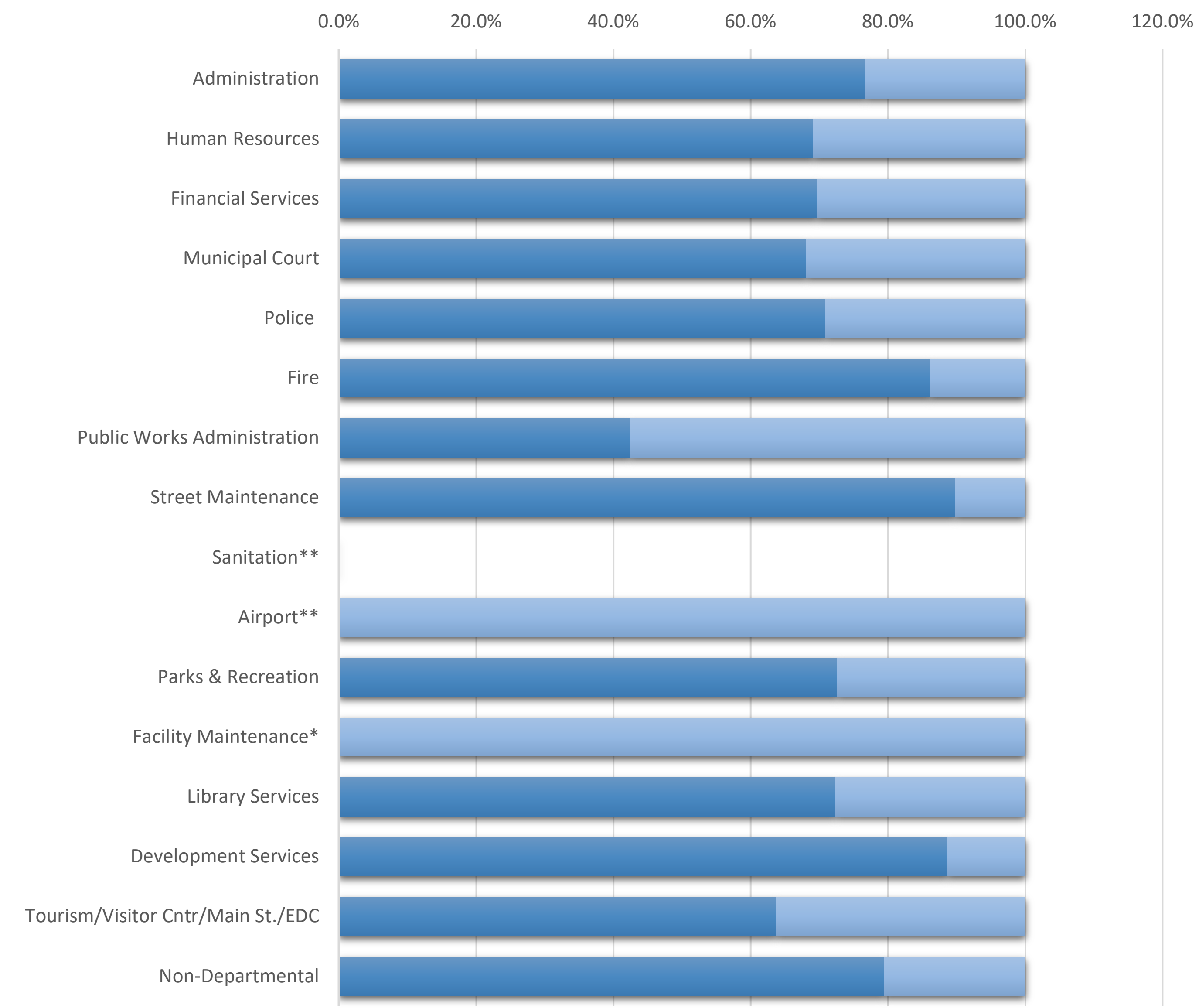
INTERGOVERNMENTAL REVENUE
Intergovernmental revenue is comprised of local county, state, and federal grants and reimbursements received by the city.

OTHER INCOME
As of June 30, 2026 $493,466 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.

GENERAL FUND EXPENDITURES

	June 2026			June 2025		
	YTD Actual	Annual Budget	% of Budget	YTD Actual	Annual Budget	% of Budget
Administration	567,127	$ 739,304	76.7%	458,126	$ 709,031	64.6%
Human Resources	234,180	338,604	69.2%	221,529	325,311	68.1%
Financial Services	513,086	736,726	69.6%	549,768	641,173	85.7%
Municipal Court	242,429	355,823	68.1%	279,900	355,172	78.8%
Police	5,259,738	7,417,938	70.9%	5,123,610	6,570,756	78.0%
Fire	3,895,490	4,521,745	86.2%	3,474,310	4,064,180	85.5%
Public Works Administration	230,448	542,957	42.4%	270,005	557,034	48.5%
Street Maintenance	1,678,423	1,870,107	89.8%	1,447,096	3,808,731	38.0%
Sanitation**	-	-	0.0%	-	-	0.0%
Airport**	-	-	0.0%	-	-	0.0%
Parks & Recreation	1,089,466	1,500,180	72.6%	1,050,344	1,624,443	64.7%
Facility Maintenance*	-	-	0.0%	-	-	0.0%
Library Services	500,835	691,982	72.4%	470,770	683,536	68.9%
Development Services	575,900	649,405	88.7%	563,668	569,035	99.1%
Tourism/Visitor Cntr/Main St./EDC	11,326	17,775	63.7%	8,154	15,500	52.6%
Non-Departmental	2,009,288	2,527,304	79.5%	2,202,478	1,671,884	131.7%
Total Expenditures	$ 16,807,737	$ 21,909,850	76.7%	$ 16,119,758	$ 21,595,786	74.6%



OVERVIEW

June 30, 2026, marks the ninth period of the FY 2026 budget year. The year-to-date budget percentage for budgetary comparison is therefore 66.7%. Year to date expenditures total $16,807,737 or 76.7% of the budget and are therefore higher than budgetary expectations. FY 2026 expenditures are decreased around $.69M or 4.27%, over FY 2025.

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

City of Palestine, Texas
Financial Statement
As of June 30, 2026

UTILITY FUND REVENUES

Revenue Signal Key	
Green	> 100% of Projected
Yellow	95-100% of Projected
Red	< 95% of Projected

	June 2026				Year-To-Date				Annual			Prior Year		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Projected	%	Actual	Projected	%
Charges for Services	Green	$ 1,009,819	$ 941,242	107.3%	Red	$ 7,878,408	$ 8,471,174	93.0%	$ 7,878,408	$ 11,294,899	69.8%	$ 7,782,089	$ 9,125,000	85.3%
Intergovernmental Revenue	Red	-	2,917	0.0%	Green	8,285,095	$ 26,250	31562.3%	8,285,095	35,000	######	149,513	15,068,197	1.0%
Other Income	Green	45,624	12,500	365.0%	Green	753,371	$ 112,500	669.7%	753,371	150,000	502.2%	230,730	60,000	384.6%
Interfund Activity	Red	-	-	0.0%	Red	-	$ -	0.0%	-	-	0.0%	-	-	0.0%
Total Revenues	Green	$ 1,055,443	$ 956,658	110.3%	Green	$ 16,916,874	$ 8,609,924	196.5%	$ 16,916,874	$ 11,479,899	147.4%	$ 8,162,333	$ 24,253,197	33.7%

YEAR-TO-DATE OVERVIEW
Total Utility Fund operational revenue of $16,916,874 ended June about -$8,306,950 more than the year-to-date projection and revenue was decreased about $8,754,541 from the same period prior fiscal year.

WATER AND SEWER CHARGES
Revenue totaling $7,878,408 was approx $592,767 less than the year-to-date projection.

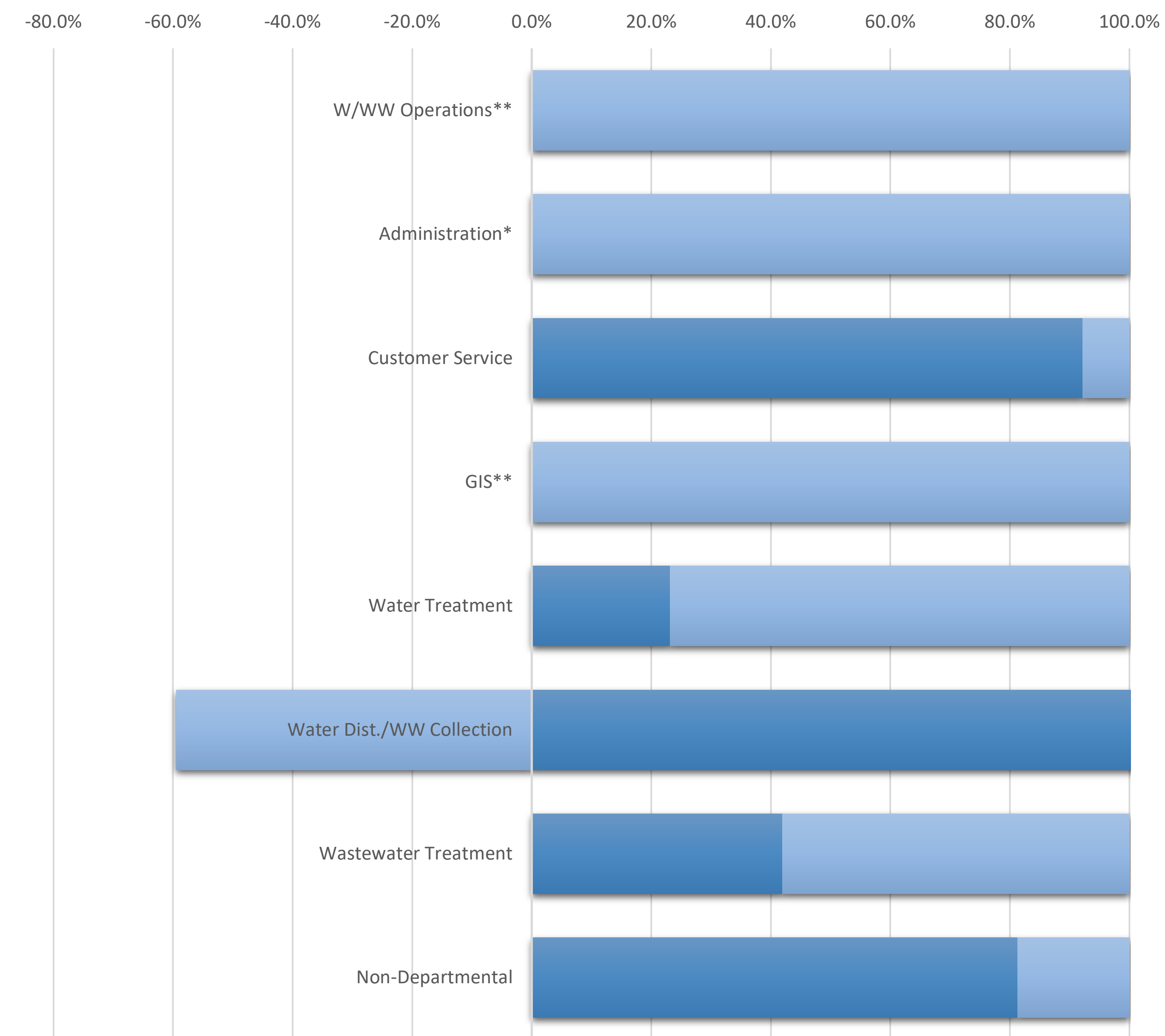
INTERGOVERNMENTAL REVENUE
Intergovernmental Revenue is above projected due to a reimbursement from the Upper Neches River Water Authority.

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.

UTILITY FUND EXPENDITURES

	June 2026			June 2025		
	YTD Actual	Annual Budget	% of Budget	YTD Actual	Annual Budget	% of Budget
W/WW Operations**	-	$ -	0.0%	$ -	$ -	0.0%
Administration*	-	-	0.0%	$ -	-	0.0%
Customer Service	460,928	499,888	92.2%	$ 777,992	684,515	113.7%
GIS**	-	-	0.0%	$ -	-	0.0%
Water Treatment	1,732,137	7,480,677	23.2%	$ 1,845,721	3,330,140	55.4%
Water Dist./WW Collection	5,433,299	3,406,381	159.5%	$ 3,876,887	12,854,515	30.2%
Wastewater Treatment	1,541,020	3,676,034	41.9%	$ 1,714,604	4,079,554	42.0%
Non-Departmental	2,894,124	3,560,144	81.3%	$ 1,573,792	3,445,564	45.7%
Total Expenditures	$ 12,061,508	$ 18,623,124	64.8%	$ 9,788,995	$ 24,394,288	40.1%



OVERVIEW
June 30, 2026 marks the ninth period of the FY 2026 budget year. The year-to-date budget percentage for budgetary comparison is therefore 75%. Year to date expenditures total $12,061,508 or 64.8% of the budget and are therefore under budgetary expectations. FY 2026 expenditures decreased approximately $2,272,513, or about 23.21%, less than FY 2025. 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 June 30, 2026

		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	9,381,219	72,577	9,093,820	96.9%	287,399	8,737,066	356,754
010-41002	PROPERTY TAX DELINQUENT	100,000	5,464	112,450	112.4%	(12,450)	158,578	(46,129)
010-41003	PROPERTY TAX PENALTY	95,000	9,018	99,894	105.2%	(4,894)	116,739	(16,845)
	***** REVENUE CATEGORY TOTALS *****	**9,576,219**	**87,058**	**9,306,164**	**97.2%**	**270,055**	**9,012,383**	**293,781**
SALES TAX								
010-41010	CITY SALES TAX	5,819,670	500,987	4,972,762	85.4%	846,908	4,328,838	643,924
010-41011	MIXED BEVERAGE TAX	38,170	4,113	37,385	97.9%	785	37,453	(68)
010-41012	CITY SALES TAX - PROP TAX REDU	692,817	62,623	621,595	89.7%	71,222	541,105	80,491
	***** REVENUE CATEGORY TOTALS *****	**6,550,658**	**567,724**	**5,631,743**	**86.0%**	**918,915**	**4,907,396**	**724,347**
FRANCHISE TAX								
010-41101	FRANCHISE - ELECTRICAL	825,000	-	594,905	72.1%	230,095	703,166	(108,261)
010-41102	FRANCHISE - GAS	215,000	-	212,587	98.9%	2,413	203,881	8,706
010-41103	FRANCHISE - TELEPHONE	21,000	-	2,429	11.6%	18,571	15,631	(13,202)
010-41104	FRANCHISE - CABLE TV	11,000	-	5,124	46.6%	5,876	6,341	(1,217)
	***** REVENUE CATEGORY TOTALS *****	**1,072,000**	**-**	**815,046**	**76.0%**	**256,954**	**929,020**	**(113,974)**
PERMITS LICENSES AND FEES								
010-41301	BUILDING PERMIT FEES	232,000	16,131	85,304	36.8%	146,696	199,899	(114,594)
010-41302	ELECTRICAL PERMIT FEES	22,000	1,239	17,677	80.4%	4,323	21,405	(3,727)
010-41303	PLUMBING PERMIT FEES	47,000	1,340	16,323	34.7%	30,677	40,673	(24,349)
010-41304	HEALTH PERMITS	68,000	475	59,150	87.0%	8,850	68,125	(8,975)
010-41305	ALARM PERMITS	5,000	40	5,594	111.9%	(594)	5,340	254
010-41306	MECHANICAL PERMITS	1,000	735	2,504	250.4%	(1,504)	1,680	824
010-41307	FIRE OPERATION PERMITS	205	108	233	113.7%	(28)	1,197	(964)
010-41310	OTHER PERMITS	500	-	600	120.0%	(100)	1,050	(450)
010-41311	MERCHANT PERMITS	1,000	650	2,240	224.0%	(1,240)	6,545	(4,306)
010-41312	BEVERAGE PERMITS	7,500	-	1,975	26.3%	5,525	7,700	(5,725)
010-41313	ZONING AND PLAT FEES	8,000	-	-	0.0%	8,000	1,020	(1,020)
010-41315	CONTRACTOR LICENSE	10,000	1,125	10,125	101.3%	(125)	10,625	(500)
010-41317	RIGHT OF WAY FEES (ROW)	6,000	4,237	15,017	250.3%	(9,017)	8,406	6,611
	***** REVENUE CATEGORY TOTALS *****	**408,205**	**26,080**	**216,743**	**53.1%**	**191,462**	**373,664**	**(156,921)**
FINES AND WARRANTS								
010-41401	MUNICIPAL COURT FINES	352,000	30,390	237,041	67.3%	114,959	259,399	(22,358)
010-41403	LIBRARY FINES	4,000	288	2,566	64.1%	1,434	2,841	(275)
010-41404	WARRANT SERVICE FEES	190	-	-	0.0%	190	117	(117)
010-41405	JFCI JUDICIAL FEE - CITY	35	4	15	42.9%	20	19	(4)
010-41406	MUNICIPAL JURY FUND	200	18	130	65.2%	70	138	(7)
010-41411	LIEN REVENUE	-	-	21,802	0.0%	(21,802)	16,055	5,747
010-41413	ALARM FINES	-	-	-	0.0%	-	-	-
	***** REVENUE CATEGORY TOTALS *****	**356,425**	**30,700**	**261,554**	**73.4%**	**94,871**	**278,568**	**(17,013)**
LEASE/RENTAL REVENUE								
010-41605	OTHER RENTS & LEASES	700	-	820	117.1%	(120)	820	-
010-41608	FARMERS MARKET RENTS	-	-	1,225	0.0%	(1,225)	1,600	(375)
010-41611	CELL TOWER RENTAL	26,760	2,555	21,664	81.0%	5,096	23,130	(1,466)
	***** REVENUE CATEGORY TOTALS *****	**27,460**	**2,555**	**23,709**	**86.3%**	**3,751**	**25,550**	**(1,841)**
CHARGES FOR SERVICE								
010-41706	SALE OF EQUIPMENT	120,000	18,193	236,604	197.2%	(116,604)	348,910	(112,306)

		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	4,000	1,272	4,153	103.8%	(153)	3,407	746
010-41713	RECREATION FEE	5,000	680	4,320	86.4%	680	6,430	(2,110)
010-41714	CONVENIENCE FEE	-	1,862	12,126	0.0%	(12,126)	-	12,126
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	1,700	11,028	15,680	922.3%	(13,980)	1,805	13,875
010-41730	RETIREE INSURANCE	28,000	274	7,873	28.1%	20,127	21,227	(13,355)
010-41734	ATHLETIC FEES	-	-	-	0.0%	-	-	-
010-41735	MAIN STREET REVENUE	-	37	932	0.0%	(932)	906	26
	***** REVENUE CATEGORY TOTALS *****	**158,700**	**33,346**	**281,686**	**177.5%**	**(122,986)**	**382,685**	**(100,999)**
INTERGOVERNMENTAL REVENUE								
010-41804	STATE & FEDERAL GRANTS	750,000	1,094	294,603	39.3%	455,397	65,705	228,899
010-41805	EMERGENCY MANAGEMENT REIMB	-	-	-	0.0%	-	-	-
010-41806	COUNTY - LIBRARY	75,000	-	75,000	100.0%	-	75,000	-
010-41808	TSRA ACCOUNTING SERVICE FEE	2,500	-	2,500	100.0%	-	1,520	980
010-41811	PEDC GRANT	-	-	-	0.0%	-	-	-
010-41812	LIBRARY GRANTS	-	-	-	0.0%	-	-	-
	***** REVENUE CATEGORY TOTALS *****	**827,500**	**1,094**	**372,103**	**45.0%**	**455,397**	**142,225**	**229,879**
OTHER INCOME								
010-41901	INTEREST REVENUE	350,000	61,572	400,580	114.5%	(50,580)	378,984	21,596
010-41902	INSURANCE RECOVERIES	10,000	-	43,834	438.3%	(33,834)	53,018	(9,184)
010-41907	FIRE SUPPRESSION REVENUE	-	-	-	0.0%	-	-	-
010-41910	FIRE RECOVERY REVENUE	-	200	687	0.0%	(687)	-	687
010-41912	DONATIONS	15,000	1,133	22,319	148.8%	(7,319)	24,495	(2,176)
010-41913	LIBRARY LOST/DAMAGED BOOKS	800	45	361	45.2%	439	374	(12)
010-41916	LOT CLEANUP REIMBURSEMENT	-	-	-	0.0%	-	-	-
010-41918	LIBRARY REVENUE	5,100	944	4,727	92.7%	373	3,133	1,594
010-41919	AIRPORT FUEL SALES	-	-	-	0.0%	-	-	-
010-41922	REBATE REVENUE	-	-	-	0.0%	-	190	(190)
010-41927	TAX SALE EXCESS PROCEEDS	-	-	-	0.0%	-	13,659	(13,659)
010-41923	EMS FUEL SALES	-	-	-	0.0%	-	-	-
010-41924	MISC REVENUE	1,000	1,009	20,719	2071.9%	(19,719)	10,316	10,403
010-41926	SCRAP METAL RECOVERY	4,000	-	126	3.2%	3,874	-	126
010-41938	SALE OF PROPERTY	-	-	-	0.0%	-	-	-
010-41940	CASH OVER/SHORT	-	-	113	0.0%	(113)	(42)	154
	***** REVENUE CATEGORY TOTALS *****	**385,900**	**64,903**	**493,466**	**127.9%**	**(107,566)**	**484,127**	**9,339**
INTERFUND ACTIVITY								
010-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
010-49150	TRANSFER FROM OCCUPANCY TAX	31,371	2,627	23,645	75.4%	7,726	23,528	117
010-49215	TRANSFER FROM PEDC	31,371	4,132	37,190	118.5%	(5,819)	23,528	13,661
010-49561	TRANSFER FROM UNEMP FUND	-	-	-	0.0%	-	-	-
010-49610	TRSF FROM UTILITY FUND	1,513,458	126,122	1,135,094	75.0%	378,365	1,046,250	88,844
010-49620	TRANSFER FROM SANITATION	1,172,332	97,694	879,249	75.0%	293,083	924,250	(45,001)
010-49625	TRSF FROM RETAIL FUND	-	-	-	0.0%	-	-	-
010-49819	TRANSFER FROM EMERGENCY FUND	-	-	-	0.0%	-	-	-
	***** REVENUE CATEGORY TOTALS *****	**2,748,532**	**230,575**	**2,075,177**	**75.5%**	**673,355**	**2,017,556**	**57,621**
	***** TOTAL REVENUE *****	**22,111,599**	**1,044,034**	**19,477,391**	**88.1%**	**2,634,207**	**18,553,174**	**924,218**

010 -GENERAL FUND- DETAIL

EXPENSE

PERSONNEL

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-51010	SALARIES & WAGES	8,965,484	714,772	6,317,137	70.5%	2,648,347	6,166,947	150,190

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-51011	PART-TIME WAGES	-	-	-	0.0%	-	-	-
010-51020	OVERTIME	550,300	60,260	494,363	89.8%	55,937	566,907	(72,544)
010-51021	STEP OVERTIME	-	4,342	21,500	0.0%	(21,500)	15,990	5,510
010-51030	LONGEVITY	79,344	5,898	50,403	63.5%	28,941	49,361	1,042
010-51031	CERTIFICATION PAY	316,957	28,289	233,445	73.7%	83,512	218,631	14,814
010-51032	SHIFT PAY	15,600	1,400	11,602	74.4%	3,998	10,385	1,217
010-51033	CAR ALLOWANCE	6,300	525	4,652	73.8%	1,649	4,673	(21)
010-51034	UNIFORM ALLOWANCE	13,848	1,028	9,344	67.5%	4,504	9,777	(433)
010-51036	CELL PHONE ALLOWANCE	3,600	300	2,529	70.3%	1,071	3,373	(844)
010-51037	ON CALL PAY	7,200	500	4,808	66.8%	2,392	3,890	918
010-51040	SOCIAL SECURITY	786,131	60,914	532,860	67.8%	253,271	525,412	7,448
010-51050	HEALTH INSURANCE	1,275,555	96,958	900,318	70.6%	375,237	874,794	25,524
010-51061	WORKER'S COMPENSATION	350,020	32,343	285,155	81.5%	64,865	289,249	(4,094)
010-51063	UNEMPLOYMENT CLAIMS EXP.	50,000	4,824	7,638	15.3%	42,362	4,705	2,933
010-51070	RETIREMENT	1,531,048	120,657	1,066,842	69.7%	464,206	1,048,847	17,995
	***** EXPENSE CATEGORY TOTALS *****	**13,951,386**	**1,133,010**	**9,942,596**	**71.3%**	**4,008,791**	**9,792,940**	**149,656**
SUPPLIES AND MATERIALS								
010-52010	OFFICE SUPPLIES/EQUIPMENT	61,970	10,630	38,167	61.6%	23,803	42,042	(3,875)
010-52020	POSTAGE	17,555	677	9,698	55.2%	7,857	10,493	(796)
010-52030	JANITORIAL SUPPLIES	16,000	1,674	11,173	69.8%	4,827	8,905	2,269
010-52031	CHEMICALS	6,000	885	7,566	126.1%	(1,566)	1,685	5,881
010-52032	PLANTS SEED FERTILIZER	1,000	-	150	15.0%	850	-	150
010-52040	UNIFORMS/APPAREL	68,400	10,073	70,678	103.3%	(2,278)	62,246	8,432
010-52050	MEDICAL SUPPLIES	9,000	-	7,707	85.6%	1,293	13,165	(5,458)
010-52051	ANIMAL MEDICAL SUPPLIES	1,000	-	859	85.9%	141	802	57
010-52060	PUBLICATIONS	3,058	2,136	2,669	87.3%	389	569	2,100
010-52061	SAFETY MATERIALS	10,700	608	4,926	46.0%	5,774	752	4,174
010-52062	POLICE INFORMANT	3,000	-	1,500	50.0%	1,500	-	1,500
010-52070	GASOLINE AND OIL	3,500	-	570	16.3%	2,930	909	(339)
010-52080	SMALL TOOLS/EQUIPMENT	158,925	6,394	193,723	121.9%	(34,798)	80,446	113,277
010-52082	PERS PROTECTIVE EQUIP	60,000	-	53,381	89.0%	6,619	18,593	34,788
010-52083	ARSENAL	23,000	-	11,940	51.9%	11,060	12,016	(76)
010-52084	ELECTION EXPENSE	17,000	-	-	0.0%	17,000	16,952	(16,952)
010-52091	FURNITURE & OFFICE EQUIPMENT	1,000	527	1,000	100.0%	(0)	35	966
010-52092	COMPUTER EQUIPMENT	-	-	19	0.0%	(19)	-	19
010-52120	STREET SIGNS	16,000	-	16,216	101.3%	(216)	17,885	(1,669)
010-52130	#N/A	-	-	-	0.0%	-	-	-
010-52201	READING PROGRAM	4,000	1,175	6,285	157.1%	(2,285)	4,665	1,620
010-52210	MARKETING SUPPLIES	4,500	-	585	13.0%	3,915	1,421	(836)
	***** EXPENSE CATEGORY TOTALS *****	**485,608**	**34,779**	**438,813**	**90.4%**	**46,795**	**293,580**	**145,233**
PROF/CONTRACTUAL SERV								
010-53010	LEGAL SERVICES	100,000	-	23,857	23.9%	76,143	44,191	(20,334)
010-53011	LEGAL LITIGATION EXPENSES	50,000	-	12,279	24.6%	37,721	17,044	(4,765)
010-53012	LEGAL SERVICES - HR RELATED	6,000	153	488	8.1%	5,512	709	(221)
010-53016	JURY EXPENSE	288	(12)	18	6.3%	270	-	18
010-53017	MUNICIPAL PROSECUTORS	9,000	440	4,870	54.1%	4,130	4,645	225
010-53019	TOWING FEE	1,200	-	385	32.1%	815	1,262	(877)
010-53020	AUDIT & ACCOUNTING SERVICES	29,000	4,452	25,404	87.6%	3,596	25,404	-
010-53021	APPRAISAL DISTRICT	232,000	55,723	167,170	72.1%	64,830	159,559	7,611
010-53022	TAX ASSESSOR-COLLECTOR	12,000	-	8,362	69.7%	3,638	9,415	(1,053)
010-53023	RAILROAD WATER LINE LEASE	800	-	178	22.3%	622	170	8
010-53026	CODIFICATION	6,000	-	1,903	31.7%	4,097	4,320	(2,417)
010-53027	RECORDS MANAGEMENT	1,200	-	892	74.3%	308	736	156
010-53029	POLY/PSYCH	2,625	-	1,875	71.4%	750	1,125	750
010-53030	PROFESSIONAL SERVICES	15,850	6,374	14,741	93.0%	1,109	9,914	4,827
010-53031	CONSULTANT SERVICES	411,600	8,305	325,313	79.0%	86,287	213,708	111,605
010-53033	EMPLOYEE EAP	7,200	-	-	0.0%	7,200	-	-

