

**NOTICE OF REGULAR CITY COUNCIL
CITY OF TOMBALL, TEXAS**



**Monday, April 15, 2024
6:00 PM**

Notice is hereby given of a Regular meeting of the Tomball City Council, to be held on Monday, April 15, 2024 at 6:00 PM, City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

The public toll-free dial-in numbers to participate in the telephonic meeting are any one of the following (dial by your location): +1 312 626 6799 US (Chicago); +1 646 876 9923 US (New York); +1 301 715 8592 US; +1 346 248 7799 US (Houston); +1 408 638 0968 US (San Jose); +1 669 900 6833 US (San Jose); or +1 253 215 8782 US (Tahoma) - Meeting ID: 829 4671 6682 Passcode:124205 . The public will be permitted to offer public comments telephonically, as provided by the agenda and as permitted by the presiding officer during the meeting.

- A. Call to Order
- B. Invocation - Led by Pastor Abraham Jasso with Templo La Hermosa
- C. Pledges to U.S. and Texas Flags
- D. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*
- E. Reports and Announcements
 - 1. Announcements

L Upcoming Events:

April 15 – 20, 2024 - Annual Spring Clean-up & Chipping Week

April 20, 2024 - Tomball Consolidated Recycling Day

Early Voting @ City Hall:

April 22 – 26, 2024 – 7:45 am – 5:00 pm

April 29, 2024 – 7:45 am – 5:00 pm

April 30, 2024 – 7:45 am – 7:45 pm

April 27, 2024 – Rails & Tails Mudbug Festival 11:00 am – 6:00 pm @
the Depot

May 2, 2024 – National Day of Prayer 5:00 pm – 6:00 pm @ Community
Center

May 4, 2024 – Election Day 7:00 am – 7:00 pm @ City Hall

2. Reports by City staff and members of council about items of community interest on which no action will be taken:
- F. New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*
1. Approve the Minutes of the April 1, 2024, Regular City Council meeting.
 2. Notice of the General and Special Elections
 3. Approve request from Cancer Kiss My Cooley for City Support and In-Kind Services for the Cancer Kiss My Cooley 5k and Superhero Dash near Paradigm Brewery in Tomball, on Saturday, October 26, 2024, from 6:30 – 11:00 a.m.
 4. Approve request from MAD for Vets for City Support and In-Kind Services for the Freedom 5k Fun Run/Walk in downtown Tomball, on Saturday, October 19, 2024, from 8:00 – 11:00 a.m.
 5. Approve a Professional Services Agreement with Freese & Nichols, Inc. for the design of drainage improvements for North Star Estates, Project Number 2024-10008, for a not-to-exceed amount of \$59,193, authorize the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This amount is to be paid from the Capital Improvement Project budget for fiscal year 2023-2024.

G. New Business

1. Discussion and possible action to schedule Special City Council Meeting(s) and workshop(s)
2. Approve Resolution No. 2024-17, a Resolution of the City Council of the City of Tomball, Texas regarding acceptance of an approximately 18.739 acre tract of land located at 16000 Farm to Market 2920, Tomball, TX 77377 into the extraterritorial jurisdiction of the City of Tomball.
3. Approve a donation agreement with the estate of Gilbert and Virginia Freitag for the donation and display of antique train equipment and authorize the City Manager to execute any and all documents related to the donation.
4. Approve Resolution No. 2024-15 - A Resolution of the City Council of the City of Tomball, Texas, authorizing the City Manager to act for the City in connection with the City's expenditure of grants from the American Rescue Plan and the Coronavirus Local Fiscal Recovery Fund and making other provisions related to the subject.
5. Consideration to Approve **Zoning Case Z24-03**: Request by Ken & Betty Vairin, represented by META Planning & Design, Inc., to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z24-03**

Adopt, on First Reading, Ordinance No. 2024-07, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (*Zoning*) of the Tomball Code of Ordinances by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

6. Consideration to Approve **Zoning Case Z24-04**: Request by Houston Deco Balloons LLC, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances,

by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z24-04**

Adopt, on First Reading, Ordinance No. 2024-08, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

7. Approve Resolution 2024-18, a Resolution of the City Council of the City of Tomball, Texas, approving the Utility Rate Study; and Providing an Effective Date.
8. Approve Resolution 2024-19, a Resolution of the City Council of the City of Tomball, Texas, approving and establishing the 2024 to 2028 Utility Rate Plan as approved in the Utility Rate Study; and Providing an Effective Date.
9. Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):
 - Sec. 551.071 – Consultation with the City Attorney regarding a matter which the Attorney’s duty requires to be discussed in closed session.

H. Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 11th day of April 2024 by 5:00 PM, and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY BE VIEWED ONLINE AT www.ci.tomball.tx.us.

City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Upcoming Events:

- April 15 – 20, 2024 - Annual Spring Clean-up & Chipping Week
- April 20, 2024 - Tomball Consolidated Recycling Day
- Early Voting @ City Hall:
 - April 22 – 26, 2024 – 7:45 am – 5:00 pm
 - April 29, 2024 – 7:45 am – 5:00 pm
 - April 30, 2024 – 7:45 am – 7:45 pm
- April 27, 2024 – Rails & Tails Mudbug Festival 11:00 am – 6:00 pm @ the Depot
- May 2, 2024 – National Day of Prayer 5:00 pm – 6:00 pm @ Community Center
- May 4, 2024 – Election Day 7:00 am – 7:00 pm @ City Hall

Background:

Origination:

Recommendation:

n/a

Party(ies) responsible for placing this item on agenda: Sasha Luna, Assistant City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____
Staff Member Date City Manager Date

City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve the Minutes of the April 1, 2024, Regular City Council meeting.

Background:

Origination: City Staff

Recommendation:

Approve Minutes

Party(ies) responsible for placing this item on agenda: Tracylynn Garcia, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

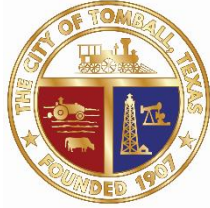
Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Sasha Luna
Staff Member _____
Date _____

Approved by _____
City Manager _____
Date _____

**MINUTES OF REGULAR CITY COUNCIL
CITY OF TOMBALL, TEXAS**



**Monday, April 01, 2024
6:00 PM**

A. Mayor Klein Quinn called the meeting of the City Tomball Council to order at 6:00 p.m.

PRESENT

Council 2 Mark Stoll
Council 3 Dane Dunagin
Council 4 Derek Townsend, Sr.
Council 5 Randy Parr

ABSENT

Council 1 John Ford

OTHERS PRESENT

City Manager - David Esquivel
Assistant City Manager - Jessica Rogers
City Attorney – Loren Smith
City Secretary - Tracylynn Garcia
Assistant City Secretary - Sasha Luna
Part-time Administrative Assistant – Tabitha Trejo
Director of Community Development - Craig Meyers
Fire Chief - Joe Sykora
Police Captain - Brandon Patin
Director of Marketing & Tourism - Chrislord Templonuevo
IT Director - Tom Wilson
Public Works Director - Drew Huffman
Project Manager - Meagan Mageo

B. Invocation - Led by Craig Gilbert - Rose Hill Methodist Church

C. Pledges to U.S. and Texas Flags by TPD Captain Patin

D. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*

No public comments were received.

E. Reports and Announcements

1. Announcements

I. Upcoming Events:

April 6, 2024 – Tomball Athletic Booster Crawfish Boil 4:00 pm – 8:00 pm @ Juergens Park

April 11, 2024 – Mayor’s Kaffeeklatsch 8:30 am – 10:00 am @ Community Center

April 12, 2024 – Rotary Fish Fry 5:00 pm – 8:00 pm @ Juergens Park

April 13, 2024 – Second Saturday 5:00 pm – 9:00 pm @ Depot

April 15 – 20, 2024 - Annual Spring Clean-up & Chipping Week

April 20, 2024 - Tomball Consolidated Recycling Day

F. Old Business

1. Approve, on Second Reading, Resolution No. 2024-14-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation’s Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Sylvia’s Wood Fire Pizza, LLC to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 306 Market Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed \$10,000.00.

Motion made by Council 4 Townsend, Sr., Seconded by Council 5 Parr.

Voting Yea: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

- G. New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent*

Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]

1. Approve the Minutes of the March 18, 2024, Regular City Council meeting.
2. Approve a Professional Services Agreement with WGA Consulting Engineers for the design of the North Sycamore parking lot, Project Number 2024-10001, for a not-to-exceed amount of \$106,000, authorize the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This amount is included in the fiscal year 2023-2024 budget as a Capital Improvement Project.
3. Approve a Services Agreement with Aramark Uniform Services for uniforms for Public Works through a BuyBoard Contract (Contract No. 670-22) for a total contract amount of \$74,725.85 for a total of three years beginning June 1, 2024 and expiring May 31, 2027, authorize the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This amount is included in the fiscal year 2023-2024 budget for the Public Works department.

Motion made by Council 2 Stoll, Seconded by Council 4 Townsend, Sr.

Voting Yea: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr.,
Council 5 Parr

Motion carried unanimously.

H. New Business

Item #5 was moved ahead of all other New Business Agenda items.

5. Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):
 - Sec. 551.071 – Consultation with the City Attorney regarding a matter which the Attorney’s duty requires to be discussed in closed session.

Executive Session Started: 6:08 PM.

Executive Session Ended: 6:35 PM.

1. Approve City of Tomball mowing list of property, Rights-of-way, Parks, drainage ways and corridors.

Motion made by Council 2 Stoll, Seconded by Council 5 Parr.

Voting Yea: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr.,
Council 5 Parr

Motion carried unanimously.

2. Approve Resolution Number 2024-08, a Resolution of the City Council of the City of Tomball, Texas approving a Development Agreement relating to the Graylou Grove Public Improvement District.

Motion made by Council 2 Stoll, Seconded by Council 4 Townsend, Sr.

Voting Nay: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr.,
Council 5 Parr

Motion failed unanimously.

3. Approve Resolution Number 2024-07, a Resolution of the City Council of the City of Tomball, Texas authorizing and creating the Graylou Grove Public Improvement District in the City of Tomball, Harris County, Texas, in accordance with Chapter 372 of the Texas Local Government Code; Providing for Related Matters and Providing an Effective Date.

No action taken.

4. Consider approval of Wholesale Water Services Agreement between the City of Tomball and Harris County Municipal District No. 273.

Motion made by Council 4 Townsend, Sr., Seconded by Council 3 Dunagin.

Voting Yea: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr.,
Council 5 Parr

Motion carried unanimously.

I. Adjournment

Motion made by Council 2 Stoll, Seconded by Council 4 Townsend, Sr..

Voting Yea: Council 2 Stoll, Council 3 Dunagin, Council 4 Townsend, Sr., Council 5 Parr

Motion carried unanimously.

PASSED AND APPROVED this 15th day of April 2024.

Tracylynn Garcia
City Secretary, TRMC, MMC, CPM

Lori Klein Quinn
Mayor

City of Tomball Mowing Operations

April 01, 2024



Discussion Topics

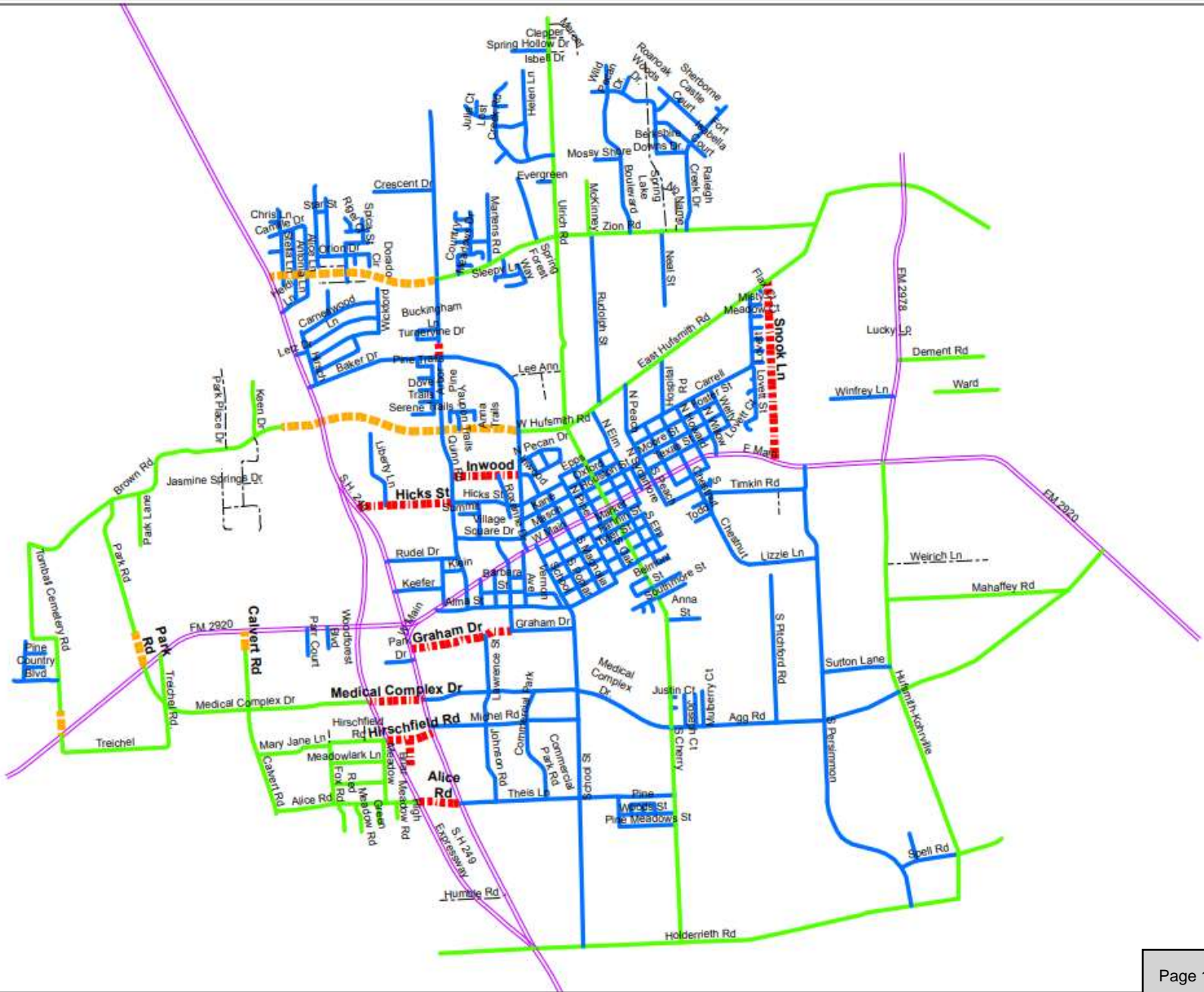
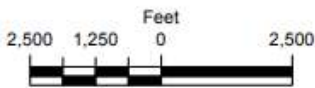
- Mowing Operations
 - City of Tomball and Harris County Rights-of-Way responsibilities
 - City Mowing areas





Legend

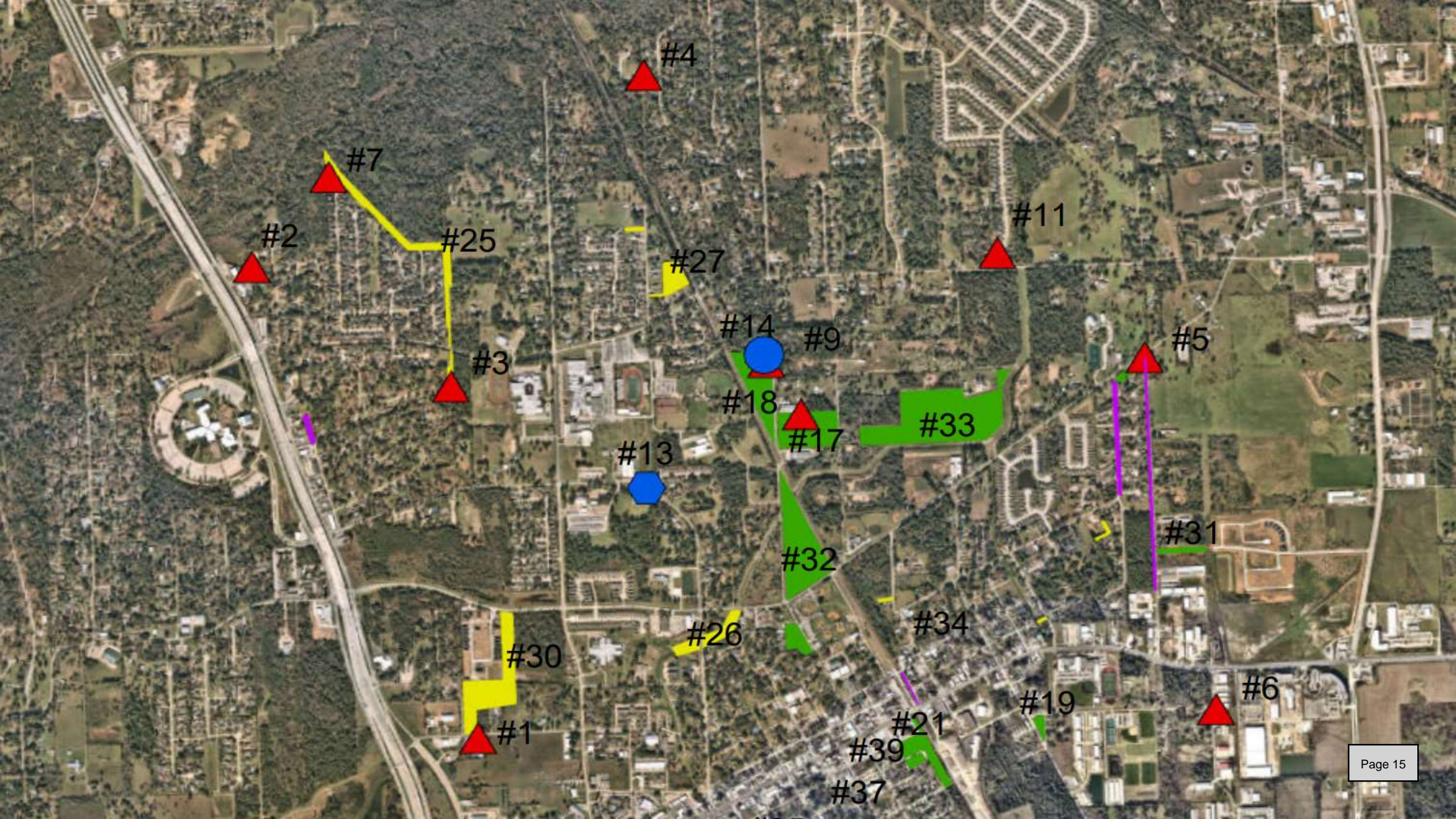
-  CITY OF TOMBALL
-  HARRIS COUNTY
-  PRIVATE
-  TXDOT
-  PROPOSED HARRIS COUNTY
-  PROPOSED CITY OF TOMBALL