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
010-53034	CITY SPONSORED EVENT	27,000	-	-	0.0%	27,000	-	-
010-53035	MEDICAL/DOCTOR-HOSPITAL	-	-	-	0.0%	-	-	-
010-53037	PRE-EMPLOYMENT SCREENINGS	15,000	1,744	11,367	75.8%	3,633	9,233	2,135
010-53039	CIVIL SERVICE EXAMS	8,000	-	2,481	31.0%	5,519	1,866	615
010-53041	CITY ISSUED CELL PHONES	18,080	3,611	16,135	89.2%	1,945	14,412	1,723
010-53042	CITY ISSUED TABLETS	8,350	1,966	7,467	89.4%	883	6,635	832
010-53043	PENALTIES AND FEES	-	-	2,097	0.0%	(2,097)	-	2,097
010-53060	LOT 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	-	2,270	79.7%	580	2,624	(354)
010-53083	POSITION 1 TRAVEL	1,800	-	202	11.2%	1,598	2,314	(2,113)
010-53084	POSITION 2 TRAVEL	1,800	-	202	11.2%	1,598	1,478	(1,276)
010-53085	POSITION 3 TRAVEL	1,800	-	-	0.0%	1,800	-	-
010-53086	POSITION 4 TRAVEL	1,800	-	202	11.2%	1,598	2,935	(2,733)
010-53087	POSITION 5 TRAVEL	1,800	-	-	0.0%	1,800	200	(200)
010-53088	POSITION 6 TRAVEL	1,800	-	246	13.7%	1,554	2,363	(2,116)
010-53089	MAYOR POSITION TRAVEL	1,800	-	202	11.2%	1,598	1,679	(1,478)
010-53090	IT SUPPORT	75,640	7,088	61,213	80.9%	14,427	61,213	-
010-53095	SOFTWARE MAINTENANCE	467,592	18,679	385,984	82.5%	81,608	399,541	(13,557)
010-53100	CHAPTER 380 AGREEMENT	-	-	-	0.0%	-	750,000	(750,000)
010-53150	MARKETING SERVICES	-	-	283	0.0%	(283)	-	283
010-53210	FINANCIAL SERVICE CHARGES	-	-	-	0.0%	-	-	-
010-53310	EQUIPMENT RENTAL/LEASE	30,919	429	13,249	42.9%	17,670	42,035	(28,786)
010-53311	PRINTER/COPIER LEASE	29,080	2,469	20,143	69.3%	8,937	19,757	386
010-53315	VEHICLE LEASE FEES	763,922	69,844	623,148	81.6%	140,773	529,934	93,215
010-53321	UPRR LEASED LAND	500	-	-	0.0%	500	500	(500)
010-53331	CONTRACT SERV-HUMANE SOCIETY	35,000	-	35,000	100.0%	-	22,500	12,500
010-53333	BUILDING DEMOLITION	80,000	5,500	17,600	22.0%	62,400	55,800	(38,200)
010-53334	PESTICIDE SPRAYING	25,000	7,911	19,566	78.3%	5,434	-	19,566
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	259	4,503	15.0%	25,497	21,091	(16,588)
010-53509	MEMBERSHIPS & SUBSCRIPTIONS	49,715	1,960	45,819	92.2%	3,896	40,947	4,872
010-53510	TRAVEL AND TRAINING	182,789	632	102,512	56.1%	80,277	101,789	722
010-53511	ADVERTISING	15,250	1,576	7,067	46.3%	8,183	17,376	(10,309)
010-53512	PRINTING SERVICES	6,730	129	1,042	15.5%	5,688	2,504	(1,462)
010-53513	MERCHANT CR CRD PROCESSING	3,400	1,350	7,137	209.9%	(3,737)	49,072	(41,936)
010-53514	TML INSURANCE	276,000	-	265,409	96.2%	10,591	246,231	19,178
010-53515	INSURANCE AND BONDS	1,050	-	419	39.9%	631	-	419
010-53516	LIFE, DISABILITY, AD & D PREM	-	-	35,488	0.0%	(35,488)	44,824	(9,336)
010-53517	CONTRACTUAL SERVICES	183,150	9,672	97,795	53.4%	85,355	135,707	(37,911)
010-53518	CITY POOL	65,000	16,499	76,844	118.2%	(11,844)	100,368	(23,523)
010-53520	JANITORIAL SERVICES	65,653	11,737	54,615	83.2%	11,038	50,475	4,140
	***** EXPENSE CATEGORY TOTALS *****	**3,373,033**	**238,487**	**2,505,442**	**74.3%**	**867,591**	**3,229,604**	**(724,162)**
MAINTENANCE & REPAIR								
010-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	295,350	32,055	298,310	101.0%	(2,960)	262,008	36,302
010-54011	DOWNTOWN BEAUTIFICATION	500	-	116	23.2%	384	360	(244)
010-54020	STREET MAINTENANCE	200,000	20,736	314,539	157.3%	(114,539)	184,700	129,839
010-54022	CONCRETE REPAIR	50,000	37,000	212,222	424.4%	(162,222)	57,335	154,887
010-54110	MOTOR VEHICLE REPAIRS/MAINTENANCE	96,100	13,035	103,763	108.0%	(7,663)	81,617	22,145
010-54120	EQUIPMENT REPAIR/MAINT EXP	50,100	5,050	102,414	204.4%	(52,314)	70,115	32,299
010-54121	GREEN'S PARK PORTABLE	-	-	-	0.0%	-	-	-
010-54125	LADDER TESTING	3,000	-	2,141	71.4%	859	2,076	65
010-54130	AIR PACK TESTING	2,800	-	-	0.0%	2,800	-	-
010-54135	PUMP TESTING	1,700	-	1,050	61.8%	650	1,245	(195)
010-54140	JAWS TESTING	4,600	-	3,003	65.3%	1,597	4,438	(1,435)

City of Palestine, Texas
Financial Statement
As of June 30, 2026

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
	***** EXPENSE CATEGORY TOTALS *****	**704,150**	**107,876**	**1,037,557**	**147.3%**	**(333,407)**	**663,894**	**373,663**
UTILITIES								
010-54500	UTILITIES - ELECTRIC	510,911	44,608	336,147	65.8%	174,764	331,557	4,590
010-54501	UTILITIES - WATER/SEWER	56,700	4,232	27,977	49.3%	28,723	27,274	703
010-54502	UTILITIES - GAS	17,300	1,253	16,335	94.4%	965	16,312	23
010-54503	PHONES/INTERNET	73,756	1,423	49,815	67.5%	23,941	53,876	(4,061)
010-54504	CITY POOL ELECTRIC	8,000	643	5,091	63.6%	2,909	4,994	97
	***** EXPENSE CATEGORY TOTALS *****	**666,667**	**52,159**	**435,366**	**65.3%**	**231,301**	**434,014**	**1,352**
OTHER/MISC.								
010-55001	EMPLOYEE APPRECIATION	10,000	-	5,778	57.8%	4,222	4,145	1,633
010-55002	EVENTS & PROMOTIONS	6,500	-	273	4.2%	6,227	1,391	(1,117)
010-55200	MEETING MEALS	2,500	-	1,320	52.8%	1,180	1,147	173
010-55202	ANIMAL FOOD	200	-	-	0.0%	200	-	-
010-55203	CHRISTMAS ACTIVITIES	1,250	-	1,618	129.4%	(368)	408	1,210
010-55409	EMERGENCY RESPONSE EXP	-	-	-	0.0%	-	-	-
010-55411	DONATION FUNDED EXPENSE	10,000	-	8,216	82.2%	1,784	31,258	(23,043)
	***** EXPENSE CATEGORY TOTALS *****	**30,450**	**-**	**17,205**	**56.5%**	**13,245**	**38,349**	**(21,144)**
CAPITAL OUTLAY								
010-58030	IMPROVEMENTS	1,000,000	-	-	0.0%	1,000,000	-	-
010-58040	VEHICLES & EQUIPMENT	1,520,927	216,354	356,252	23.4%	1,164,675	196,888	159,364
010-58060	COMPUTER SOFTWARE	-	-	-	0.0%	-	-	-
010-58070	LIBRARY BOOKS	50,000	3,616	31,500	63.0%	18,500	24,864	6,635
	***** EXPENSE CATEGORY TOTALS *****	**2,570,927**	**219,971**	**387,752**	**15.1%**	**2,183,175**	**221,753**	**165,999**
INTERFUND ACTIVITY								
010-59240	TRANSFER TO AIRPORT FUND	1,107,633	92,303	830,725	75.0%	276,908	230,725	600,000
010-59283	TRANS TO HOME GRANT FUND-283	-	-	-	0.0%	-	-	-
010-59310	TRANSFER TO DEBT SERVICE FUND	1,054,225	87,852	790,669	75.0%	263,556	790,669	-
010-59511	TRSF TO VEH/EQUIP FUND	-	-	-	0.0%	-	-	-
010-59570	TRANSFER TO FLEET FUND	563,550	25,924	421,777	74.8%	141,773	399,489	22,288
	***** EXPENSE CATEGORY TOTALS *****	**2,725,408**	**206,079**	**2,043,170**	**75.0%**	**682,238**	**1,420,882**	**622,288**
	***** TOTAL EXPENSE *****	**$ 24,507,630**	**$ 1,992,362**	**$ 16,807,901**	**68.6%**	**$ 7,699,729**	**$ 16,095,016**	**$ 712,884**
310 -DEBT SERVICE FUND- DETAIL								
REVENUE								
310-41001	AD VALOREM TAXES - CURRENT	447,204	3,897	486,986	108.9%	(39,782)	395,138	91,848
310-41002	DELINQUENT TAX REVENUE	25,680	296	7,498	29.2%	18,182	11,628	(4,130)
310-41003	PENALTY & INTEREST TAXES	22,229	515	6,094	27.4%	16,135	8,836	(2,741)
310-41901	INTEREST REVENUE	1,500	705	3,601	240.1%	(2,101)	3,987	(386)
310-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
310-49010	TRANSFER FROM GENERAL FUND	1,054,225	87,852	790,669	75.0%	263,556	790,669	-
310-49610	TRSF FROM UTILITY FUND	-	-	-	0.0%	-	-	-
	***** TOTAL REVENUE *****	**1,550,838**	**93,265**	**1,294,848**	**83.5%**	**255,990**	**1,210,258**	**84,590**
310 -DEBT SERVICE FUND- DETAIL								
EXPENSE								
310-53030	PROFESSIONAL SERVICES	-	-	-	0.0%	-	-	-
310-53045	COMPLIANCE REPORTING	3,500	3,500	3,500	100.0%	-	-	3,500
310-55412	AGENT FEES	-	-	-	0.0%	-	-	-
310-56024	PRINCIPAL- BONDED DEBT	494,966	-	494,966	100.0%	-	425,833	69,133
310-56025	PRINCIPAL - CAPITAL LEASE	155,190	-	66,660	43.0%	88,530	230,379	(163,719)
310-56050	INTEREST- BONDED DEBT	896,357	-	453,403	50.6%	442,954	459,924	(6,521)

City of Palestine, Texas
Financial Statement
As of June 30, 2026

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
310-56051	INTEREST- CAPITAL LEASE	14,140	-	2,164	15.3%	11,976	20,331	(18,167)
310-56054	PAY/ESCROW AGENT FEES	-	-	14,020	0.0%	(14,020)	806	13,214
	***** TOTAL EXPENSE *****	**$ 1,564,154**	**$ 3,500**	**$ 1,034,714**	**66.2%**	**$ 529,440**	**$ 1,137,273**	**$ (102,559)**
610 -WATER & WASTEWATER FUND - DETAIL								
REVENUE								
610-41706	SALE OF EQUIPMENT	-	-	107,054	0.0%	(107,054)	86,512	20,542
610-41709	WATER METERED SALES	6,036,083	546,937	4,003,764	66.3%	2,032,319	4,029,217	(25,454)
610-41710	METER REPLACEMENT FEE	-	-	-	0.0%	-	-	-
610-41711	SEWER SERVICE CHARGES	4,837,216	402,978	3,296,444	68.1%	1,540,772	3,208,214	88,229
610-41714	CONVENIENCE FEE	-	11,991	102,264	0.0%	(102,264)	-	102,264
610-41716	BULK WATER SALES	300	389	443	147.6%	(143)	269	173
610-41717	SEWER SURCHARGE	-	-	-	0.0%	-	-	-
610-41718	WATER TAPS	45,000	-	73,676	163.7%	(28,676)	76,494	(2,818)
610-41719	SEWER TAPS	45,000	-	17,637	39.2%	27,363	90,141	(72,504)
610-41724	SERVICE FEES	105,000	9,650	68,150	64.9%	36,850	72,195	(4,045)
610-41725	TAMPERING FEES	1,800	-	150	8.3%	1,650	1,050	(900)
610-41727	SEPTAGE FEES AND OTHER	25,000	1,427	15,154	60.6%	9,846	18,055	(2,901)
610-41728	REBATE - COMPOST FACILITY	20,000	20,425	20,425	102.1%	(425)	18,402	2,024
610-41732	MISC. CHARGES THRU WATER BILLS	1,000	17	776	77.6%	225	677	99
610-41733	PENALTY WATER BILLINGS	178,500	16,006	172,472	96.6%	6,028	180,863	(8,391)
610-41804	STATE & FEDERAL GRANTS	-	-	198,132	0.0%	(198,132)	114,208	83,924
610-41815	UNMWA REIMB.	35,000	-	86,963	248.5%	(51,963)	35,305	51,658
610-41818	DEBT OR OTHER FINANCING	-	-	8,000,000	0.0%	(8,000,000)	-	8,000,000
610-41901	INTEREST REVENUE	150,000	45,624	329,065	219.4%	(179,065)	217,333	111,732
610-41902	INSURANCE RECOVERIES	-	-	6,130	0.0%	(6,130)	10,177	(4,047)
610-41903	BOND SALE PREMIUM	-	-	410,618	0.0%	(410,618)	-	410,618
610-41924	MISC REVENUE	-	-	5,760	0.0%	(5,760)	-	5,760
610-41926	SCRAP METAL RECOVERY	-	-	1,797	0.0%	(1,797)	3,220	(1,423)
610-49000	TRANSFER FROM OTHER FUNDS	-	-	-	0.0%	-	-	-
610-49620	TRANSFER FROM SANITATION	-	-	-	0.0%	-	-	-
	***** TOTAL REVENUE *****	**11,479,899**	**1,055,443**	**16,916,874**	**147.4%**	**(5,436,975)**	**8,162,333**	**8,754,541**
610 -WATER & WASTEWATER FUND - DETAIL								
EXPENSE								
PERSONNEL								
610-51010	SALARIES & WAGES	1,410,187	102,534	963,016	68.3%	447,171	985,170	(22,154)
610-51020	OVERTIME	172,400	10,368	135,983	78.9%	36,417	194,743	(58,760)
610-51030	LONGEVITY	9,432	720	5,788	61.4%	3,644	5,417	371
610-51031	CERTIFICATION PAY	40,200	3,200	23,854	59.3%	16,346	22,370	1,484
610-51032	SHIFT PAY	4,800	400	3,022	63.0%	1,778	3,380	(358)
610-51034	UNIFORM ALLOWANCE	6,048	403	3,613	59.7%	2,435	4,090	(478)
610-51036	CELL PHONE ALLOWANCE	6,000	450	3,794	63.2%	2,207	4,523	(729)
610-51037	ON CALL PAY	24,000	1,900	16,056	66.9%	7,944	17,155	(1,099)
610-51040	SOCIAL SECURITY	127,159	8,943	86,392	67.9%	40,767	92,909	(6,516)
610-51050	HEALTH INSURANCE	300,796	22,151	203,232	67.6%	97,564	195,303	7,929
610-51061	WORKER'S COMPENSATION	60,680	4,944	49,885	82.2%	10,795	54,513	(4,629)
610-51070	RETIREMENT	245,672	17,790	171,859	70.0%	73,813	183,750	(11,891)
	***** EXPENSE CATEGORY TOTALS *****	**2,407,374**	**173,804**	**1,666,493**	**69.2%**	**740,881**	**1,763,323**	**(96,830)**
SUPPLIES AND MATERIALS								
610-52010	OFFICE SUPPLIES/EQUIPMENT	3,900	1,118	1,907	48.9%	1,993	3,440	(1,533)
610-52020	POSTAGE	38,500	-	30,456	79.1%	8,044	30,688	(232)
610-52030	JANITORIAL SUPPLIES	2,600	-	494	19.0%	2,106	1,711	(1,217)
610-52031	CHEMICALS	510,000	57,929	282,616	55.4%	227,384	263,731	18,885
610-52040	UNIFORMS/APPAREL	12,800	820	6,931	54.1%	5,869	9,063	(2,132)
610-52050	MEDICAL SUPPLIES	400	-	396	98.9%	4	76	320

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
610-52057	LAB SUPPLIES	19,500	2,314	24,541	125.8%	(5,041)	14,974	9,567
610-52061	SAFETY MATERIALS	11,500	1,336	8,071	70.2%	3,429	7,930	141
610-52070	GASOLINE AND OIL	700	-	314	44.8%	386	150	164
610-52080	SMALL TOOLS/EQUIPMENT	45,000	1,235	44,714	99.4%	286	52,554	(7,839)
	***** EXPENSE CATEGORY TOTALS *****	**644,900**	**64,752**	**400,439**	**62.1%**	**244,461**	**384,317**	**16,123**
PROF/CONTRACTUAL SERV								
610-53020	AUDIT & ACCOUNTING SERVICES	19,800	2,938	16,766	84.7%	3,034	16,766	-
610-53030	PROFESSIONAL SERVICES	45,000	870	38,617	85.8%	6,383	48,772	(10,155)
610-53041	CITY ISSUED CELL PHONES	500	84	605	121.1%	(105)	724	(119)
610-53042	CITY ISSUED TABLETS	1,500	277	1,117	74.5%	383	1,126	(10)
610-53043	PENALTIES AND FEES	-	-	-	0.0%	-	-	-
610-53046	COMPLIANCE MONITORING	55,456	9,364	41,510	74.9%	13,946	42,296	(786)
610-53090	IT SUPPORT	15,175	1,256	10,848	71.5%	4,327	10,848	-
610-53095	SOFTWARE MAINTENANCE	47,694	1,462	20,415	42.8%	27,279	40,509	(20,093)
610-53310	EQUIPMENT RENTAL/LEASE	11,500	238	30,749	267.4%	(19,249)	12,385	18,363
610-53311	PRINTER/COPIER LEASE	6,400	740	4,719	73.7%	1,681	3,998	721
610-53315	VEHICLE LEASE FEES	171,919	11,574	104,650	60.9%	67,269	109,023	(4,373)
610-53341	COLLECTIONS/LEGAL MVBA	1,000	-	39	3.9%	961	238	(199)
610-53501	COMMUNICATIONS	-	-	-	0.0%	-	-	-
610-53507	SLUDGE COLLECTION	415,000	22,388	186,375	44.9%	228,625	184,646	1,729
610-53509	MEMBERSHIPS & SUBSCRIPTIONS	1,260	-	791	62.8%	469	303	488
610-53510	TRAVEL AND TRAINING	29,450	-	12,161	41.3%	17,289	20,958	(8,797)
610-53512	PRINTING SERVICES	11,000	3,016	5,947	54.1%	5,053	3,832	2,115
610-53513	MERCHANT CR CRD PROCESSING	10,000	12,452	126,989	1269.9%	(116,989)	432,592	(305,603)
610-53514	TML INSURANCE	176,655	-	187,789	106.3%	(11,134)	155,654	32,136
610-53517	CONTRACTUAL SERVICES	600	81	1,476	246.1%	(876)	726	750
610-53519	TANK MAINTENANCE	217,932	8,753	116,798	53.6%	101,134	116,798	-
610-53520	JANITORIAL SERVICES	17,347	2,744	14,557	83.9%	2,790	13,671	887
610-53521	UNRMWA WATER CONTRACT	203,582	106,726	355,752	174.7%	(152,170)	197,131	158,621
	***** EXPENSE CATEGORY TOTALS *****	**1,458,770**	**184,964**	**1,278,671**	**87.7%**	**180,100**	**1,412,995**	**(134,324)**
MAINTENANCE & REPAIR								
610-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	46,500	4,150	35,018	75.3%	11,482	40,799	(5,781)
610-54110	MOTOR VEHICLE REPAIRS/MAINTENANCE	-	-	-	0.0%	-	-	-
610-54120	EQUIPMENT REPAIR/MAINT EXP	295,360	5,304	242,773	82.2%	52,587	236,968	5,805
610-54220	WATER METERS	-	-	-	0.0%	-	-	-
610-54310	SEWER LINE MAINTENANCE	-	-	-	0.0%	-	-	-
610-54311	SEWER PLANT MAINTENANCE	200,000	10,920	99,013	49.5%	100,987	183,119	(84,106)
610-54313	LIFT STATION MAINTENANCE	290,000	3,056	141,143	48.7%	148,857	112,467	28,676
610-54314	GENERATOR MAINTENANCE	13,500	-	4,267	31.6%	9,233	6,675	(2,407)
610-54315	PRETREATMENT FOG MGMT	2,300	-	10	0.4%	2,290	10	-
610-54421	WATER METER REPLACEMENT PROJECT	-	-	-	0.0%	-	147,152	(147,152)
610-54450	WATER/SEWER LINE REPAIR	600,000	152,507	769,692	128.3%	(169,692)	541,782	227,909
610-54460	METER READER HANDHELDS	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**1,447,660**	**175,936**	**1,291,916**	**89.2%**	**155,744**	**1,268,972**	**22,944**
UTILITIES								
610-54500	UTILITIES - ELECTRIC	461,158	46,322	342,031	74.2%	119,127	339,585	2,447
610-54501	UTILITIES - WATER/SEWER	32,700	4,075	34,992	107.0%	(2,292)	36,895	(1,903)
610-54502	UTILITIES - GAS	-	-	-	0.0%	-	-	-
610-54503	PHONES/INTERNET	25,500	334	13,689	53.7%	11,811	15,764	(2,076)
	***** EXPENSE CATEGORY TOTALS *****	**519,358**	**50,731**	**390,712**	**75.2%**	**128,647**	**392,244**	**(1,532)**
OTHER/MISC.								
610-55005	TCEQ PERMITTING	65,539	-	61,177	93.3%	4,362	73,640	(12,463)
610-55030	BAD DEBT EXPENSE	-	-	328	0.0%	(328)	-	328

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
	*** EXPENSE CATEGORY TOTALS ***	65,539	-	61,505	93.8%	4,033	73,640	(12,134)
REVENUE BOND PRINCIPAL PAYMENT								
610-56005	REVENUE BOND PRIN PAYMENT	755,000	-	898,034	118.9%	(143,034)	6,858	891,176
610-56009	CERT OBLIG PRIN PAYMENT	388,034	-	245,000	63.1%	143,034	15,000	230,000
610-56025	PRINCIPAL - CAPITAL LEASE	-	-	-	0.0%	-	63,417	(63,417)
610-56050	INTEREST- BONDED DEBT	689,598	-	247,396	35.9%	442,202	255,551	(8,155)
610-56051	INTEREST- CAPITAL LEASE	-	-	-	0.0%	-	1,497	(1,497)
610-56054	PAY/ESCROW AGENT FEES	2,000	-	150,995	7549.7%	(148,995)	500	150,495
	*** EXPENSE CATEGORY TOTALS ***	1,834,631	-	1,541,424	84.0%	293,207	342,822	1,198,602
CAPITAL OUTLAY								
610-58030	IMPROVEMENTS	6,910,933	458,333	3,979,501	57.6%	2,931,432	2,452,891	1,526,611
610-58040	VEHICLES & EQUIPMENT	404,000	-	43,560	10.8%	360,440	237,584	(194,024)
610-58044	COMMUNICATION EQUIPMENT	50,000	3,580	11,886	23.8%	38,114	113,723	(101,837)
610-58046	LIFT STATION REPLACEMENT	1,146,800	-	105,132	9.2%	1,041,668	156,061	(50,929)
	*** EXPENSE CATEGORY TOTALS ***	8,511,733	461,913	4,140,079	48.6%	4,371,654	2,960,259	1,179,821
INTERFUND ACTIVITY								
610-59010	TRANSFER TO/FROM GENERAL FUND	1,513,458	126,122	1,135,094	75.0%	378,365	1,046,250	88,844
610-59570	TRANSFER TO FLEET FUND	161,700	6,984	119,681	74.0%	42,019	131,818	(12,137)
	*** EXPENSE CATEGORY TOTALS ***	1,675,158	133,105	1,254,774	74.9%	420,384	1,178,068	76,707
	*** TOTAL EXPENSE ***	$ 18,565,124	$ 1,245,203	$ 12,026,014	64.8%	$ 6,539,110	$ 9,776,638	$ 2,249,376
620-SANITATION FUND- DETAIL								
REVENUE								
620-41715	SANITATION COLLECTION CHARGES	3,223,780	278,531	2,334,841	72.4%	888,939	2,247,561	87,280
620-41721	COLLECTION BAG SALES	17,000	1,636	12,217	71.9%	4,783	13,085	(868)
620-41722	CLEAN STREETS PROGRAM	166,233	14,045	129,184	77.7%	37,049	126,269	2,915
620-41723	SALES TAX DISCOUNT	600	125	1,017	169.5%	(417)	982	35
620-41729	ROLL OFF CHARGES	721,313	67,522	612,827	85.0%	108,486	752,172	(139,345)
620-41901	INTEREST REVENUE	500	-	-	0.0%	500	137	(137)
620-41902	INSURANCE RECOVERIES	-	-	-	0.0%	-	-	-
620-41922	REBATE REVENUE	-	-	-	0.0%	-	-	-
620-41924	MISC REVENUE	-	-	-	0.0%	-	-	-
620-41926	SCRAP METAL RECOVERY	-	-	64	0.0%	(64)	-	64
620-49010	TRANSFER FROM GENERAL FUND	-	-	-	0.0%	-	-	-
	*** TOTAL REVENUE ***	4,129,426	361,859	3,090,150	74.8%	1,039,276	3,140,206	(50,056)
620-SANITATION FUND- DETAIL								
EXPENSE								
SUPPLIES AND MATERIALS								
620-52080	SMALL TOOLS/EQUIPMENT	500	-	-	0.0%	500	-	-
620-52130	GARBAGE BAGS	10,000	-	4,984	49.8%	5,016	9,969	(4,984)
	*** EXPENSE CATEGORY TOTALS ***	10,500	-	4,984	47.5%	5,516	9,969	(4,984)
PROF/CONTRACTUAL SERV								
620-53504	ROLL OFFS	453,932	48,023	379,640	83.6%	74,292	635,683	(256,043)
620-53505	RESIDENTIAL COLLECTION	840,320	79,469	624,372	74.3%	215,948	709,702	(85,330)
620-53506	COMMERCIAL COLLECTION	1,514,240	230,772	1,195,335	78.9%	318,905	1,216,259	(20,924)
620-53508	CITY WIDE CLEAN-UP COLLECTION	85,000	-	99,410	117.0%	(14,410)	91,920	7,490
620-53520	JANITORIAL SERVICES	1,450	121	2,292	158.0%	(842)	1,387	905

City of Palestine, Texas
Financial Statement
As of June 30, 2026

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
	***** EXPENSE CATEGORY TOTALS *****	**2,894,942**	**358,385**	**2,301,047**	**79.5%**	**593,895**	**2,654,950**	**(353,903)**
MAINTENANCE & REPAIR								
620-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	500	-	34	6.8%	466	-	34
620-54110	MOTOR VEHICLE REPAIRS/MAINTENANCE	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**500**	**-**	**34**	**6.8%**	**466**	**-**	**34**
OTHER/MISC.								
620-55030	BAD DEBT EXPENSE	10,000	-	-	0.0%	10,000	4,873	(4,873)
620-55599	DEPRECIATION EXPENSE	42,000	-	-	0.0%	42,000	-	-
	***** EXPENSE CATEGORY TOTALS *****	**52,000**	**-**	**-**	**0.0%**	**52,000**	**4,873**	**(4,873)**
INTERFUND ACTIVITY								
620-59010	TRANSFER TO/FROM GENERAL FUND	1,172,332	97,694	879,249	75.0%	293,083	924,250	(45,001)
620-59570	TRANSFER TO FLEET FUND	23,000	-	18,660	81.1%	4,340	29,199	(10,539)
	***** EXPENSE CATEGORY TOTALS *****	**1,195,332**	**97,694**	**897,909**	**75.1%**	**297,423**	**953,449**	**(55,540)**
	***** TOTAL EXPENSE *****	**$ 4,153,274**	**$ 456,080**	**$ 3,203,974**	**77.1%**	**$ 949,300**	**$ 3,623,240**	**$ (419,266)**

		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	$ 1,404,558	$ 125,247	$ 1,243,191	88.5%	$ 161,368	1,082,209.52	$ 160,981
215-41609	RENT - SUITE B	36,000	3,000	27,000	75.0%	9,000	27,000	-
215-41807	ETEX FIBER RECAPTURE	300,000	-	207,461	69.2%	92,539	310,314	(102,853)
215-41818	DEBT OR OTHER FINANCING	-	-	-	0.0%	-	-	-
215-41901	INTEREST REVENUE	100,000	12,918	90,459	90.5%	9,541	104,272	(13,813)
215-41932	TAH LOAN PYMT	42,000	3,500	31,500	75.0%	10,500	26,209	5,291
215-41938	SALE OF PROPERTY	-	-	-	0.0%	-	-	-
215-41924	MISC REVENUE	$ -	$ -	$ -	0.0%	$ -	0.00	$ -
	***** TOTAL REVENUE *****	**1,882,558**	**144,664**	**1,599,610**	**85.0%**	**282,948**	**1,550,004**	**49,606**
215 -ECONOMIC DEVELOPMENT CORP (PEDC)- DETAIL								
EXPENSE								
PERSONNEL								
215-51010	SALARIES & WAGES	219,613	16,382	147,788	67.3%	71,825	125,083	22,706
215-51020	OVERTIME	-	115	115	0.0%	(115)	95	20
215-51030	LONGEVITY	648	48	346	53.4%	302	263	83
215-51031	CERTIFICATION PAY	2,400	200	1,686	70.3%	714	200	1,486
215-51036	CELL PHONE ALLOWANCE	600	50	422	70.3%	179	423	(1)
215-51040	SOCIAL SECURITY	16,473	1,237	11,111	67.4%	5,362	9,550	1,561
215-51050	HEALTH INSURANCE	33,176	2,608	25,819	77.8%	7,358	18,423	7,395
215-51061	WORKER'S COMPENSATION	874	69	617	70.5%	258	517	100
215-51070	RETIREMENT	32,414	2,516	22,652	69.9%	9,762	18,913	3,739
	***** EXPENSE CATEGORY TOTALS *****	**306,199**	**23,225**	**210,555**	**68.8%**	**95,644**	**173,466**	**37,089**
SUPPLIES AND MATERIALS								
215-52010	OFFICE SUPPLIES/EQUIPMENT	4,000	3,259	6,035	150.9%	(2,035)	1,518	4,517
215-52020	POSTAGE	300	-	12	4.0%	288	-	12
215-52091	FURNITURE & OFFICE EQUIPMENT	3,000	-	-	0.0%	3,000	2,736	(2,736)
	***** EXPENSE CATEGORY TOTALS *****	**7,300**	**3,259**	**6,047**	**82.8%**	**1,253**	**4,253**	**1,794**
PROF/CONTRACTUAL SERV								
215-53010	LEGAL SERVICES	107,442	1,620	75,257	70.0%	32,185	10,145	65,111
215-53020	AUDIT & ACCOUNTING SERVICES	5,500	742	4,234	77.0%	1,266	4,234	-
215-53030	PROFESSIONAL SERVICES	65,000	9,460	58,018	89.3%	6,982	9,938	48,080
215-53031	CONSULTANT SERVICES	10,000	-	2,880	28.8%	7,120	630	2,250
215-53041	CITY ISSUED CELL PHONES	-	-	-	0.0%	-	-	-
215-53090	IT SUPPORT	1,897	179	1,550	81.7%	347	1,550	-
215-53095	SOFTWARE MAINTENANCE	1,170	317	1,940	165.8%	(770)	815	1,125
215-53150	MARKETING SERVICES	75,000	1,484	33,967	45.3%	41,033	40,460	(6,492)
215-53210	FINANCIAL SERVICE CHARGES	-	-	-	0.0%	-	-	-
215-53311	PRINTER/COPIER LEASE	3,000	339	2,387	79.6%	613	1,811	576

City of Palestine, Texas
Financial Statement
As of June 30, 2026

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
215-53315	VEHICLE LEASE FEES	-	-	-	0.0%	-	-	-
215-53330	CITY-PAID EXPENSES	-	-	-	0.0%	-	-	-
215-53500	LEGAL NOTICES	3,000	-	-	0.0%	3,000	449	(449)
215-53501	COMMUNICATIONS	-	-	-	0.0%	-	-	-
215-53509	MEMBERSHIPS & SUBSCRIPTIONS	33,000	695	21,087	63.9%	11,913	23,515	(2,428)
215-53510	TRAVEL AND TRAINING	10,000	316	4,331	43.3%	5,669	12,687	(8,356)
215-53512	PRINTING SERVICES	300	-	242	80.7%	58	88	154
215-53514	TML INSURANCE	18,000	-	18,383	102.1%	(383)	15,187	3,196
215-53515	INSURANCE AND BONDS	2,000	-	995	49.8%	1,005	-	995
215-53520	JANITORIAL SERVICES	4,100	1,050	3,625	88.4%	475	3,500	125
215-53617	PROJECTS SUPPORT GRANTS	300,000	-	-	0.0%	300,000	765,000	(765,000)
215-53662	ATH COMPLEX IMPROVEMENTS GRANT	-	-	-	0.0%	-	-	-
215-53663	COM DEV GRANT-GENERAL PROGRAM	75,000	-	40,000	53.3%	35,000	75,000	(35,000)
215-53664	BLDG IMPROVEMENT GRANT PROG	250,000	41,400	170,629	68.3%	79,371	139,374	31,255
215-53665	PRIOR YEAR BLDG IMPROV GRANTS	134,176	-	63,839	47.6%	70,338	109,354	(45,515)
	***** EXPENSE CATEGORY TOTALS *****	**1,098,585**	**57,603**	**503,363**	**45.8%**	**595,222**	**1,213,737**	**(710,374)**
MAINTENANCE & REPAIR								
215-54010	BLDG/STRUCTURE/GRNDS MAINTENANCE	100,000	17,573	63,224	63.2%	36,776	23,233	39,991
215-54120	EQUIPMENT REPAIR/MAINT EXP	-	-	-	0.0%	-	-	-
	***** EXPENSE CATEGORY TOTALS *****	**100,000**	**17,573**	**63,224**	**63.2%**	**36,776**	**23,233**	**39,991**
UTILITIES								
215-54500	UTILITIES - ELECTRIC	55,000	348	31,754	57.7%	23,246	35,815	(4,061)
215-54501	UTILITIES - WATER/SEWER	4,000	1,394	6,394	159.8%	(2,394)	2,662	3,731
215-54503	PHONES/INTERNET	3,300	35	3,697	112.0%	(397)	2,261	1,436
	***** EXPENSE CATEGORY TOTALS *****	**62,300**	**1,777**	**41,845**	**67.2%**	**20,455**	**40,739**	**1,107**
OTHER/MISC.								
215-55002	EVENTS & PROMOTIONS	-	-	96	0.0%	(96)	-	96
215-55009	BUSINESS RETENTION/EXPANSION	15,000	-	1,619	10.8%	13,381	492	1,127
215-55066	COMMUNITY EVENTS	-	-	-	0.0%	-	-	-
215-55067	HOSPITAL DEMOLITION	-	-	-	0.0%	-	-	-
215-55200	MEETING MEALS	3,500	23	1,969	56.3%	1,531	1,316	654
	***** EXPENSE CATEGORY TOTALS *****	**18,500**	**23**	**3,684**	**19.9%**	**14,816**	**1,808**	**1,876**
DEBT SERVICE								
215-56005	REVENUE BOND PRIN PAYMENT	362,533	-	129,187	35.6%	233,346	89,676	39,511
215-56050	INTEREST- BONDED DEBT	144,364	-	44,431	30.8%	99,933	85,418	(40,987)
215-56054	PAY/ESCROW AGENT FEES	-	-	2,200	0.0%	(2,200)	-	2,200
	***** EXPENSE CATEGORY TOTALS *****	**506,897**	**-**	**175,818**	**34.7%**	**331,079**	**175,094**	**724**
CAPITAL OUTLAY								

City of Palestine, Texas
Financial Statement
As of June 30, 2026

		Current Budget	Current Period	Current Y-T-D	% of Budget	Budget Balance	Prior Year Y-T-D Actual	INC/(DEC) Prior Year
215-58000	CAPITAL OUTLAY	280,000	-	224,348	80.1%	55,652	140	224,208
	***** EXPENSE CATEGORY TOTALS *****	**280,000**	**-**	**224,348**	**80.1%**	**55,652**	**140**	**224,208**
INTERFUND ACTIVITY								
215-59010	TRANSFER TO/FROM GENERAL FUND	49,586	4,132	37,190	75.0%	12,396	23,528	13,661
215-59570	TRANSFER TO FLEET FUND	500	-	-	0.0%	500	374	(374)
	***** EXPENSE CATEGORY TOTALS *****	**50,086**	**4,132**	**37,190**	**74.3%**	**12,896**	**23,902**	**13,288**
	***** TOTAL EXPENSE *****	**$ 2,429,867**	**$ 107,593**	**$ 1,266,074**	**52.1%**	**$ 1,163,793**	**$ 1,656,372**	**$ (390,298)**

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	-	-	-	-	21,220	-	-
LEASE/RENTAL REVENUE	-	15,992	-	-	-	-	-
CHARGES FOR SERVICE	46	-	-	-	-	-	-
INTERGOVERNMENTAL REVENUE	-	1,260	-	-	-	6,060	-
OTHER INCOME	654,219	24,737	2,808	1,519	3,781	4,246	232,169
INTERFUND ACTIVITY	-	830,725	-	-	-	-	-
Total	**654,264**	**872,714**	**2,808**	**1,519**	**25,001**	**10,307**	**232,169**
EXPENSE							
PERSONNEL	111,882	38,671	-	-	-	-	-
SUPPLIES AND MATERIALS	5,766	68	-	6,212	-	-	-
PROF/CONTRACTUAL SERV	255,639	15,415	-	8,549	-	85	26,850
MAINTENANCE & REPAIR	10,288	28,819	-	-	-	-	9,700
UTILITIES	7,879	7,637	-	-	-	-	-
OTHER/MISC.	73,197	-	-	-	-	-	-
DEBT SERVICE	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	329,947	-	-	-	4,255	-
INTERFUND ACTIVITY	23,828	3,502	2,592	2,133	-	-	-
Total	**488,478**	**424,059**	**2,592**	**16,894**	**-**	**4,340**	**36,550**
Surplus (Deficit)	**165,786**	**448,654**	**217**	**(15,374)**	**25,001**	**5,967**	**195,619**
Ending Fund Balance	**$ 1,558,802**	**$ 477,710**	**$ 75,779**	**$ 40,052**	**$ 98,038**	**$ 75,630**	**$ 198,496**

City of Palestine, Texas
Financial Statement
As of June 30, 2026

NON MAJOR FUNDS SUMMARY

	271 PERPETUAL CEMETERY FUND	280 GRANTS	290 STREET MAINTENANCE / REPAIR TAX	400 GENERAL CIP FUND	740 EQUIPMENT REPLACEMENT	770 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	-	-	621,595	-	-	-	621,595
FRANCHISE TAX	-	-	-	-	-	-	-
PERMITS LICENSES & FEES	-	-	-	-	-	-	-
FINES AND WARRANTS	-	-	-	-	-	-	21,220
LEASE/RENTAL REVENUE	-	-	-	-	-	-	15,992
CHARGES FOR SERVICE	15,000	-	-	-	-	-	15,046
INTERGOVERNMENTAL REVENUE	27,750	48,613	-	145,294	-	-	228,978
OTHER INCOME	-	-	-	12,508,346	-	112,063	13,543,888
INTERFUND ACTIVITY	-	-	-	-	-	560,925	1,391,650
Total	**42,750**	**48,613**	**621,595**	**12,653,640**	**-**	**672,988**	**15,838,367**
EXPENSE							
PERSONNEL	-	-	-	-	-	148,262	298,814
SUPPLIES AND MATERIALS	-	75,465	-	-	-	353,501	441,013
PROF/CONTRACTUAL SERV	-	-	-	-	-	16,625	323,162
MAINTENANCE & REPAIR	92,739	-	-	-	-	198,413	339,958
UTILITIES	-	-	-	-	-	2,436	17,952
OTHER/MISC.	-	-	-	-	-	-	73,197
DEBT SERVICE	-	-	-	213,193	-	-	213,193
CAPITAL OUTLAY	-	-	-	4,787,141	-	-	5,121,343
INTERFUND ACTIVITY	-	-	-	-	-	-	32,054
Total	**92,739**	**75,465**	**-**	**5,000,334**	**-**	**719,235**	**6,860,686**
Surplus (Deficit)	**(49,989)**	**(26,852)**	**621,595**	**7,653,306**	**-**	**(46,248)**	**8,977,682**
Ending Fund Balance	**$ 182,114**	**$ (5,086)**	**$ 1,368,125**	**$ 29,737,343**	**$ 834,893**	**$ (123,881)**	**$ 34,518,015**

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: June 30, 2026

	Par Value	Book Value	Market Value	Ratio Market-to-Book Value
Beginning Balances				
Cash	$2,440,218.08	$ 2,440,218.08	$ 2,440,218.08	100.00%
Investments	56,251,903.29	56,251,903.29	56,251,903.29	100.00%
Total	$ 58,692,121.37	$ 58,692,121.37	$ 58,692,121.37	100.00%
Activity				
Cash	$2,287,917.01	2,287,917.01	2,287,917.01	
Investments				
Net Accretion & Amortization		-	-	
Purchases	1,000,000.00	1,000,000.00	1,000,000.00	
Maturities/Calls	(1,000,000.00)	(1,000,000.00)	(1,000,000.00)	
Changes to Market Value		-	(105,848.01)	
Withdrawals/Deposits	(4,000,000.00)	(4,000,000.00)	(4,000,000.00)	
Interest Earnings	140,362.59	140,362.59	140,362.59	
Net Monthly Activity	($1,571,720.40)	(1,571,720.40)	(1,677,568.41)	
Ending Balances				
Cash	$4,728,135.09	4,728,135.09	4,728,135.09	100.00%
Investments	52,392,265.88	52,392,265.88	52,286,417.87	99.80%
Total	$57,120,400.97	$ 57,120,400.97	$ 57,014,552.96	99.81%

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: June 30, 2026

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	$3,592,251		$ 100.000	0.200%	$3,592,251	$ 3,592,251	$ 3,592,251	$ -	1
N/A	N/A	N/A	TexSTAR - Local Government Investment Pool	22,076,630		100.000	4.280%	22,076,630	22,076,630	22,076,630	-	1
N/A	N/A	N/A	TexSTAR - General Obligation Bond 2014	12,555,153		100.000	4.280%	12,555,153	12,555,153	12,555,153	-	1
N/A	N/A	PER991129	FNC - Cash, Money Funds, & Bank Deposits	112,018		100.000	0.010%	112,018	112,018	112,018	-	1
N/A	N/A	PER991129A	FNC PEDC - Cash, Money Funds, & Bank Deposits	313,759		100.000	0.010%	313,759	313,759	313,759	-	2
#N/A	6/15/2026	91282CHH7	TN - UNITED STATES TREAS	-		100.000	4.00%	-	-	-	-	0
12/30/2024	12/30/2026	91282CDQ1	BD - UNITED STATES TREAS	5,000,000		100.000	1.25%	5,000,000	5,000,000	4,933,750	(66,250)	183
9/20/2019	9/20/2026	182001541	CD - Prosperity Bank	170,856		100.000	1.900%	170,856	170,856	170,856	-	82
2/28/2025	11/30/2026	033537BQ3	CD - ANDERSON BROS BK	250,000		100.000	4.25%	250,000	250,000	250,288	288	153
2/20/2025	2/22/2027	06051XQE5	CD - BANK AMER NA	250,000		100.000	4.25%	250,000	250,000	250,440	440	237
2/26/2025	2/22/2027	856288AW5	CD - STATE BK INDIA NEW	250,000		100.000	4.25%	250,000	250,000	250,440	440	237
2/28/2024	3/1/2027	01025RAP4	CD - ALABAMA CR UN	250,000		100.000	4.50%	250,000	250,000	250,810	810	244
2/28/2024	3/1/2027	30960QAW7	CD - FARMERS INS GROUP	250,000		100.000	4.50%	250,000	250,000	250,810	810	244
6/13/2024	6/14/2027	32026U5Y8	CD - FIRST FNDTN	240,000		100.000	4.900%	240,000	240,000	241,728	1,728	349
6/28/2024	6/28/2027	32023HBT4	CD - FIRST FED SVGS & LN	-		100.000	5.250%	-	-	-	-	363
10/31/2024	7/30/2027	12527CHC9	CD - CFG CMNTY BK	250,000		100.000	4.300%	250,000	250,000	249,990	(10)	395
7/31/2024	8/2/2027	795451DN0	CD - SALLIE MAE BK SALT	250,000		100.000	4.45%	250,000	250,000	250,813	813	398
10/28/2024	10/28/2027	428548CC3	CD - HIAWATHA NATL BK	250,000		100.000	3.950%	250,000	250,000	249,313	(688)	485
2/26/2025	11/26/2027	856528FN9	CD - STATE BK TEX DALLAS	250,000		100.000	4.20%	250,000	250,000	250,100	100	514
11/27/2024	11/29/2027	79772FAK2	CD - SAN FRAN FED CR UN	249,000		100.000	4.250%	249,000	249,000	249,294	294	517
7/9/2024	1/10/2028	74048CBG6	CD - PREMIER CMNTY BK	250,000		100.000	5.00%	250,000	250,000	250,045	45	559
2/21/2025	1/21/2028	02554BGM7	CD - AMERICAN EAGLE BK	200,000		100.000	4.00%	200,000	200,000	199,440	(560)	570
2/18/2025	2/18/2028	59013K4N3	CD - MERRICK BK	248,000		100.000	4.300%	248,000	248,000	248,414	414	598

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: June 30, 2026

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
3/8/2023	3/8/2028	011852AE0	CD - ALASKA USA FED CR UN	249,000		100.000	4.600%	249,000	249,000	250,626	1,626	617
3/10/2023	3/10/2028	92891CCZ3	CD - VYSTAR CR UN CR	249,000		100.000	4.550%	249,000	249,000	250,432	1,432	619
4/10/2025	4/10/2028	152577CW0	CD - CENTRAL BK LITTLE	250,000		100.000	4.15%	250,000	250,000	249,238	(763)	650
4/16/2025	4/13/2028	46657VN30	CD - JPMORGAN CHASE BK N	250,000		100.000	4.00%	250,000	250,000	248,585	(1,415)	653
4/25/2025	4/28/2028	300498BA9	CD - EVOLVE BK & TR	249,000		100.000	4.250%	249,000	249,000	248,624	(376)	668
5/22/2025	5/22/2028	88457PAY3	CD - THOMASTON SVGS BK CT	250,000		100.000	4.25%	250,000	250,000	249,420	(580)	692
5/23/2025	5/23/2028	61768UUZ8	CD - MORGAN STANLEY	250,000		100.000	4.25%	250,000	250,000	249,418	(583)	693
5/23/2025	5/23/2028	61776CPF8	CD - MORGAN STANLEY BK N	250,000		100.000	4.25%	250,000	250,000	249,418	(583)	693
5/23/2025	5/23/2028	05612LFC1	CD - BMW BK NORTH AMER	250,000		100.000	4.05%	250,000	250,000	249,110	(890)	693
5/29/2025	5/30/2028	48836LCK6	CD - KEMBA FINL CR UN	250,000		100.000	4.40%	250,000	250,000	250,018	18	700
6/30/2025	6/30/2028	68405VDQ9	CD - OPTUM BK	244,000		100.000	4.200%	244,000	244,000	243,861	(139)	731
6/30/2025	6/30/2028	37892MAX2	CD - GLOBAL FED CR UN	250,000		100.000	4.20%	250,000	250,000	249,855	(145)	731
7/14/2023	7/14/2028	91739JAA3	CD - UTAH FIRST FED CR UN	249,000		100.000	4.750%	249,000	249,000	254,361	5,361	745
7/22/2024	7/21/2028	19058RAG6	CD - COASTAL1 CR UN	244,000		100.000	4.550%	244,000	244,000	245,523	1,523	752
6/27/2025	6/27/2030	307811MD8	CD - FARMERS & MERCHANTS	248,000		100.000	4.400%	248,000	248,000	247,097	(903)	1458
7/23/2025	7/24/2028	68405VDY2	CD - OPTUM BK DRAPER UTAH	250,000		101.000	4.000%	250,000	250,000	248,875	(1,125)	755
7/23/2025	7/24/2028	20825WDX5	CD - CONNEXUS CR UN	250,000		102.000	4.100%	250,000	250,000	249,343	(658)	755
9/29/2025	10/3/2029	88241TWS5	CD - TEXAS EXCHANGE BANK	250,000		100.000	3.600%	250,000	250,000	244,690	(5,310)	1191
9/29/2025	9/27/2030	44042WDG9	CD - HORIZON BANK	250,000		100.000	3.950%	250,000	250,000	244,650	(5,350)	1550
10/22/2025	10/22/2028	33885WBC3	CD - FLATWATER BK	250,000		100.000	3.750%	250,000	250,000	248,443	(1,558)	845
10/31/2025	10/31/2028	549104N86	CD - LUANA SVGS BK IOWA	250,000		100.000	3.600%	250,000	250,000	246,320	(3,680)	854
12/30/2025	8/30/2027	538037AF9	CD - Live Oak Bkg	225,000		100.000	3.750%	225,000	225,000	224,008	(992)	426
12/23/2025	12/23/2030	320437BL9	CD - First Gty Bk	225,000		100.000	4.050%	225,000	225,000	220,718	(4,282)	1637

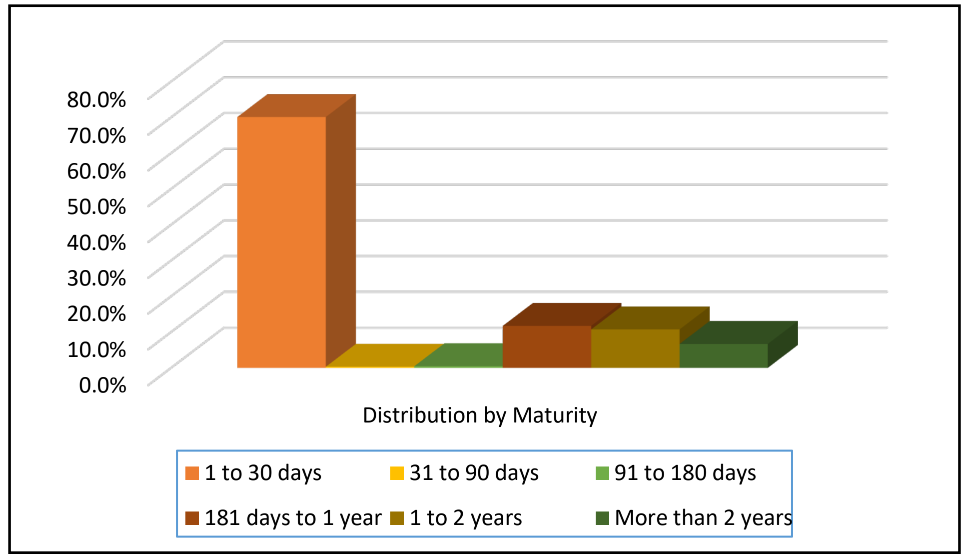
City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: June 30, 2026

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
12/30/2025	12/31/2029	31424AAR1	CD - Amoco Fed Cr Un	225,000		100.000	4.000%	225,000	225,000	221,468	(3,533)	1280
12/30/2025	6/30/2027	22282XAS9	CD - Covantage Cr Un Antigo Wis	225,000		100.000	3.750%	225,000	225,000	224,168	(833)	365
2/24/2026	2/24/2028	38151PJH5	CD - GOLDMAN SACHS BK USA	250,000		100.000	3.850%	250,000	250,000	248,598	(1,403)	604
3/18/2026	3/18/2030	108622QS3	CD - BRIDGEWATER BK ST	250,000		100.000	3.950%	250,000	250,000	245,373	(4,628)	1357
4/7/2026	4/9/2029	564759TB4	CD - MANUFACTURERES & TRADERS	245,000		101.000	3.950%	245,000	245,000	242,927	(2,073)	1014
6/15/2026	7/31/2027	91282CPE5	TN - UNITED STATES TREAS	1,000,000		100.000	3.500%	1,000,000	1,000,000	991,600	(8,400)	396
Totals/Weighted Average				$55,134,666			3.670%	$55,134,666	$ 55,134,666	$ 55,033,101	$ (101,565)	80
Benchmark - 4 Weeks Coupon Equivalent- Treasury Bill Rate							3.630%					

City of Palestine, Texas
Summary of Cash and Investment Activity
For the Month Ending: June 30, 2026

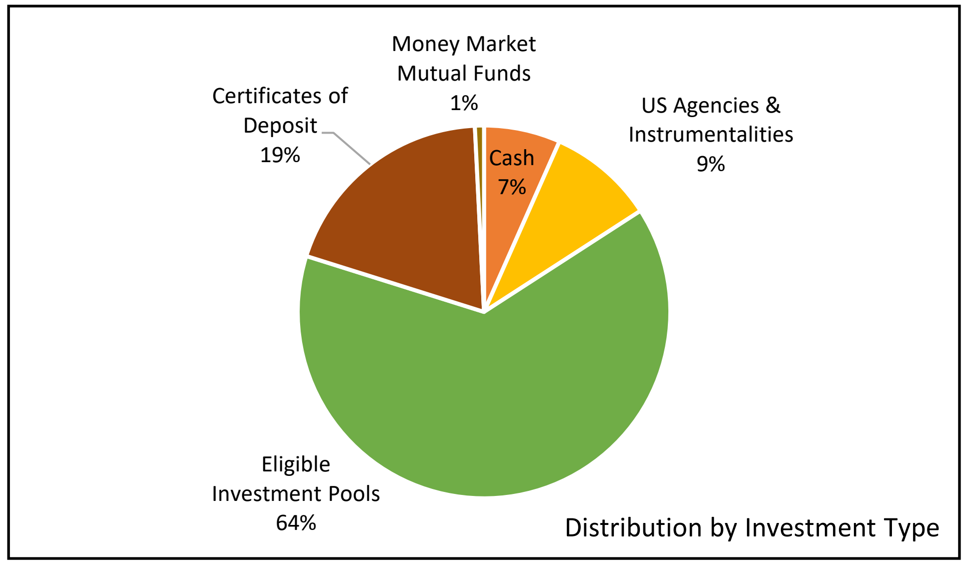
Distribution by Maturity

	Par Value	Percent
1 to 30 days	$38,649,810	70.1%
31 to 90 days	170,856	0.3%
91 to 180 days	250,000	0.5%
181 days to 1 year	6,465,000	11.7%
1 to 2 years	5,919,000	10.7%
More than 2 years	3,680,000	6.7%
	$ 55,134,666	100.0%



Distribution by Investment Type

	Book Value	Percent
Cash	$3,592,251	6.5%
US Agencies & Instrumentalities	5,000,000	9.1%
Eligible Investment Pools	34,631,782	62.8%
Certificates of Deposit	10,484,856	19.0%
US Treasury Bills / Notes / Bonds	1,000,000	1.8%
Money Market Mutual Funds	425,777	0.8%
Repurchase Agreements	-	0.0%
	$55,134,666	100.0%



City of Palestine, Texas
Cash and Investment Distribution by Fund
For the Month Ending: June 30, 2026

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	$ 4,374,290	$ 518,477	$ 898,662	$ 320,607	$ 31,624	$ 13,877	46,008
FNC/Pershing	Cash, Money Funds, & Bank Dep.	$ 68,622	$ 8,134	$ 327,857	$ 5,030	$ 496	$ 218	722
CD's	Certificates of Deposit	$ 5,197,832	$ 616,089	$ 1,316,852	$ 380,967	$ 37,578	$ 16,490	54,669
Total of Investments		9,640,744	1,142,700	2,543,371	706,603	69,699	30,584	101,399
Cash		976,023	450,770	71,536	7,056	3,096	10,266	10,575
Total Investments & Cash		10,616,768	1,593,470	2,614,908	713,659	72,795	40,850	111,973

Transaction Information		253	260	270	271	280	281	290
Description	Security Type	YOUTH DIVERSION FUND	PD FORFEITURE FUND	COMMUNITY	PERPETUAL	GRANTS	RESTRICTED	STREET MAINT.
TexSTAR	Investment Pool	20,543	47,393	413,197	(10,012)	(9,954)	-	839,921
FNC/Pershing	Cash, Money Funds, & Bank Dep.	322	743	6,482	(157)	(156)	-	13,176
CD's	Certificates of Deposit	24,410	56,315	490,989	(11,897)	(11,828)	-	998,052
Total of Investments		45,275	104,451	910,667	(22,066)	(21,938)	-	1,851,149
Cash		4,584	(2,234)	115,686	(2,221)	-	-	187,409
Total Investments & Cash		49,859	102,217	1,026,354	(24,287)	(21,938)	$ -	$ 2,038,558

Transaction Information		310	400	610	620	740	770	TOTAL
Description	Security Type	DEBT SERVICE FUND	GENERAL CIP FUND	W/WW UTILITY	SANITATION	EQUIPMENT	FLEET FUND	
TexSTAR	Investment Pool	54,541	12,565,934	14,960,156	(426,590)	-	(26,889)	34,611,240
FNC/Pershing	Cash, Money Funds, & Bank Dep.	856	169	377	(6,692)	-	(422)	425,454
CD's	Certificates of Deposit	64,809	1,761,563	28,574	(506,904)	-	(31,952)	10,458,198
Total of Investments		120,205	14,327,666	14,989,108	(940,187)	-	(59,263)	45,494,892
Cash		92,195	(6,000)	5,366	(95,184)	12,169	2,406	1,838,915
Total Investments & Cash		212,400	$ 14,321,666	$ 14,994,473	$ (1,035,371)	$ 12,169	$ (56,857)	$ 47,333,807