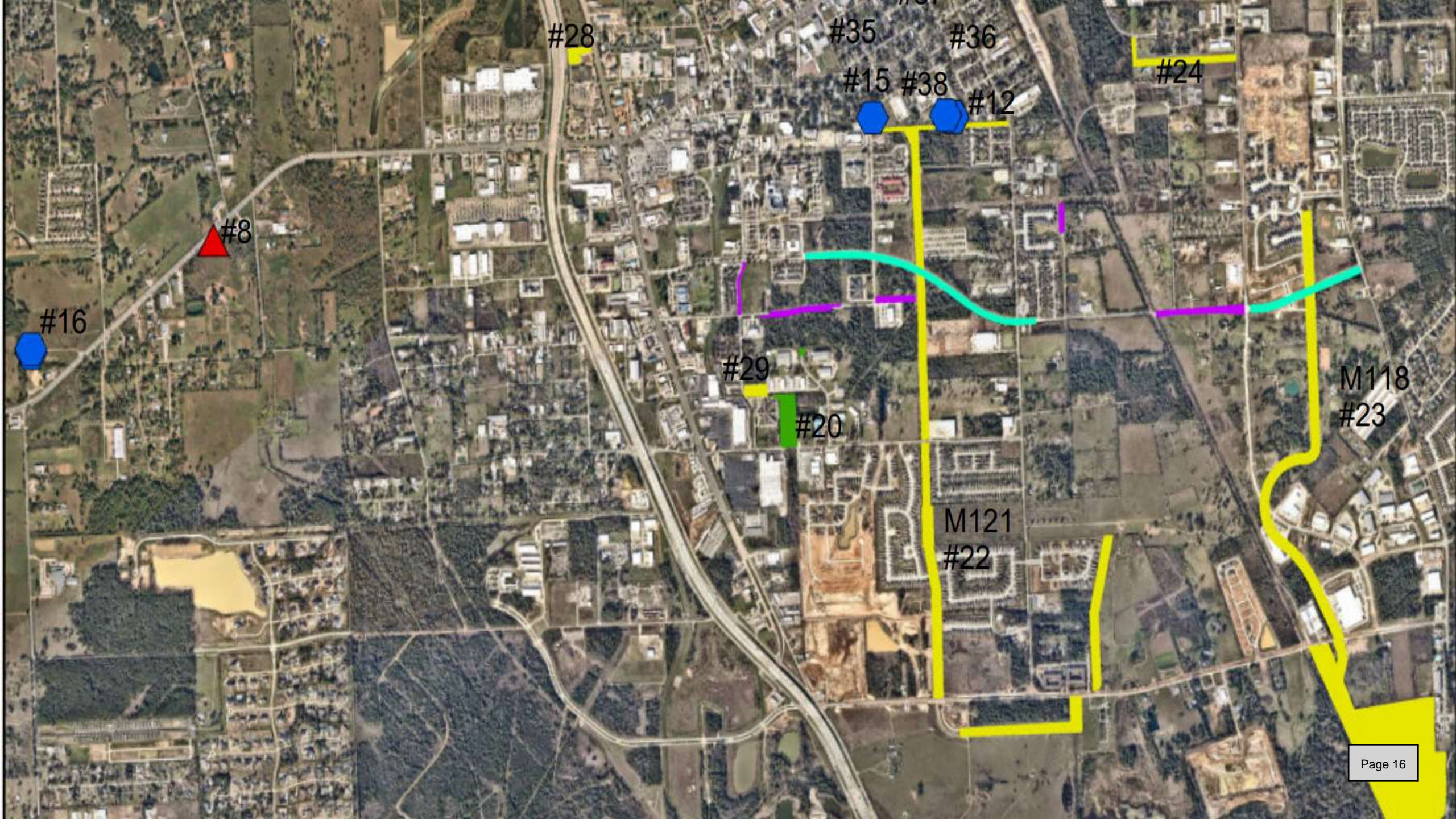


Document Path: T:\Tomball Utilities\2019 HCAD.mxd



NOTE: The location of all facilities is for general reference only and must be verified in the field before excavation can begin.





#8

#16

#28

#35

#36

#24

#15

#38

#12

#29

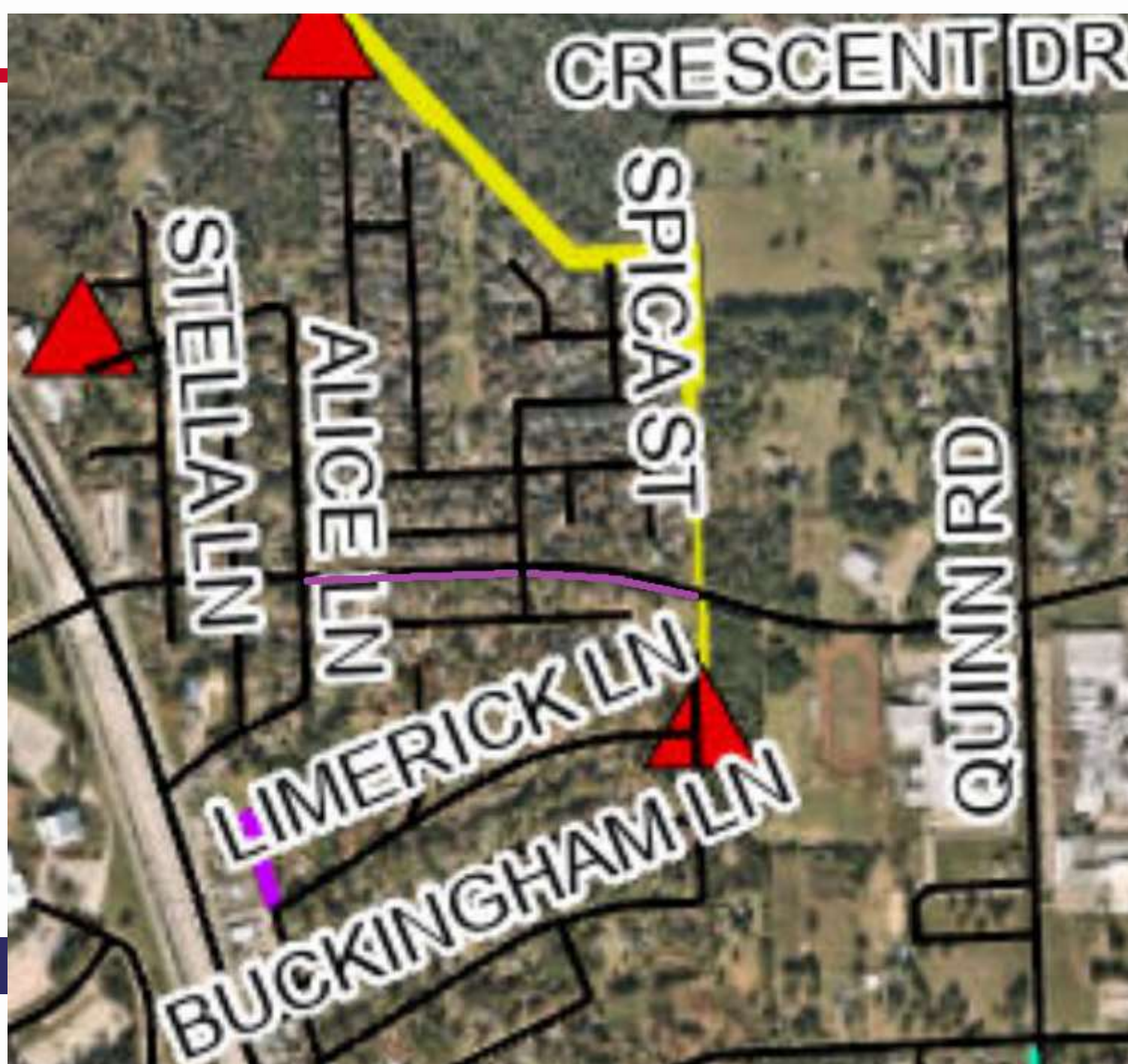
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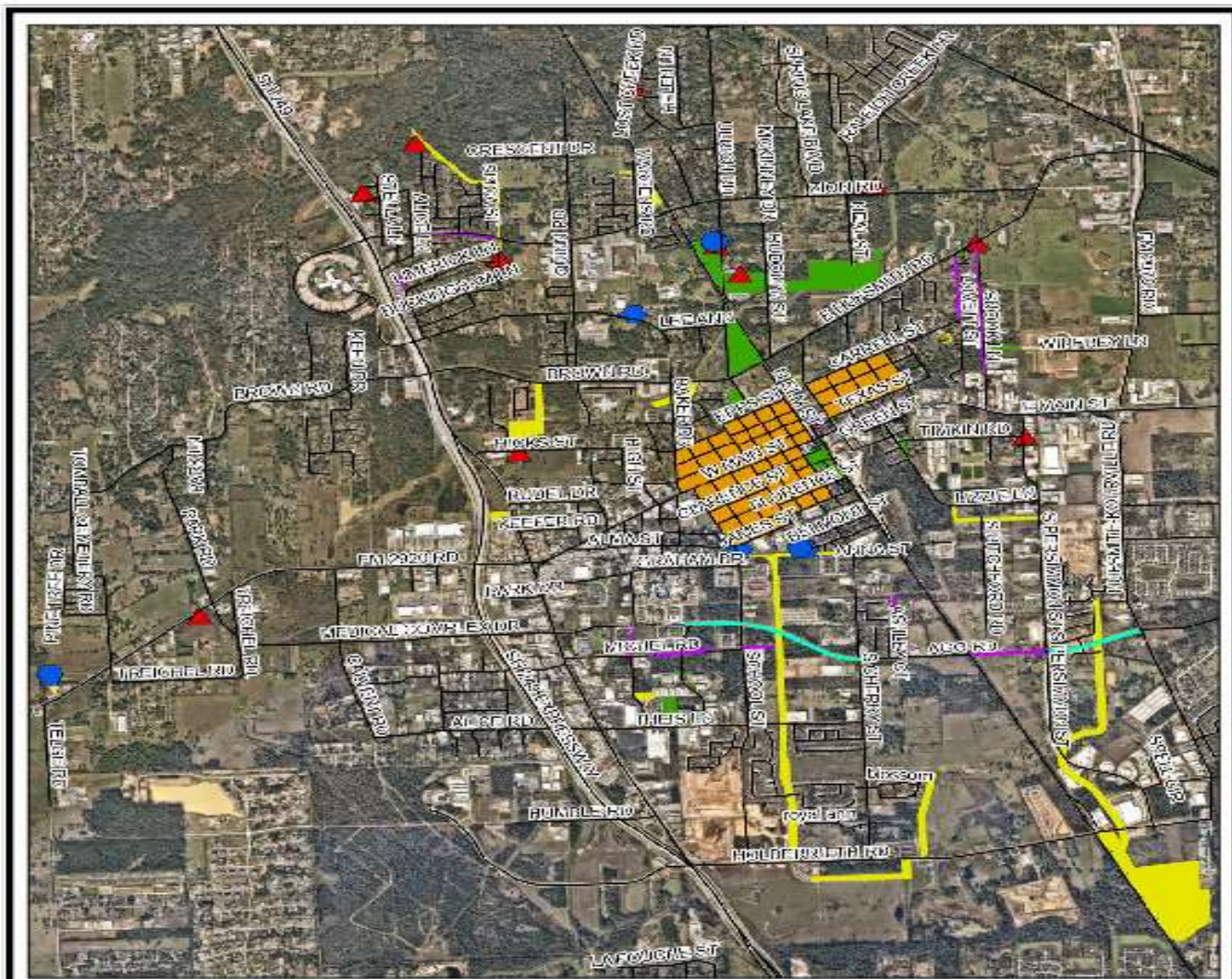
M118
#23

M121
#22

CITY PROPERTIES			DRAINAGE		
LIFT STATIONS	ACERAGE	Map Number			
Hicks St #4	0.00	1	M121	42.34	22
Tomball Hills #5	0.55	2	M118	24.53	23
Sherwood Forest #6	0.61	3	Lizzie Ln Drainage Channel	3.90	24
Hunterwood #7	0.02	4	Sherwood Forest Drainage Channel	7.16	25
Snook #8	0.30	5	Baker St Drainage Channel	3.57	26
Persimmon #9	0.04	6	Martens Rd Detention/ Drainage Eas.	2.93	27
North Star #10	0.47	7	Kroger Detention	1.33	28
FM 2920 #3	0.02	8	Johnson Road Detention	1.34	29
Juergens Park LS	0.00	9	Liberty Detention	11.68	30
Matheson Park LS	0.00	10	OTHER PROPERTIES		
Raleigh Creek #11	0.00	11	Snook Lot	0.75	31
WATER WELLS			Hufsmith across from ball park	14.20	32
Pine St 1&2	1.28	12	Landfill	26.71	33
Baker St	1.06	13	*All Allyways not blocked by fencing*		
Ulrich Tower	0.28	14	Peach St - N Willow	4.00	34
School St	0.45	15	Baker Dr - N Elm	5.00	35
Well 5&6	2.22	16	Poplar St - Walnut	3.00	36
PARKS			CONTRACT MOWING		
Matheson	9.62	17	401 Market St	0.65	37
Juergens	7.86	18	501 James St	4.00	38
MLK	0.94	19	221 Market St	0.15	39
Theis Attaway	4.48	20	ROW - Medical Com./Quinn Rd	13.30	40
Depot Plaza	2.47	21	ROWS		
			Total Rights-of-Ways	9 Miles	







N:\Maps\City Maps Mowing Areas.aprx



Legend	
■	Contractor Areas
■	Right Of Ways
■	Alleys
●	Water Storage Tank
●	Water Supply Well
▲	Lift Stations
■	Drainage
■	City Owned Property

Questions?