City of Palestine, Texas
Summary of Investment Earnings by Fund
For the Month Ending: June 30, 2026

Description	010	200	215	240	250	251	252
	GENERAL FUND	HOTEL OCCUPANCY TAX	PALESTINE ECONOMIC DEV. CORP. (PEDC)	AIRPORT	MUNICIPAL COURT - BLDG SECURITY FUND	MUNICIPAL COURT - TECH. FUND	MUNICIPAL COURT - CHILD SAFETY FEES
Bank Interest	724.58	85.88	402.86	53.11	5.24	2.30	7.62
TexSTAR	15,041.61	1,782.85	3,090.18	1,102.45	108.74	47.72	158.20
FNC/Pershing	-	-	-	-	-	-	-
CD's	17,508.93	2,075.30	3,597.07	1,283.29	126.58	55.55	184.15
Total	33,275.12	3,944.04	7,090.10	2,438.85	240.57	105.56	$ 349.98

Description	253	260	270	271	280	281	290
	YOUTH DIVERSION FUND	PD FORFEITURE FUND	COMMUNITY	PERPETUAL	GRANTS	RESTRICTED	STREET MAINT.
Bank Interest	3.40	7.85	68.44	(1.66)	(1.65)	-	139.13
TexSTAR	70.64	162.97	1,420.83	(34.43)	(34.23)	-	2,888.19
FNC/Pershing	-	-	-	-	-	-	-
CD's	82.23	189.70	1,653.90	(40.08)	(39.84)	-	3,361.94
Total	156.27	360.51	3,143.18	(76.16)	(75.72)	-	6,389.26

Description	310	400	610	620	740	770	TOTAL
	DEBT SERVICE FUND	GENERAL CIP FUND	W/WW UTILITY	SANITATION FUND	EQUIPMENT	FLEET FUND	
Bank Interest	9.03	1.79	3.98	(70.66)	-	(4.45)	1,436.80
TexSTAR	187.55	43,034.98	44,410.29	(1,466.89)	-	(92.46)	111,879.19
FNC/Pershing	-	-	-	-	-	-	-
CD's	218.31	91.19	96.25	(1,707.51)	-	(107.63)	28,629.33
Total	414.89	$ 43,127.96	$ 44,510.53	$ (3,245.06)	$ -	$ (204.55)	$ 141,945.32

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:	July 27, 2026
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	June 2026 Police Monthly Reports
Date Submitted:	07/21/2026

SUMMARY:

June 2026 Police Monthly Reports

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

AC Stats June 2026
CID June 2026
PPD Stats June 2026

Palestine Animal Control Activity Report

511 North John Street
Palestine, Texas 75801

June 2026

Animal Control

Total Calls for Month	133
Bites / Quarantine	6
Investigations (Class B and above)	0
Misd Arrest/Charges (On View)	0
Felony Arrest/Charges (On View)	0
Citations	8
Warnings	0
Cat Intake	22
Dog Intake	49
Traps Set	20
Emergency Calls – OT	2

Offense	Disposition	Disposition Date

Closed

AGENCY ASSIST	Closed	06/22/26
SUSPICIOUS ACTIVITY	Closed	06/17/26
HIT & RUN	Closed	06/30/26
THEFT	Closed	06/30/26
CRIMINAL MISCHIEF	Closed	06/30/26
MISSING PERSON	Closed	06/26/26
FORGERY	Closed	06/30/26
FRAUD	Closed	06/16/26
FRAUD	Closed	06/16/26
THEFT	Closed	06/16/26
BURGLARY OF VEHICLE	Closed	06/16/26
SEX OFFENSE	Closed	06/16/26
CRIMINAL MISCHIEF	Closed	06/30/26
BURGLARY OF BUILDING	Closed	06/26/26
BURGLARY OF HABITATION	Closed	06/16/26
CIVIL MATTER	Closed	06/16/26
FRAUD	Closed	06/16/26
HIT & RUN	Closed	06/16/26
AGENCY ASSIST	Closed	06/17/26
DECEASED PERSON	Closed	06/15/26
THEFT	Closed	06/16/26

Closed Total: 21

DA Ready

TERRORISTIC THREAT	DA Ready	06/30/26
INJURY TO A CHILD/ELDERLY/DISABLED	DA Ready	06/30/26
SEX OFFENSE	DA Ready	06/30/26
SEX OFFENSE	DA Ready	06/29/26
SHOTS FIRED	DA Ready	06/30/26

DA Ready Total: 5

Filed with Municipal Court

GENERAL INFORMATION	Filed with Municipal	06/03/26

Filed with Municipal Court Total: 1

Forward to Investigations

AGGRAVATED ASSAULT	Forward to	06/16/26
ASSAULT	Forward to	06/24/26
BURGLARY OF BUILDING	Forward to	06/24/26

Offense	Disposition	Disposition Date
DECEASED PERSON	Forward to	06/25/26
FIRE- EMS	Forward to	06/01/26
MISSING PERSON	Forward to	06/09/26
SEX OFFENSE	Forward to	06/29/26
SEX OFFENSE	Forward to	06/22/26
DEADLY CONDUCT	Forward to	06/05/26
FRAUD	Forward to	06/26/26
DECEASED PERSON	Forward to	06/29/26
HIT & RUN	Forward to	06/29/26
DEADLY CONDUCT	Forward to	06/25/26
SEX OFFENSE	Forward to	06/25/26
ASSAULT	Forward to	06/15/26

Forward to Investigations Total: 15

Forward to Other Agency

TRAFFIC STOP	Forward to Other	06/04/26
AGENCY ASSIST	Forward to Other	06/18/26
WELFARE CONCERN	Forward to Other	06/18/26
RECOVER STOLEN VEHICLE	Forward to Other	06/08/26

Forward to Other Agency Total: 4

Referred to DA

THEFT	Referred to DA	06/10/26
ALARM-BURGLARY-BUSINESS	Referred to DA	06/24/26
UNAUTHORIZED USE OF MOTOR VEHICLE	Referred to DA	06/24/26
THEFT	Referred to DA	06/24/26

Referred to DA Total: 4

Total Records: 50

Palestine Police Department Monthly Activity Report

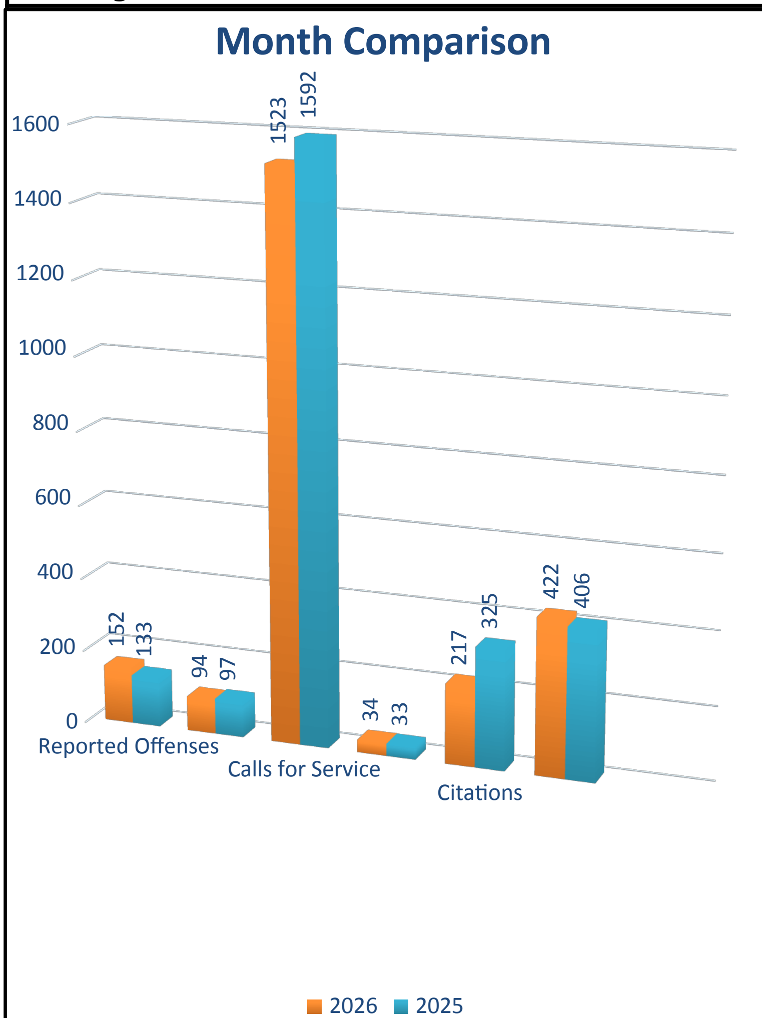
Date Reported: **6/1/2026 – 6/30/2026**

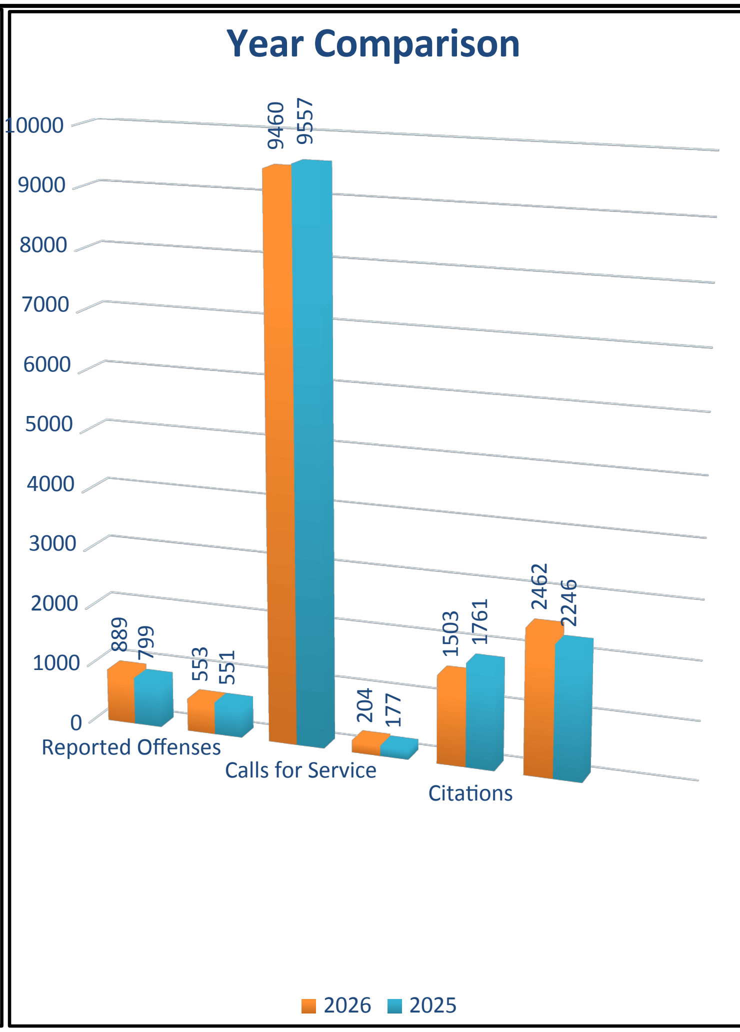
Palestine Police Department
504 N Queen St
Palestine, TX 75801
(903) 729-2254

MONTH **YYEEAARR TTOO**

DDAATTEE

Reported Offenses	**June 2026**	**June 2025**	**% Diff**	**June 2026**	**June 2025**	**% Diff**
	152	133	13%	889	799	10%
Arrests	**June 2026**	**June 2025**	**% Diff**	**June 2026**	**June 2025**	**% Diff**
	94	97	3%	553	551	1%
Calls for Service	**June 2026**	**June 2025**	**% Diff**	**June 2026**	**June 2025**	**% Diff**
	1523	1592	5%	9460	9557	1%
Traffic	**June 2026**	**June 2025**	**% Diff**	**June 2026**	**June 2025**	**% Diff**
Crash Reports	34	33	3%	204	177	13%
Citations	217	325	50%	1503	1761	17%
Warnings	422	406	4%	2462	2246	9%





Agenda Date:	July 27, 2026
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	PEDC Monthly Report May/June 2026
Date Submitted:	07/17/2026

SUMMARY:

Economic Development Monthly Report May/June 2026

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

PEDC Report May-June 2026

ECONOMIC DEVELOPMENT
PALESTINE
TEXAS 1846

Economic Development Activities- May/June 2026

Business Retention & Expansion

- **Met with Freddie Rivera at Verdant Specialty Solutions on 5/18 to discuss a potential expansion project for the Palestine facility.**

New & Small Business Development

- **Attended Wake Up! CPG networking event in Austin on 5/28 to learn more about the consumer-packaged goods industry and build network contacts for food production prospects.**
- **Closed on 217/219 W Main on 5/20 and proceeding to next phase of seeking qualifications of architecture firms.**

Targeted Marketing & Attraction

- **Attended TSRA board meetings on 5/13 & 6/9 to discuss ongoing projects and assist with CRISI grant application.**
- **Attended the Texas Venture Gala & Forum in Austin from 5/26 to 5/28. Conference sessions topics ranged from start-up acceleration through Texas universities to foreign direct investment dynamics in Texas.**

Incentives/Infrastructure & Quality of Life

- **Attended the Main Street Advisory Board meeting on 5/26 and introduced new Main Street Coordinator Hunter Bell to the board.**
- **Attended Opportunity Zone webinar on 6/10 to prepare to make census tract recommendations for designation in Opportunity Zone 2.0 program.**
- **Researching incentive programs & developing economic impact assessment tools for residential incentive programs for the City of Palestine.**

Prospects

PEDC May/June new leads: 0

No. of open leads

17

Strategic Plan – Activity Chart

Strategic Plan 2024 - 2027

Palestine EDC

Project start date: 01-Oct-24

Legend: Completed Activities; New Activities

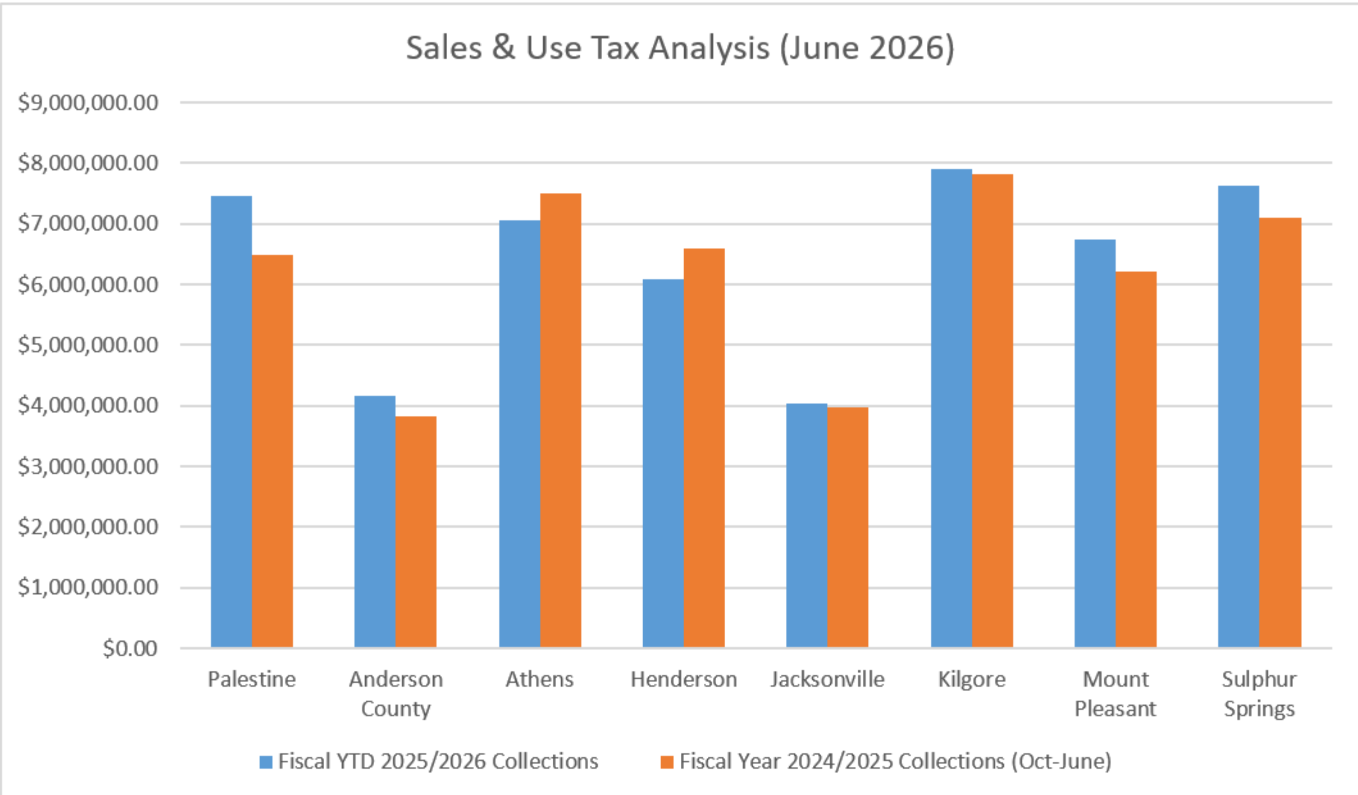
GOALS	2024			2025												2026											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Design business retention and expansion contact program		2	3		3	2	1	1	2			1	2	2	1	1	2	2	1	1	1						
Create Business Education Advisory Council and Workforce Advisory Board		1	2	3			1	1						2			1	2									
Identify emerging high demand career pathways				1	2	1	2	3	2	3	1	2		1		2		2	4								
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			2	2	3	1	1	1				2	3		2								
Determine feasibility of creating a Revolving Loan Fund Program (RLF)		2	1	2				1									1										
Create incubator/makerspace and co-workspace		1				2	1	1	1	1	2						3	5	3	2/2							
Promote Palestine/Anderson County as an SBA HUB Zone		1									1			1			2			1							
Design marketing materials that create a brand for Palestine as a business/education destination	1	1	1		1	1	1		1	1		1		2													
Update website, community profile, available sites and buildings, workforce/education		1	1		1			3					1	1	1	1		1	1	1							
Support the development of a large-scale conference/meeting space within the City of Palestine		1	2		1	3	3	2							2	1		3			2						
Complete the development of the rail-served 333-acre Industrial Park	2	2	5	2	1	3		2	1	3	2		2	1	5	3	3	2	3	2/1	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.															1	1											
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			1	1		1		1					2			1/1	1						
Expand/upgrade broadband infrastructure/technology						1													1	1							
Create incentives to attract skilled workers.										2		2		2		2	1										
Create Promise scholarships for two- and four- year schools																											
Support tourists/visitors, special events, and festivals	2		1			2							2	1	1			1		1	1						
Secure State of Texas certifications for tourism, film, music, and digital media					1	2								1													
Organize local builders to provide affordable apartments/housing and new subdivisions/neighborhoods using local, state, and federal incentives			4		1									1	3	3			4	2/1	2						
Support incentives to repurpose old, underutilized residential and commercial buildings in Palestine	2	1	2	2	4	3	1	1	2	2			2	2	2	3	4	3	2	2	3						
Expand healthcare services					1		2	1			1	2	2	2		3		1									
Support the City of Palestine, Anderson County, and TxDOT to upgrade roads and streets								1		1				2													
Update/expand local parks and recreational facilities		1	2		2	2								3													
Extend utility infrastructure to WNW Loop				1	2	2	1	1		1	3	1	1	4													
Support efforts to extend/widen airport runways and upgrade technology				1	2	1	1	1		4	4	1	1	1	1	1											
Preserve and repurpose historic buildings	4	5	5	5	2	3	2	4		4	1	1	2	13	1	3	2	1									
Promote and capitalize on federal Opportunity Zones located in Palestine and Anderson County				2									1			2	1				2						

- **Retail Sector - May**

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

Collection:	Period	Net Payment Current Year 2025/2026	Net Payment Prior Year 2024/2025	Net Change
Palestine	June	$751,481.11	$712,489.05	5.2%
	Fiscal YTD	$7,459,143.54	$6,493,257.09	12.9%
Anderson County	June	$369,678.62	$409,117.15	-10.7%
	Fiscal YTD	$4,157,725.52	$3,836,349.08	7.7%
Athens	June	$823,254.89	$849,878.85	-3.2%
	Fiscal YTD	$7,050,041.99	$7,507,486.02	-6.5%
Henderson	June	$624,793.36	$626,842.51	-0.3%
	Fiscal YTD	$6,081,355.33	$6,601,224.29	-8.5%
Jacksonville	June	$442,494.78	$427,952.33	3.3%
	Fiscal YTD	$4,032,225.49	$3,979,293.83	1.3%
Kilgore	June	$869,884.55	$821,296.31	5.6%
	Fiscal YTD	$7,908,989.01	$7,824,931.99	1.1%
Mount Pleasant	June	$729,747.57	$701,601.77	3.9%
	Fiscal YTD	$6,736,113.43	$6,212,583.58	7.8%
Sulphur Springs	June	$1,103,848.14	$939,923.81	14.9%
	Fiscal YTD	$7,628,340.66	$7,102,509.49	6.9%

* 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 – April 2026:

Anderson County – 3.9%

Henderson County – 4.2%

Cherokee County – 4.0%

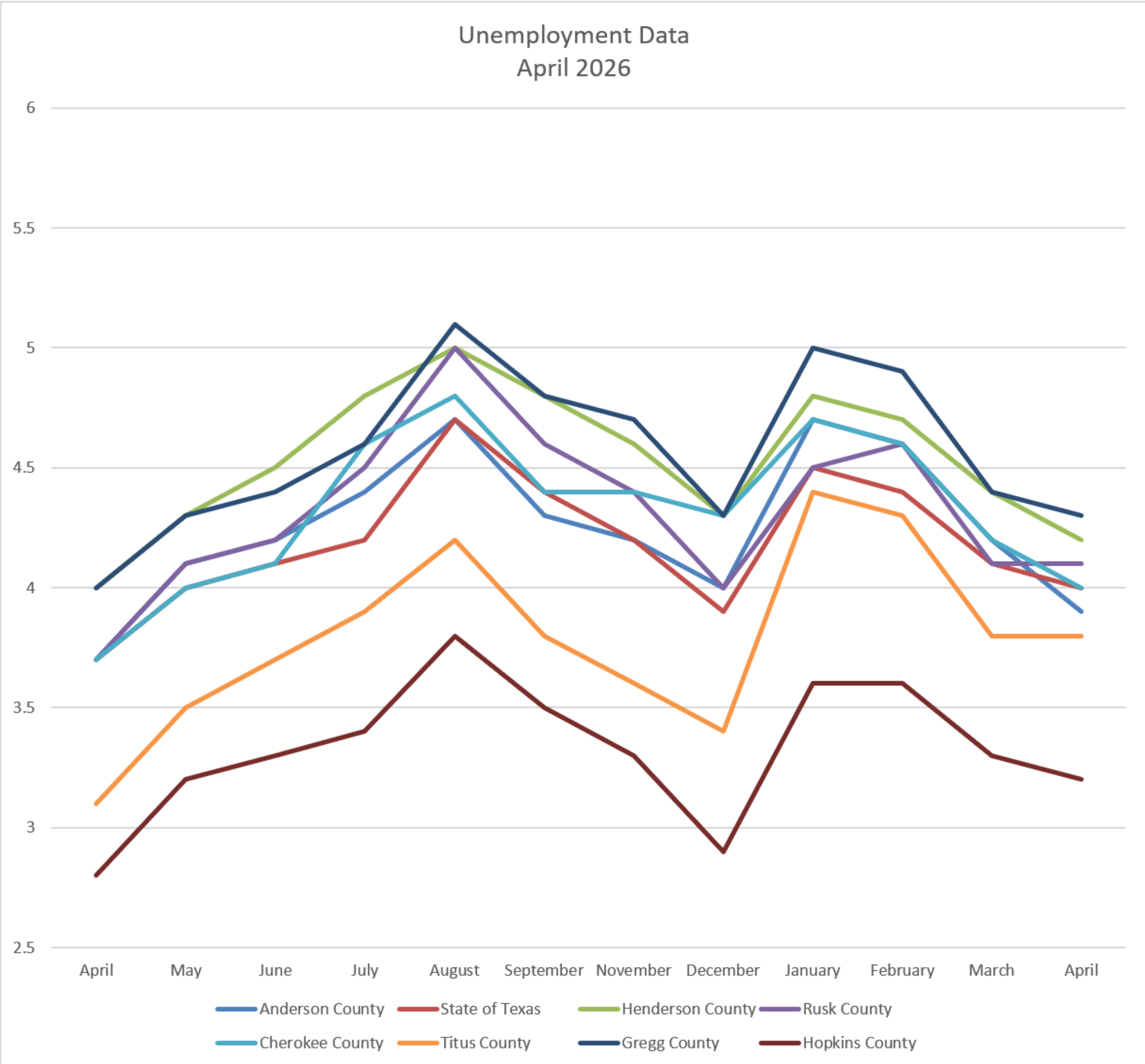
Gregg County – 4.3%

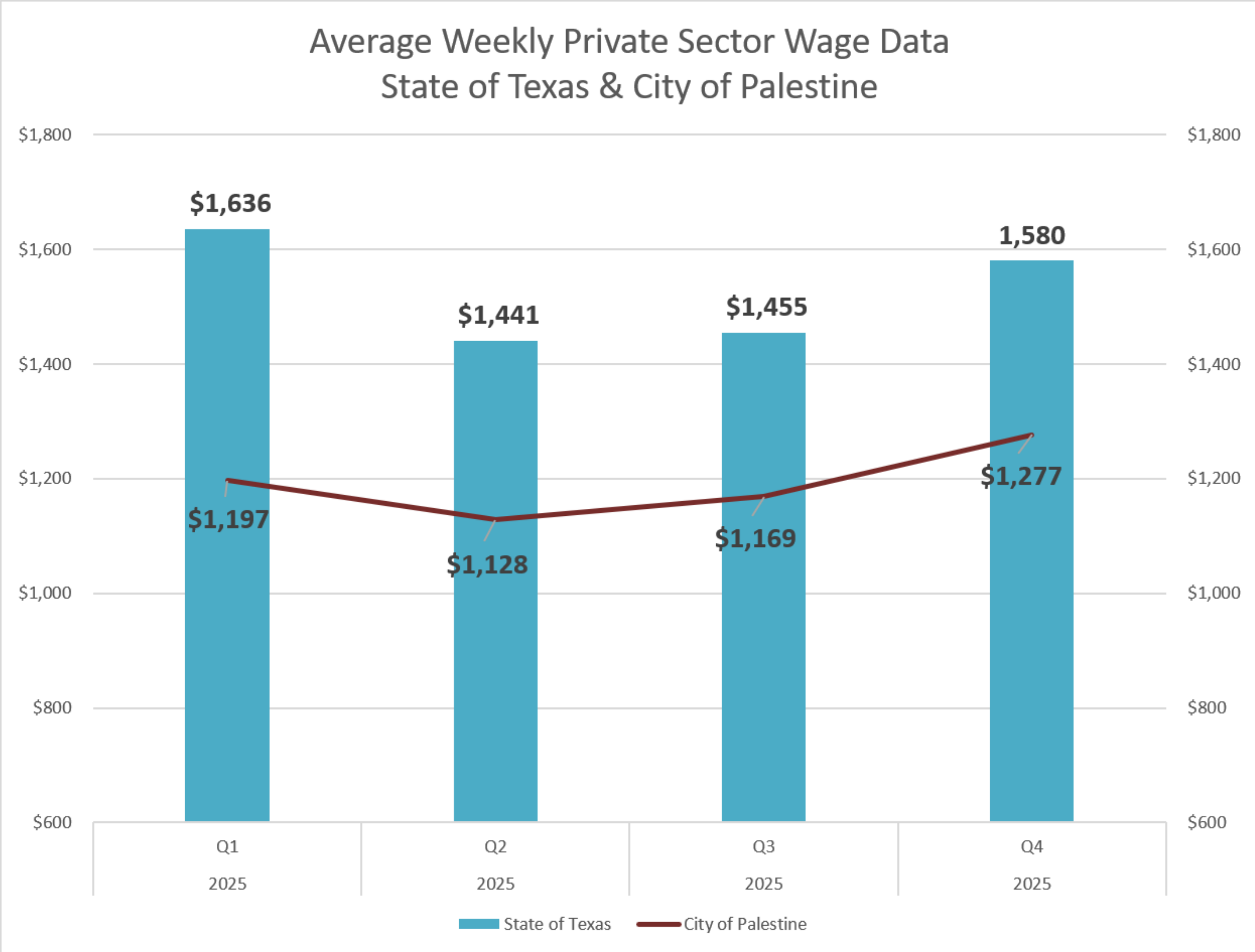
State of Texas – 4.0%

Rusk County – 4.1%

Titus County – 3.8%

Hopkins County – 3.2%





Source: Texas Labor Market Information

Agenda Date:	July 27, 2026
To:	City Council
From:	Christophe Trahan, Economic Development Director
Agenda Item:	PEDC Monthly Report June/July 2026
Date Submitted:	07/17/2026

SUMMARY:

Economic Development Monthly Report June/July 2026

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

PEDC Report June-July 2026

ECONOMIC DEVELOPMENT
PALESTINE
TEXAS 1846

Economic Development Activities- June/July 2026

Business Retention & Expansion

- **Continued analysis and modeling of expansion project with local manufacturer.**
- **Assisting local food/beverage manufacturer with site selection and ownership restructuring.**
- **Met with downtown merchant on 6/29, discussed PEDC DT Grant Program, and assisting with site promotion of a sublease.**
- **Attended Regional EDC Workforce Development meeting on 6/23.**

Prospects

PEDC June/July new leads: 0

No. of open leads

17

New & Small Business Development

- **Presented check to Downtown Grant recipient Subi Gandhi at the Shelton Gin on 6/26 for completed project.**

Targeted Marketing & Attraction

- **Attended TSRA board meeting on 7/13 to discuss ongoing projects & CRISI grant.**
- **Spoke at the Atwoods ribbon cutting hosted by the Palestine Chamber of Commerce on 6/17.**

Incentives/Infrastructure & Quality of Life

- **Met with consultant firm representing local landowner considering housing and mixed use developments along the W Loop on 6/24.**
- **Researched and provided information for Opportunity Zone nomination submittal ahead of 6/26 deadline.**
- **Met with Oncor Representative on 6/24 to discuss Rural Commercial Energy Efficiency program to learn about incentive opportunities for local developments.**
- **Attended pre-development meeting on 6/25 to meet property developer proposing ~40 home subdivision.**

Strategic Plan – Activity Chart

Strategic Plan 2024 - 2027

Palestine EDC

Project start date: 01-Oct-24

Legend: Completed Activities

New Activities

	2024			2025												2026											
GOALS	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Design business retention and expansion contact program		2	3		3	2	1	1	2			1	2	2	1	1	2	2	1	1	1/1	3					
Create Business Education Advisory Council and Workforce Advisory Board		1	2	3			1	1						2			1	2									
Identify emerging high demand career pathways				1	2	1	2	3	2	3	1	2		1		2		2	4								
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			2	2	3	1	1	1				2	3		2								
Determine feasibility of creating a Revolving Loan Fund Program (RLF)		2	1	2				1									1										
Create incubator/makerspace and co-workspace		1				2	1	1	1	1	2						3	5	3	4	1	1					
Promote Palestine/Anderson County as an SBA HUB Zone		1									1			1			2			1							
Design marketing materials that create a brand for Palestine as a business/education destination	1	1	1		1	1	1		1	1		1		2													
Update website, community profile, available sites and buildings, workforce/education		1	1		1			3					1	1	1	1		1	1	1		1					
Support the development of a large-scale conference/meeting space within the City of Palestine		1	2		1	3	3	2							2	1		3			2/1	3					
Complete the development of the rail-served 333-acre Industrial Park	2	2	5	2	1	3		2	1	3	2		2	1	5	3	3	2	3	3	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.															1	1											
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			1	1		1		1					2			2	1/1						
Expand/upgrade broadband infrastructure/technology						1													1	1							
Create incentives to attract skilled workers.										2		2		2		2	1										
Create Promise scholarships for two- and four- year schools																											
Support tourists/visitors, special events, and festivals	2		1			2							2	1	1			1		1	1/1						
Secure State of Texas certifications for tourism, film, music, and digital media					1	2								1													
Organize local builders to provide affordable apartments/housing and new subdivisions/neighborhoods using local, state, and federal incentives			4		1									1	3	3			4	3	2/3						
Support incentives to repurpose old, underutilized residential and commercial buildings in Palestine	2	1	2	2	4	3	1	1	2	2			2	2	2	3	4	3	2	2	3/1						
Expand healthcare services					1		2	1			1	2	2	2		3		1									
Support the City of Palestine, Anderson County, and TxDOT to upgrade roads and streets								1		1				2													
Update/expand local parks and recreational facilities		1	2		2	2								3													
Extend utility infrastructure to WNW Loop				1	2	2	1	1		1	3	1	1	4													
Support efforts to extend/widen airport runways and upgrade technology				1	2	1	1	1		4	4	1	1	1	1	1											
Preserve and repurpose historic buildings	4	5	5	5	2	3	2	4		4	1	1	2	13	1	3	2	1				2					
Promote and capitalize on federal Opportunity Zones located in Palestine and Anderson County				2									1			2	1				2/1						

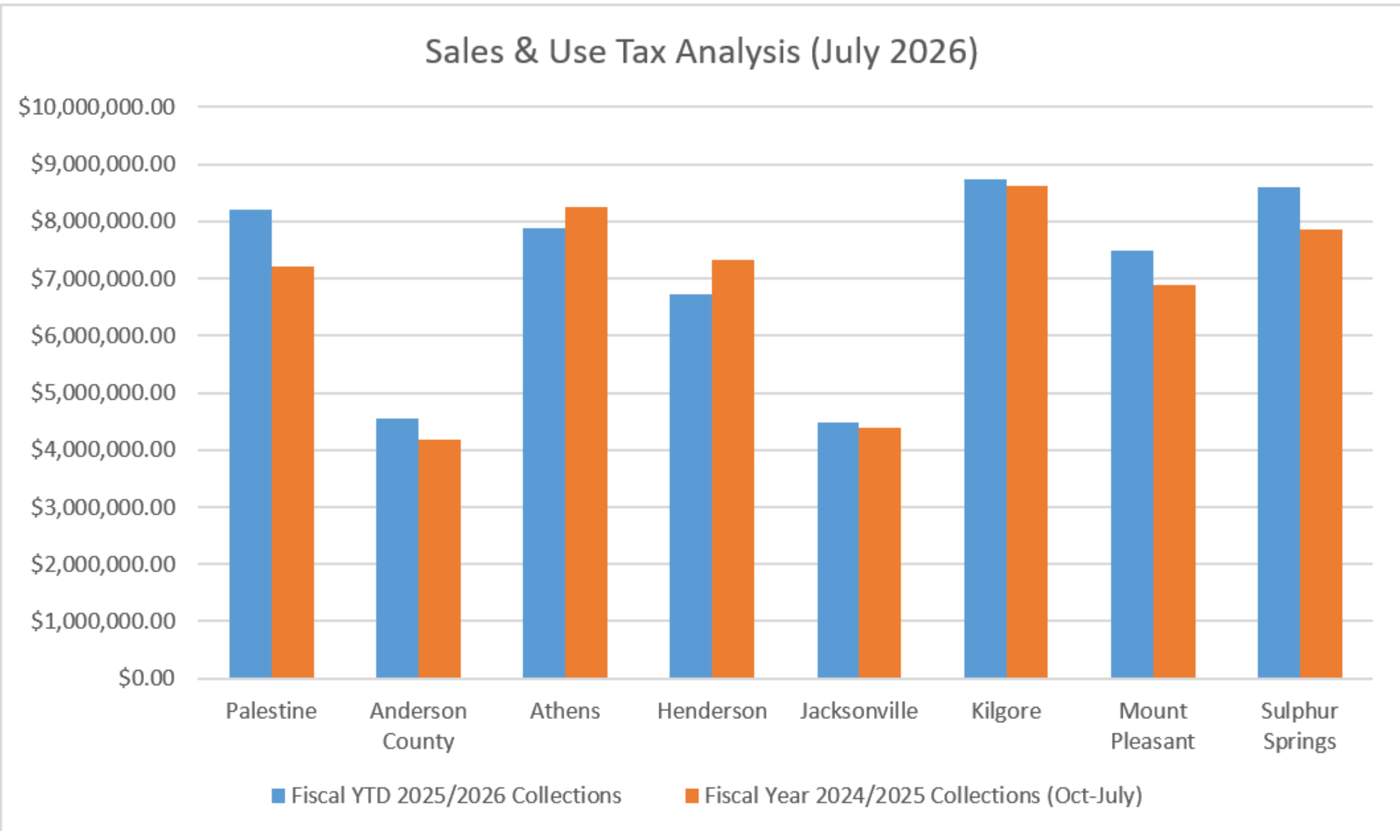
Economic Climate

- **Retail Sector**

Palestine, Anderson County & Index Cities
Fiscal Year Comparisons

Collection:	Period	Net Payment Current Year 2025/2026	Net Payment Prior Year 2024/2025	Net Change
Palestine	July	$736,498.55	$721,976.14	2.0%
	Fiscal YTD	$8,195,642.09	$7,215,233.23	12.0%
Anderson County	July	$385,135.15	$352,530.23	8.5%
	Fiscal YTD	$4,542,860.67	$4,188,879.31	7.8%
Athens	July	$839,736.75	$747,156.18	11.0%
	Fiscal YTD	$7,889,778.74	$8,254,642.20	-4.6%
Henderson	July	$635,954.91	$721,946.97	-13.5%
	Fiscal YTD	$6,717,310.24	$7,323,171.26	-9.0%
Jacksonville	July	$444,592.67	$414,234.75	6.8%
	Fiscal YTD	$4,476,818.16	$4,393,528.58	1.9%
Kilgore	July	$826,959.41	$797,886.88	3.5%
	Fiscal YTD	$8,735,948.42	$8,622,818.87	1.3%
Mount Pleasant	July	$744,876.77	$665,056.94	10.7%
	Fiscal YTD	$7,480,990.20	$6,877,640.52	8.1%
Sulphur Springs	July	$974,453.71	$755,718.18	22.4%
	Fiscal YTD	$8,602,794.37	$7,858,227.67	8.7%

* 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 – May 2026:

Anderson County – 4.3%

State of Texas – 4.3%

Henderson County – 4.5%

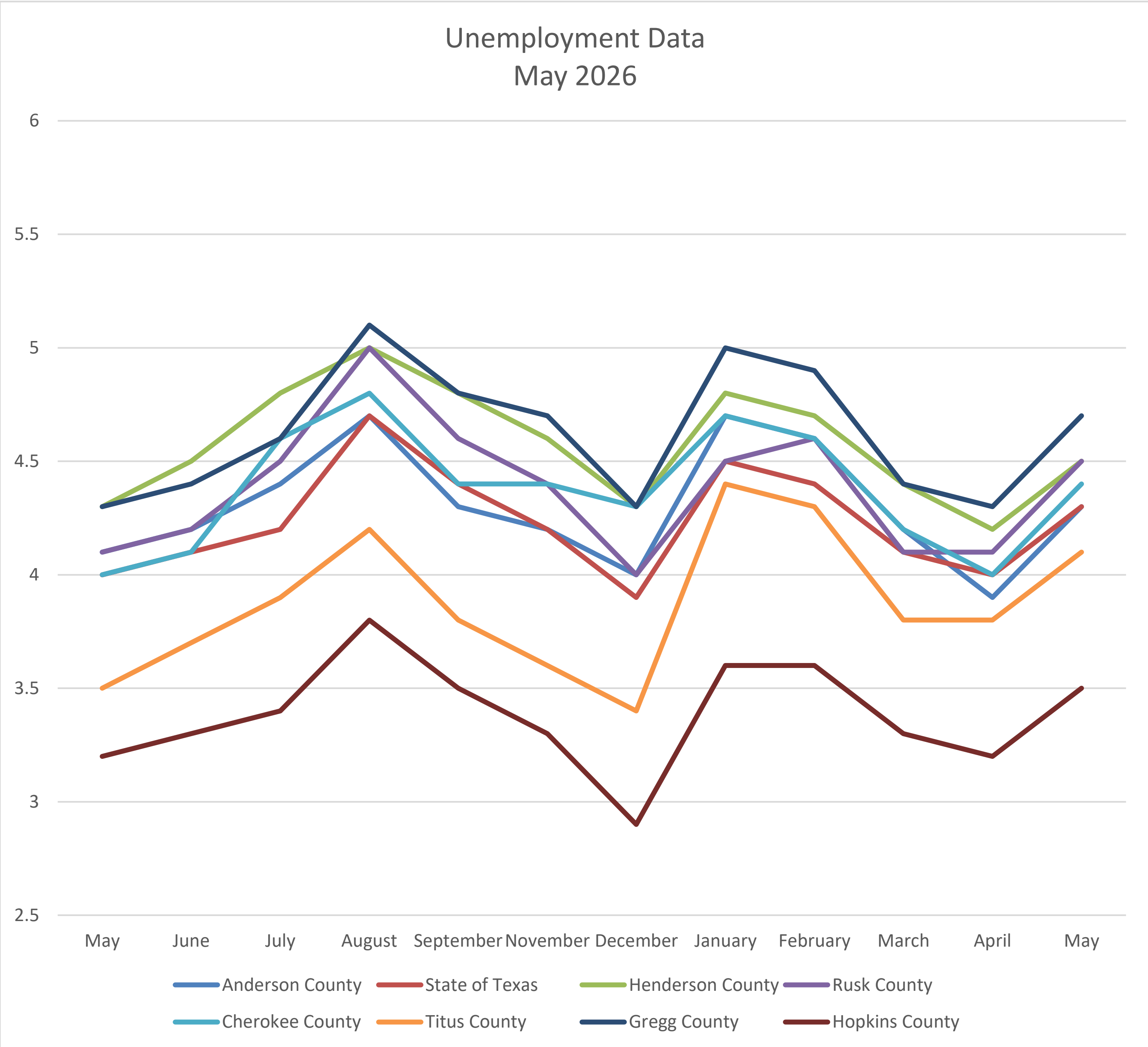
Rusk County – 4.5%

Cherokee County – 4.4%

Titus County – 4.1%

Gregg County – 4.7%

Hopkins County – 3.5%



Source: Texas Labor Market Information

THE CITY OF PALESTINE TEXAS 1846

Agenda Date:	July 27, 2026
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Appointments to the Parks Advisory Board
Date Submitted:	07/20/2026

SUMMARY:

Consider the appointment of Iesha Bryant to Place 4 on the Parks Advisory Board with a term to expire on September 30, 2027, and Tracy Torma to Place 6 with a term to expire on September 30, 2028.

RECOMMENDED ACTION:

Consider the appointment of Iesha Bryant to Place 4 on the Parks Advisory Board with a term to expire on September 30, 2027, and Tracy Torma to Place 6 with a term to expire on September 30, 2028.

CITY MANAGER APPROVAL:

Attachments

Tracy Torma - Board Application

Iesha Bryant - Board Application

From: noreply@civicplus.com
To: April Jackson
Subject: Online Form Submittal: Board or Commission Application
Date: Wednesday, July 1, 2026 9:47:18 PM

Board or Commission Application

BOARD OR COMMISSION APPLICATION

First Name	Tracy
Last Name	Torma
Date of Application	7/1/2026
Home Address	[redacted]
Home Phone	*Field not completed.*
Office Phone	*Field not completed.*
Cell Phone	[redacted]
Email	[redacted]
Are you a resident of Palestine?	Yes
How Many Years?	10
What is your Occupation?	Retired communications consultant
What is Your Place of Employment?	*Field not completed.*
I would like to serve on the following Board(s) and Commission(s):	Parks Advisory Board
Do you currently serve on any Boards or Commissions?	No
Will you submit to a background check and complete protective training if your Board or	Yes

Commission interacts with children?	
Do you have any outstanding debts owed to the City of Palestine?	No

Only citizens without outstanding taxes, permits, fees, or fines may serve on a Board or Commission

Experiences and qualifications that you feel would make a contribution to a City of Palestine Board or Commission:	As a resident of Harris County, Texas, for 38 years before moving to Palestine in 2015, I was president of a citizens group that helped establish a community park near my home. Today, Matzke Park is a staffed Harris County park, with jogging trail, butterfly garden, cricket fields and special-needs playground. I'd love to help the city enhance and promote its green spaces. My background in communications for 50 years could help promote our parks. https://link.edgepilot.com/x/4VuyM5tJEIOF-b0dyAfGMsk?u=https://www.chron.com/neighborhood/article/Master-plans-unveiled-for-Matzke-Park-near-Jones-9912660.php

The City Council will use this application for their selection of individuals for appointments to specific Boards and Commissions. All appointments are made by the Mayor and confirmed by Council. All information provided in this application is public information pursuant to the Texas Public Information Act. All individuals appointed to serve will be required to complete training relative to the Texas Open Meetings Act and to the Public Information Act .

Electronic Signature Agreement	I agree.
Electronic Signature	Tracy Torma

504 N. QUEEN STREET – PALESTINE, TEXAS 75801 – (903) 731-8414 – Email: citysecretary@palestine-tx.org

From: noreply@civicplus.com
To: April Jackson
Subject: Online Form Submittal: Board or Commission Application
Date: Tuesday, July 21, 2026 3:23:33 PM

Board or Commission Application

BOARD OR COMMISSION APPLICATION

First Name	Iesha
Last Name	Bryant
Date of Application	[redacted]
Home Address	[redacted]
Home Phone	*Field not completed.*
Office Phone	*Field not completed.*
Cell Phone	[redacted]
Email	[redacted]
Are you a resident of Palestine?	Yes
How Many Years?	4
What is your Occupation?	Paraprofessional
What is Your Place of Employment?	Westwood MS
I would like to serve on the following Board(s) and Commission(s):	Parks Advisory Board
Do you currently serve on any Boards or Commissions?	No
Will you submit to a background check and complete protective training if your Board or	Yes

Commission interacts with children?	
Do you have any outstanding debts owed to the City of Palestine?	No

Only citizens without outstanding taxes, permits, fees, or fines may serve on a Board or Commission

Experiences and qualifications that you feel would make a contribution to a City of Palestine Board or Commission:	I think that I would a great asset to the team because I maintain the ability to think thoroughly and make great decisions based on the greater good. I also want to see the city of Palestine maintain a safe and fun environment for all the kids as well as the adults.

The City Council will use this application for their selection of individuals for appointments to specific Boards and Commissions. All appointments are made by the Mayor and confirmed by Council. All information provided in this application is public information pursuant to the Texas Public Information Act. All individuals appointed to serve will be required to complete training relative to the Texas Open Meetings Act and to the Public Information Act .

Electronic Signature Agreement	I agree.
Electronic Signature	Iesha S. Bryant

504 N. QUEEN STREET – PALESTINE, TEXAS 75801 – (903) 731-8414 – Email: citysecretary@palestine-tx.org

Agenda Date:	July 27, 2026
To:	City Council
From:	April Jackson, City Secretary
Agenda Item:	Approval of Minutes
Date Submitted:	07/20/2026

SUMMARY:

Consider approval of the minutes of the regular meeting held on July 13, 2026.

RECOMMENDED ACTION:

Staff recommends approval of the minutes as presented.

CITY MANAGER APPROVAL:

Attachments

July 13, 2026, Minutes

D R A F T

MINUTES

The City Council of the City of Palestine convened in a Regular Meeting on July 13, 2026, at 5:30 p.m. in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following members present:

Mayor Jordan entered the meeting at 5:32 p.m., and Council Member Christopher Gibbs joined via Zoom at 5:35 p.m.

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, Susan Davis, Development Services Director, Christophe Trahan, EDC Director, Andrew Sibai, Finance Director, Shannon Davis, Fire Chief, Ana Sanchez, Library Director, Patsy Smith, Parks & Recreation Director, Mark Harcrow, Police Chief, Jason Shelton, Interim Public Works Director

REGULAR MEETING

A. CALL TO ORDER

Mayor Pro Tem Harmon called the meeting to order at 5:30 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Fire Chief Shannon Davis 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

There were no public recognitions, public comments, or announcements.

E. CONFLICT OF INTEREST DISCLOSURES

No conflicts of interest were disclosed.

F. **CITY MANAGER'S REPORT**

City Manager Herrera informed Council that department directors were present to address questions regarding departmental reports. The following departmental reports were provided:

1. May 2026 Financial Statement
2. May 2026 Municipal Court Monthly Report
3. June 2026 Fire Monthly Report
4. June 2026 Library Monthly Report
5. June 2026 Municipal Court Monthly Report
6. June 2026 Parks and Recreation/Facility Maintenance Monthly Report
7. June 2026 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 Meeting of June 22, 2026. April Jackson, City Secretary
2. Consider approval of a resolution setting a public hearing to establish and adopt Tax Abatement Guidelines and Criteria for granting tax abatements in reinvestment zones within the City of Palestine. Christophe Trahan, EDC Director **(Resolution No. R-18-26)**
3. Consider approval of a 60-month agreement with UniFirst Corporation for floor mats and uniform rental services through the BuyBoard Cooperative Purchasing Program, Contract No. 773-25. Andrew Sibai, Finance Director
4. Consider approval of 100% water leak adjustment credits for two residential utility customers. Andrew Sibai, Finance Director
5. Consider approval of the final purchase price of $799,718.25 for the Sutphen fire apparatus. Andrew Sibai, Finance Director
6. Consider approval of a Memorandum of Understanding with Westwood Independent School District for the placement of outdoor warning system sirens on District-owned property. Micah Betterton, Assistant Fire Chief

Motion by Mayor Pro Tem Ava Harmon, seconded by Council Member James Smith to approve the Consent Agenda as presented, adopting **Resolution No. R-18-26**.

Vote: 6 - 0 - Unanimously

Other: Council Member Christopher Gibbs (ABSENT)

H. **REGULAR AGENDA**

1. Discussion and possible action regarding an ordinance amending Chapter 98, Utilities, Article III, Rates and Charges, Section 98-93, Solid Waste Collection Fees, of the Code of Ordinances. Andrew Sibai, Finance Director **(Ordinance No. O-20-26)**

Finance Director Andrew Sibai requested approval of an ordinance amending the City's solid waste collection fees to reflect the 4% rate increase implemented by Waste Connections, effective May 2026, pursuant to the City's solid waste services agreement. The ordinance amended the City's fee schedule to pass the adjusted rates through to customers. City Attorney

Pullum confirmed that the agreement was for a five-year term ending March 31, 2030, and City Manager Teresa Herrera confirmed that the contract was negotiated the previous year.

Motion by Council Member Sean Conner, seconded by Council Member Kenneth Davidson to approve the item as presented, adopting **Ordinance No. O-20-26**.

Vote: 7 - 0 - Unanimously

2. Consider approval of an ordinance amending Chapter 22, "Buildings and Building Regulations," Article II, "Buildings," Division 2, "Building Standards," of the Code of Ordinances of the City of Palestine to adopt amendments to the 2021 International Building Code, 2021 International Existing Building Code, 2021 International Residential Code, 2021 International Mechanical Code, 2021 International Plumbing Code, 2021 International Fuel Gas Code, and 2021 International Property Maintenance Code. Susan Davis, Development Services Director **(Ordinance No. O-21-26)**

Development Services Director Susan Davis requested approval of an ordinance adopting amendments to the 2021 International Building Code, 2021 International Existing Building Code, 2021 International Residential Code, 2021 International Mechanical Code, 2021 International Plumbing Code, 2021 International Fuel Gas Code, and 2021 International Property Maintenance Code. She advised that the Building and Standards Commission approved the proposed amendments during its regular meeting on June 25, 2026.

Motion by Mayor Pro Tem Ava Harmon, seconded by Council Member James Smith to approve the item as presented, adopting **Ordinance No. O-21-26**.

Vote: 7 - 0 - Unanimously

I. ITEMS FROM COUNCIL

Council Member Smith spoke regarding the multi-vehicle crash on Highway 155 and expressed his condolences to the families of those who lost their lives. He also offered his condolences to the Nicholson family. In addition, Mr. Smith recognized City staff for their efforts and acknowledged the recent Green Bay School celebration.

Council Member Conner spoke regarding the City's Fourth of July fireworks display and thanked the Police Department for its assistance with traffic control during the event.

Mayor Pro Tem Harmon recognized all City staff who helped organize and support the City's Fourth of July festivities.

J. MAYOR'S REPORT

Mayor Jordan spoke regarding the City's Fourth of July festivities and fireworks display. He also recognized the Police Department for ensuring public safety during the fireworks display.

Council Member Conner spoke regarding the City's Fourth of July parade and thanked the community for its support and patriotism.

Council Member Smith spoke regarding his absence from the Fourth of July parade.

Mayor Jordan recognized the Parks Department and downtown businesses for their patriotism and contributions to the City's Fourth of July celebrations.

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 5:45 p.m.

1. Section 551.087 deliberation regarding Economic Development negotiations: Texas State Railroad Authority.
2. Section 551.071: Consultation with attorney regarding potential claims and action related to the Downtown Revitalization project.
3. Section 551.074: Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of City Staff, and discuss related pay increases and staff turnover.
4. Section 551.074: Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of City Staff: Municipal Court Associate Judge Employment Agreement.

L. **RECONVENE IN REGULAR SESSION**

Mayor Jordan reconvened Council into open session at 7:42 p.m.

1. Take any action necessary regarding Economic Development negotiations with the Texas State Railroad Authority.

   No action was taken.

2. Take any action necessary regarding potential claims and action related to the Downtown Revitalization project.

   No action was taken.

3. Take any action necessary regarding City staff personnel matters, including related pay increases and staff turnover.

   No action was taken.

4. Take any action necessary regarding the Municipal Court Associate Judge Employment Agreement.

   Motion by Council Member Sean Conner, seconded by Mayor Pro Tem Ava Harmon to direct staff to post the notice for the Municipal Court Associate Judge position.

   Vote: 7 - 0 - Unanimously

M. **ADJOURNMENT**

With no other business to come before Council, the meeting was adjourned at 7:42 p.m.

PASSED AND APPROVED THIS 27TH DAY OF JULY 2026.

____

Mitchell W. Jordan, Mayor

ATTEST:

____

April Jackson, City Secretary

Agenda Date: July 27, 2026
To: City Council
From: April Jackson, City Secretary
Agenda Item: Sale of City-Owned Property at 800 Van Fleet Street
Date Submitted: 07/21/2026

SUMMARY:

The City owns an unimproved 0.249-acre parcel located at 800 Van Fleet Street. Staff requests authorization for the City Manager to seek sealed bids for the sale of the property in accordance with Texas Local Government Code Sections 253.008 and 272.001. The bids will be evaluated, and the proposal determined to provide the best value to the City will be presented to City Council for consideration.

RECOMMENDED ACTION:

Staff recommends authorizing the City Manager to seek sealed bids for the sale of the property in accordance with Texas Local Government Code Sections 253.008 and 272.001.

CITY MANAGER APPROVAL:

Attachments

ACAD Property Summary Report
Authorizing Resolution and Quit Claim Deed

PID 31543 | 800 VAN FLEET ST

GENERAL INFO

ACCOUNT

Property ID: 31543
Geographic ID: 6110-10000-00103
Type: R
Zoning:
Agent:
Legal Description: JACKSON BLOCK J LOT 1C & 1E

Property Use:

LOCATION

Address: 800 VAN FLEET ST, PALESTINE

Market Area:
Market Area CD: P2L
Map ID: 879

PROTEST

Protest Status:
Informal Date:
Formal Date:

OWNER

Name: CITY OF PALESTINE

Secondary Name:

Mailing Address: 504 N QUEEN PALESTINE TX 75801

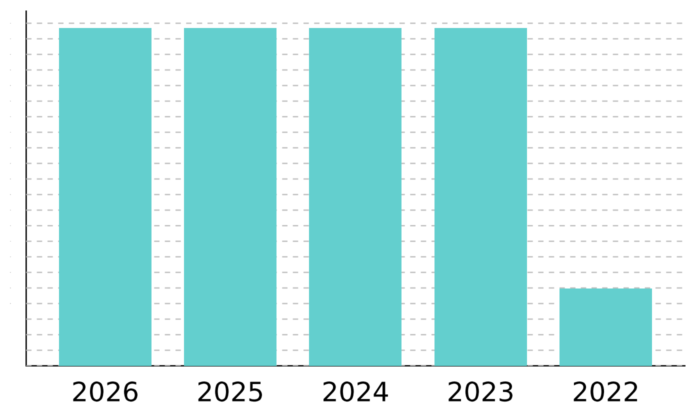
Owner ID: 5667850
% Ownership: 100.000000
Exemptions: EX - Exempt

VALUES

CURRENT VALUES

Land Homesite:	$0
Land Non-Homesite:	$5,423
Special Use Land Market:	$0
Total Land:	$5,423
Improvement Homesite:	$0
Improvement Non-Homesite:	$0
Total Improvement:	$0
Market:	$5,423
Special Use Exclusion (-):	$0
Appraised:	$5,423
Value Limitation Adjustment (-):	$0
Net Appraised:	$5,423

VALUE HISTORY



Values for the current year are preliminary and are subject to change.

VALUE HISTORY

Year	Land Market	Improvement	Special Use Exclusion	Appraised	Value Limitation Adj (-)	Net Appraised
2026	$5,423	$0	$0	$5,423	$0	$5,423
2025	$5,423	$0	$0	$5,423	$0	$5,423
2024	$5,423	$0	$0	$5,423	$0	$5,423
2023	$5,423	$0	$0	$5,423	$0	$5,423
2022	$1,243	$0	$0	$1,243	$0	$1,243

TAXING UNITS

Unit	Description	Tax Rate	Net Appraised	Taxable Value
G01	ANDERSON COUNTY	0.480714	$5,423	$0
RD1	FM / FLOOD CONTROL	0.013193	$5,423	$0
C03	CITY OF PALESTINE	0.614285	$5,423	$0
JC6	TVCC - PALESTINE	0.045040	$5,423	$0
S06	PALESTINE ISD	1.037800	$5,423	$0

IMPROVEMENT

LAND

Land	Description	Acres	SQFT	Cost per SQFT	Market Value	Special Use Value
3	UNIMPR LOT	0.2490	10,846	$0.50	$5,423	$0

DEED HISTORY

Deed Date	Type	Description	Grantor/Seller	Grantee/Buyer	Book ID	Volume	Page	Instrument
4/20/26	QCD	QUIT CLAIM DEED	ANDERSON COUNTY - TR	CITY OF PALESTINE				2026-4364
12/9/24	SD	SHERIFFS DEED	DECKARD MYRTLE	ANDERSON COUNTY - TR				2024-6876

Resolution # R 07-2026

FILED FOR RECORD
at 10:06 o'clock A M.