Public Improvement District No. 15 Graylou Grove

April 1, 2024

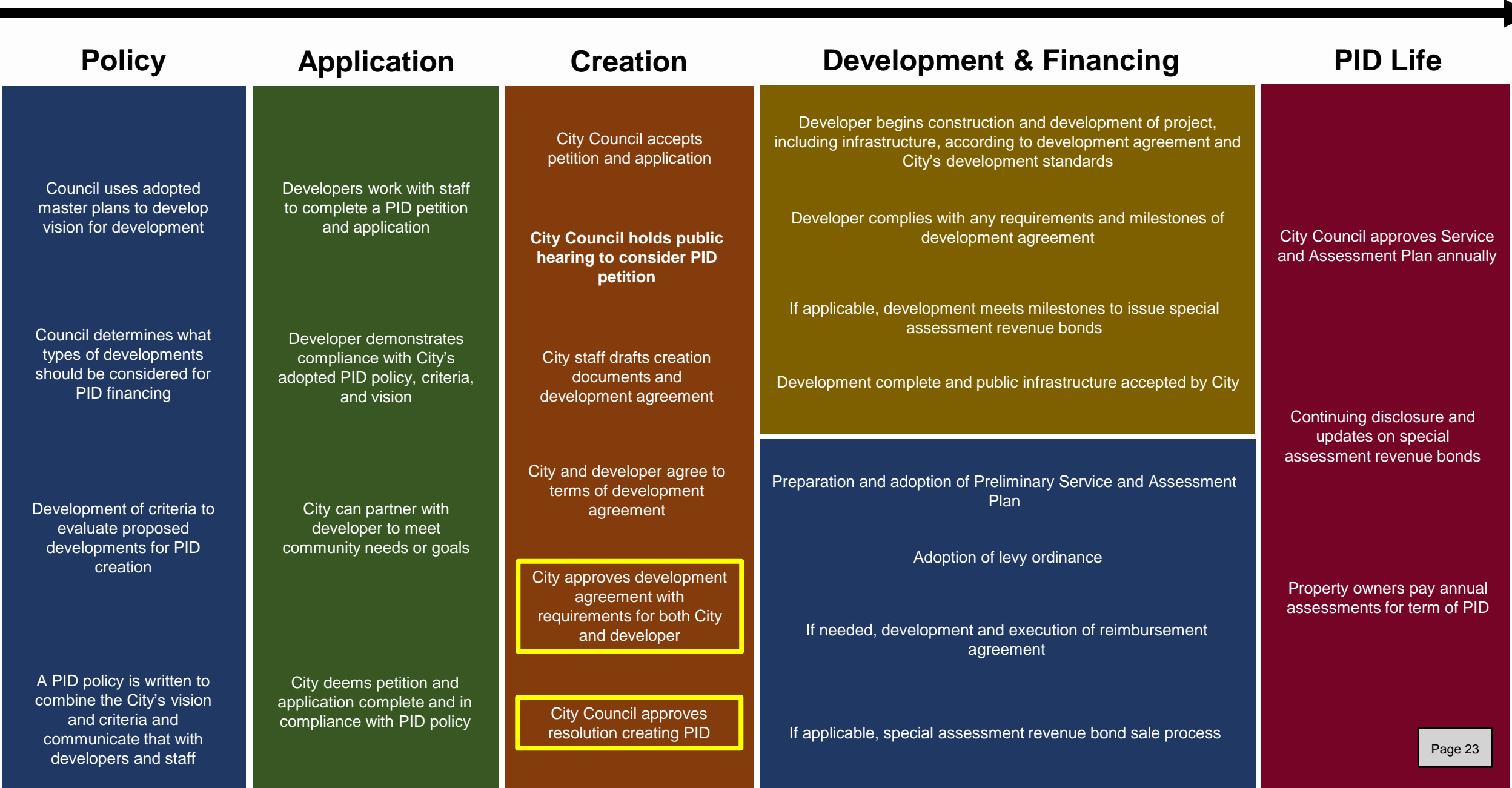


FLS Development, LLC (Harrisburg Homes) PID Petition Summary

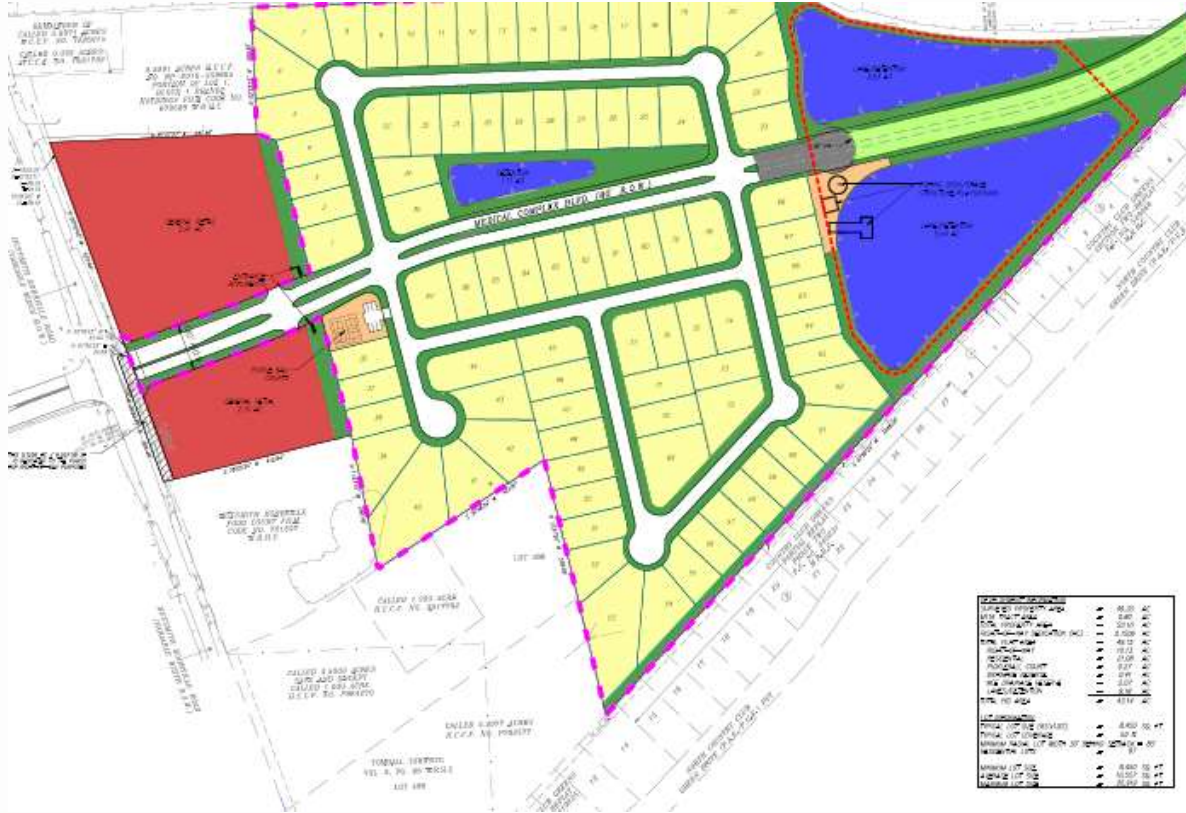
- Petition for creation of Public Improvement District No. 15, Graylou Grove.
- Located on Hufsmith-Kohrville Road (at Medical Complex Blvd.)
- Total acreage to be included in PID is 43.149 acres.
- Mixed Use Development – Commercial & Residential
 - Approximately 87 single-family homes.
- Reimbursement Bond PID: \$8,000,000.
- Estimated market value of \$675,000
 - Maximum Annual Installment: \$6,413 (at \$0.95 per \$100 assessed value)



Public Improvement District Timeline



Concept Plan for PID Petition



- Developer incorporated changes to the concept plan from City Council’s comments on December 18, 2023, including:
 - Adding approximately six parking spots at the Pickleball Courts.
 - Temporary asphalt paving with turnaround at the detention area.

Legend

- Blue – Detention Areas
- Orange – Amenity Areas
- Yellow – Residential Lots (87)
- Red – General Retail
- Dark Green – Landscape Buffer
- White – Public Roads
- Light Green – ROW Dedication Only



City of Tomball PID Policy: Debt PID

- PID Policy adopted by City Council on September 19, 2022, outlines the minimum requirements for eligibility of a PID and guidelines for a Debt PID.
- Debt PID requires that the following guidelines be adhered to:
 - Minimum of 50 acres;
 - Minimum appraised value to lien ratio of 3:1;
 - All improvements to be funded with PID bonds must be fully engineered and competitively bid;
 - Maximum term of PID assessment is not to exceed 30 years with \$0.48 per \$100 assessment cap OR 15 years with \$0.96 per \$100 assessment cap; and
 - All PID bonds are subject to City Council approval.



Exception One: Value to Lien (VTL) Ratio

- **PID Policy**

- **Section XV:** Finance Limitations for Special Assessment Revenue Bond Issuance (PID Bonds)
 - Requires a minimum appraised LTV of 3:1

- **Development Agreement**

- Adheres to the policy and grants the City the ability to issue bonds at a lower VTL and disburse once the VTL is reached.

Developer Exception Request

- Requesting to levy at less than the required 3:1 VTL.
- Bonds would be sold at the 3:1 or result in a holdover until the VTL of 3:1 is reached.



Exception Two: Bonding

- **PID Policy**

- **Section XV** Finance Limitations for Special Assessment Revenue Bond Issuance (PID Bonds)
 - Requires that public improvements be completed prior to bonds being issued but allows an exception to be granted by City Council for PID bonds to be issued in advance of construction.

- **Development Agreement**

- Agreement is written for a reimbursement PID with bonding completed once all public improvements have been completed and accepted by the City.

Developer Exception Request

- Requesting an exception to up-front bond before the completion of public improvements.
- Requesting to levy a \$74,000 assessment per lot up front, resulting in a lower VTL than the required 3:1.
- Sale up front bonds that can be supported by a 3:1 VTL based on the projected value of the lots, approximately \$3,393,000.
 - Approximately \$39,000 principal amount of bonds per lot.
- A second bond sale would occur once the requisite number of homes are completed to result in a 3:1 VTL, approximately \$3,060,000.



Exception Three: Assessment & Acreage

- **PID Policy**

- **Section XIII:** Maximum Assessment

- Maximum assessment for a 30-year PID is \$0.48 per \$100 assessment cap.

- **Section XV:** Finance Limitations for Special Assessment Revenue Bond Issuance

- Requires the proposed boundaries of a development be no less than 50 acres.

- **Development Agreement**

- Agreement has the developer exception included maximum assessment of \$0.95.
 - Agreement has the developer exception included for the total property included in the PID of 43.149 acres.

Developer Exception Request

- Requesting exception for the maximum assessment from \$0.48 per \$100 assessed value to \$0.95 per \$100 assessed value.
- Requesting an exception for less than 50 acres. Total property included in the PID is 43.149 acres.



Exception Four: Road Construction

- **PID Policy**

- **Section II-E:** Increase or enhance the City's transportation and roadway plans

- Ordinance Section 38-125 (When Construction is Permitted):
"...must construct street or drainage facilities in such a manner that they will benefit other property owners, may at their cost and expense construct such street and drainage facilities in accordance with the master plan of the city and in accordance with such conditions as may be prescribed by the ordinances of the city or the city council."
 - Code of Ordinances, Section 40-64 (Public Streets; General Arrangement and Layout): *"Provide adequate street connections to adjacent properties to ensure adequate traffic circulation within the general area."*

- **Section X – A:** Plans for proposed development shall be prepared and reviewed by the City in compliance with the City's development ordinances regarding land use, development, infrastructure design, permitting, and inspections.

- Ordinance Section 40-65 (Streets, specific standards), (f) (Dead-end Streets): *"Dead-end streets shall not be approved except in those instances where the street is terminated by a temporary circular cul-de-sac turnaround or where the street is designated to be extended into adjacent property..."*

- **Development Agreement**

- Agreement includes an exception for not building Medical Complex

Developer Exception Request

- Requesting not to construct any additional footage to Medical Complex, nor seek funding opportunities with the TEDC.



Additional Items to Note: Updated Cost

- The original cost estimate for public improvements and project costs has been updated from the PID application.
 - Includes increase of the overall cost of \$286,276
- The updated cost will be included in the Final Development Agreement.
- Application Cost:
 - Total Preliminary Construction Cost: **\$9,505,842**
 - Cost per Lot: **\$109,263**
 - Cost per Acre: **\$198,496**
- Updated Cost:
 - Total Preliminary Construction Cost: **\$9,792,118**
 - Cost per Lot: **\$112,553**
 - Cost Per Acre: **\$204,474**



Current Process & Steps for Development

- **Previously Approved/Adopted:**

- Resolution 2023-56 Accepting PID Petition
 - Approved December 18, 2023.
- Public Hearing for PID
 - Conducted on February 5, 2024.
- Resolution 2024-13 accepting Annexation request
 - Approved on March 18, 2024.

- **April 1:**

- Resolution 2024-08 approving Development Agreement
- Resolution 2024-07 Creating Public Improvement District

- **April 8:**

- Planned Development presented to Planning & Zoning

- **April 15:**

- Public Hearing for Annexation
- First Reading of Annexation Ordinance
- First Reading of Planned Development Ordinance

- **May 6:**

- Second Reading of Annexation Ordinance
- Second Reading of Planned Development Ordinance



Discussion Items:

- Consider developer requested exceptions to City's PID policy and provide direction to amend proposed development agreement.
- Provide additional direction to staff regarding development agreement.



Applicant



City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Notice of the General and Special Elections

Background:

Early Voting by personal appearance will be conducted each weekday at: 401 Market Street, Tomball, Texas 77375, between the hours of 7:45 a.m. and 5:00 p.m., Monday through Friday, commencing April 22, 2024, through April 29, 2024. On Tuesday, April 30, 2024, between the hours of 7:45 a.m. and 7:45 p.m. Attached is the legal public notice

Origination: City Secretary

Recommendation:

n/a

Party(ies) responsible for placing this item on agenda: Tracylynn Garcia, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____
Staff Member Date City Manager Date

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve request from Cancer Kiss My Cooley for City Support and In-Kind Services for the Cancer Kiss My Cooley 5k and Superhero Dash near Paradigm Brewery in Tomball, on Saturday, October 26, 2024, from 6:30 – 11:00 a.m.

Background:

The Cancer Kiss My Cooley 5k and Superhero Dash is an annual event aimed at raising awareness and funds for Cancer Kiss My Cooley’s Kiss My Cooley’s Kiss of Hope mission and research. This year they propose to host the event near Paradigm Brewery in Tomball. The event will comprise of a 5k Run and 100-yard Superhero Dash for kids ages 4-8. Funds raised from the event will benefit Cancer Kiss My Cooley. The estimated In-Kind Services is \$1,840 (direct).

In-Kind Request for Services:

Service/Support	Cost
Public Works	\$560
Police	\$1280
Total	\$1,840

Origination: The race will be on Saturday, October 26 with registration opening at 6:30 a.m., Run beginning at 8 a.m., Superhero Dash for kids ages 4-8 at 9:30 a.m., and award ceremony at 10:30 a.m. Setup will begin at 5:30 a.m. and breakdown between 11 a.m. to 12 p.m. There will be an estimated 250 people at the event location, near Paradigm Brewery.

Recommendation:

To help with the efficiency of the events, they are requesting the City for the following in-kind services: Police, Fire, Public Works, and coordination.

Party(ies) responsible for placing this item on agenda: Chrislord Templonuevo

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____

Staff Member

Date

Approved by _____

City Manager

Date



Office of the Secretary of State

CERTIFICATE OF FILING OF

Cancer Kiss My Cooley
File Number: 805132786

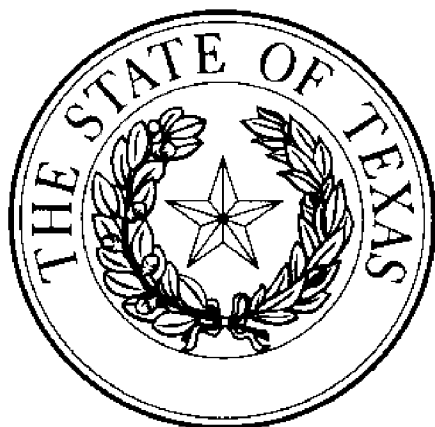
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 07/07/2023

Effective: 09/11/2023



A handwritten signature in black ink that reads "Jane Nelson".

Jane Nelson
Secretary of State

056278.523565.442673.10602 1 AB 0.507 532


CANCER KISS MY COOLEY
 % ANTHONY MARTIN
 18 BOTANICAL VISTA DR
 THE WOODLANDS TX 77375

056278

CUT OUT AND RETURN THE VOUCHER IMMEDIATELY BELOW IF YOU ONLY HAVE AN INQUIRY.
 DO NOT USE IF YOU ARE MAKING A PAYMENT.

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,
 EVEN IF YOU ALSO HAVE AN INQUIRY.



The IRS address must appear in the window.

Use for inquiries only

BODCD-

0150219028

Letter Number: LTR4168C
 Letter Date : 2023-06-06
 Tax Period : 000000



*****9146

INTERNAL REVENUE SERVICE
 PO BOX 9019
 HOLTSVILLE NY 11742-9019

CANCER KISS MY COOLEY
 % ANTHONY MARTIN
 18 BOTANICAL VISTA DR
 THE WOODLANDS TX 77375



274299146 KY CANCE DO 2 000000 670 000000000000



The IRS address must appear in the window.

Use for payments

BODCD-

0150219028

Letter Number: LTR4168C
 Letter Date : 2023-06-06
 Tax Period : 000000



*****9146

INTERNAL REVENUE SERVICE

CANCER KISS MY COOLEY
 % ANTHONY MARTIN
 18 BOTANICAL VISTA DR
 THE WOODLANDS TX 77375

CINCINNATI OH 45999-0149



274299146 KY CANCE DO 2 000000 670 000000000000



About CKMC

Founded in 2011, cancer kiss my cooley is a Texas based 501 (c)3 charitable organization, CKMC was created in memory of Carter Kettner. At age 5, he was diagnosed with inoperable brain cancer. The organization was named after a phrase that Carter often said. He called his backside his "cooley," which is Italian slang for "rear end." He would sing, "cancer kiss my cooley!", while pointing to his backside. After Carter earned his angel wings, the phrase took on a new meaning. We tell cancer to "KISS IT!" Live your lives with cancer; but fight, make memories and keep HOPE. CKMC is led and operated by unpaid board of Directors.



Our Mission

Our founding mission is to create special moments and lasting memories for families living with pediatric brain tumors through our KISS of HOPE® program. In 2018 we expanded our mission to include funding of brain cancer clinical research trials.



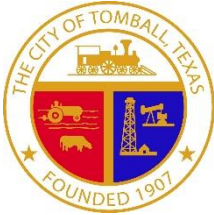
Our KISS of HOPE program

A KISS of HOPE® from cancer kiss my cooley® is something very special. It is a personal experience, customized for each child referred to us. It can be delivered in many ways such as a family trip, medical bill assistance, meeting their favorite idol or superhero, or other means to support the child's emotional and physical wellness.

- We have granted over \$1,000,000 in memories and over 100 KISSES of HOPE® and over \$200,000 in donation towards clinical trials.
- Support Houston area Children ages 0-21 diagnosed with 1 of 11 major pediatric brain tumors.

We Hope To See You Soon!

- Superhero Dash 5K TBD
- KISS IT Gala TBD



SPECIAL EVENT GUIDELINES & APPLICATION

THE CITY OF TOMBALL, TEXAS

Effective Date: 1/1/2023

INTRODUCTION: Any organized activity or event and open to the general public that involves the use of, or having an impact upon, public property, facilities, public parks, sidewalks, or street areas in the city of Tomball require prior approval and must meet certain requirements for consideration.