MAY 1 8 2026

MARK STAPLES
County Clerk, Anderson County, Texas
By 1R Deputy

STATE OF TEXAS
COUNTY OF ANDERSON

RESOLUTION AUTHORIZING TRANSFER OF PROPERTY TO THE CITY OF PALESTINE

WHEREAS, the County of Anderson, Texas, Trustee, in trust for the use and benefit of itself; The City of Palestine, Texas, for the use and benefit of itself; and the Palestine Independent School District, for the use and benefit of itself, hold certain property located at 800 Van Fleet Street, Palestine, Texas, identified below, in trust pursuant to a Sheriff's Deed recorded in Document 2024-6876, Official Records, Anderson County, Texas; and

WHEREAS, The City of Palestine, Texas, desires to utilize that certain property for the public purpose of community redevelopment; and

WHEREAS, the public purpose to which The City of Palestine, Texas, intends to apply the property inures to the benefit of all citizens; and

WHEREAS, the Commissioner's Court of Anderson County, Texas, has determined that it is in the public interests to convey its interest in the property described below to the City of Palestine, Texas, in fee in consideration of the public benefit to be derived therefrom;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONER'S COURT OF ANDERSON COUNTY, TEXAS:

The Anderson County Judge is hereby authorized and directed to execute, on behalf of the Commissioner's Court of Anderson County, Texas, a deed in the form annexed hereto as Exhibit A conveying to The City of Palestine, Texas :

PROPERTY: undivided interest in and to Lots 1C & 1E, Block J, Jackson Addition, City of Palestine, Texas (Document 2024-2876, Official Public Records, Anderson County, Texas) Tax Account No. R31543

THE FOREGOING RESOLUTION WAS MOVED AND SECONDED AND FINALLY ADOPTED BY MAJORITY VOTE AT A MEETING OF ANDERSON COUNTY COMMISSIONER'S COURT ON MAY 18, 2026

COUNTY COURT OF ANDERSON COUNTY TEXAS

Carey G. McKinney, County Judge
Anderson County, Texas

ATTEST:

____

Board Secretary ______________

QUIT CLAIM DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DATE: 18th day of May, 2026

GRANTOR: Palestine Independent School District, Trustee, and the County of Anderson, Texas, Trustee

GRANTEE: City of Palestine, Texas

GRANTEE'S MAILING ADDRESS: 504 N Queen St., Palestine, Texas 75801

CONSIDERATION: Ten and No/100 Dollars ($10.00) and other good and valuable consideration,

PROPERTY: All of GRANTOR'S undivided interest in and to Lots 1C & 1E, Block J in the Jackson Addition to the City of Palestine, Texas (Document 2024-2876, Official Public Records, Anderson County, Texas) Tax Account No. R31543

TAX FORECLOSURE LAWSUIT: Cause No. DCCV24-4691-87, THE COUNTY OF ANDERSON v. MYRTLE DECKARD ET AL, 87TH Judicial District Court

The PROPERTY was acquired by the GRANTORS at a Sheriff's Sale held pursuant to a Judgment Decree of the County Court at Law No. 2 in the TAX FORECLOSURE LAWSUIT that ordered foreclosure and sale of the PROPERTY for nonpayment of delinquent property taxes, penalties, interest and costs due GRANTORS.

The GRANTORS, acting through the presiding officer of its governing body, hereunto duly authorized by resolution and order of each respective governing body which is duly recorded in their official minutes, for and in consideration of the amount set out above, and subject to the reservations from and exceptions to conveyance, and other good and valuable consideration paid by the GRANTEE, the receipt and sufficiency of which are acknowledged by grantors, quitclaims to the grantee all of the right, title and interest, of grantors in the property acquired by the tax foreclosure sale held under the tax foreclosure lawsuit referenced above.

TO HAVE AND TO HOLD all of its right, title and interest in and to the PROPERTY unto the said GRANTEE, the GRANTEE'S successors and assigns forever without warranty of any kind, so that neither the GRANTORS, nor any person claiming under it and them, shall at any time hereafter have, claim or demand any right or title to the property, premises or appurtenances, or any part thereof.

GRANTORS excludes and excepts any warranties, express or implied, regarding the PROPERTY, including, without limitation, any warranties arising by common law or Section 5.023 of the Texas Property Tax Code or its successor.

GRANTOR has not made, and does not make any representations, warranties or covenants of any kind or character whatsoever, whether express or implied, with respect to the quality or condition of the PROPERTY, the suitability of the property for any and all activities and uses which GRANTEE may conduct thereon, compliance by the PROPERTY with any laws, rules, ordinances or regulations of any applicable governmental authority or habitability, merchantability or fitness for a particular purpose, and specifically, GRANTOR does not make any representations regarding hazardous waste, as defined by the Texas Solid Waste Disposal Act and the regulations adopted thereunder, or the U.S. Environmental Protection Agency regulations, or the disposal of any hazardous or toxic substances in or on the property.

The Property is hereby sold, transferred, and assigned to GRANTEE "as is" and "with all faults". This conveyance is expressly subject to all easements and restrictions of record. When the context requires, singular nouns and pronouns include the plural.

This Deed is executed pursuant to Resolutions passed by the Commissioner's Court of Anderson County, Texas on May 18, 2026.

IN TESTIMONY WHEREOF Commissioner's Court of Anderson County, Texas has caused these presents to be executed this the 18th day of May, 2026.

COUNTY COURT OF ANDERSON COUNTY, TEXAS

COUNTY OF ANDERSON, TEXAS

BY: Carey G. McKinney

Carey G. McKinney, County Judge

THE STATE OF TEXAS §

COUNTY OF ANDERSON §

BEFORE ME, the undersigned authority, on this day personally appeared Carey G. McKinney, County Judge of the County of Anderson, Texas, known to me to be the person whose name is subscribed to the foregoing document, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of ____________________, 2026.

____

Notary Public, State of Texas

After Recording, Return To:
McCreary Law Firm
703 N Mallard, Suite 104A
Palestine, Texas 76703

17

QUIT CLAIM DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DATE: 20 day of April, 2026

GRANTOR: Palestine Independent School District, Trustee, and the County of Anderson, Texas, Trustee

GRANTEE: City of Palestine, Texas

GRANTEE'S MAILING ADDRESS: 504 N Queen St., Palestine, Texas 75801

CONSIDERATION: Ten and No/100 Dollars ($10.00) and other good and valuable consideration,

PROPERTY: All of GRANTOR'S undivided interest in and to Lots 1C & 1E, Block J in the Jackson Addition to the City of Palestine, Texas (Document 2024-2876, Official Public Records, Anderson County, Texas) Tax Account No. R31543

TAX FORECLOSURE LAWSUIT: Cause No. DCCV24-4691-87, THE COUNTY OF ANDERSON v. MYRTLE DECKARD ET AL, 87TH Judicial District Court

The PROPERTY was acquired by the GRANTORS at a Sheriff's Sale held pursuant to a Judgment Decree of the County Court at Law No. 2 in the TAX FORECLOSURE LAWSUIT that ordered foreclosure and sale of the PROPERTY for nonpayment of delinquent property taxes, penalties, interest and costs due GRANTORS.

The GRANTORS, acting through the presiding officer of its governing body, hereunto duly authorized by resolution and order of each respective governing body which is duly recorded in their official minutes, for and in consideration of the amount set out above, and subject to the reservations from and exceptions to conveyance, and other good and valuable consideration paid by the GRANTEE, the receipt and sufficiency of which are acknowledged by grantors, quitclaims to the grantee all of the right, title and interest, of grantors in the property acquired by the tax foreclosure sale held under the tax foreclosure lawsuit referenced above.

TO HAVE AND TO HOLD all of its right, title and interest in and to the PROPERTY unto the said GRANTEE, the GRANTEE'S successors and assigns forever without warranty of any kind, so that neither the GRANTORS, nor any person claiming under it and them, shall at any time hereafter have, claim or demand any right or title to the property, premises or appurtenances, or any part thereof.

GRANTORS excludes and excepts any warranties, express or implied, regarding the PROPERTY, including, without limitation, any warranties arising by common law or Section 5.023 of the Texas Property Tax Code or its successor.

GRANTOR has not made, and does not make any representations, warranties or covenants of any kind or character whatsoever, whether express or implied, with respect to the quality or condition of the PROPERTY, the suitability of the property for any and all activities and uses which GRANTEE may conduct thereon, compliance by the PROPERTY with any laws, rules, ordinances or regulations of any applicable governmental authority or habitability, merchantability or fitness for a particular purpose, and specifically, GRANTOR does not make any representations regarding hazardous waste, as defined by the Texas Solid Waste Disposal Act and the regulations adopted thereunder, or the U.S. Environmental Protection Agency regulations, or the disposal of any hazardous or toxic substances in or on the property.

The Property is hereby sold, transferred, and assigned to GRANTEE "as is" and "with all faults". This conveyance is expressly subject to all easements and restrictions of record. When the context requires, singular nouns and pronouns include the plural.

This Deed is executed pursuant to Resolutions passed by the Palestine Independent School District Board of Trustees on April 20 , 2026.

IN TESTIMONY WHEREOF Palestine Independent School District, Trustee has caused these presents to be executed this the 20 day of April , 2026.

PALESTINE INDEPENDENT SCHOOL DISTRICT

BY: ______________________
Dr. Michael Garcia
President, Board of Trustees

THE STATE OF TEXAS §

COUNTY OF ANDERSON §

BEFORE ME, the undersigned authority, on this day personally appeared Dr. Micheal Garcia, President, Board of Trustees, Palestine Independent School District, known to me to be the person whose name is subscribed to the foregoing document, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein state.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20th day of April , 2026.

____
Notary Public, State of Texas

LISA MICHELLE EDGE
Notary Public
STATE OF TEXAS
ID # 12802574-1
My Comm. Exp. August 26, 2029

After Recording, Return To:
McCreary Law Firm
703 N Mallard, Suite 104A
Palestine, Texas ~~76703~~
75801

This Deed is executed pursuant to Resolutions passed by the Commissioner's Court of Anderson County, Texas on May 18, 2026.

IN TESTIMONY WHEREOF Commissioner's Court of Anderson County, Texas has caused these presents to be executed this the 18th day of ~~[illegible]~~ May, 2026.

CTn

COUNTY OF ANDERSON, TEXAS

BY: Carey G. McKinney
Carey G. McKinney, County Judge

THE STATE OF TEXAS §
§
COUNTY OF ANDERSON §

BEFORE ME, the undersigned authority, on this day personally appeared Carey G. McKinney, County Judge of the County of Anderson, Texas, known to me to be the person whose name is subscribed to the foregoing document, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 18th day of May, 2026.

Teresa Woodall
Notary Public, State of Texas

After Recording, Return To:
McCreary Law Firm
703 N Mallard, Suite 104A
Palestine, Texas 76703

NOTARY PUBLIC STATE OF TEXAS
TERESA GAIL WOODALL
Notary Public, State of Texas
Notary ID# 135538956
My Commission Expires
NOVEMBER 5, 2029

VG-88-2026-4364

Anderson County
Mark Staples
Anderson County Clerk

Document Number: 2026 - 4364

Real Property Recordings

QUIT CLAIM DEED

Recorded On: June 17, 2026 02:10 PM

Number of Pages: 4

" Examined and Charged as Follows: "

Total Recording: $33.00

*********** THIS PAGE IS PART OF THE INSTRUMENT ***********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number:	2026 - 4364
Receipt Number:	20260617000028
Recorded Date/Time:	June 17, 2026 02:10 PM
User:	Melissa H
Station:	ANCO_WS467

Record and Return To:

MCCREARY VELSELKA BRAGG & ALLEN PC
703 N MALLARD, STE 104A

PALESTINE TX 75801

STATE OF TEXAS
COUNTY OF ANDERSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Anderson County, Texas.

Mark Staples
Anderson County Clerk
Anderson County, TX

Mark Staples

Agenda Date: July 27, 2026
To: City Council
From: Cassie Ham, Tourism Marketing Manager
Agenda Item: Approval of Marketing Services Agreement with the Texas State Railroad for FY 2026/27
Date Submitted: 07/15/2026

SUMMARY:

Consider approval of a Marketing Services Agreement between Visit Palestine/City of Palestine and the Texas State Railroad in an amount not to exceed $25,000.00. Terms of the agreement are outlined in the attached contract.

The agreement was approved by the Tourism Advisory Board on June 2, 2026, by unanimous vote. The proposed budget for Hotel Occupancy Tax Funding Grants for FY 2026/27 is $100,000.00.

RECOMMENDED ACTION:

Staff recommends approving the agreement as presented.

CITY MANAGER APPROVAL:

Attachments

FY26-27 TSRR Marketing Services Agreement

STATE OF TEXAS §

COUNTY OF ANDERSON §

HOTEL OCCUPANCY TAX
MARKETING AGREEMENT BETWEEN
CITY OF PALESTINE AND
TEXAS STATE RAILROAD

This Hotel Occupancy Tax Marketing Agreement ("Agreement") is made and entered into by and between the City of Palestine, Texas ("City") and the Texas State Railroad ("TSRR") for certain marketing and destination advertising services.

WHEREAS, City seeks to promote Palestine to residents and visitors; and

WHEREAS, City is promoting the events and festivals to assist in bringing visitors to Palestine and to promote visitors to the city for extended periods of time; and

WHEREAS, City, by authority of powers granted to it under state law, has heretofore enacted a local hotel occupancy tax on occupants of hotels situated within the City and its extraterritorial jurisdiction.

WHEREAS, the goal of this Agreement is to utilize current and strategic marketing efforts offered by TSRR to attract visitors to the City, thus directly enhancing and promoting tourism as outlined in Chapter 351 of the Texas Tax Code and the City's Hotel Occupancy Tax Use Policy; and

WHEREAS, the City Council of the City of Palestine desires to provide Hotel Occupancy Tax revenues to TSRR in accordance with the applicable Hotel Occupancy Tax Funding regulations to achieve the purpose stated herein.

NOW, THEREFORE, it is mutually agreed by the City and TSRR as follows:

GENERAL PROVISIONS

<u>Section 1</u>. <u>Purpose</u>. The purpose of this Agreement is for TSRR to provide the marketing services listed below to the City of Palestine. TSRR intends to utilize its vast network and strategic marketing tools to further promote the City and attract visitors to the City with targeted advertising and events.

<u>Section 2</u>. <u>Obligation of the TSRR</u>. TSRR shall use all awarded funds provided by the City in accordance with Chapter 351 of the Texas Tax Code, the City's Hotel Occupancy Tax Use Policy, and as required under this Agreement. TSRR shall observe and comply with all other applicable federal, state, and local laws and/or regulations. If TSRR fails to comply with any provision of Chapter 351 of the Texas Tax Code, or any other applicable federal, state, or local law or regulation, TSRR shall remit the funds granted herein back to the City within ten (10) days of the noncompliance with said laws or regulations. For the purposes of this Agreement, the determination regarding whether noncompliance with any provision of Chapter 351 of the Texas Tax Code, or any other applicable federal, state, or local law or regulation has occurred shall be within the sole discretion of the City.

TSRR shall provide the following services for the City and its affiliate Visit Palestine:

A) Provide link to Visit Palestine Website and #PalestineTX on each post on Facebook and #PalestineTX on each Instagram Post. Many posts will be "Sponsored" of which advertising is purchased by Texas State Railroad.

B) Where possible, TSRR will invite Visit Palestine as a collaborator on posts on Facebook and Instagram where the TSRR has featured Visit Palestine in the content.

C) Provide Visit Palestine website link on each excursion page on Texas State Railroad Website with a statement after each excursion description inviting guests to follow link for more information on places to stay, where to eat, things to do while in town.

D) Provide 4 (Four) first class ticket vouchers to Visit Palestine each month of the general season March – October for Visit Palestine to use how they see fit in efforts to promote tourism through give-a-ways. Ticket vouchers will be based upon availability and good for any Piney Woods Express Train during the general season and Visit Palestine's fiscal year.

E) Provide 2 (Two) First Class Ticket Vouchers to Visit Palestine for every Event Train of the general season for Visit Palestine to use how they see fit in efforts to promote tourism through give-a-ways and other events. Ticket vouchers will be based upon availability and good for any Event Train during the General Season and Visit Palestine's fiscal year.

F) Provide link to Visit Palestine on all email campaigns whether it be a "Flash Sale", "Discount Code" Email Campaign or simply a general campaign.

G) Place signage throughout the grounds during our THE POLAR EXPRESS™ TRAIN RIDE 2026. Signage would be allowed in accordance with rules and regulations applicable by the licensed event. For example, Cookies and Cocoa provided by (or sponsored by) Visit Palestine along with QR code / link to Visit Palestine website and signage. Signage should be approved by Visit Palestine prior to placement.

H) Place Visit Palestine QR code or link to Visit Palestine on Polar as well as general season ticket confirmations emailed directly to the guest when reservations are booked for every train throughout Visit Palestine's fiscal year.

I) Place Visit Palestine QR code or link to Visit Palestine on Polar as well as general season boarding passes printed for each guest on every train throughout Visit Palestine's fiscal year. Where feasible, Texas State Railroads commits, in good faith, to mention and/or utilize Visit Palestine's current logo, branding, and links in other advertising mediums such as print, radio, and/or television.

For all marketing materials produced by TSRR that feature Visit Palestine, the Visit Palestine advertising shall appear within the first twenty percent (20%) of the content. The Visit Palestine content shall not appear only as a footer or hashtag.

Section 3. Reporting Requirements of TSRR. TSRR shall provide reports for use of HOT funds related to comarketing TSRR and Visit Palestine. Additionally, TSRR should provide relevant analytical data for the advertising they produced as a quarterly report, with a final campaign report at the end of the agreement period. TSRR shall maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue made by the person and, on request of the City, shall make the records available for inspection and review. Partial or incomplete reports will not be accepted.

Section 4. Authorization of Payment. Subject to TSRR's satisfactory performance and compliance with the terms of this Agreement, the City agrees to provide payment in the amount of twenty five thousand dollars ($25,000). Payment shall be a single payment and will be made within thirty (30) days of October 1, 2026, of this Agreement. TSRR agrees to repay or forfeit HOT funds if TSRR does not comply with this Agreement or with other applicable state or local laws.

Section 5. Term. The term of this Agreement shall become effective as of October 1, 2026 and shall expire on September 30, 2027, unless sooner terminated under the terms of Section 8.

Section 6. Rights. TSRR grants the City the right at any time to inspect or audit the books or records of TSRR, or any report or document submitted by TSRR to the City that may relate to performance of this Agreement. By signing this Agreement, TSRR agrees to comply with all local, state and federal laws applicable or otherwise implicated by TSRR's receipt of a Hotel Occupancy Tax Funding Grant, which includes but is not limited to TSRR'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 TSRR'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.

City grants TSRR a non-exclusive, non-transferable, revocable, and limited personal license to use City's name, trademark, logo, and other identifying characteristics, including Visit Palestine ("Branding"), for use for the limited purpose of promotions related to this Agreement, subject to the limitations herein contained. Except for the limited license rights granted herein, City reserves for itself all right, title, and interest in and to the Branding. City will provide Recipient with a suite of official logos and color graphics for use in connection with this Agreement.

Section 7. Indemnification. TSRR agrees to defend and indemnify the City, its officers, agents, and employees, against all claims for personal injury (including death), property damage or other harm for which recovery of damages is sought that may arise out of TSRR's breach of this Agreement, or by any negligent act or omission of TSRR, its officers, agents, employees, contractors, or subcontractors in the performance of this Agreement. The provisions of this paragraph are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Both parties expressly agree that this Agreement does not assign any responsibility for civil liability to the City of Palestine that may arise by virtue of this Agreement.

Section 8. Termination. A party may terminate this Agreement if the other party fails to comply with a term of the Agreement upon ten (10) days' notice. A party may terminate the Agreement for convenience by providing written notice at least thirty (30) days prior to the effective date of the termination.

Section 9. Notice. All notices under this Agreement shall be in writing and shall be delivered in person or mailed as follows:

to the City at:
Palestine Visitor Center Attention: Cassie Ham
825 W. Spring Street
Palestine, TX 75801
(903) 723-3014

to TSRR at:
Texas State Railroad Attention: Amy Guerin
789 Park Road 70
Palestine, TX 75801
281-541-0541

MISCELLANEOUS

Section 10. Entire Agreement. This Agreement constitutes the entire Agreement of the parties regarding the subject matter contained herein. The parties may not modify or amend this Agreement, except by written Agreement approved by the governing bodies of each party and duly executed by both parties.

Section 11. Approval. This Agreement has been duly and properly approved by each party's governing body and constitutes a binding obligation on each party.

Section 12. Assignment. A party may not assign this Agreement or subcontract the performance of services without first obtaining the written consent of the other party.

Section 13. Non-Waiver. A party's failure or delay to exercise right or remedy does not constitute a waiver of the right or remedy. An exercise of a right or remedy under this Agreement does not preclude the exercise of another right or remedy. Rights and remedies under this Agreement are cumulative and are not exclusive of other rights or remedies provided by law.

Section 14. Attorney Fees. In any lawsuit concerning this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees from the non-prevailing party, plus all out-of-pocket expense such as deposition costs, telephone calls, travel expenses, expert witness fees, court costs, and other reasonable expenses.

Section 15. Severability. The parties agree that in the event any provision of this Agreement is declared invalid by a court of competent jurisdiction that part of the Agreement is severable and the decree shall not affect the remainder of the Agreement. The remainder of the Agreement shall be in full force and effect.

Section 16. Venue. The parties agree that all disputes that arise out of this Agreement are governed by the laws of the State of Texas and venue for any court action arising out of this Agreement shall be in Anderson County, Texas.

IN WITNESS HEREOF, the City and TSRR make and execute this Agreement to be effective this 27th day of JULY 2026.

CITY OF PALESTINE, TEXAS:

____
Mitchell Jordan, Mayor

ATTEST:

____
April Jackson, City Secretary

TEXAS STATE RAILROAD:

____
Amy Guerin, TSRR

THE CITY OF PALESTINE TEXAS 1846

Agenda Date:	July 27, 2026
To:	City Council
From:	Kimberly Beckman, Public Works Admin
Agenda Item:	Award of Bid RFP 2026-002 - Wastewater Treatment Plant Chemicals
Date Submitted:	07/16/2026

SUMMARY:

Consider awarding bid RFP 2026-002 – Wastewater Treatment Plant Chemicals as follows:

- **Sodium Bisulfite:** Award to Univar Solutions USA Inc. at $0.40 per wet lb, not to exceed $77,151.00.
- **Cationic Water Soluble Polymer in Emulsion:** Award to SNF Polydyne Inc. at $1.65 per lb, not to exceed $37,950.00.
- **Chlorine:** Award to Brenntag Southwest, LLC at $2,500.00 per ton, not to exceed $56,000.00.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Brenntag Bid
SNF Bid
Univar Bid
Bid Tab

2. COST PROPOSAL

2.1. WHAT BRENNTAG WILL PROVIDE TO THE CITY OF PALESTINE

Brenntag Southwest, LLC will provide the following chemicals to the City of Palestine:

Chlorine in 1 Ton Containers for $2,550/Ton delivered to the City of Palestine

2.2. PROPOSED PRICING MECHANISM

The cost proposal is the established baseline price for the services and products listed and protects both the vendor and the City. Prices can be negotiated after bids are opened based on increases and/or decreases in the same amount as the market changes. Brenntag will provide documentation or index references to substantiate the change in price. If price decreases occur over the term of any resulting agreement, Brenntag will pass along the decreases in pricing.

2.3. FREIGHT COMPONENT

All pricing proposed in the Cost Proposal is delivered to the City of Palestine.

2.4. VALUE ADDED SERVICES

Brenntag Southwest, LLC strives to provide competitive pricing, quality assurance, on time delivery and technical support. All of these make Brenntag the global market leader in full-line chemical distribution (based on most recent market data). We offer you the best technical support and competitive edge to make you a leader in your industry.

Modern warehouses, tank farms, drumming and blending facilities, as well as a total focus on quality and service, makes us your ideal partner. Large or small, our business depends on your success.

Some of our value added services include:
- Custom Blending
- JIT Deliveries
- Bulk Liquids Packaging
- Pressurized Gas Packaging
- NSF, FCC, USP and Kosher Packaging
- Custom Packaging
- Returnable Containers (Totes, Drums)
- Summary Billing
- Vendor Managed Inventory
- Supply Chain Management
- e-Commerce

Brenntag offers a broad range of Custom Chemical Services for dry and liquid products. State-of-the-art facilities, staffed by highly qualified professional personnel enable Brenntag to assist customers in evaluating and addressing the many technical and logistical challenges that occur in today's complex environment. From basic acid, alkaline and solvent blends to specific temperature sensitive or high viscosity products, our customized process facilities assure accurate blending of both dry and liquid products.

SNF
WATER SCIENCE

polydyneinc.com

CITY OF PALESTINE

PRICING PAGE FOR REQUEST FOR PROPOSALS (RFP)
RFP 2026-002 – WASTEWATER TREATMENT PLANT CHEMICALS
DUE JULY 14, 2026, AT 10:30 A.M.

CHEMICALS	QUANTITY	SPECIFICATIONS	PRODUCT	UNIT PRICE
Sodium Bisulfite	78,000 Lbs. per year	40% Sodium Bisulfite. Must have Remote monitoring for auto deliveries. Must be able to pump product into a day tank.	No Bid	No Bid
Cationic water-soluble Polymer in emulsion	(17) Totes per year, 2,300 Lbs. each, 265 gallons per tote.	7602; 20 – 30%, < 5.0%; must be delivered in totes; has to perform as well as product we currently use; product must be pre-qualified.	CLARIFLOC C-6266	$3,795.00 per 2300 Lb. Tote ($1.65/Lb.)
Chlorine	20 – 25 1 Ton CL_2 Cylinders per year	100% Chlorine gas in 1-ton cylinders.	No Bid	No Bid

PAYMENT TERMS: Net 30 Days – No Discounts

PROPOSAL DATES: October 1, 2026 – September 30, 2027

DELIVERY TIMES: Please allow 5 business days for delivery after receipt of order (A.R.O.)

Thank you for consideration of our proposal.

Best Regards,

Boyd Stanley

Boyd Stanley, Sr. Vice-President

Date: July 9, 2026

Univar Solutions USA LLC.
8201 S. 212th
Kent, WA 98032-1994
USA

T 206-653-5075
www.univarsolutionsusa.com

Univar Solutions
Innovate. Grow. Together.

July 8, 2026

City of Palestine
Attn: April Jackson
504 North Queen Street
Palestine, TX 75801

RE: RFP 2026-002, Wastewater Treatment Chemicals

Dear April Jackson,

Univar Solutions USA Inc. is pleased to offer a price quote on your IFB due Tuesday, July 14, 2026 at 10:00am and has done so on the attached required paperwork.

CHEMICAL	QUANTITY	Product No.	BID PRICE	FOB	MIN. ORDER REQUIREMENT?	COMMENTS
Sodium Bisulfite	78000lbs	16150080	$0.40/lb	DL	Autofill mini bulk	Free tank telemetry
Cationic Polymer	39100lbs		No Bid			
Chlorine	25 – 25 1ton Cylinders		No Bid			

Pricing is secure from October 1, 2026 – September 30, 2027. If you have any questions, please feel free to contact me: (206) 653-5075. I look forward to hearing the results.

Sincerely,

Roise Holiday

Sr. Municipal Bid Specialist
Univar Solutions USA LLC
P – (206) 653-5075
Roise.holidayhenry@univarsolutions.com
www.univarsolutions.com

CITY OF PALESTINE – PUBLIC WORKS
CHEMICAL BID TABULATIONS
WASTEWATER TREATMENT PLANT (WWTP)
RFP 2026-002

PRODUCTS	VENDOR ________ BID SUBMITTED	VENDOR ________ BID SUBMITTED	VENDOR ________ BID SUBMITTED	BID AWARDED
SODIUM BISULFITE: • **QUANTITY** – 68.000 lbs (approx. 8200 gallons) per year • **Specs** – 40% Sodium Bisulfite. Must have Remote monitoring for auto deliveries. Must be able to pump product into a day tank.	UNIVAR 12720 E US HWY 92, TRL 427 DOVE, FL 33527 $0.40 PER WET LB	HAWKINS 2801 SPENCE ST LUFKIN, TX 75904 $0.45 PER WET LB	PENCCO PO BOX 600 SAN FELIPE, TX 77473 NO BID	UNIVAR 12720 E US HWY 92, TRL 427 DOVE, FL 33527 $0.40 PER WET LB
CATIONIC WATER SOLUBLE POLYMER IN EMULSION: • **QUANTITY** – 14 Totes per year. 2300 LBS; 265 gallons per tote. • **SPECS** – 7602; 20-30% < 5.0%; must be delivered in totes; must perform as well as product we currently use; product must be pre-qualified.	SNF POLYDYNE 1 CHEMICAL PLANT RD RICEBORO, GA 31323 $3,795.00 PER 2300 LB TOTE $1.65/lb	HAWKINS 2801 SPENCE ST LUFKIN, TX 75904 NO BID	SOLENIS LLC 2475 PINNACLE DR WILMINGTON, DE 19803 $3,778.50 PER 2300 LB TOTE $1.65/lb	SNF POLYDYNE 1 CHEMICAL PLANT RD RICEBORO, GA 31323 $3,795.00 PER 2300 LB TOTE $1.65/lb
CHLORINE: • **QUANTITY** – 20-25 1-ton CL_2 Cylinders per year. • **SPECS** – 100% Chlorine gas in 1-ton cylinders.	BRENNTAG 704 E WINTERGREEN RD LANCASTER, TX 75134 $2,550/TON	SNF POLYDYNE 1 CHEMICAL PLANT RD RICEBORO, GA 31323 NO BID	PENCCO PO BOX 600 SAN FELIPE, TX 77473 NO BID	BRENNTAG 704 E WINTERGREEN RD LANCASTER, TX 75134 $2,550/TON

Agenda Date:	July 27, 2026
To:	City Council
From:	Kimberly Beckman, Public Works Admin
Agenda Item:	Award of Bid RFP 2026-003 - Water Treatment Plant Chemicals
Date Submitted:	07/17/2026

SUMMARY:

Consider awarding bid RFP 2026-003 – Water Treatment Plant Chemicals as follows:

- **Aluminum Sulfate (Alum):** Veolia North America – $192.00 per liquid ton, not to exceed $91,320.00.
- **Anhydrous Ammonia:** Airgas Specialty Products, Inc. – $1.29 per lb, not to exceed $26,832.00.
- **Activated Carbon:** Norit Americas Inc. – $0.85 per lb, not to exceed $68,209.00.
- **Copper Sulfate:** Hawkins, Inc. – $8.75 per gallon, not to exceed $61,250.00.
- **Lime:** Garrison Minerals, LLC – $0.215 per dry lb, not to exceed $70,852.00.
- **Polyphosphate:** Hawkins, Inc. – $10.50 per gallon, not to exceed $63,000.00.
- **Chlorine:** Brenntag Southwest, LLC – $2,550.00 per ton, not to exceed $63,750.00.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Bid Tab
AIRGAS BID
SHANNON BID
VEOLIA BID
NORIT BID
HAWKINS BID
GARRISON BID
BRENNTAG BID
CHEMTRADE BID
USALCO BID

CITY OF PALESTINE – PUBLIC WORKS
CHEMICAL BID TABULATIONS
WATER TREATMENT PLANT (WTP)
RFP 2026-003

CHEMICALS	VENDOR SHANNON CHEMICAL	VENDOR VEOLIA	VENDOR AIRGAS	VENDOR NORIT	VENDOR HAWKINS	VENDOR GARRISON MINERALS	VENDOR BRENNTAG	VENDOR CHEMTRADE	VENDOR USALCO
ALUMINUM SULFATE (ALUM)	NO BID	$192/TON	NO BID	NO BID	NO BID	NO BID	NO BID	$215.34/TON	$528.14/TON
ANHYDROUS AMMONIA	NO BID	NO BID	$1.29/LB	NO BID	NO BID	NO BID	NO BID	NO BID	NO BID
CARBON	NO BID	NO BID	NO BID	$0.85/LB	$2.50/LB	NO BID	NO BID	NO BID	NO BID
COPPER SULFATE	NO BID	$17.35/GAL	NO BID	NO BID	$8.75/GAL	NO BID	NO BID	NO BID	NO BID
LIME	NO BID	NO BID	NO BID	NO BID	$0.55/LB	$0.215/LB	NO BID	NO BID	NO BID
POLYPHOSPHATE	$19.17/GAL	NO BID	NO BID	NO BID	$10.50/GAL	NO BID	NO BID	NO BID	NO BID
CHLORINE CYLINDERS	NO BID	NO BID	NO BID	NO BID	NO BID	NO BID	$2,550/TON	NO BID	NO BID

RFP 2026-003; WTP CHEMICAL BID AWARD SUMMARY

CHEMICALS	BID AWARDS	CHEMICAL BID DETAILS
ALUMINUM SULFATE (ALUM)	Veolia	$192/ton
ANHYDROUS AMMONIA	Airgas	$1.29 per lb
CARBON	Norit	$0.85 per lb
COPPER SULFATE	Hawkins	$8.75 per gal
LIME	Garrison Minerals	$0.215 per dry pound
POLYPHOSPHATE	Hawkins	$10.50 per gal
CHLORINE CYLINDERS	Brenntag	$2,550 per ton

Airgas

Airgas Specialty Products, Inc.
2530 Sever Road, Suite 300
Lawrenceville, GA 30043
(800) 295-2225 Fax: (866) 689-3382
www.airgasspecialtyproducts.com

July 8, 2026

City of Palestine City Secretary
ATTN – SEALED RFP 2026-003 SEALED PROPOSALS-DUE TUESDAY, JULY 14, 2026
AT 10AM CDT
504 North Queen Street
Palestine, TX 75801

RE: SEALED RFP – 2026-003; WATER TREATMENT PLANT CHEMICALS

To Whom It May Concern:

Thank you for allowing Airgas Specialty Products, Inc. to participate in the bidding process for the City of Palestine's Anhydrous Ammonia needs.

Our proposed price is $1.29 per pound or $2,580/ton. of Anhydrous Ammonia and the supporting documents are attached for your consideration.

We look forward to continue working with you in the future. Let us know if you have any questions or concerns.

Thank you,

April Bode
Business Development and Contracts Manager
Airgas Specialty Products, Inc.
2530 Sever Road, Suite 300
Lawrenceville, GA 30043
470-941-8143
April.bode@Airgas.com

ORiginal

Shannon Chemical Corp.

P.O. Box 376 Malvern, PA 19355 • Phone: (610) 363-9090 • Fax: (610) 524-6050

July 7, 2026

City of Palestine
504 N. Queen Street
Palestine, TX 75801

Attention: April Jackson, City Secretary

Subject: RFP 2026-003; Water Treatment Plant Chemicals
Bid Opening: July 14, 2026 @ 10:30 a.m.

Dear April,

SHANNON CHEMICAL is pleased to have the opportunity to submit pricing on your requirements of polyphosphate.

We offer to supply the City of Palestine with the following:

1. Polyphosphate, **SLI-5385**, at a firm delivered price of $19.17/gallon.

Terms are Net 30 days and shipments are made within 3 days ARO. Statement of Qualifications is attached.

Thank you for your interest in **SHANNON CHEMICAL'S** products and services.

Respectfully,

DCM-

Daniel C. Flynn
SHANNON CHEMICAL, LLC

VEOLIA ES TECHNICAL SOLUTIONS
PO Box 853027 | Mesquite, TX 75185 | info@veolia.com

July 13, 2026

City of Palestine, Texas
Attn: April Jackson, City Secretary
504 North Queen Street
Palestine, TX 75801

Re: Request for Proposals – Water Treatment Plant Chemicals, RFP 2026-003

Dear Ms. Jackson:

Veolia North America (formerly Chameleon Industries Inc., which Veolia acquired) is pleased to submit the following proposal to continue supplying water treatment chemicals to the City of Palestine for Fiscal Year 2026–2027 (October 1, 2026 through September 30, 2027):

Product	Quantity	Unit	FY2027 Price
Aluminum Sulfate	~1,200 tons (50 loads)	ton	$192 / ton*
Anhydrous Ammonia	7,800 lb	lb	No bid
Carbon	80,000 lb	lb	No bid
Copper Sulfate	7,000 gal	gal	$17.35 / gal**
Lime	8,000 bag	bag	No bid
Polyphosphate	–	lb	No bid
Chlorine Cylinders	29	ton	No bid

*Estimated Delivery Qnty: 24 tons
**Bidding an alternate product: EarthTec | Estimated Delivery Qnty: 225 gal (est.)
Payment Terms: Net 30 Days
Pricing Validity: 10/1/2026 – 9/30/2027
F.O.B: destination – Palestine, TX
A.R.O: 2-day standard delivery; same-day emergency (no fee)

Market Conditions: Consistent with Section III of this RFP, Veolia agrees to the pricing established above as its baseline and will provide supporting documentation with any future request for a price adjustment tied to verified changes in raw material costs.

Note on Corporate Transition: Chameleon Industries Inc. was recently acquired by Veolia North America. This proposal is submitted by Veolia ES Technical Solutions; product manufacturing continues without interruption at the same Texas facilities that have served the City of Palestine since 2015, under their existing NSF/ANSI 60 and AWWA B403 certifications.

Attached please find our Statement of Qualifications, Safety Data Sheets, Affidavit of Compliance, and NSF Certification for the products proposed. A current Certificate of Liability Insurance naming the City of Palestine as certificate holder will follow under separate cover. Thank you for this opportunity and for the continued partnership with the City of Palestine.

Respectfully,

Jason L. Garza
General Manager | Veolia

Norit Americas Inc.

NORIT ACTIVATED CARBON

July 10, 2026

City of Palestine, TX
City Secretary
ATTN: April Jackson, City Secretary
504 North Queen Street
Palestine, TX 75801

RE: RFP 2026-003 Water Treatment Plant Chemicals
To be opened: July 14, 2026 at 10:30AM

Ladies and Gentlemen;

Norit Americas Inc. is pleased to offer the following pricing for our Powdered Activated Carbon price quotation for the provision of PAC. We have done business with the City of Palestine as it's Powdered Activated Carbon supplier for several years now. The product offered HYDRODARCO B Enclosed is a Product Datasheet that describes specifications and list typical properties of HYDRODARCO B. This product complies with AWWA B600 guidelines and is certified under ANSI/NSF Standard 61. Norit's manufacturing facilities are ISO 9001:2008 Quality Certified.

Pricing is good through 09/30/2027.

Item	Packaging	Shipping Terms	Minimum Order Quantity	Price Per Pound
HYDRODARCO B	Bulk	FOB Palestine, TX	80,000 lbs	**$0.85**

To place an order please contact:
Customer Care
customerserviceNA@Norit.com

Thank you for allowing us to quote Norit's carbon and please contact me if I can be of additional assistance.

Regards,
Norit Americas Inc.

Dani Alan

Dani Alan
Inside Sales
PACsalesNA@norit.com
phone: 903.578.5855

Attachments:

- 3 Copies of Bid Packet
- NSF Certificate
- Certificate of Insurance
- Datasheet
- SDS
- References

July 13, 2026

City of Palestine
April Jackson, City Secretary
504 North Queen Street
Palestine, Texas 75801

RE: RFP 2026-003 Water Treatment Plant Chemicals

To April Jackson,

Hawkins, Inc. is pleased to submit our response to the City of Palestine's Request for Proposal for the supply and delivery of water treatment chemicals. As a specialty chemical manufacturer and distributor with more than 70 years of proven performance, Hawkins is fully qualified to meet the City's requirements for reliable, high-quality chemical supply over the term of the contract.

Hawkins has been a supplier for water treatment chemicals to Aqua Texas since 2021. Aqua Texas provides water and wastewater services to several subdivisions and communities around Lake Palestine in East Texas, primarily in Henderson County. Further references are included in our submission.

Hawkins is prepared to furnish and deliver all chemicals in the exact formulations, concentrations, and packaging specified in the City's RFP, Appendix A. As a manufacturer and distributor with multiple storage and production facilities, Hawkins maintains strong redundancy, allowing uninterrupted supply.

Hawkins Inc. has assembled the following prices for your consideration:

Product	Carbon (PAC)	Lime	Copper Sulfate	Polyphosphate
Item Number	55440	56534	68492	61128
Price	$2.50/lb	$0.55/lb	$8.75/gal	$10.50/gal

Prices are valid, delivered to your facility, for the period of October 1, 2026, through September 30, 2027.

Service and delivery will be performed by our Lufkin, Texas facility.

Hawkins, Inc.
2801 Spence St
Lufkin, TX 75904

GARRISON **MINERALS**

RFP 2026-003 – WATER TREATMENT PLANT CHEMICALS

Response of Garrison Minerals LLC — Lime (Hydrated Lime)

Garrison Minerals LLC submits the following proposal for the **Lime** line item of RFP 2026-003 – Water Treatment Plant Chemicals.

Garrison Minerals is the **incumbent supplier of Hydrated Lime** to the City of Palestine Water Treatment Plant, awarded under RFP 2025-025 by City Council on September 22, 2025.

PRICING — Fiscal Year 2026-2027 (October 1, 2026 – September 30, 2027)

$10.75 / bag | $430.00 / dry ton | $0.215 / dry pound

DELIVERED. NO DELIVERY FEE. NO FREIGHT CHARGE. NO ANCILLARY CHARGES.

Pricing is delivered to the City of Palestine Water Treatment Plant and includes all transportation. This is the **same delivered price** Garrison Minerals held under the FY2025-2026 agreement — no increase.

PRODUCT

NSF/ANSI 60 certified Hydrated Lime (Calcium Hydroxide), packaged in 50 lb bags, shrink-wrapped on wooden pallets, 22 pallets per truckload. Product meets the Appendix A specification: pH at 25°C of 12.45; relative density 2.2 – 2.4.

QUANTITY

Garrison Minerals will supply the estimated 8 loads (20 pallets of 40 bags per load) identified in Appendix A, and will accommodate variation from that estimate based on the City's operational needs.

PRICE PROTECTION

Garrison Minerals accepts the Market Conditions provisions set forth in Section III of this Request for Proposals. Garrison will hold the baseline price above for the full term and will pass through to the City any decreases in market pricing. Any request for adjustment will be submitted in writing with supporting documentation as required.

SECTION VIII — PROPOSAL INFORMATION

1. **Company name and address, including the location that will provide the products.**
   Garrison Minerals LLC
   6121 Tundra Drive, Cheyenne, WY 82007
   Garrison Minerals maintains stocking locations in Cheyenne, WY; Houston, TX; and Crandall, GA — all stocking Calcium Hydroxide.
2. **Primary contact person for this proposal.**

2. Cost Proposal

2.1. What Brenntag Will Provide to the City of Palestine

Brenntag Southwest, LLC will provide the following chemicals to the City of Palestine:

Chlorine in 1 Ton Containers for $2,550/Ton delivered to the City of Palestine

2.2. Proposed Pricing Mechanism

The cost proposal is the established baseline price for the services and products listed and protects both the vendor and the City. Prices can be negotiated after bids are opened based on increases and/or decreases in the same amount as the market changes. Brenntag will provide documentation or index references to substantiate the change in price. If price decreases occur over the term of any resulting agreement, Brenntag will pass along the decreases in pricing.

2.3. Freight Component

All pricing proposed in the Cost Proposal is delivered to the City of Palestine.

2.4. Value Added Services

Brenntag Southwest, LLC strives to provide competitive pricing, quality assurance, on time delivery and technical support. All of these make Brenntag the global market leader in full-line chemical distribution (based on most recent market data). We offer you the best technical support and competitive edge to make you a leader in your industry.

Modern warehouses, tank farms, drumming and blending facilities, as well as a total focus on quality and service, makes us your ideal partner. Large or small, our business depends on your success.

Some of our value added services include:

- Custom Blending
- JIT Deliveries
- Bulk Liquids Packaging
- Pressurized Gas Packaging
- NSF, FCC, USP and Kosher Packaging
- Custom Packaging
- Returnable Containers (Totes, Drums)
- Summary Billing
- Vendor Managed Inventory
- Supply Chain Management
- e-Commerce

Brenntag offers a broad range of Custom Chemical Services for dry and liquid products. State-of-the-art facilities, staffed by highly qualified professional personnel enable Brenntag to assist customers in evaluating and addressing the many technical and logistical challenges that occur in today's complex environment. From basic acid, alkaline and solvent blends to specific temperature sensitive or high viscosity products, our customized process facilities assure accurate blending of both dry and liquid products.

ORIGINAL

CHEMTRADE

Water Chemicals Group

90 East Halsey Road
Parsippany, NJ 07054
Tel: 800-441-2659
Fax: 973-515-4461
www.ChemtradeLogistics.com

July 9, 2026

City of Palestine
Attn: April Jackson, City Secretary
504 North Queen Street
Palestine, TX 75801

SUBJECT: RFP 2026-003 - WATER TREATMENT PLANT CHEMICALS
Sealed Proposal/Bids Due Date: July 14, 2026 @ 10:00 a.m.

Chemtrade Chemicals US LLC is pleased to respond to your request for your chemical requirements. For the Liquid Aluminum Sulfate requirement, we offer the following for your consideration:

LIQUID ALUMINUM SULFATE (ALUM)

In Tank Trucks

$215.34 / Liquid Ton

* For conversion purposes only, price equates to $444.00/dry ton.

F.O.B. Destination.

Terms: Net 30 days from date of shipment.

Availability: 3 - 5 days after receipt of order.

The above price is firm for the period of October 1, 2026, through September 30, 2027.

Price is based on full truckload quantities.

Shipping Point: Ashdown, AR

We have enclosed a Product Safety Data Sheet, NSF and related technical data for your information.

Please do not hesitate to contact us if you have any questions or require further information. We appreciate the opportunity to provide a quotation for your chemical requirements.

Very truly yours,

Elizabeth Ryno

Elizabeth Ryno
Bid Specialist

Usalco

Quotation

Quote #: Q-31787-1
Date: 7/2/2026 1:51 PM
Effective Date: 11/1/2026-10/31/2027

USALCO
www.usalco.com
Phone: 800-453-2586
Email: orders@usalco.com

Bill To
Palestine, TX (City of)
504 North Queen St.
Palestine, TX 75801
US

SALESPERSON	PAYMENT TERMS
Patsy Stebbins pstebbins@usalco.com	Net 30

WAREHOUSE	PRODUCT CODE	PRODUCT NAME	PRODUCT TYPE	FREIGHT TERM	LEAD TIME	UNIT PRICE	ADDITIONAL SURCHARGE	QTY	UOM
DR	3207ZTT	ALUMINUM SULFATE (IRON FREE) - CARGO TANK	TT	Prepaid	3-5 Bus Days	$528.14/Dry Ton	$0.0000	11.50	DTON
Ship To Address: Water Treatment Plant; 800 Anderson County Rd 3722; Palestine, TX 75801									

Signature: TWa

Date: 7 / 8 / 2026

Name (Print): Terry Waldo

Title: Chief Commerical Officer

THANK YOU FOR YOUR BUSINESS!

Agenda Date:	July 27, 2026
To:	City Council
From:	Kimberly Beckman, Public Works Admin
Agenda Item:	Award of Bid RFP 2026-004 - Annual Price Agreement for Asphalt
Date Submitted:	07/17/2026

SUMMARY:

Consider awarding bid RFP 2026-004 – Annual Price Agreement for Asphalt to Texas Materials at the following rates: $110.00 per ton for Hot Mix, in an amount not to exceed $440,000.00, and $113.00 per ton for Cold Mix, in an amount not to exceed $166,500.00.

No other bids were received.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Bid Tab

Bid

CITY OF PALESTINE – PUBLIC WORKS
TABULATION
ANNUAL PRICE AGREEMENT FOR ASPHALT
RFP 2026-004

VENDOR	BID PROPOSAL	AWARDED
TEXAS MATERIALS 5509 OLD JACKSONVILLE HWY TYLER, TX 75703	$110.00 PER TON COLD MIX $113.00 PER TON HOT MIX	TEXAS MATERIALS 5509 OLD JACKSONVILLE HWY TYLER, TX 75703

APPENDIX A
ASPHALT FOR THE STREETS DEPARTMENT

PRODUCTS	PRICING UNIT	PRICING	TERMS/RATE OF DELIVERY
ASPHALT Type D Cold Mix Type D Hot Mix	Hot Mix per ton Cold Mix: per ton	$110/TON FOB $113/TON FOB	1-Hourly rate 2-Notify estimated time of delivery from order date

Delivered Price only for Cold Mix $121./ton

Palestin plant
8065 US HWY 79
Palestine Tx. 75801

Plant Contact: Corey Frazier 903-520-6764
Sales Manager; Jeff Robinson 214-708-5449
Jeff.Robinson@TexasMaterials.com

Agenda Date:	July 27, 2026
To:	City Council
From:	Kimberly Beckman, Public Works Admin
Agenda Item:	Award of Bid RFP 2026-005 - Annual Price Agreement for Base Material
Date Submitted:	07/16/2026

SUMMARY:

Consider awarding bid RFP 2026-005 – Annual Price Agreement for Base Material to Cash Killion Trucking, LLC for Flex Base at a rate of $32.50 per ton, in an amount not to exceed $201,280.00.

No other bids were received.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Bid

Bid Tab

CASH KILLION TRUCKING LLC

679 ACR 391

Palestine Texas 75801

July 10,2026

BID:

Please find below the bid from Cash Killion Trucking LLC. The cost breakdown below includes material and delivery.

Flex Base – $32.50 per ton

Sincerely,

M Killion

Mark A Killion
President and Owner
Cash Killion Trucking LLC.
903-391-4347
Cashkillion.trucking@yahoo.com

CITY OF PALESTINE – PUBLIC WORKS
TABULATION
ANNUAL PRICE AGREEMENT FOR BASE MATERIAL
RFP 2026-005

VENDOR	BID PROPOSAL	AWARDED
CASH KILLION 679 ACR 391 PALESTINE, TX 75801	$32.50 per ton	CASH KILLION 679 ACR 391 PALESTINE, TX 75801

Agenda Date: July 27, 2026
To: City Council
From: Kimberly Beckman, Public Works Admin
Agenda Item: Authorization to Seek Sealed Bids for Waterline Replacement (Parts Only) on E. Neches Street
Date Submitted: 07/17/2026

SUMMARY:

Consider authorizing the City Manager to seek sealed bids for the Waterline Replacement (Parts Only) on E. Neches Street from Crockett Road to S. Dowling Street.

RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Agenda Date: July 27, 2026
To: City Council
From: Kimberly Beckman, Public Works Admin
Agenda Item: Authorization to Seek Sealed Bids for Waterline Replacement (Labor Only) on E. Neches Street
Date Submitted: 07/16/2026

SUMMARY:

Consider authorizing the City Manager to seek sealed bids for the Waterline Replacement (Labor Only) on E. Neches Street from Crockett Road to S. Dowling Street.

The project consists of replacing approximately 2,600 feet of existing waterlines of various sizes with one 6-inch water main.

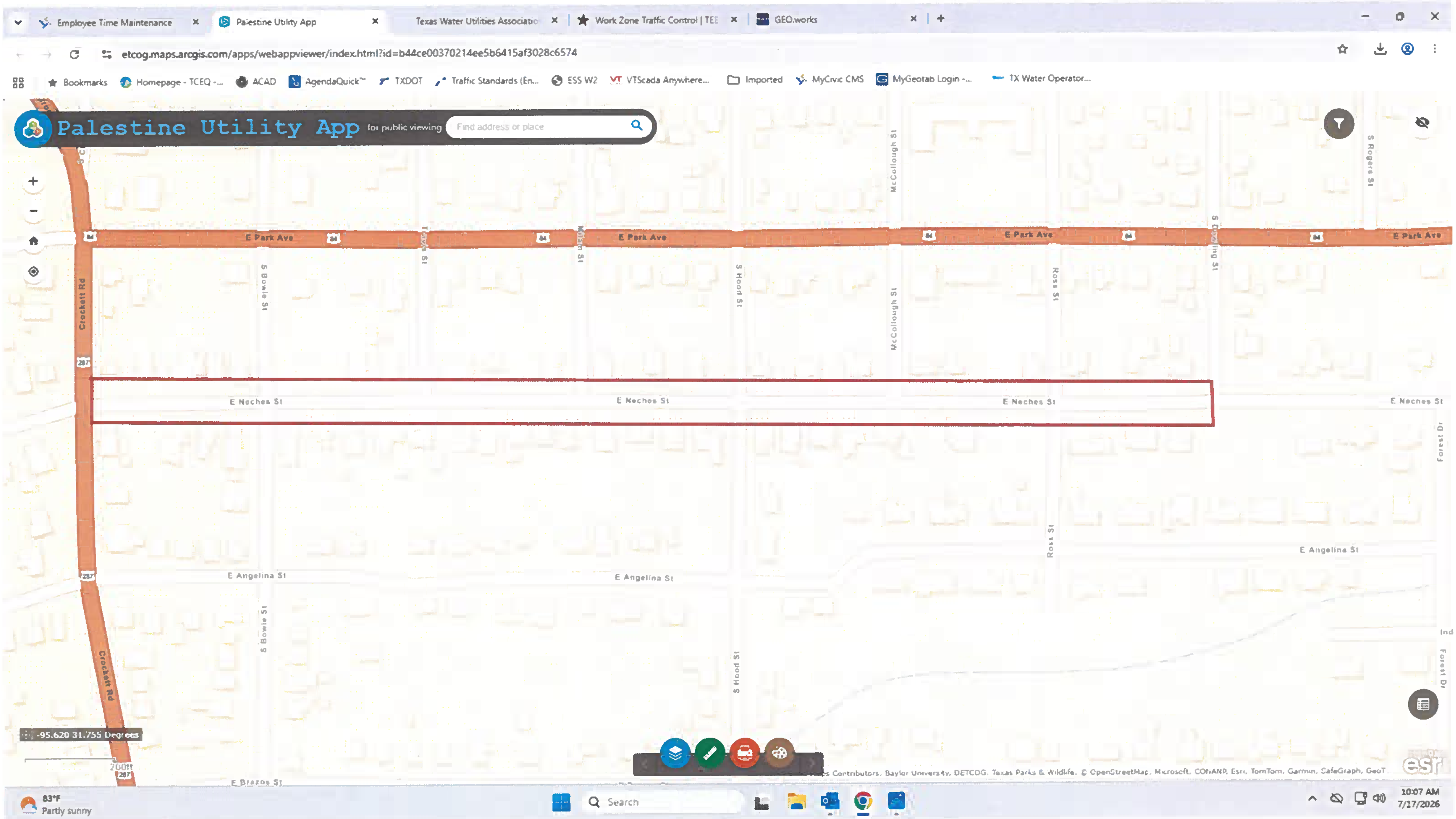
RECOMMENDED ACTION:

Staff recommends approval as presented.

CITY MANAGER APPROVAL:

Attachments

Map



Employee Time Maintenance
Palestine Utility App
Texas Water Utilities Associatio
Work Zone Traffic Control | TEE
GEO.works
etcog.maps.arcgis.com/apps/webappviewer/index.html?id=b44ce00370214ee5b6415af3028c6574
Bookmarks
Homepage - TCEQ -...
ACAD
AgendaQuick™
TXDOT
Traffic Standards (En...
ESS W2
VTScada Anywhere...
Imported
MyCivic CMS
MyGeotab Login -...
TX Water Operator...
Palestine Utility App
for public viewing
Find address or place
E Park Ave
E Park Ave
E Park Ave
E Park Ave
McCollough St
S Rogers St
S Bowie St
Crockett Rd
S Hood St
McCollough St
Ross St
E Neches St
E Neches St
E Neches St
E Neches St
Forest Dr
E Angelina St
E Angelina St
E Angelina St
Ross St
S Bowie St
S Hood St
Crockett Rd
Forest Dr
Ind
-95.620 31.755 Degrees
200ft
E Brazos St
Contributors, Baylor University, DETCOG, Texas Parks & Wildlife, © OpenStreetMap, Microsoft, CONANP, Esri, TomTom, Garmin, SafeGraph, GeoT
83°F
Partly sunny
Search
10:07 AM
7/17/2026

Agenda Date: July 27, 2026
To: City Council
From: Christophe Trahan, Economic Development Director
Agenda Item: Establishment and Adoption of Guidelines and Criteria for Commercial Tax Abatement Pursuant to Chapter 312 of the Texas Tax Code
Date Submitted: 07/17/2026

SUMMARY:

Discussion and possible action regarding a resolution establishing and adopting Guidelines and Criteria for Commercial Tax Abatement in reinvestment zones created in the City of Palestine, Texas, pursuant to Chapter 312 of the Texas Tax Code.

RECOMMENDED ACTION:

Staff recommends approval of the resolution as presented.

CITY MANAGER APPROVAL:

Attachments

Resolution

City of Palestine Commercial TA Guidelines & Criteria

RESOLUTION NO. R- -26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALESTINE, TEXAS, ESTABLISHING AND ADOPTING GUIDELINES AND CRITERIA FOR GRANTING COMMERCIAL TAX ABATEMENT IN REINVESTMENT ZONES CREATED IN THE CITY OF PALESTINE, TEXAS, IN ACCORDANCE WITH CHAPTER 312 OF THE TEXAS PROPERTY TAX CODE; ESTABLISHING AN EFFECTIVE DATE; AND AUTHORIZING THE CITY SECRETARY TO POST THE GUIDELINES AND CRITERIA ON THE CITY'S INTERNET WEBSITE UPON APPROVAL.