PROCEDURES: Several procedures and guidelines must be followed before any non-city staged event may take place. Those include, but are not limited to, the following:

1. A completed Special Event application must be submitted to the Tomball Department of Marketing & Tourism at least 180 days prior to any proposed festival or event. Tomball City Council approval is required if the event meets one of the following criteria: sale of alcohol, street closures or contains a request for in-kind donations from the city of Tomball.
2. A written proposal must accompany the application. The proposal should include the overall event concept, a detailed site map, a list of planned activities, hours of operation, proposed vendors, food and beverage, entertainment, and any other relevant aspects of the event.
3. If a charity is involved, or is the beneficiary of funds raised, information about the charity needs to be included as a part of the application process, as well as proof of non-profit status. If requesting in-kind services, preference will be given to organizations providing donations to agencies within the city limits of Tomball.
4. A fee equal to the actual cost of city services to host the event will be required of for-profit event planners to be paid no less than ten business days before the event. Non-profit organizations may request city services as an in-kind donation.
5. A meeting will be scheduled with the Tomball Events Team (representatives of Tomball Police, Fire, Public Works, Marketing and Northwest Community Health EMS) to discuss the merits and feasibility of the proposed event. The applicant is required to be at this meeting to answer questions regarding the application. Failure to attend will result in the event being cancelled by the city of Tomball.
6. If approved by the Tomball Events Team, the proposed event will be presented to the city council for final approval. The applicant is required to be at this meeting to answer questions regarding the application if necessary.
7. Ten days prior to the event, proof of general liability insurance (\$1,000,000 minimum) must be provided by the event organizer naming the city of Tomball as additional insured.
8. Event coordinators must provide their own volunteers or staff; oversee food and beverage permits, vendors, site clean-up and other aspects of staging a festival/special event.
9. Failure to comply with the guidelines listed above will preclude applicant from staging future events.

For additional information, or to submit an event application, please contact:

Chrislord Templonuevo – Director of Marketing & Tourism

401 Market Street

Tomball, Texas 77375

281-290-1035 | Email – ctemplonuevo@tomballtx.gov



SPECIAL EVENT APPLICATION

CITY OF TOMBALL, TEXAS | 401 Market Street | Tomball, TX 77375 | 281-351-5484

An application to stage an event within the city of Tomball shall be filed with the Marketing & Tourism Team at least 180 days prior to the event. This application is not to be construed as authorizing or agreeing to any event until formally approved by the Tomball City Council.

Date: October 26, 2024 Is this event Co-City sponsored? Yes No

Request for permission to use a public venue for the following type of event (please check one):

Festival Community Event Arts & Crafts Event Music Event Other (specify) _____

1. Event title: Cancer Kiss My Cooley - 5K Cooley Run and Super Hero Dash

2. Sponsoring entity: Cancer Kiss My Cooley

3. Is this organization based in Tomball: Yes No

4. Is this organization *non-profit* or *for-profit* *Attach 501 (c) (3) tax exemption if applicable

5. Contact: Anthony Martin Phone: 630.687.0817

6. Contact address: 18 Botanical Vista Drive; Tomball, TX 77375

7. Contact email: amartin@ckmc.org

8. Event date: 10/26/2024

9. Event times: Start 6:30 am Finish 11:00 am Set-up 5:30am Breakdown noon

10. Is this event for charity? Yes No

11. If yes, what charity? Cancer Kiss My Cooley Tax ID 27-4299146

12. If yes, what percentage of net proceeds will be donated to the charity? 100%

13. On-site contact: Anthony Martin Mobile #: 630.687.0817

14. Estimated number of attendees: 250

15. Detailed site map in attached: Yes No

16. Is this event open to the public: Yes No

17. Admission fee: \$ 35.00 Free

18. Time at which event staff will begin to arrive: 5:30am

19. The applicant will defend and hold harmless the city of Tomball from all claims, demands, actions or causes of action, of whatsoever nature or character, arising out of or by reason of the conduct of the activity authorized by such application including attorney fees and expenses. Initial [Signature]

20. The applicant will provide proof of general liability insurance for the event naming the City of Tomball as additional insured. Initial [Signature]

21. Name of insurance carrier: Philadelphia Insurance Carriers

22. Are Fireworks included in your event? No Yes (Must submit Fireworks Event Application)

Signature: Anthony Martin [Signature]

FOR OFFICIAL USE - Fee required: Yes No Amount Due: \$ _____

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAY 05 2011**

CANCER KISS MY COOLEY
C/O JOSEPH C KETTNER
10479 LANCASTER ST
HUNTLEY, IL 60142-6793

Employer Identification Number:
27-4299146
DLN:
17053049328011
Contact Person:
PETER A ORLETT ID# 31436
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
December 8, 2010
Contribution Deductibility:
Yes
Addendum Applies:
No

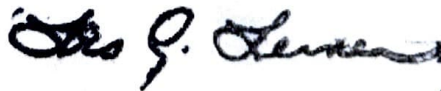
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Proposal: Cancer Kiss My Cooley 5K Cooley Run and Superhero Dash Event

Introduction:

The Cancer Kiss My Cooley 5K Cooley Run and Superhero Dash is an annual event aimed at raising awareness and funds for Cancer Kiss My Cooley's Kiss of Hope mission and research. This year, we propose to host the event on October 26, 2024, at the Paradigm Brewing Company located in Tomball, TX. The event will comprise a 5K run and a 100-yard Superhero Dash for children aged 4 to 8 years old.

Event Details:

- Date: October 26, 2024
- Location: Paradigm Brewing Company, S Persimmon St, Tomball, TX
- Schedule:
 - 6:30 AM - Registration and Check-in
 - 8:00 AM - Cancer Kiss My Cooley 5K Cooley Run
 - 9:30 AM - Super Hero Dash for children ages 4 to 8
 - 10:30 AM - Award Ceremony and Closing Remarks

Route for the 5K Run:

- The 5K run will start and finish at the Paradigm Brewing Company.
- Runners will proceed from S Persimmon St to Agg Rd, crossing the intersection of S Cherry St.
- Upon passing S Cherry St, runners will turn around and head back to Paradigm Brewing to complete the 3.1-mile run.
- The route ensures the safety of participants by minimizing traffic intersections and providing clear directions.

Superhero Dash:

- The Superhero Dash will take place on a grassy area at Paradigm Brewing Company. Children typically wear superhero costumes and race one another within their age group.
- It will cover a distance of 100 yards and is open to children aged 4 to 8 years old. Dashes will be in waves of age groups.
- The dash will be a fun and engaging activity for children, encouraging them to participate in a healthy and active lifestyle.

Safety Measures:

- We prioritize the safety of all participants, volunteers, and spectators.
- We will abide by any safety requirements required by the city of Tomball.

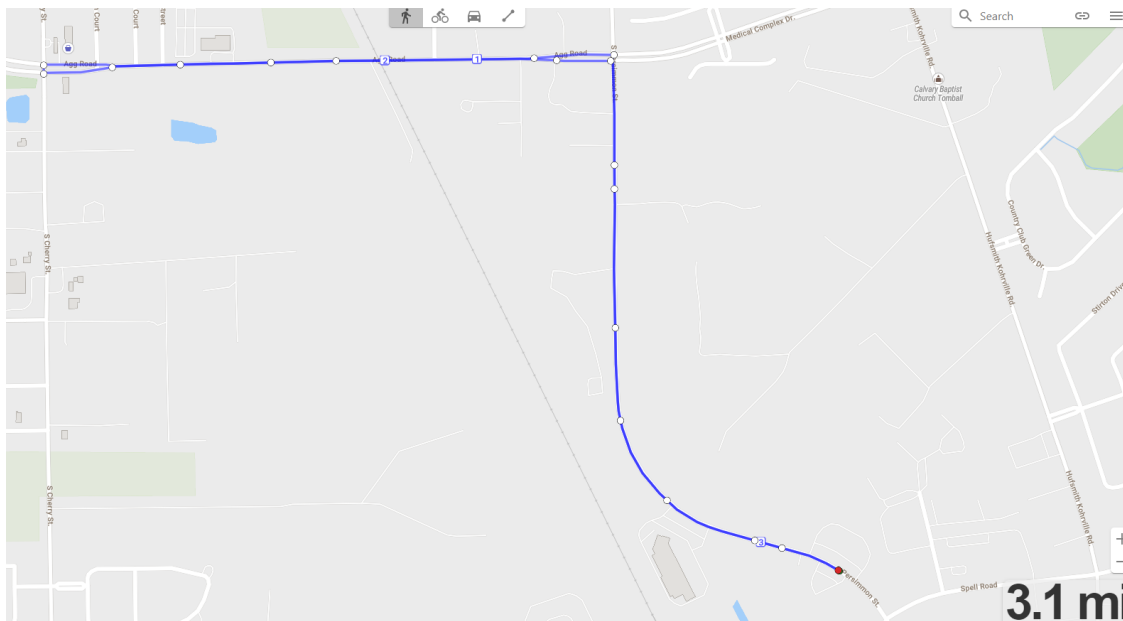
- Traffic control measures will be implemented at key intersections to minimize disruptions and ensure the smooth flow of both vehicular and pedestrian traffic.

Community Impact:

- The Cancer Kiss My Cooley 5K Cooley Run and Superhero Dash event will bring the community together in support of a worthy cause.

- Funds raised from the event will go towards Cancer Kiss My Cooley's mission which is to provide Kisses of Hope to families with children battling brain cancer. Funds will also help us donate towards research, benefiting individuals and families affected by cancer in the Tomball/Houston area.

- The event will also promote health and wellness within the community, encouraging physical activity and exercise as essential components of a healthy lifestyle.



Conclusion:

We believe that hosting the Cancer Kiss My Cooley 5K Cooley Run and Superhero Dash at the Paradigm Brewing Company in Tomball, TX, will be a tremendous success. The event will not only raise awareness and funds for families with children battling brain cancer but also foster a sense of unity and support within the community. We kindly request the City of Tomball's approval and support for this event, and we look forward to working together to make it a memorable and impactful experience for all involved. As a nonprofit we would like to request city services as an in-kind donation.

Thank you for considering our proposal.

Sincerely,

Anthony Martin
President, Cancer Kiss My Cooley



Department of the Treasury
Internal Revenue Service

PO BOX 9019

HOLTSVILLE NY 11742-9019

In reply refer to: 0150219028

June 06, 2023 LTR 4168C 0

27-4299146 000000 00

00021289

BODC: TE

CANCER KISS NY COOLEY
% ANTHONY MARTIN
18 BOTANICAL VISTA DR
THE WOODLANDS TX 77375



056278

Employer ID number: 27-4299146

Form 990 required: Yes

Dear Taxpayer:

We're responding to your request dated May 25, 2023, about your tax-exempt status.

We issued you a determination letter in May 2011, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve request from MAD for Vets for City Support and In-Kind Services for the Freedom 5k Fun Run/Walk in downtown Tomball, on Saturday, October 19, 2024, from 8:00 – 11:00 a.m.

Background:

MAD for Vets is excited to announce the Freedom 5k Fun Run/Walk in downtown Tomball. The race will be on Saturday, October 19 with registration opening at 6:30 am and the race beginning at 8 am. Funds raised from the event will benefit MAD for Vets. The estimated In-Kind Services is \$3,400 (direct).

In-Kind Request for Services:

Service/Support	Cost
Public Works	\$840
Police	\$2560
Total	\$3,400

Origination: Freedom 5k Fun Run/Walk starts at 8 a.m. and finishes at 11 a.m. Setup will begin at 6:30 a.m. and breakdown between 12-1 p.m. There will be an estimated 200-300 people at the Depot event location.

Recommendation:

To help with the efficiency of the events, they are requesting the City for the following in-kind services: Police, Fire, Public Works, and coordination.

Party(ies) responsible for placing this item on agenda: Chrislord Templonuevo

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

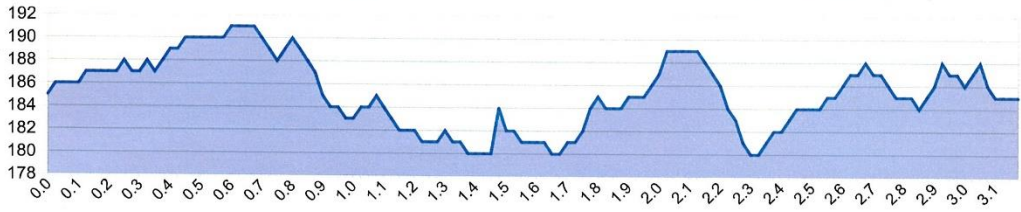
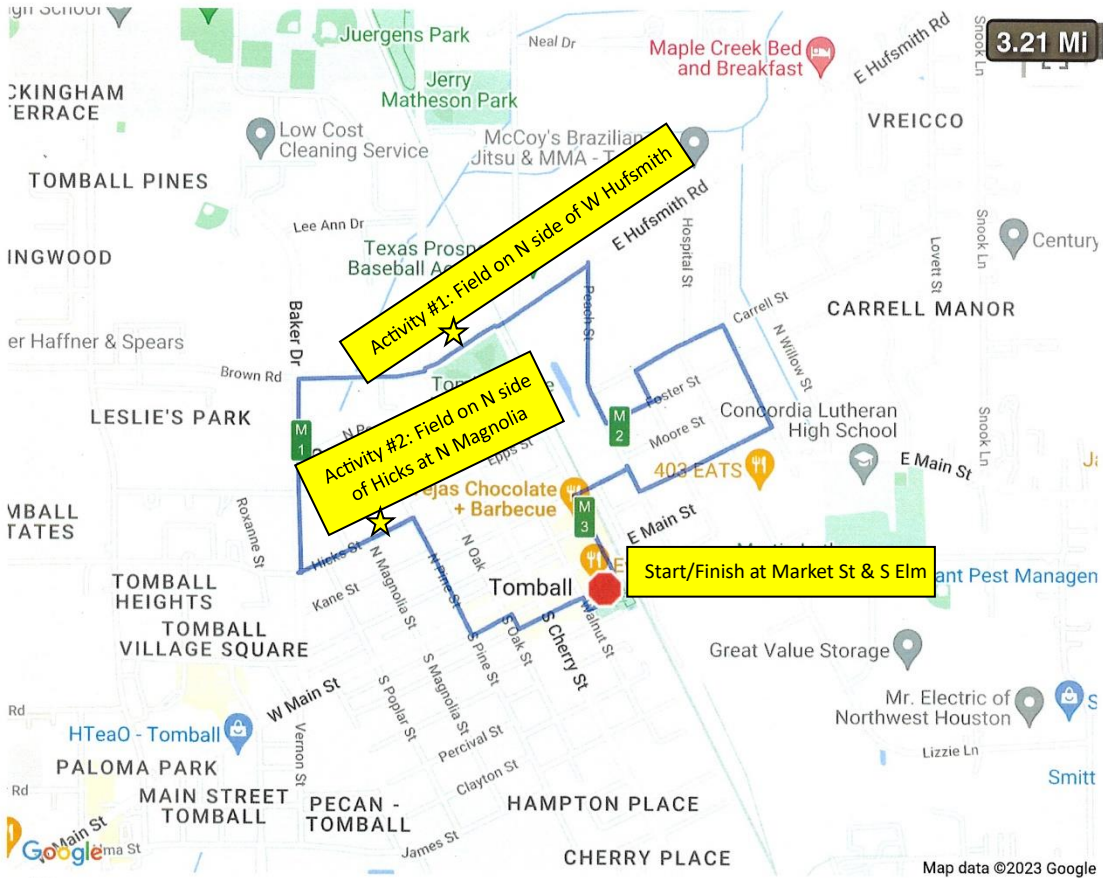
Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____
Staff Member Date

Approved by _____
City Manager Date

Freedom 5K Ruck March





Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

MAD FOUNDATION
2918 AUTUMNGLOW CT
KATY, TX 77494

Date:
02/11/2022
Employer ID number:
37-1981734
Person to contact:
Name: Customer Service
ID number: 31954
Telephone: 877-829-5500
Accounting period ending:
December 31
Form 990-PF required:
Yes
Effective date of exemption:
May 1, 2020
Addendum applies:
No
DLN:
26053750003801

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a private foundation within the meaning of Section 509(a).

You're required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation, annually, whether or not you have income or activity during the year. If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PF" in the search bar to view Publication 4221-PF, Compliance Guide for 501(c)(3) Private Foundations, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements



SPECIAL EVENT APPLICATION

CITY OF TOMBALL, TEXAS | 401 Market Street | Tomball, TX 77375 | 281-351-5484

An application to stage an event within the city of Tomball shall be filed with the Marketing & Tourism Team at least 180 days prior to the event. This application is not to be construed as authorizing or agreeing to any event until formally approved by the Tomball City Council.

Date: 4/24/2024 Is this event Co-City sponsored? Yes No

Request for permission to use a public venue for the following type of event (please check one):

Festival Community Event Arts & Crafts Event Music Event Other (specify) _____

1. Event title: Freedom 5K Fun Run/Walk

2. Sponsoring entity: MAD for Vets

3. Is this organization based in Tomball: Yes No

4. Is this organization non-profit or for-profit *Attach 501 (c) (3) tax exemption if applicable

5. Contact: Melanie Dubendorf Phone: 8326573805

6. Contact address: 2918 AutumnGlow Ct. Katy TX 77494

7. Contact email: melenie@madforvets.org

8. Event date: 6/19/2024

9. Event times: Start 8AM Finish 11AM Set-up 7AM Breakdown 1PM

10. Is this event for charity? Yes No

11. If yes, what charity? MAD for Vets Tax ID 37-3981743

12. If yes, what percentage of net proceeds will be donated to the charity? 100%

13. On-site contact: Melanie Dubendorf Mobile #: 8326573805

14. Estimated number of attendees: 200-300

15. Detailed site map in attached: Yes No

16. Is this event open to the public: Yes No

17. Admission fee: \$ 55 Free

18. Time at which event staff will begin to arrive: 6:30AM

19. The applicant will defend and hold harmless the city of Tomball from all claims, demands, actions or causes of action, of whatsoever nature or character, arising out of or by reason of the conduct of the activity authorized by such application including attorney fees and expenses. Initial MD

20. The applicant will provide proof of general liability insurance for the event naming the City of Tomball as additional insured. Initial MD

21. Name of insurance carrier: _____

22. Are Fireworks included in your event? No Yes (Must submit Fireworks Event Application)

Signature: [Signature]

Form 503
(Revised 08/19)

Return in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512-463-5555
FAX: 512 463-5709
Filing Fee: \$25



Assumed Name Certificate

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas

MAR 22 2022

Corporations Section

Assumed Name

1. The assumed name under which the business or professional service is, or is to be, conducted or rendered is: MAD For Vets

Entity Information

2. The legal name of the entity filing the assumed name is:

MAD Foundation

State the name of the entity as currently shown in the records of the secretary of state or on its organizational documents, if not filed with the secretary of state.

3. The entity filing the assumed name is a: (Select the appropriate entity type below.)

- For-profit Corporation
- Nonprofit Corporation
- Professional Corporation
- Professional Association
- Other
- Limited Liability Company
- Limited Partnership
- Limited Liability Partnership
- Cooperative Association

Specify type of entity. For example, foreign real estate investment trust, state bank, insurance company, etc.

4. The file number, if any, issued to the entity by the secretary of state is: 37-1981734

5. The state, country, or other jurisdiction of formation of the entity is: Texas

6. The entity's principal office address is:

2918 Autumnnglow Ct

Street or Mailing Address

<u>Katy</u>	<u>Tx</u>	<u>USA</u>	<u>77494</u>
<i>City</i>	<i>State</i>	<i>Country</i>	<i>Postal or Zip Code</i>

Period of Duration

7a. The period during which the assumed name will be used is 10 years from the date of filing with the secretary of state.

OR

7b. The period during which the assumed name will be used is _____ years from the date of filing with the secretary of state (not to exceed 10 years).

OR

7c. The assumed name will be used until _____ (not to exceed 10 years).

mm/dd/yyyy

RECEIVED

MAR 22 2022

Secretary of State

County or Counties in which Assumed Name Used

8. The county or counties where business or professional services are being or are to be conducted or rendered under the assumed name are:

All counties

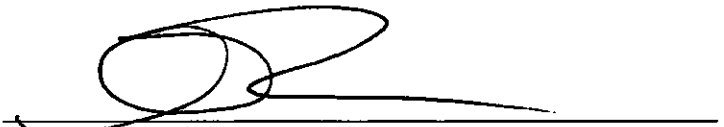
All counties with the exception of the following counties: _____

Only the following counties: _____

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and also certifies that the person is authorized to sign on behalf of the identified entity. If the undersigned is acting in the capacity of an attorney in fact for the entity, the undersigned certifies that the entity has duly authorized the undersigned in writing to execute this document.

Date: 3/8/2022



Melonie Dubendorf

Signature of a person authorized by law to sign on behalf of the identified entity (see instructions)

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve a Professional Services Agreement with Freese & Nichols, Inc. for the design of drainage improvements for North Star Estates, Project Number 2024-10008, for a not-to-exceed amount of \$59,193, authorize the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This amount is to be paid from the Capital Improvement Project budget for fiscal year 2023-2024.

Background:

In 2020, the City of Tomball completed a project for drainage improvement in North Star Estates on Rigel Court that included the construction of a retaining wall and drainage channel stabilization to aid with erosion along the drainage channel. In November, staff was made aware that erosion issues were occurring adjacent to the site where the retaining wall was constructed and staff began working with Freese & Nichols, the original design consultant, to conduct a site investigation. The site investigation included observing and documenting existing conditions and comparing what was designed versus what was constructed to determine the cause and solution.

Freese & Nichols has met with staff and discussed the potential path forward in order to make the additional repairs needed to the drainage channel. The proposed project will consist of removing sub-optimal fill and replacing with acceptable fill, keying/benching and compacting imported select fill, and flattening the slope to a more gradual slope and armor with rock riprap.

The proposed Professional Services Agreement with Freese & Nichols for engineering services to design the needed improvements is for a not-to-exceed amount of \$59,193.

This project was not included in the approved FY 2023-2024 budget, but funding has been allocated in the CIP budget with a transfer from Unobligated Bond Funds remaining in the CIP budget from excess funds remaining after the construction of the Medical Complex project.

Project Element	Total Contract	Remaining Contract Amount
Engineering - FNI	\$59,193	N/A
Estimated Construction	\$210,000	N/A
Project Budget \$270,000	Total Contracts & Estimates \$270,000 (with construction estimate)	Remaining Funding \$0

Origination: Project Management

Recommendation:

Staff recommends approving the Professional Services Agreement with Freese & Nichols, Inc. for the design of drainage improvements for North Star Estates for a not-to-exceed amount of \$59,193.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: If yes, specify Account Number: #400-154-6409

If no, funds will be transferred from account: # To Account: #

Signed: Meagan Mageo **Approved by:**
 Staff Member Date City Manager Date

**PROFESSIONAL SERVICES AGREEMENT
FOR
ENGINEERING SERVICES
RELATED TO
ENGINEERING & PLANNING PROJECT NO. 2024-10008
CITY OF TOMBALL
NORTH STAR DRAINAGE IMPROVEMENTS**

**THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §**

THIS AGREEMENT is made, entered into, and executed by and between the CITY OF TOMBALL, TEXAS (the "City"), a municipal corporation of the State of Texas, and Freese & Nichols, Inc. ("Engineer").

WITNESSETH:

WHEREAS, the City desires to complete drainage improvements consisting of Slope Flattening and Armament in North Star Estates near Rigel Court (the "Project"); and

WHEREAS, the services of a professional engineering firm are necessary to project planning and design, and

WHEREAS, the Engineer represents that it is fully capable and qualified to provide professional services to the City related to professional engineering;

NOW, THEREFORE, the City and Engineer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

**SECTION I.
SCOPE OF AGREEMENT**

Engineer agrees to perform certain professional services as outlined and defined in the Proposal attached hereto as Exhibit A, and made a part hereof for all purposes, hereinafter sometimes referred to as "Scope of Work," and for having rendered such services, the City agrees to pay Engineer compensation as stated in the Section VII.

**SECTION II.
CHARACTER AND EXTENT OF SERVICES**

Engineer shall do all things necessary to render the engineering services and perform the Scope of Work in a manner consistent with the professional skill and care ordinarily provided by competent engineering practicing in the same or similar locality and under the same or similar circumstances and professional license. It is expressly understood and

agreed that Engineer is an Independent Contractor in the performance of the services agreed to herein. It is further understood and agreed that Engineer shall not have the authority to obligate or bind the City, or make representations or commitments on behalf of the City or its officers or employees without the express prior approval of the City. The City shall be under no obligation to pay for services rendered not identified in Exhibit "A" without prior written authorization from the City.

**SECTION III.
OWNERSHIP OF WORK PRODUCT**

Engineer agrees that the City shall have the right to use all exhibits, maps, reports, analyses and other documents prepared or compiled by Engineer pursuant to this Agreement. The City shall be the absolute and unqualified owner of all studies, exhibits, maps, reports, analyses, determinations, recommendations, computer files, and other documents prepared or acquired pursuant to this Agreement with the same force and effect as if the City had prepared or acquired the same. It is further understood and agreed that ownership and usage rights associated with the above referenced documents and analyses, hereinafter referred to as instruments, are contingent upon Engineer's completion of the services which will result in the production of such instruments and Engineer's receipt of payment, in full, for said services. Additionally, City understands and agrees that the rights described and provided hereunder shall not preclude or prevent Engineer from continuing to use those processes, analyses and data.

**SECTION IV.
TIME FOR PERFORMANCE**

The time for performance is an estimated 90 calendar day duration beginning from the execution date of this Agreement. Upon written request of the Engineer, the City may grant time extensions to the extent of any delays caused by the City or other agencies with which the work must be coordinated and over which Engineer has no control.

**SECTION V.
COMPLIANCE AND STANDARDS**

Engineer agrees to perform the work hereunder in accordance with generally accepted standards applicable thereto and shall use that degree of care and skill commensurate with the applicable profession to comply with all applicable state, federal, and local laws, ordinances, rules, and regulations relating to the work to be performed hereunder and Engineer's performance.

**SECTION VI.
INDEMNIFICATION**

To the fullest extent permitted by Texas Local Government Code Section 271.904, Engineer shall and does hereby agree to indemnify, hold harmless and defend the City, its officers, agents, and employees against liability for damage caused by or resulting from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Engineer, the Engineer's agent, consultant under contract, or another entity over which the Engineer exercises control.

**SECTION VII.
ENGINEER'S COMPENSATION**

For and in consideration of the services rendered by Consultant pursuant to this Agreement, the City shall pay Engineer only for the actual work performed under the Scope of Work, on the basis set forth in Exhibit "A," up to an amount not to exceed \$59,193, including reimbursable expenses as identified in Exhibit "A".

**SECTION VIII.
INSURANCE**

Engineer shall procure and maintain insurance for protection from workers' compensation claims, claims for damages because of bodily injury, including personal injury, sickness, disease, or death, claims or damages because of injury to or destruction of property, including loss of use resulting therefrom, and claims of errors and omissions.

**SECTION IX.
TERMINATION**

The City may terminate this Agreement at any time by giving seven (7) days prior written notice to Engineer. Upon receipt of such notice, Engineer shall discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to the Agreement. As soon as practicable after receipt of notice of termination, Engineer shall submit a statement, showing in detail the services performed under this Agreement to the date of termination. The City shall then pay Engineer that proportion of the prescribed charges which the services actually performed under this Agreement bear to the total services called for under this Agreement, less such payments on account of the charges as have been previously made. Copies of all completed or partially completed maps, studies, reports, documents and other work product prepared under this Agreement shall be delivered to the City when and if this Agreement is terminated.

**SECTION X.
ADDRESSES, NOTICES AND COMMUNICATIONS**

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to Consultant at the following address:

Freese & Nichols, Inc.
Attention: Richard Weatherly
10497 Town and Country Way, Suite 600
Houston, Texas 77024

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to the City at the following address:

City of Tomball
Attn: Project Manager
501 James Street
Tomball, Texas 77375

**SECTION XI.
LIMIT OF APPROPRIATION**

Prior to the execution of this Agreement, Engineer has been advised by the City and Engineer clearly understands and agrees, such understanding and agreement being of the absolute essence to this Agreement, that the City shall have available only those sums as expressly provided for under this Agreement to discharge any and all liabilities which may be incurred by the City and that the total compensation that Engineer may become entitled to hereunder and the total sum that the City shall become liable to pay to Engineer hereunder shall not under any conditions, circumstances, or interpretations hereof exceed the amounts as provided for in this Agreement.

**SECTION XII.
SUCCESSORS AND ASSIGNS**

The City and Engineer bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Neither the City nor Engineer shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

**SECTION XIII.
DISCLOSURE OF INFORMATION**

Engineer shall under no circumstances release any material or information developed in the performance of its services hereunder without the express written permission of the City.

**SECTION XIV.
MODIFICATIONS**

This instrument, including Exhibits A and B, contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent modification in writing signed by both parties hereto.

**SECTION XV.
ADDITIONAL SERVICES OF ENGINEER**

If authorized in writing by the City, Engineer shall furnish, or obtain from others, Additional Services that may be required because of significant changes in the scope, extent or character of the portions of the Project designed or specified by the Engineer, as defined in Exhibit "A". These Additional Services, plus reimbursable expenses, will be paid for by the Owner on the basis set forth in Exhibit "A," up to the amount authorized in writing by the City.

**SECTION XVI.
CONFLICTS OF INTEREST**

Pursuant to the requirements of the Chapter 176 of the Texas Local Government Code, Consultant shall fully complete and file with the City Secretary a Conflict of Interest Questionnaire.

**SECTION XVII.
PAYMENT TO ENGINEER FOR SERVICES AND
REIMBURSABLE EXPENSES**

Invoices for Basic and Additional Services and reimbursable expenses will be prepared in accordance with Engineer's standard invoicing practices and will be submitted to the City by Engineer at least monthly. Invoices are due and payable thirty (30) days after receipt by the City.

XVIII.
MISCELLANEOUS PROVISIONS

A. This Agreement is subject to the provisions of the Texas Prompt Payment Act, Chapter 2250 of the Texas Government Code. The approval or payment of any invoice shall not be considered to be evidence or performance by Engineer or of the receipt of or acceptance by the City of the work covered by such invoice.

B. Venue for any legal actions arising out of this Agreement shall lie exclusively in the federal and state courts of Harris County, Texas.

C. This Agreement is for sole benefit of the City and Engineer, and no provision of this Agreement shall be interpreted to grant or convey to any other person any benefits or rights.

D. Engineer further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

E. In accordance with Chapter 2270, Texas Government Code, a government entity may not enter into a contract with a company for goods or services unless the Engineer covenants and agrees that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Furthermore, the Engineer is prohibited from engaging in business with Iran, Sudan or Foreign Terrorist Organizations.

F. In accordance with Chapter 2274 of the Texas Government Code, Engineer covenants that it: (1) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (2) will not discriminate during the term of this contract against a firearm entity or firearm trade associations.

IN WITNESS WHEREOF, the City of Tomball, Texas, has lawfully caused this Agreement to be executed by its Mayor; and Engineer, acting by its duly authorized officer/representative does now sign, execute and deliver this instrument.

EXECUTED on this ___ day of _____, _____.

Company Name: Freese & Nichols, Inc.

Michael V Rudy

Name:

Title:

CITY OF TOMBALL, TEXAS

David Esquivel, City Manager

ATTEST:

Tracylynn Garcia, City Secretary

SCOPE OF SERVICES AND RESPONSIBILITIES OF CLIENT

PROJECT UNDERSTANDING

Freese and Nichols, Inc. (FNI) shall provide professional engineering services to the City of Tomball, Texas (Client) in connection with the North Star Estates – Slope Flattening and Armament (Project) near 31422 Rigel Court, City of Tomball. FNI was contacted by the Client on November 9, 2023 about concerns of the existing retaining wall. On November 10, 2023, the Consultant met with the Client to observe and document existing conditions as well as compare what was issued for design versus what was constructed in-place to identify potential deficiencies. This information is documented in the **North Star Estates Site Visit** Memorandum.

On February 5, 2024, the Client and FNI further discussed a potential path forward. The system discussed includes a temporary solution of erosion control by repairing an approximate 60 to 75 linear foot section. The area discussed is located adjacent to a drainage channel behind the property located at 31422 Rigel Ct, Tomball, TX. More specifically, the area between the stormwater discharge and the repairs completed for the **Drainage Channel Stabilization and Retaining Wall Repair, 31422 Rigel Court, City of Tomball** Project. The project will consist of removing the random sub-optimal fill to acceptable fill, keying/benching and compacting imported select fill and flattening the slope a more gradual slope. The slope and toe will be armored using filtered riprap erosion protection.

This scope of work includes the engineering necessary to design and construct a more gradual slope and armor with rock riprap. The design will span in the area downstream of the stormwater outfall pipe located at approx. 30° 7'4.67"N, 95°38'9.07"W for a stretch of about 80 linear feet. It should be understood that this is a temporary solution and **does not** provide a permanent solution for the area.

Please note that any Geotechnical Services, Resident Representation, and evaluation of any substation of materials or equipment, or development of any design modifications requested by the Client for the Project will be considered as Additional Services and are not included as part of the Basic Services.

ARTICLE I

BASIC SERVICES: FNI shall render the following professional services in connection with the development of the Project:

A. PROJECT MANAGEMENT:

1. Conduct a virtual (Microsoft TEAMS) kickoff meeting to review scope, schedule, and budget; determine any special conditions that may affect design and/or construction; discuss administrative requirements of Client.
2. Manage efforts of internal design team and sub-consultants on project. FNI shall consult with a Registered Professional Land Surveyor regarding the necessary survey services and deliverables. The Client will contract with the Registered Professional Land Surveyor to provide a topographic survey.
3. Perform Quality Control review of all deliverables including a constructability review of the drawings.

4. Provide status report, recent activities, upcoming activities, budget updates, schedule updates, and scope changes.

B. DESIGN PHASE: FNI shall provide professional services in this phase as follows:

1. Prepare Base Bid design drawings, and technical specifications. City will provide Front Ends (Div 00 and 01). Incorporate survey data into the drawings. Coordinate drawings with technical specifications so that items of work and materials are covered in the specifications and compatible with any notes on the drawings.
2. Furnish such information necessary to utility companies whose facilities may be affected or services may be required for the Project.
3. Calculate and estimate quantities based on drawings and prepare unit pricing based on records and published construction cost data as appropriate. Prepare an opinion of probable construction cost (OPCC).
4. Provide design submittals at 60% and 100% (Final) design milestones.
5. Virtual review meetings will be held after each design milestone.

Deliverables: One (1) electronic copy (.PDF format) of the 60% and 100% (Final) design drawings, technical specifications, and OPCC for review and approval by Client. Upon final approval by Client, FNI will provide Client one (1) electronic copy (.PDF format) of Final design drawings, specifications, and OPCC.

ARTICLE II

SPECIAL SERVICES:

A. BID OR NEGOTIATION PHASE: Upon completion of the design services and approval of "Final" drawings and specifications by Client, FNI shall provide professional services in this phase as follows:

1. Assist Client in securing bids. Issue a Notice to Bidders (Issued for Bid Set) to prospective contractors and vendors listed in FNI's database of prospective bidders, and to selected plan rooms. Provide a copy of the notice to bidders for Client to use in notifying construction news publications and publishing appropriate legal notice. The cost for publications shall be paid by Client.
2. Print Bid Documents and distribute to selected plan rooms, and to prospective bidders that respond to the Notice to Bidders.
3. Maintain information on entities that have been issued a set of bid documents. Distribute information on plan holders to interested contractors and vendors on request.
4. Assist Client by responding to questions and interpreting bid documents. Prepare and issue addenda to the bid documents to plan holders if necessary.

5. At Client request, FNI will assist Client in the opening, tabulating, and analyzing the bids received. Review the qualification information provided by the apparent low bidder to determine if, based on the information available, they appear to be qualified to construct the project. Recommend award of contracts or other actions as appropriate to be taken by Client. Pre-qualification of all prospective bidders and issuing a list of eligible bidders prior to the bid opening is an additional service.
6. Assist the Client in conducting a pre-bid conference for the construction projects and coordinate responses with Client. Response to the pre-bid conference will be in the form of addenda issued after the conference. Attend the tour of the project site after the pre-bid conference.
7. Assist Client in the preparation of Construction Contract Documents for construction contracts. Provide two (2) sets of Construction Contract Documents which include information from the apparent low bidders bid documents, legal documents, and addenda bound in the documents for execution by the Client and construction contractor. Distribute one (1) copy of these documents to the contractor with a notice of award that includes directions for the execution of these documents by the construction contractor. Provide Client with the remaining one (1) copy of these documents for use during construction. Additional sets of documents can be provided as an Additional Service.
8. Furnish contractor copies of the drawings and specifications for construction pursuant to the Supplementary Conditions of the Construction Contract.

- B. CONSTRUCTION PHASE GENERAL REPRESENTATION: Upon completion of the bid or negotiation phase services, FNI will proceed with the performance of construction phase general representation services as described below.

In performing these services, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or any safety precautions and programs relating in any way to the condition of the premises, the work of the Contractor or any Subcontractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project.

These services are based on the use of FNI's standard General Conditions for construction projects. Modifications to these services required by use of other general conditions or contract administration procedures are an additional service. If General Conditions other than FNI's standard are used, the Client agrees to include provisions in the General Conditions that require Contractor to include FNI: (1) as an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by Contractor for the Project (except workers' compensation and professional liability policies); and (2) as an indemnified party in the Contractor's indemnification provisions where the Client is named as an indemnified party.

1. Assist Client in conducting pre-construction conference(s) with the Contractor(s), review construction schedules prepared by the Contractor(s) pursuant to the requirements of the construction contract, and prepare a proposed estimate of monthly cash requirements of the Project from information provided by the Construction Contractor.

2. Make one (1) visit to the construction site to observe the progress and the quality of work and to attempt to determine in general if the work is proceeding in accordance with the Construction Contract Documents. In this effort FNI will endeavor to protect the Client against defects and deficiencies in the work of Contractors and will report any observed deficiencies to Client. Visits to the site in excess of the specified number are an Additional Service.
3. Revise the construction drawings in accordance with the information furnished by construction Contractor(s) reflecting changes in the Project made during construction. Furnish Client one (1) electronic copy (.PDF format) of "Record Drawings."

ARTICLE III

ADDITIONAL SERVICES: Any services performed by FNI that are not included in the Basic Services or Special Services described above are Additional Services.

ARTICLE IV

TIME OF COMPLETION: FNI is authorized to commence work on the Project upon execution of this Agreement and agrees to complete the services in 90 days from Notice to Proceed.

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in Client or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this Agreement and in Attachment CO.

ARTICLE V

RESPONSIBILITIES OF CLIENT: Client shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Client recognizes and expects that change orders may be required to be issued during construction. The responsibility for the costs of change orders will be determined on the basis of applicable contractual obligations and professional liability standards. FNI will not be responsible for any change order costs due to unforeseen site conditions, changes made by or due to the Client or Contractor, or any change order costs not caused by the negligent errors or omissions of FNI. Nothing in this provision creates a presumption that, or changes the professional liability standard for determining if, FNI is liable for change order costs. It is recommended that the Client budget a minimum of 5% for new construction and a minimum of 10% for construction that includes refurbishing existing structures.
- B. Designate in writing a person to act as Client's representative with respect to the services to be rendered under this Agreement. Such person shall have contract authority to transmit instructions, receive information, interpret and define Client's policies and decisions with respect to FNI's services for the Project.

- C. Provide all criteria and full information as to Client's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Client will require to be included in the drawings and specifications.
- D. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
- E. Arrange for access to and make all provisions for FNI to enter upon public and private property as required for FNI to perform services under this Agreement.
- F. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by FNI, obtain advice of an attorney, insurance counselor and other consultants as Client deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay, or cause rework in, the services of FNI.
- G. Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
- H. Client shall make or arrange to have made all subsurface investigations, including but not limited to borings, test pits, soil resistivity surveys, and other subsurface explorations. Client shall also make or arrange to have made the interpretations of data and reports resulting from such investigations. All costs associated with such investigations shall be paid by Client.
- I. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as Client may require or FNI may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as Client may require to ascertain how or for what purpose any Contractor has used the moneys paid under the construction contract, and such inspection services as Client may require to ascertain that Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
- J. If Client designates a person to serve in the capacity of Resident Project Representative who is not FNI or FNI's agent or employee, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in an Attachment attached to and made a part of this Agreement before the Construction Phase of the Project begins. Said attachment shall also set forth appropriate modifications of the Construction Phase General Representation services as defined in Attachment SC, Article I, D, together with such adjustment of compensation as appropriate.
- K. Attend the pre-bid conference, bid opening, preconstruction conferences, construction progress and other job-related meetings and substantial completion inspections and final payment inspections.
- L. Give prompt written notice to FNI whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services, or any defect or nonconformance of the work of any Contractor.

- M. Furnish, or direct FNI to provide, Additional Services as stipulated in Attachment SC, Article III of this Agreement or other services as required.
- N. Bear all costs incident to compliance with the requirements of this Article V.

ARTICLE VI

DESIGNATED REPRESENTATIVES: FNI and Client designate the following representatives:

Client's Designated Representative – David Esquivel, P.E.
Assistant City Manager
City of Tomball
501 James Street
Tomball, Texas 77375
Phone: (281) 290-1415
Fax: (281) 351-4735
desquivel@tomballtx.gov

FNI's Designated Representative – Richard Weatherly, P.E.
Freese and Nichols, Inc.
10497 Town and Country Way, Suite 600
Houston, Texas 77024
Phone: (713) 600-6824
Fax: (713) 600-6801

FNI's Accounting Representative – Kristina Isaac
Freese and Nichols, Inc.
10497 Town and Country Way, Suite 600
Houston, Texas 77024
Phone: (713) 600-6860
Fax: (713) 600-6801
Kristina.Isaac@freese.com

Project Fee Summary	
Basic Services	\$ 59,193
Special Services	
Total Project	\$ 59,193

		Labor										Total Hours	Total Labor Effort
Basic or Special	Task Description	Cody Cockroft	Stephen McCaskie	Frederic Ma	Jonathan Jordan	Matthew Cartwright	Clement Ma	John Rinacke	Janet Sanchez	Richard Heine			
		QA/QC	SA	PM	CAD	CS	CS	Cost	Docs				
		\$275	\$275	\$206	\$143	\$262	\$140	\$178	\$113	\$275			
Basic	Project Management												\$ -
	Kickoff Meeting	1		1		1						3	\$ 743
	Coordination with RPLS			2	2							4	\$ 698
	General QA/QC	2	2							2		6	\$ 1,650
	PM Reports/Schedule Update			2								2	\$ 412
													\$ -
Basic	60% Design Submittal												\$ -
	Construction Drawing Production			30	60							90	\$ 14,760
	Cost Estimate	1	1	3				4				8	\$ 1,605
	Technical Specifications			8		1						9	\$ 1,910
	Constructability Review					1						1	\$ 262
	Review Meeting (Virtual)	2		2		1						5	\$ 1,224
													\$ -
Basic	100% / Final Design Submittal												\$ -
	Incorporate 60% Design Comments			2	16							18	\$ 2,700
	Finalize Construction Drawing				8							8	\$ 1,144
	Finalize Cost Estimate			2				2				4	\$ 768
	Finalize Technical Specifications			8		1						9	\$ 1,910
	Constructability Review					1						1	\$ 262
	Review Meeting (Virtual)	2		2		1						5	\$ 1,224
													\$ -
Basic	Bid/Negotiation Phase												\$ -
	Assist in securing bids			2		2						4	\$ 936
	Distribute documents								4			4	\$ 452
	Maintain planholders list			1					8			9	\$ 1,110
	Respond to questions; issue addenda			1					4			5	\$ 658
	Assist in analyzing bids			2								2	\$ 412
	Pre-Bid Conference			4		1						5	\$ 1,086
	Bid/Proposal evaluation and recommendation			2								2	\$ 412
	Conform and execute documents					2			8			10	\$ 1,428
													\$ -
Basic	Construction Phase Services												\$ -
	Preconstruction Meeting/Site Visit/Prep for Construction					1	5					6	\$ 962
	Progress Meetings Site Visits (1)					1	4					5	\$ 822
	Substantial Completion Walkthrough					1	4					5	\$ 822
	Final Completion Walkthrough					1	4					5	\$ 822
	Record Drawings			1	10	1						12	\$ 1,898
													\$ -
Total Hours / Quantity		8	3	75	96	17	17	6	24	2		247	
Total Effort		\$ 2,063	\$ 688	\$ 15,450	\$ 13,728	\$ 4,454	\$ 2,380	\$ 1,068	\$ 2,712	\$ 550			\$ 43,092

Project Fee Summary	
Basic Services	59,193
Special Services	-
Total Project	59,193

Expenses												
Basic or Special	Task Description	Tech Charge	Miles	Meals	Hotel	B&W (sheet)	Color (sheet)	Binding (each)	Lg Format - Bond - B&W (sq. ft.)	Lg Format - Glossy/Mylar - B&W (sq. ft.)	Other	Total Expense Effort
Basic	Project Management											\$ -
	Kickoff Meeting	3	60									\$ 66
	Coordination with RPLS	4										\$ 34
	General QA/QC	6										\$ 51
	PM Reports/Schedule Update	2										\$ 17
												\$ -
Basic	60% Design Submittal											\$ -
	Construction Drawing Production	90										\$ 765
	Cost Estimate	8										\$ 68
	Technical Specifications	9										\$ 77
	Constructability Review	1										\$ 9
	Review Meeting (Virtual)	5										\$ 43
												\$ -
Basic	100% / Final Design Submittal											\$ -
	Incorporate 60% Design Comments	18										\$ 153
	Finalize Construction Drawing	8										\$ 68
	Finalize Cost Estimate	4										\$ 34
	Finalize Technical Specifications	9										\$ 77
	Constructability Review	1										\$ 9
	Review Meeting (Virtual)	5										\$ 43
												\$ -
Basic	Bid/Negotiation Phase											\$ -
	Assist in securing bids	4										\$ 34
	Distribute documents	4										\$ 34
	Maintain planholders list	9										\$ 77
	Respond to questions; issue addenda	5										\$ 43
	Assist in analyzing bids	2										\$ 17
	Pre-Bid Conference	5										\$ 43
	Bid/Proposal evaluation and recommendation	2										\$ 17
	Conform and execute documents	10										\$ 85
												\$ -
Basic	Construction Phase Services											\$ -
	Preconstruction Meeting/Site Visit/Prep for Construction	6	120									\$ 131
	Progress Meetings Site Visits (1)	5	120									\$ 123
	Substantial Completion Walkthrough	5										\$ 43
	Final Completion Walkthrough	5										\$ 43
	Record Drawings	12										\$ 102
												\$ -
	Total Hours / Quantity	247	300	-	-	-	-	-	-	-	-	
	Total Effort	\$ 2,100	\$ 201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,301

Project Fee Summary	
Basic Services	59,193
Special Services	-
Total Project	59,193

		Subconsultants										Total	
Basic or Special	Task Description	Survey sub	Geotech Exploration sub	Sub Name 3	Sub Name 4	Sub Name 5	Sub Name 6	Sub Name 7	Sub Name 8	Sub Name 9	Sub Name 10	Total Sub Effort	Total Effort
Basic	Project Management											\$ -	\$ -
	Kickoff Meeting	12,000										\$ 13,800	\$ 14,609
	Coordination with RPLS											\$ -	\$ 732
	General QA/QC											\$ -	\$ 1,701
	PM Reports/Schedule Update											\$ -	\$ 429
												\$ -	\$ -
Basic	60% Design Submittal											\$ -	\$ -
	Construction Drawing Production											\$ -	\$ 15,525
	Cost Estimate											\$ -	\$ 1,673
	Technical Specifications											\$ -	\$ 1,987
	Constructability Review											\$ -	\$ 271
	Review Meeting (Virtual)											\$ -	\$ 1,267
												\$ -	\$ -
Basic	100% / Final Design Submittal											\$ -	\$ -
	Incorporate 60% Design Comments											\$ -	\$ 2,853
	Finalize Construction Drawing											\$ -	\$ 1,212
	Finalize Cost Estimate											\$ -	\$ 802
	Finalize Technical Specifications											\$ -	\$ 1,987
	Constructability Review											\$ -	\$ 271
	Review Meeting (Virtual)											\$ -	\$ 1,267
												\$ -	\$ -
Basic	Bid/Negotiation Phase											\$ -	\$ -
	Assist in securing bids											\$ -	\$ 970
	Distribute documents											\$ -	\$ 486
	Maintain planholders list											\$ -	\$ 1,187
	Respond to questions; issue addenda											\$ -	\$ 701
	Assist in analyzing bids											\$ -	\$ 429
	Pre-Bid Conference											\$ -	\$ 1,129
	Bid/Proposal evaluation and recommendation											\$ -	\$ 429
	Conform and execute documents											\$ -	\$ 1,513
												\$ -	\$ -
Basic	Construction Phase Services											\$ -	\$ -
	Preconstruction Meeting/Site Visit/Prep for Construction											\$ -	\$ 1,093
	Progress Meetings Site Visits (1)											\$ -	\$ 945
	Substantial Completion Walkthrough											\$ -	\$ 865
	Final Completion Walkthrough											\$ -	\$ 865
	Record Drawings											\$ -	\$ 2,000
												\$ -	\$ -
	Total Hours / Quantity	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	Total Effort	\$ 13,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,800	\$ 59,193

City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Discussion and possible action to schedule Special City Council Meeting(s) and workshop(s)

Background:

Staff is checking for quorum (in-person) for May 6, 2024, at 5:00 PM for Unified Development Code and schedule workshops for the following: Tree Preservation and Noise Ordinances

In addition, we need to call a Special City Council meeting to Canvass the election.

Origination: City Administration

Recommendation:

n/a

Party(ies) responsible for placing this item on agenda: Tracylynn Garcia, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: No: If yes, specify Account Number: #all dept. & funds training

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____
Staff Member Date City Manager Date

City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve Resolution No. 2024-17, a Resolution of the City Council of the City of Tomball, Texas regarding acceptance of an approximately 18.739 acre tract of land located at 16000 Farm to Market 2920, Tomball, TX 77377 into the extraterritorial jurisdiction of the City of Tomball.

Background:

International Commercial Development Enterprises, LLC., owner of the mentioned property, has petitioned and requested the City of Tomball to expand and extend the City's ETJ to include all the territory of land consisting of approximately 18.739 acres. This step is required to begin the annexation process.

Origination: City Secretary

Recommendation:

Approve Resolution No. 2024-17

Party(ies) responsible for placing this item on agenda:

Tracylynn Garcia,
Assistant City Secretary

RESOLUTION NO. 2024-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS REGARDING ACCEPTANCE OF AN APPROXIMATELY 18.739 ACRE TRACT OF LAND LOCATED AT 16000 FARM TO MARKET 2920, TOMBALL, TX 77377 INTO THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF TOMBALL.

* * * * *

WHEREAS, INTERNATIONAL COMMERCIAL DEVELOPMENT ENTERPRISES, LLC, (herein the “Owner”), has petitioned and requested the City of Tomball, Texas (the “City”), to expand and extend the City’s extraterritorial jurisdiction to include all the territory of a tract of land consisting of approximately 18.739 acres located more fully detailed in Exhibit “A”; and

WHEREAS, the Owner of the Property has petitioned to be released from the City of Houston’s extraterritorial jurisdiction and such petition has been granted through either act of the City Council of the City of Houston or by operation of law; and

WHEREAS, the Owner of the Property has requested through petition to the City that the Property be included in the City’s corporate boundaries pursuant to the provisions of Section 42.002, Texas Local Government Code; and

WHEREAS, the Territory is or will be contiguous to the existing extraterritorial jurisdiction of the city; and

WHEREAS, the City believes that it will be in the best interests of Petitioner and the city, and will benefit the Territory and the City, if the City extends and expands its extraterritorial jurisdiction to include all the Property; and

WHEREAS, the City Council of the City of Tomball finds it to be in the best interest of the health, safety, and welfare of its citizens to indicate such intentions; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

SECTION 1. The facts and matters set forth in the preamble are hereby found to be true and correct.

SECTION 2: The City Council accepts and hereby extends and expands the City’s extraterritorial jurisdiction to include the Property as a first step to including the Property into the City’s corporate boundaries.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2024.

Lori Klein Quinn, Mayor
City of Tomball, Texas

ATTEST:

Tracylynn Garcia
City Secretary

LEGAL DESCRIPTION

Order No.: ATCH17066923

Being a **18.739** acre tract of land in the **John Edwards Survey (A-20)**, and the **Chauncey Goodrich Survey, (A-311)** in Harris County, Texas, out of that certain 130.971 acre tract of land described under Clerk's File No. T469927, of the Official Public Records of Real Property of Harris County, Texas (OPRRPHCoTx), said 18.739 acres is hereafter referred to as "the subject tract" and is more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found lying in a curve in the North right-of-way line of FM 2920 (120 Ft. R-O-W), and marking the lower Southeast corner of the said 130.971 acre tract (hereafter called "parent tract"). Said point marks the Southeast corner of the subject tract, and the Southwest corner of a forty-foot-wide strip of land that is the old abandoned right-of-way of Tomball Waller Road;

THENCE in a westerly direction with a curve to the right along the North line of F. M. 2920 (Radius = 1372.40', Central Angle = 20°45'42", Chord = South 80°59'48" West - 494.58') an arc length of 497.30 feet to a 5/8 inch iron rod found marking the end of said curve;

THENCE North 89°16'00" West, continuing with the North line of F.M. 2920, a distance of 95.61feet to a 5/8 inch iron rod found marking the lower Southwest corner the subject tract, and the Southeast corner of that certain twenty-by-fifty foot (20' X 50') tract of land described in deed to Salem Lutheran Church recorded under Clerk's File No. U659556;

THENCE North 00°38'17" West, departing the North line of F.M. 2920 a distance of 50.00 feet to a 5/8 inch iron rod found marking an interior corner of the subject tract, and the Northeast corner of the said Salem Lutheran Church tract;

THENCE North 89°16'00" West, a distance of 20.00 feet to a 5/8 inch iron rod found lying in the West line of the parent tract, in the East line of that certain 121 acre tract of land recorded in Volume 3948, Page 462, and Volume 962, Page 260 (HCDR) and marking the upper Southwest corner of the subject tract, and the Northwest corner of the said Salem Lutheran Church tract;

THENCE North 00°38'17" West, with the West line of the parent tract, a distance of 1286.87 feet to a 5/8 inch iron found marking the Northwest corner of the subject tract, and the Southwest corner of that certain 31.159 acre tract of land described under Clerk's File No. V256093;

THENCE North 88°59'50" East, departing the West line of the parent tract and with the South line of the said 31.159 acre tract, a distance of 630.10 feet to a 5/8 inch iron rod found marking the Northeast corner of the subject tract, and the Northwest corner of that certain 21.001 acre tract of land described under Clerk's File No. U682638;

THENCE South 00°29'00" West departing the South line of the said 31.159 acre tract, a distance of 706.25 feet to a 5/8 inch iron rod found marking the Southwest corner of the said 21.001 acre tract, an outside corner of a ninety-degree bend in the said old abandoned right-of-way of Tomball Waller Road, an interior corner of the parent tract, and a slight angle point in the East line of the subject tract;

THENCE South 00°30'51" West, with the West line of the said abandoned right-of-way, a distance of 565.69 feet to the **POINT OF BEGINNING** and containing 18.739 acres of land.

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	TANGENT	CHORD LENGTH	CHORD BEARING
C1	20°45'40"	1372.40'	497.29'	251.40'	494.58'	S 80°59'46" W

LINE	BEARING	DISTANCE
L1	N 00°38'17" W	50.00'
L2	N 89°16'00" W	20.00'
L3	N 89°16'00" W	95.61'

Notes:
1. This drawing is for "Topographical Survey Purposes" only.
2. Elevations are based on Texas South Central State Plane NAD83, NAVD88, Geoid 03, 2001 Adjustment.
3. TBM is a Mag nail set in the pavement along the front of the property with an elevation of 178.29 feet.
4. No evidence of a gas pipeline was originally observed during this topographic survey. Some possible locations of underground utilities are shown hereon as a precautionary measure based upon existing mapping provided. C & C Surveying, Inc. does not take responsibility for determining the depth or location of underground utilities within or around the subject site. All utilities should be field verified and checked by contractor. Client did mark or have marked the apparent location of the underground pipeline by yellow pin flags as shown hereon. C & C Surveying, Inc. takes no responsibility for the accuracy of those pin flags in defining the location of said pipeline.

EP - EDGE OF PAVEMENT
CLD - CENTERLINE OF DITCH
HB - HIGH BANK
CLR - CENTERLINE OF ROAD

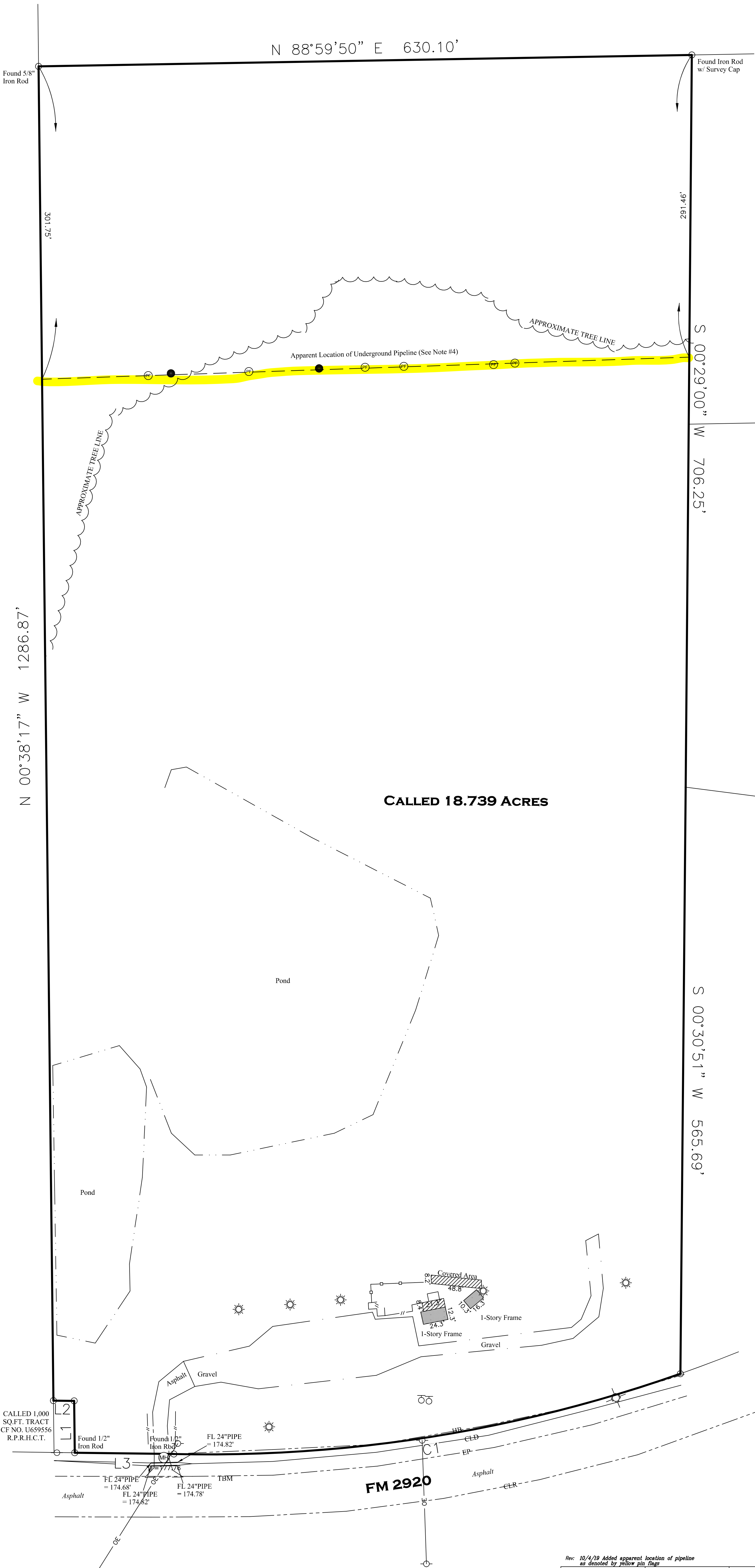
- WOOD RAIL FENCE
- WOOD FENCE
- OVERHEAD ELECTRIC
- LIGHT POLE
- POWER POLE
- MANHOLE
- METER POLE
- TRAFFIC SIGNAL POLE
- PIPELINE MARKER
- YELLOW PIN FLAG MARKER

CALLED 31.1590 ACRES
CF NO. V256093
R.P.R.H.C.T.

This property lies with in Zone 'X' as SCALED from FEMA Panel Number 48201C0201-L, dated June 18, 2007.

THIS MEANS THAT THE SUBJECT PROPERTY DOES NOT SCALE WITHIN THE 100 YEAR FLOOD PLAIN.

This determination is made strictly according to the FEMA maps and does not reflect actual on ground flood conditions. Furthermore, this company takes no responsibility for such.



CALLED 122 ACRES
CF NO. M463098 & P133167
R.P.R.H.C.T.

CALLED 21.001 ACRES
CF NO. U682638
R.P.R.H.C.T.

CALLED 2.9520 ACRES
CF NO. 20090443955
R.P.R.H.C.T.

CALLED 4.103 ACRES
CF NO. M970473
R.P.R.H.C.T.

CALLED 1,000 SQ. FT. TRACT
CF NO. U659556
R.P.R.H.C.T.

Being a Topographic Survey of a called 18.739 acres situated in the John Edwards Survey, Abstract Number 20 and Chauncey Goodrich Survey, Abstract Number 311 both of Harris County, Texas.

Rev: 10/4/19 Added apparent location of pipeline as denoted by yellow pin flags

Date: April 28, 2017
Job No. 17-0104
Address: 18000 FM 2920
City, State: Tomball, TX

CF No. 21/4
Scale: 1" = 60' (24 x 36)
Drawn By: RM
Rev: 10/4/19

C & C Surveying, Inc.
7424 F.M. 1488, Suite A, Magnolia, Texas 77354
Office: 281-259-4377 Metro: 281-356-5172
Fax: 281-356-1935
Email: onesurvey@tnt.com@sbcglobal.net
Website: www.ccsurveying.com



Certified To: Champions Real Estate, LLC
Client: Champions Real Estate, LLC
I HEREBY CERTIFY THIS SURVEY WAS MADE ON THE GROUND, AND THAT THIS PLAN CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF SURVEY AND THAT THIS PROFESSIONAL SERVICE CONFORMS TO THE TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 6 CONDITION III SURVEY, AND THAT THERE ARE NO ENCROACHMENTS EXCEPT AS SHOWN.
Steven L. Crews R.P.L.S. #4141

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve a donation agreement with the estate of Gilbert and Virginia Freitag for the donation and display of antique train equipment and authorize the City Manager to execute any and all documents related to the donation.

Background:

In July 2022, City staff and Depot Museum volunteers met were contacted by Gilbert Freitag to discuss his collection of antique train equipment as Mr. Freitag was interested in donating a number of items. After some discussion, staff believe the donation and display of these items would enhance the Depot museum offerings. As such, staff are requesting the City enter into a donation agreement with the Estate of Gilbert and Virginia Freitag to receive the donations and agree to display and maintain the antique train equipment for 20 years.

Per the agreement, the donation and display of antique train items will include a semaphore signal, wig-wag signal, dual search light signal, dual light road crossing signal, quad light road crossing signal with gate arm, base unit signal control, freight station baggage wagon, large wheel dual fire bottle cart, baggage scale and stitch stands.

Since July 2022, Mr. Freitag has removed the items from their previous location and has been restoring them to close to original condition. City staff has also worked with the donor to provide insight into installation location, storage and future operations and maintenance of the items.

The items are scheduled to be restored and installed at The Depot Museum location in Fall 2024. The City is finalizing quotes for concrete pads, electrical, and other site work to place the items and is recommending the use of ARP funds to complete the improvements.

Origination: Public Works

Recommendation:

Accept the Donation of Antique Train Items from The Estate of Gilbert and Virginia Freitag

Party(ies) responsible for placing this item on agenda:

Drew Huffman, Director of Public Works

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____

If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____

To account # _____

Signed Drew Huffman 03/18/2024 Approved by _____
Staff Member Date City Manager Date

DONATION AGREEMENT

This Donation Agreement is made by and between the City of Tomball, Texas, a home-rule municipality incorporated pursuant to the laws of the State of Texas and located in Harris County, Texas (the “City”), and The Estate of Gilbert and Virginia Freitag, an individual (the “Donor”) (with the City and the Donor each being a “Party”, and collectively, the “Parties”), and is made effective as of the date of authorization by the City Council of the City (the “Council”) at its regular meeting on _____, 2024 (the “Effective Date”).

RECITALS

WHEREAS, the City has express authority to contract with other persons pursuant to section 51.014 of the Texas Local Government Code; and

WHEREAS, the Donor owns certain items of antique train equipment, as listed in this Agreement, that Donor desires to donate to the City for display and maintenance at the City of Tomball Railroad Depot; and

WHEREAS, the City wishes to accept the donation of these items of antique train equipment in accordance with the terms of this Agreement; and

WHEREAS, the Council finds that the provisions contained in this Agreement are reasonable and necessary for the acceptance of these items of antique train equipment. **NOW THEREFORE**,

IN CONSIDERATION OF THE MUTUAL COVENANTS AND OBLIGATIONS SET FORTH HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE PARTIES COVENANT AND AGREE AS FOLLOWS:

AGREEMENT

SECTION 1. PURPOSE

This Agreement serves as a statement and exchange of promises between the City and the Donor. It is enacted to provide clear responsibilities and duties for the conveyance of the Donation by the Donor and acceptance of the Donation by the City. This Agreement will ensure that the Donation accepted by the City is in the best interest of the City and its citizens.

SECTION 2. TERM

This Agreement shall become binding on the Parties on the Effective Date and shall remain in full force and effect for a period of twenty (20) years.

SECTION 3. THE DONATION

The Donor agrees to donate the following items to the City for display at the City of Tomball Train Depot:

- 1) One (1) double control box semaphore signal;
- 2) One (1) base mast semaphore signal;
- 3) One (1) Wig-Wig Signal;
- 4) One (1) dual searchlight signal;
- 5) One (1) dual light road crossing signal;

- 6) One (1) quad light road crossing signal with gate arm;
- 7) One (1) base unit signal control/relay/battery box;
- 8) One (1) freight station baggage wagon;
- 9) One (1) large wheeled dual fire bottle cart;
- 10) One (1) baggage scale; and
- 11) Five (5) unique stitch stands.

Additionally, Donor will provide labor and materials to repaint, rewire, repair any mechanical problem needed, re-lamp signals, concrete bolting in-bed plates, assistance for electrical control system and assistance for initial wiring/connect of signals at the City of Tomball Train Depot. These items shall become the property of the City of Tomball immediately upon the execution of this Agreement.

SECTION 4. CITY OF TOMBALL OBGLIATIONS.

The City shall be responsible for the following:

- 1) Transporting the Donation items from their current location in Pearland, Texas to the City of Tomball Train Depot;
- 2) Providing a concrete foundation with electrical conduit in beds;
- 3) Providing storage and installation of signals and other items at the City of Tomball Train Depot;
- 4) Providing public activatable electrical control panel/system to activate each signal;
- 5) Displaying signage indicating "Freitag Memorial Signal Garden" or similar display signage;
- 6) Providing periodic maintenance and re-painting as needed; and
- 7) Agreeing to display the Donation items as much as practical during the term of this Agreement. The City shall not be obligated to display any or all of the donated items if any of the items become weathered, damaged or unfit for public display. Additionally, should the City no longer operate and maintain its Train Depot, the City shall not be obligated to display the donated items.

SECTION 5. CONTACT INFORMATION

All notices and communications required or contemplated under this Agreement may be conducted in person, but shall be memorialized through written notice to the addresses of the Parties as follows:

For the City:
 City of Tomball
 Attn: City Manager
 401 Market Street
 Tomball, Texas 77375

For the Donor:
 The Estate of Gilbert and Virginia Freitag

SECTION 6. TRANSFERABILITY

Except as may otherwise be expressly provided herein, the rights and obligations created by this Agreement may not be transferred or assigned to another party without the express written consent of the City and Donor.

SECTION 7. GOVERNING LAW

The laws of the State of Texas shall govern any disputes or conflicts that arise under the terms of this Agreement. The venue for any legal action involving this Agreement shall be in a court of competent jurisdiction in Harris County.

SECTION 8. ENTIRE AGREEMENT

This Agreement represents the entirety of the arrangement between the City and the Donor. No oral or other written contracts outside of this Agreement shall have any effect unless they are approved in writing by both Parties and made a part of this Agreement.

SECTION 9. OTHER DOCUMENTS

The City and the Donor agree to execute such further documents, and to take such further acts, as may be necessary or required to carry out the terms of this Agreement.

SECTION 10. AMENDMENTS

This Agreement may be amended only by an instrument in writing signed by the City and Donor.

SECTION 11. SEVERABILITY

The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person or circumstance shall ever be held by any agency or court of competent jurisdiction to be unenforceable, invalid or unlawful for any reason, the remainder of this Agreement shall not be affected thereby.

SECTION 12. NO THIRD-PARTY BENEFICIARIES

Except as herein specifically and expressly provided, the terms and provisions of this Agreement are for the sole benefit of the City and Donor, and no third party whatsoever is intended to benefit here from.

SECTION 13. AUTHORIZATION

- A.** The City represents and warrants to, and covenants with Donor that the execution, delivery and performance of this Agreement by the executing officer have been duly authorized. This Agreement has been duly and validly executed and delivered by the executing officer on behalf of the City, and constitutes a valid and binding obligation, enforceable against the City in accordance with its terms.
- B.** No consent or approval of any third party, including, without limitation, any governmental authority, is required in connection with the execution, delivery or performance of this Agreement. The execution and delivery of this Agreement, and the performance of the obligations and consummation of the transactions contemplated herein do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under any contract, indenture, mortgage, loan agreement, lease, joint venture or other agreement or instrument to which the City is a party or by which the City or any of its respective properties are bound, or result in any violation by it of any law, order, rule or regulation of any court or governmental agency or body. The City is not in material violation of any law, ordinance, governmental rule or regulation or court decree to which it may be subject, nor has it failed to obtain and maintain in full force and effect any license, permit, certificate, franchise or other governmental authorization necessary to the ownership of its respective property or to the conduct of its operations under this Agreement.

SIGNATURES

THIS AGREEMENT IS EXECUTED BY THE PARTIES ON _____, 2024.

FOR: THE CITY

David Esquivel, City Manager

ATTEST:

Tracylynn Garcia, City Secretary

FOR: THE DONOR

Gilbert Freitag
Name [Signature]

Gilbert Freitag
Name [Printed]

Estate Executor
Title

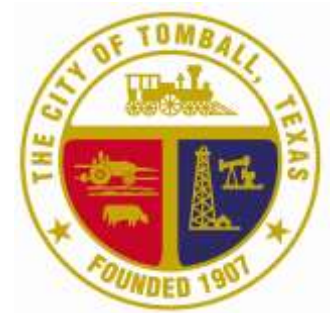
The person signing on behalf of the Donor represents and warrants that he/she has sufficient authority to bind the Donor and enter this Agreement.

City of Tomball

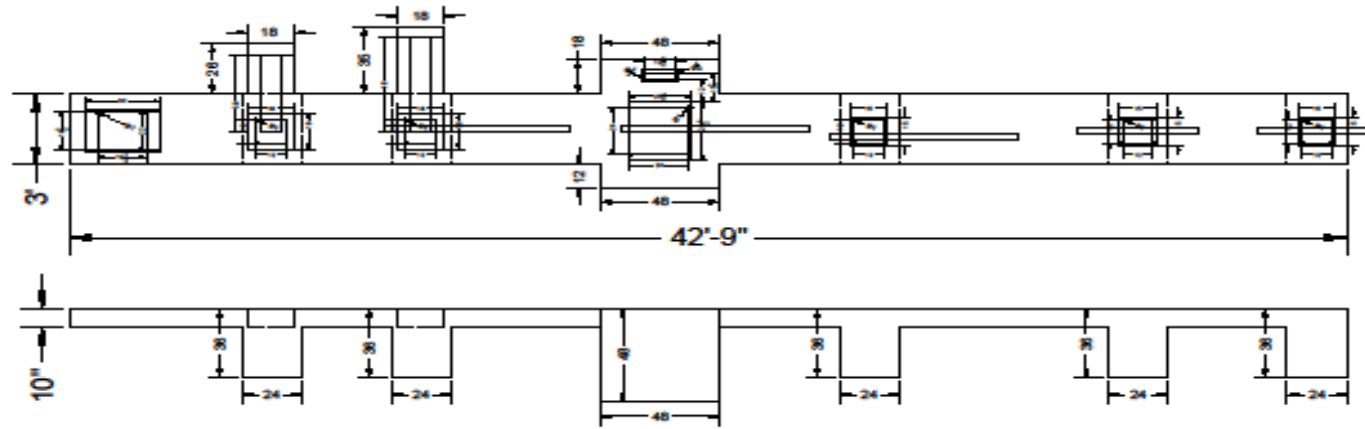
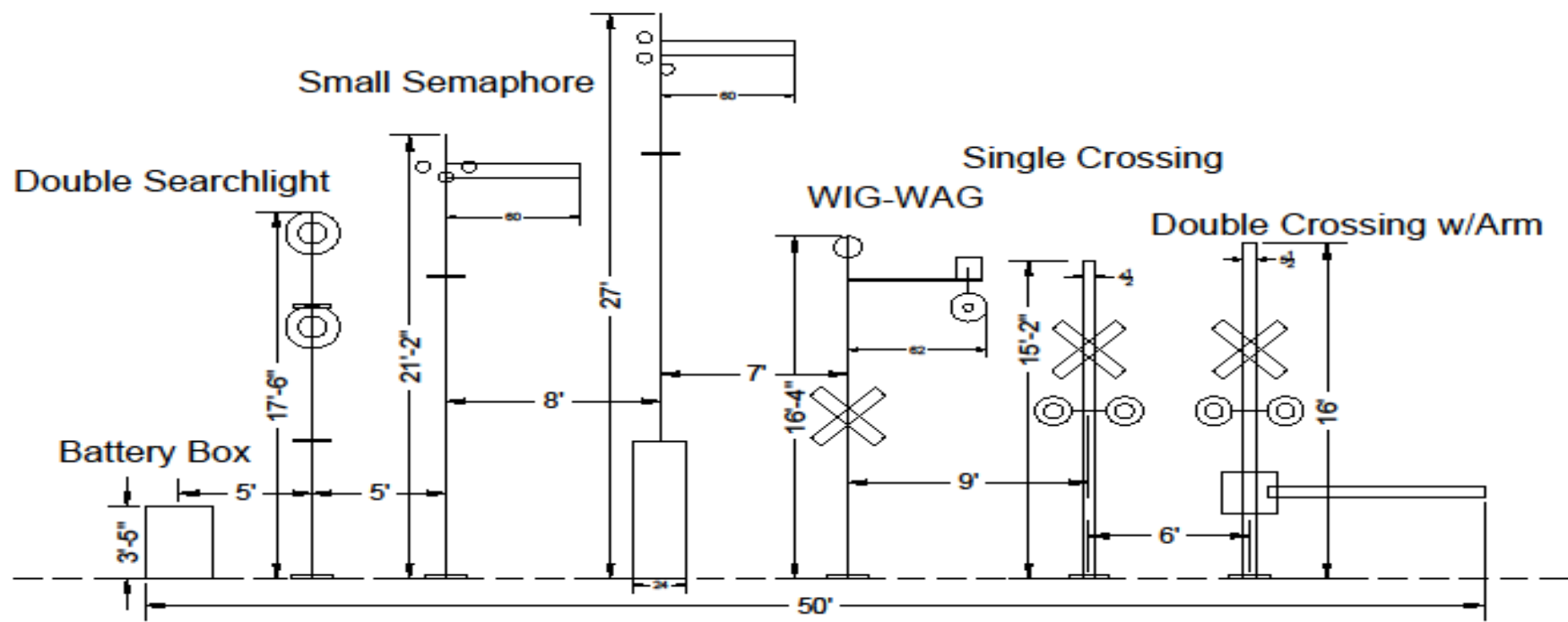
Donation of Antique Train Items

March 18, 2024





Big Semaphore



Dual Search Light



Fire Cart



Wig-Wag



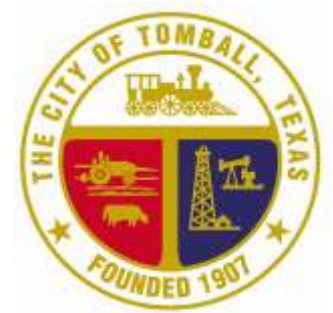
Baggage Cart



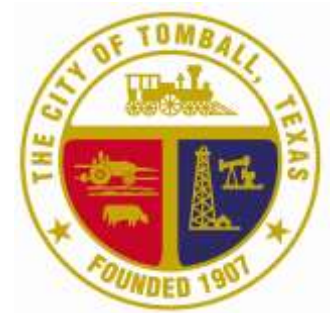
Switch Stands



Semaphore double box



Questions?



City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve Resolution No. 2024-15 - A Resolution of the City Council of the City of Tomball, Texas, authorizing the City Manager to act for the City in connection with the City’s expenditure of grants from the American Rescue Plan and the Coronavirus Local Fiscal Recovery Fund and making other provisions related to the subject.

Background:

Enacted on March 11, 2021, the American Rescue Plan Act (ARPA) authorized \$1.9 trillion in federal pandemic relief funds. Of that, \$350 billion was authorized in state and local government fiscal assistance. As a non-entitlement unit (NEU), the City of Tomball requested funds through the Texas Department of Emergency Management (TDEM). The City has received \$2,924,422.92 in ARPA funds.

On January 17, 2022, Resolution 2022-03 was approved by City Council, which designated \$1,766,231.20 of ARPA funding for the purchase of water meters. Staff is requesting the designation of \$100,000 for Depot Museum Enhancements and \$450,000 for Louie’s Together Playground located at Juergen’s Park.

Origination: Finance Department

Recommendation:

Staff recommends the approval of Resolution No. 2024-15

Party(ies) responsible for placing this item on agenda: Katherine Tapscott, Finance Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: # 215-215-6106

If no, funds will be transferred from account # _____ To account # _____

Signed	<u>Katherine Tapscott</u>	<u>4/9/2024</u>	Approved by	_____	
	Staff Member	Date		City Manager	Date

RESOLUTION NO. 2024-15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS,
AUTHORIZING THE CITY MANAGER TO ACT FOR THE CITY IN CONNECTION
WITH THE CITY’S EXPENDITURE OF GRANTS FROM THE AMERICAN RESCUE
PLAN AND THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND AND MAKING
OTHER PROVISIONS RELATED TO THE SUBJECT**

* * * * *

WHEREAS, the City has received federal grant funds from the American Rescue Plan Act of 2021, (the “Act”) as a Non-Entitlement Unit of Local Government, as defined in the Act in the amount of \$2,924,190.64;

WHEREAS, the distribution of the grant funds will be managed by the Texas Department of Emergency Management through the Coronavirus Local Fiscal Recovery Fund;

WHEREAS, the purposes for which the grant funds may be used are limited by federal statutes and regulations; and

WHEREAS, by accepting such grant funds, the City incurs certain responsibilities and obligations for accounting for the expenditure of the funds and related matters;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Tomball, Texas:

Section 1. The findings set forth in the preamble of this Ordinance are found to be true and correct.

Section 2. The City Council authorizes the City Manager to represent the City’s interests in connection with the receipt of grant funds from the American Rescue Plan Act of 2021, including filing any applications that may be required and communicating with the Texas Department of Emergency Management regarding distribution of grant funds to the City through the Coronavirus Local Fiscal Recovery Fund.

Section 3. The City Council directs the City Manager to take such actions as are necessary to ensure that: a) any expenditures of the grant funds by the City are made in compliance with the applicable laws and regulations and b) proper records are kept by the City to document its compliance with the applicable laws and regulations.

Section 4. The City Council hereby approves the usage of existing and future ARP funds as the City of Tomball American Rescue Plan Funding Plan, attached hereto as “Exhibit A”.

PASSED, APPROVED, AND RESOLVED this ____ day of _____, 2024.

Lori Klein Quinn, Mayor

ATTEST:

Tracylynn Garcia, City Secretary

EXHIBIT A

**CITY OF TOMBALL
AMERICAN RESCUE PLAN
FUNDING PLAN**

Total Funds Allocated: \$2,924,190.64

To make necessary investments in water, sewer, or broadband infrastructure.

Replacement of water meters, software, and other necessary components. \$1,766,231.20
Approved by City Council on January 17, 2022

Depot Museum Enhancements \$100,000.00

Louie's Together Playground \$450,000.00

Remaining Funds to be Assigned to Projects \$607,959.44

City Council Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Consideration to Approve **Zoning Case Z24-03**: Request by Ken & Betty Vairin, represented by META Planning & Design, Inc., to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z24-03**

Adopt, on First Reading, Ordinance No. 2024-07, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

Background:

Origination: Ken & Betty Vairin, represented by META Planning & Design, Inc.

Recommendation:

Party(ies) responsible for placing this item on agenda: Community Development Department

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

ORDINANCE NO. 2024-07

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 31.12 ACRES OF LAND LEGALLY DESCRIBED AS BEING PORTIONS OF THE J H EDWARDS SURVEY, ABSTRACT 20 AND THE C GOODRICH SURVEY, ABSTRACT 311 FROM AGRICULTURAL (AG) TO SINGLE FAMILY RESIDENTIAL - 6 (SF-6). THE PROPERTY IS LOCATED WITHIN THE 22100 BLOCK (WEST SIDE) OF TOMBALL CEMETERY ROAD, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.

Whereas, Ken & Betty Vairin, represented by META Planning & Design, Inc. , to amend Chapter 50 (Zoning) of the Tomball Code of Ordinance, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311, being generally located in the 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas (the “Property”), be rezoned; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within three hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

Whereas, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City’s receipt of the requested rezoning; and

Whereas, the City Council deems it appropriate to grant the requested rezoning.

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

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The rezoning classification of the Property is hereby changed and is subject to the regulations, restrictions, and conditions hereafter set forth.

Section 3. The Official Zoning Map of the City of Tomball, Texas shall be revised and amended to show the designation of the Property as hereby stated, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the change.

Section 4. This Ordinance shall in no manner amend, change, supplement or revise any provision of any ordinance of the City of Tomball, save and except the change in zoning classification for the Property as described above.

Section 5. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed \$2,000. Each day of violation shall constitute a separate offense.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON _____ DAY OF _____ 2024.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DUNAGIN	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN PARR	_____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON _____ DAY OF _____ 2024.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DUNAGIN	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN PARR	_____

LORI KLEIN QUINN, Mayor

ATTEST:

TRACYLYNN GARCIA, City Secretary

PEA GROUP



16060 Dillard Drive, Suite 250
Houston, TX 77040

713.688.3530
peagroup.com

LEGAL DESCRIPTION

Being 31.122 acres or 1,355,691 square feet of land situated in the John Edwards Survey, Block 3, Abstract Number 20 and the Chancey Goodrich Survey, Abstract Number 311, Harris County, Texas, being all of that certain called 31.159 acres of land described in deed recorded in Harris County Clerk File Number V256093, Texas, and more particularly described as follow (Bearings and coordinate are based on the Texas Coordinate System of 1983, South Central Zone, all distances shown hereon are surface distances and may be converted to grid by applying the following combined scale factor: 0.9999443881);

COMMENCING at a found 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS" having grid coordinates X: 3,024,702.62 feet, Y: 13,956,276.70 feet found in the west right-of-way line of Tomball Cemetery Road (called 60 feet wide) and the Northwest right-of-way line of FM 2920 (called 120 feet wide), for the southeast corner of Lot 1, Final Plat of Sitemag at Tomball, recorded in Film Code Number 700317 of the Map Records of Harris County;

THENCE, North 03°19'11" West, along the west right-of-way line of said Tomball Cemetery Road and the east line of said Lot 1, a distance of 340.12' to a found 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS" having grid coordinates X: 3,024,682.73 feet, Y: 13,956,616.26 feet the POINT OF BEGINNING of the herein described tract;

THENCE, South 86°39'32" West, along the north line of said Lot 1, at a distance of 1,358.48 passing a 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS", found for the northerly northwest corner of said Lot 1 and the northeast corner of a called 18.739 acre tract, recorded in Harris County Clerk File Number RP-2017-242129, and continuing along the North line of said 18.739 acre tract, for a total distance of 1,988.49 feet to a 5/8 inch iron rod found in the east line of a called 122 acre tract recorded in Harris County Clerk File Number N908353, for the northwest corner of said 18.739 acre tract;

THENCE, North 03°00'51" West, along the east line of said 122 acre tract, a distance of 683.31 feet to a 5/8 inch iron rod with cap, in the east line of said 122 acre tract, for the southwest corner of Tract 4, of Replat Number 2 of Pine Country of Tomball Section Three, recorded in File Clerk Number 641167 of the Map Records of Harris County;

S:\PROJECTS\2023\23-0613 TOMBALL CEMETERY RD SUBDIVISION\SURVEY\LEGALS\23-0613 LEGAL DESCRIPTION.doc

THENCE, North 86°42'40" East, along the south line of said Tract 4 and the south line of Reserve "B", Replat of Pine Country of Tomball Section 2, recorded in Film Code Number 628282 of the Map Records of Harris County, at a distance of 1,544.77 feet passing a 1/2 inch iron rod found for the southeast corner of said Reserve B and the southwest corner of Lot 13, Block 1, Pine Country of Tomball Section Two, Reserve "A" Replat, recorded in Film Code Number 671096 of the Map Records of Harris County, continuing for a total distance of 1,984.85 feet to a 5/8 inch iron rod with cap "TONY P. SWONKE RPLS" found in the west right-of-way line of said Tomball Cemetery Road, for the southeast corner of said Lot 13;

THENCE, South 03°19'11" East, along the west right-of-way line of said Tomball Cemetery Road, a distance of 681.49 feet to the POINT-OF-BEGINNING and