WHEREAS, the City of Palestine, Texas (the "City") wishes to continue to promote economic development programs in accordance with the authority granted to municipalities; and

WHEREAS, the City's economic development programs include, but are not limited to the granting of tax abatements in accordance with Chapter 312 of the Texas Tax Code, which is known as the Property Redevelopment and Tax Abatement Act (the "Code"); and

WHEREAS, Section 312.002 (a) of the Code requires the City, as a taxing unit, to adopt a resolution establishing guidelines and criteria governing tax abatement agreements; and

WHEREAS, the City previously adopted Resolution No. R-31-24 establishing guidelines and criteria governing tax abatement agreements, approved on July 8, 2024; and

WHEREAS, pursuant to Section 312.002 of the Code, tax abatement guidelines and criteria are effective for only two (2) years unless amended or repealed by a vote of three-fourths of the City Council; and

WHEREAS, the City Council of the City of Palestine, Texas desires to adopt new Commercial Tax Abatement Guidelines and Criteria; and

WHEREAS, the City previously expressed its intent to consider the Commercial Tax Abatement Guidelines and Criteria by Resolution No. R-18-26 approved on July 13, 2026; and

WHEREAS, the City Council of the City of Palestine held a public hearing pursuant to Section 312.002(c-1) of the Texas Tax Code regarding the proposed guidelines and criteria for granting tax abatement on the 27th of July 2026 at a properly noticed meeting at which the public was given the opportunity to be heard on the issue; and

WHEREAS, the Council reaffirms its absolute discretion under Section 312.002(d) of the Code to decide whether to enter into a specific tax abatement agreement and to delegate to its employees the authority to determine whether the City Council should consider a particular application or request for abatement; and

WHEREAS, the adoption of the guidelines and criteria for granting tax abatement does not create any property, contract, or other legal right in any person to have the City Council consider or grant a specific application or request for tax abatement according to Section 312.002(d)(3).

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

SECTION 1. The above and foregoing premises and recitals are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2. The Policy, Guidelines and Criteria for Granting Tax Abatement Relief in Reinvestment Zones created in the City of Palestine, Texas, attached hereto as Exhibit "A" to this Resolution, is hereby incorporated herein as if fully stated and are hereby adopted by the City of Palestine.

SECTION 3. The City Secretary shall cause the Policy, Guidelines and Criteria for Granting Tax Abatement Relief to be posted on the City's internet website.

SECTION 4. 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 to be constructed to affect any other valid portion of this Resolution.

SECTION 5. All resolutions, or parts thereof, that are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters regulated, herein.

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 the Texas Local Government Code.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Palestine, Texas, on this the 27th day of July, 2026.

____
MITCHELL JORDAN,
MAYOR

ATTEST:

____
APRIL JACKSON,
CITY SECRETARY

APPROVED AS TO FORM:

____
REZZIN PULLUM,
CITY ATTORNEY

Exhibit "A" to Resolution No. R-____-26

CITY OF PALESTINE, TEXAS

POLICY, GUIDELINES AND CRITERIA FOR GRANTING COMMERCIAL TAX ABATEMENT

(Chapter 312, Texas Tax Code)

Effective July 27, 2026

CONFIDENTIAL

PLEASE NOTE:

Section 312.003 of Chapter A of the Texas Tax Code provides:

> "Information that is provided to a taxing unit in connection with an application or request for tax abatement under this chapter and that describes the specific process or business activities to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed. That information in the custody of a taxing unit after the agreement is executed is not confidential under this section."

Persons in possession of an Application for Tax Abatement are reminded of this provision of the law <u>and should restrict access to such information accordingly.</u>

Table of Contents

SECTION 1 - PREAMBLE

This City of Palestine, Texas Policy, Guidelines and Criteria for granting Tax Abatement ("the Policy") adopted July 27, 2026 by the City of Palestine is designed to stimulate continued economic growth in the City of Palestine, while preserving the values and existing assets that provide the quality of life our citizens already have come to enjoy.

It seeks a balance between attracting new businesses that are seeking to relocate here, providing a friendly environment for new undertakings, promoting the expansion of economic resources already in place, and considering the effect of economic change upon existing economic assets that already have realized their potential.

It seeks to preserve the values of the past, stimulate and consider current economic opportunities, and plan for a future that includes a global economic marketplace and new and exciting economic endeavors.

It is the intent of the City of Palestine (the "City") to put in place a Tax Abatement Policy that will take the City through the 21st century and be of benefit to all the citizens of our community.

The City acknowledges that both the retention of economic assets and existing jobs and the creation of new jobs and economic endeavors have an important place in striking a positive economic balance in the City of Palestine. These Guidelines and Criteria for seeking a Tax Abatement from the City are intended to be flexible, and special circumstances may lead the City to tailor individual Tax Abatement Agreements to specific circumstances.

This particular Tax Abatement Policy and Guidelines and Criteria apply to the granting of a Tax Abatement by the City of Palestine. There are a number of other entities and bodies that can choose to abate or not abate taxes as well. We urge applicants to check with the appropriate agencies, and the Anderson County Appraisal District to determine the circumstances of your particular situation as far as determining the taxing entities that may affect your project. However, the City of Palestine has no objection to other taxing entities adopting this Tax Abatement Policy and Guidelines and Criteria as their own subject to their complying with the statutory requirements for doing so; however, in no event should an amendment of this Policy by another taxing entity constitute an amendment by the City of Palestine without the City of Palestine City Council complying with the statutory requirements of Ch. 312 of the Texas Tax Code for making amendments to its tax abatement policy, guidelines and criteria once adopted and while in effect.

SECTION 2 - DEFINITIONS

The following definitions shall be applicable to this Tax Abatement Policy and Guidelines and Criteria only.*

a. **"Abatement" (or "Tax Abatement")** means the full or partial exemption from ad valorem taxes of certain property in a reinvestment zone or enterprise zone designated by the City of Palestine for economic development purposes.

b. **"Agreement"** means a contractual agreement between a property owner and/or lessee and an eligible taxing jurisdiction for the purpose of tax abatement.

c. **"Base year value"** means the appraised value in the reinvestment zone on January 1 preceding the effective date of the Agreement, plus the agreed upon value of eligible property improvements made after January 1 but before the effective date of the Agreement, or the sales price if the property was conveyed subsequent to January 1, whichever is greater.

d. **"Competitive Market Wage"** means the greatest of (a) the wage established through industry analysis, competitive markets and business financial evaluation, or prevailing wage rates; or (b) the median annual wage for all occupations in Anderson County.

e. **"Competitively-Sited Project"** means a project where the applicant has completed a written evaluation of competing locations for expansion, relocation, or new operations, including identification of specific sites in those locations.

f. **"Deferred maintenance"** means improvements necessary for continued operation which do not improve productivity or alter the process technology.

g. **"Expansion"** means the addition of buildings, structures, machinery, equipment or payroll for purposes of increasing production capacity.

h. **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.

i. **"Full-Time Equivalent Job" (or "FTE")** means a job where an employee works a minimum of thirty-five (35) hours per week, or one thousand eight hundred twenty (1,820) hours per year, for a specified wage and/or salary.

j. **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery, or equipment. It shall not be for the purpose of reconditioning, refurbishing, or repairing.

k. **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.

l. **"Office Building"** means a new office building to be occupied 100% by one owner or one tenant, providing further that said building and owner or tenant meet the other criteria set forth herein.

m. **"Economic Life"** means the number of years a property improvement is expected to be in service in a facility.

n. **"Eligible Jurisdiction"** means the area within the corporate boundaries of the City of Palestine, Texas, or other taxing district located within the corporate limits of the City of Palestine, Texas, that is eligible to abate its taxes according to Texas law that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.

o. **"Manufacturing Facility"** means buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacturing of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

p. **"Part-Time Equivalent Job" (or "PTE")** means a job where an employee works a minimum of one thousand forty (1,040) hours per year.

** While the definitions above may be incorporated into a formal properly executed tax abatement agreement, parties to any tax abatement agreement should refer to their specific tax abatement agreements for specific agreed upon definitions.*

SECTION 3 -TAX ABATEMENT AUTHORIZED

a. **Eligible Facilities.** Upon application, Eligible Facilities shall be considered for Tax Abatement as hereinafter provided. Eligible Facilities must fall within one of the following series of the North American Industrial Classification Code as determined by the United States Office of Management and Budget:

(1) **Manufacturing:**

- Major Group 31-33 (Food and Kindred Products, Textiles, Furniture and Fixtures, Printing, Chemicals, Petroleum Refining, Leather, Stone Products, Fabricated Metals, Industrial Machinery, Electronic Equipment, Transportation Equipment, and Miscellaneous Manufacturing)

(2) **Transportation:**

- Major Groups 48-49 (Railroad Transportation, Warehousing, Communications, Electric and Gas Services)

(3) **Services:**

- Sector 11 (Agriculture, forestry, fishing and hunting)
- Sector 21 (Mining, Oil and Gas)
- Sector 22 (Utilities)
- Sector 23 (Construction)
- Sector 42 (Wholesale Trade)
- Sector 44-45 (Retail trade)
- Sector 51 (Information)
- Sector 52 (Finance and insurance)
- Sector 53 (Real estate and rental and leasing)
- Sector 54 (Professional, Scientific, and Technical Services)
- Sector 55 (Management of companies and enterprises)
- Sector 56 (Administrative and support and waste management and remediation services)
- Sector 61 (Education services)
- Sector 62 (Health Care and Social Assistance)
- Sector 71 (Arts, entertainment, and recreation)
- Sector 72 (Accommodation and food services)
- Sector 81 (Other services, except public administration)
- Sector 92 (Public administration)
- Sector 99 (Unclassified)

b. **Creation of New Value.** Abatement may only be granted for the additional value created by eligible property improvements made subsequent to and specified in an abatement agreement between the City and the property owner or lessee (if required), subject to such limitations as the City may require.

c. **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.

d. **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed-in-place machinery and equipment, site improvements plus that office space and related fixed-in-place improvements necessary to the operation and administration of the Facility or that contribute to mitigation of existing air, emissions, water, or soil pollution.

e. **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; aircraft; housing; deferred maintenance investments; property to be rented or leased except as provided in Section 3(f); property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas, or any property exempted by local, state, or federal law.

f. **Owned/Leased Facilities.** If a leased Facility is granted abatement, the agreement shall be executed with the property owner (lessor) and the lessee.

g. **Economic Qualification.** In order to be eligible to receive Tax Abatement, the planned improvement:

(1) Must be expected to increase the appraised ad valorem tax value of the property at least $500,000 based upon the Anderson County Appraisal District's assessment of the Eligible Property; and

(2) Must be shown to directly create or prevent the loss of full-time employment on a permanent basis within the reinvestment zone; and

(3) Must provide salaries to all employees, including contract employees and employees hired by the contractors for construction of the company's facilities related to the Agreement, at a "Competitive Market Wage"; and

(4) Must make healthcare plans (Individual & Family) and retirement plans available to all employees. This is not required for contract employees and employees hired by contractors for construction of the company's facilities related to the Agreement; and

(5) Must, regardless of project size, hire at least 50% of its new employees at the project location from residents of the County of Anderson and subject to documentation evidencing compliance, as submitted by the company; and

(6) Must not involve contractors that have (i) any outstanding wage theft complaints against them or any wage theft violations committed in the last three years; (ii) any outstanding OSHA investigations or violations in the past three years; and

(7) Must be a **Competitively-Sited Project**; and

(8) Must be shown not to solely or primarily have the effect of transferring employment from one part of the City to another; and

(9) Must provide OSHA-10 training for construction workers and OSHA-30 training for supervisors in language the employees can understand and continue providing OSHA training, as applicable, after the construction of

the facility.

h. **Standards for Tax Abatement.** The following factors, among others, may be considered in determining whether to grant Tax Abatement, and if so, the percentage of value to be abated and duration of the Tax Abatement.

(1) Value of land and existing improvements, if any;

(2) Type and value of proposed improvements;

(3) The expected economic life of proposed improvements;

(4) Number of existing permanent jobs (i.e., FTEs) to be retained by the proposed improvements;

(5) Number and type of permanent new jobs (i.e., FTEs) to be created by the proposed improvements;

(6) Estimated value of local payroll to be created or enhanced,

(7) Whether the new jobs to be created will be filled by persons residing or projected to reside within the corporate limits of the City of Palestine, Texas, or its extraterritorial jurisdiction;

(8) Amount of local sales taxes, franchise fees, other fees, and revenues to be generated directly and indirectly, which may include:

i) Applicant's willingness to obtain a Direct Pay Permit from the Texas Comptroller, if appropriate; and

ii) the project's projected effect on the City's effective tax rate at the end of the Abatement.

(9) The amount of property tax base valuation will be increased during term of Abatement and after Abatement, which shall include a definitive

commitment that such valuation shall not, in any case, be less than $500,000;

(10) The costs to be incurred by the City to provided facilities or services directly resulting from the new improvements;

(11) The amount of ad valorem taxes to be paid to City of Palestine during the Abatement period considering (A) the existing values, (B) the percentage of new value abated, (C) the Abatement period, and (D) the value after expiration of the Abatement period;

(12) The population growth of City of Palestine that might occur directly as a result of new improvements;

(13) The types and values of public improvements, if any, to be made by applicant seeking Abatement;

(14) Whether the proposed improvements compete with existing businesses to the detriment of the local economy;

(15) The impact on the business opportunities of existing businesses;

(16) The attraction of other new businesses to the area;

(17) The overall compatibility with the comprehensive, long-range plan for the area;

(18) Whether the project is environmentally compatible with the community and has no negative impact on quality-of-life perceptions.

(19) The company profile, when established, including business references, principal bank, audited financial statement and Business Plan.

Each eligible Facility shall be reviewed on its merits utilizing the factors provided above. After such review, Abatement may be denied entirely or may be granted to the extent deemed appropriate after full evaluation.

I. **Denial of Abatement.** No Abatement shall be authorized if it is determined that:

(1) There would be substantial adverse effect on the provision of governmental services or tax base;

(2) The Applicant has insufficient financial capacity to meet the requirements of the proposed Abatement agreement;

(3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals;

(4) Granting an Abatement would violate State or Federal laws;

(5) There exists any other valid reason for denial deemed appropriate by the City of Palestine.

j. **Taxability.** From the execution of the Abatement to the end of the Agreement period, taxes shall be payable as follows:

(1) The value of Ineligible Property as provided in Section 3(e) shall be fully taxable;

(2) Non-abatable real property in the reinvestment zone shall be fully taxable each year;

(3) The base year value of existing Eligible Property as determined each year shall be fully taxable;

(4) If base year value decreases during the term of an Agreement or if an additional exemption is granted by the state or federal government, then the maximum amount of abatable value to be used in abatement calculation (the Cap) will be reduced each year at the same rate; and

(5) The additional value of new Eligible Property shall be fully taxable at the end of the Abatement period.

(6) Each year the abatement will be computed by ACAD in the following manner:

- Current Property Value will be the current appraised value of all Eligible property and existing property within the reinvestment zone for the year in which the Agreement is executed.

- Base year value will be subtracted from the Current Property Value, the result to be called “Current Amount Eligible for Abatement” provided the result is greater than or equal to the value of Eligible property.

- Current Amount Eligible for Abatement is then multiplied by the abatement percentage specified by the Agreement for the given year.

SECTION 4 -TAX ABATEMENT SCHEDULES

In the event the City of Palestine desires to participate in a particular tax abatement project, the City may abate the increased value of ad valorem property taxes on real property developed, redeveloped, or improved to qualified businesses located within the City's corporate limits and jurisdiction. The amount of tax abated on any increment in value added to the ad valorem value of the property will be determined by the following objective criteria:

A. Economic Development Policy

1. Objective Requirements

a. The business must have a minimum of five (5) new Full-Time Employees as defined herein, or

b. Add at least $500,000.00 in ad valorem taxable value to the current taxable value of business.

c. Fall within one of the following series of the North American Industrial Classification Code as determined by the United States Office of Management and Budget:

(1) **Manufacturing:**
- Major Group 31-33 (Food and Kindred Products, Textiles, Furniture and Fixtures, Printing, Chemicals, Petroleum Refining, Leather, Stone Products, Fabricated Metals, Industrial Machinery, Electronic Equipment, Transportation Equipment, and Miscellaneous Manufacturing).

(2) **Transportation:**
- Major Groups 48-49 (Railroad Transportation, Warehousing, Communications, Electric and Gas Services)

(3) **Services:**
- Sector 11 (Agriculture, forestry, fishing and hunting)
- Sector 21 (Mining) (Wholesale trade)
- Sector 22 (Utilities)
- Sector 23 (Construction)
- Sector 42 (Wholesale trade)
- Sector 44-45 (Retail trade)
- Sector 51 (Information)

- Sector 52 (Finance and insurance)
- Sector 53 (Real estate and rental and leasing)
- Sector 54 (Professional, Scientific, and Technical Services)
- Sector 55 (Management of companies and enterprises)
- Sector 56 (Administrative and support and waste management and remediation services)
- Sector 61 (Education services)
- Sector 62 (Health Care Services)
- Sector 71 (Arts, entertainment, and recreation)
- Sector 72 (Accommodation and food services)
- Sector 81 (Other services, except public administration)
- Sector 92 (Public administration)
- Sector 99 (Unclassified)

d. Incentive Points may be awarded according to the following criteria:

EVALUATION CRITERIA	**INCENTIVE POINTS**
Each new Part-Time Equivalent Job created:	0.5
Each new Full-Time Equivalent Job created:	1
Each existing Full-Time Equivalent Job retained:	5
Every $100,000 in capital investment generated:	1
Every $20,000 in annual payroll (new and/or retained)	1
Meets "Manufacturing" group criteria (see above)	50
Meets "Transportation" group criteria (see above)	30
Meets "Service" group criteria (see above)	20

B. Abatement Eligibility

1. Standard Abatements

a. Abatement percentages may be earned depending upon total incentive points allocated in the following categories for new and expanding industries:

ALLOCATED INCENTIVE POINTS				
Abatement Year	**35 to 74 Points**	**75 to 200 Points**	**201 to 400 Points**	**401 to 600 Points**
1	80%	100%	100%	100%
2	60%	70%	100%	100%
3	40%	50%	70%	70%
4	20%	50%	50%	60%
5	0%	25%	25%	50%
6	0%	0%	0%	25%
7	0%	0%	0%	25%

2. Non-Standard Abatements (and PILOTs)

a. Applicants earning more than 600 total incentive points, or who otherwise can demonstrate unique or extraordinary characteristics and/or benefits associated with their project, may be eligible for non-standard Tax Abatements subject to terms and conditions specifically negotiated between the applicant and the City of Palestine.

b. Applicants eligible for non-standard Tax Abatements may qualify for the use of PILOT (Payments In Lieu of Tax) agreements as part of a negotiated Chapter 312 Tax Abatement Agreement incentive.

SECTION 5 -TAX ABATEMENT APPLICATION

1. **"Application."** Any current or potential owner of taxable property, or lessee of taxable property, in the City may request a Tax Abatement by filing a written Application with the City Manager of the City of Palestine, Texas. The City Council of the City of Palestine may establish an application fee associated with each Application, which (if established) must be paid at the time the Application is submitted.

2. **"Review."** All Abatement Application(s) will be individually reviewed by the City Council of Palestine and approved or disapproved based on the merits of the application and the guidelines and criteria set forth herein. In addition, in its discretion, the City may appoint a Tax Abatement Review Board to review and make recommendations to the Council regarding each application. If appointed, the Tax Abatement Review Board shall be made up of no less than three (3) and no more than five (5) members.

3. **"Included Items."** The Application shall consist of a completed Application form, which shall provide detailed information on the factors set out in Section 3 hereof; a detailed site plan or appropriate plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation along with a legal property description; and a time schedule for undertaking and completing the planned improvements. In the case of modernization, a statement of the current assessed value of the Facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the Application. The Application form may require financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors regarding the Applicant.

4. **"Reinvestment Zone Notice to be Given."** Prior to the adoption of an order designating a reinvestment zone or enterprise zone, the City shall give notice as

provided by the Tax Code consisting of (a) written notice to the presiding officer of the governing body of each taxing unit in which the property subject to the proposed tax abatement agreement is located not later than the seventh (7th) day before the public hearing and (b) publication of a newspaper of general circulation within such taxing jurisdiction not later than the seventh (7^{th}) day before the public hearing. At the public hearing the City Council will receive comments on whether the area qualifies as a reinvestment zone under Section
312.201 of the Texas Tax Code.

5. **"90-Day Time Period."** Not more than ninety (90) days after receipt of the completed Application, except in unusual circumstances, as may be defined by the City Council of the City of Palestine, the City shall by resolution either approve or disapprove the Application for Tax Abatement. The City shall promptly notify the applicant of approval or disapproval of its application. Failure to act by resolution within ninety (90) days shall <u>not</u> be construed as approval of Abatement, either expressed or implied. The approval of a Tax Abatement Application by the City Council shall be subject to the approval and execution of a written tax abatement agreement in accordance with the Texas Tax Code.

6. **"Timeliness of Actions."** The City shall not enter into a Tax Abatement Agreement if it finds that the request for the Abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new Facility. Property eligible for abatement includes only the new improvements that occur after the completion of an abatement agreement with the City.

7. **"Confidentiality Required."** Information that is provided to the City in connection with an Application or request for Tax Abatement and that describes the specific processes or business activities to be conducted or the equipment or other property for which Tax Abatement is sought, is **<u>confidential and not subject to public disclosure until the Tax Abatement Agreement is approved and executed in accordance with the Texas Tax Code.</u>** Information in the custody of a taxing unit after a tax abatement agreement is executed is not confidential.

<u>SECTION</u> 6 - TAX ABATEMENT AGREEMENT

a. **"Notice to Jurisdictions."** Not later than the seventh (7^{th}) day before the date on which the City enters into the Abatement Agreement, the City shall deliver to the presiding officer of the governing body of each taxing unit in which the property is located a written notice that the City intends to enter into a tax abatement agreement. The notice shall include a copy of the proposed agreement.

b. **"Public Notice."** Consistent with Texas Tax Code 312.207 (c) and (d), at least thirty (30) days prior to holding a meeting to consider approving an Abatement Agreement, the City must provide public notice of such meeting in the manner required by Chapter 551, Government Code. No newspaper publication is required. The notice must contain:

(1) the name of the property owner and the name of the Applicant for the Tax Abatement agreement;

(2) the name and location of the reinvestment zone in which the property subject to the agreement is located;

(3) a general description of the nature of the improvements or repairs included in the Abatement Agreement;

(4) the estimated cost of the improvements or repairs.

c. **"Agreement Contents."** After approval, the City Council of the City of Palestine shall formally pass a Resolution authorizing the execution of an Agreement with the property owner and/or lessee as required. The Agreement shall include:

(1) Estimated value to be abated.

(2) Percent of value to be abated each year as provided in Section 4.B.

(3) The commencement date and the termination date of abatement.

(4) The proposed use of the Facility, nature of construction, time schedule, map, property description and improvement list as provided in the Application for Tax Abatement.

(5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration, and assignment as provided in Sections 3,7, and 8.

(6) Size of investment and average number of jobs involved.

(7) A requirement that the applicant annually submit Employment Verification forms every January for employees employed at the abated property. Submission shall be used to determine abatement eligibility and shall be subject to audit if requested by the governing body. Failure to submit will result in the ineligibility to receive an abatement.

(8) A requirement that the property owner will:

- Obtain and maintain all required permits and other authorizations from the United States Environmental Protection Agency and the TCEQ for the construction and operation of its facility and for the storage, transport, and disposal of solid waste; and

- Seek a permit from the TCEQ for all grandfathered units on the site of the abated facility by filing with the TCEQ, within three years of receiving the abatement, a technically complete application for such a permit.

SECTION 7 -TAX ABATEMENT RECAPTURE

a. **"Termination."** In the event the company or individual receiving tax abatement relief (1) allows its ad valorem taxes owed to the City of Palestine to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement shall be recaptured and paid within thirty (30) days of the termination.

b. **"Cure Notification."** Should the City Council of the City of Palestine determine that the company or individual receiving tax abatement relief is in default according to the terms and conditions of its tax abatement agreement, the City Council shall notify the company or individual receiving tax abatement relief in writing at the address stated in the Tax Abatement Agreement, and if such default is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the Tax Abatement Agreement may be terminated.

SECTION 8 - TAX ABATEMENT ADMINISTRATION

a. **"Assessment Determination."** The Chief Appraiser of the Anderson County Appraisal District will annually determine an assessment of the real and personal property covered under the tax abatement. Each year, the company or individual receiving tax abatement relief shall furnish the Appraiser with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser will notify the City Council of the City of Palestine of the amount of the assessment.

b. **"Access Guaranteed."** The tax abatement agreement shall stipulate that employees and/or designated representatives of City of Palestine will have access to the abated property during the term of the abatement to inspect the Facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after giving the property owner and/or lessee at least twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

c. **"Annual Assessment Reports."** Upon completion of construction, the designated representative of the City of Palestine shall annually evaluate each Facility receiving abatement to ensure compliance with the agreement. Any violations found through this process will be reported to the City Attorney, City Council, and affected taxing jurisdictions.

d. **"Timely Filing."** The City shall timely file with the Texas Department of Economic Development and The State Comptroller's Office all information required by the Tax Code, if any.

SECTION 9 - AGREEMENT ASSIGNMENT

An Abatement Agreement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the City Council of the City of Palestine subject to the financial capacity of the assignee. Any assignment shall provide that all conditions, terms, and obligations in the original Abatement Agreement are guaranteed by the execution of an additional contractual agreement with the City of Palestine as an addendum to the abatement agreement. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to any jurisdiction for outstanding taxes or other obligations. Approval of the transfer and assignment shall not be unreasonably delayed or withheld.

SECTION 10 - SUNSET PROVISION

This Policy, Guidelines and Criteria for Granting Tax Abatement Relief is effective upon the date of their adoption and will remain in force as written unless otherwise amended by three-quarters vote of the City Council of the City of Palestine, at which time all reinvestment zones and/or Tax Abatement Agreements created pursuant to these provisions may be reviewed to evaluate agreement compliance and/or determine whether the goals have been achieved. Notwithstanding the foregoing, this Policy, Guidelines and Criteria for Granting Tax Abatement Relief will expire on the two (2) year anniversary from the date first adopted unless otherwise renewed in accordance with state law.

SECTION 11 - DISCRETION OF THE CITY

The adoption of these guidelines and criteria by the City does not:

a. Limit the discretion of the Palestine City Council to decide whether to enter into a specific Tax Abatement Agreement.

b. Limit the discretion of the Palestine City Council to delegate to its employees the authority to determine whether or not the Palestine City Council should consider a particular application or request for Tax Abatement.

c. Create any property, contract, or other legal right in any person, partnership, corporation or other entity to have the City Council consider or grant a specific application or request for Tax Abatement.

SECTION 12- RECONCILIATION WITH STATE LAW

In the event these Guidelines and Criteria should ever conflict with Texas state law (e.g., Texas Tax Code Ch. 312) regarding the consideration and approval of tax abatement relief, then these Guidelines and Criteria shall be interpreted to conform to the applicable law and shall be applied in accordance therewith.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Palestine, Texas, on this the 27th day of July, 2026.

____

MITCHELL JORDAN,
MAYOR

ATTEST:	APPROVED AS TO FORM:
______________________________	______________________________
APRIL JACKSON, CITY SECRETARY	REZZIN PULLUM, CITY ATTORNEY

Agenda Date: July 27, 2026
To: City Council
From: April Jackson, City Secretary
Agenda Item: Palestine Municipal Airport Runway Rehabilitation Project – Base Bid and Bid Alternate Pavement Options
Date Submitted: 07/21/2026

SUMMARY:

As part of the Palestine Municipal Airport Runway Rehabilitation Project, TxDOT requires the City to update the published pavement strength ratings for Runway 18-36. The current published ratings in the FAA Airport Master Record are 45,000 pounds for single-wheel gear and 70,000 pounds for dual-wheel gear. According to the project engineer, those published ratings are not accurate, and it is unclear how they were originally established.

Two pavement options are available for City Council's consideration. The Base Bid includes 3 inches of hot mix asphalt over 6 inches of cement-treated recycled base and would result in published pavement strength ratings of 25,000 pounds for single-wheel gear and 40,000 pounds for dual-wheel gear. The Bid Alternate adds an additional inch of hot mix asphalt, increasing the published pavement strength ratings to 30,000 pounds for single-wheel gear and 45,000 pounds for dual-wheel gear. The Bid Alternate would increase the project cost by approximately $634,000, which would be funded entirely by the City.

According to the project engineer, although the updated published ratings would be lower than the current published ratings, the reconstructed runway would be stronger than the existing pavement and is expected to accommodate occasional heavier aircraft without premature pavement failures.

RECOMMENDED ACTION:

Staff recommends that Council provide direction on whether to proceed with the Base Bid or the Bid Alternate for the runway rehabilitation project.

CITY MANAGER APPROVAL: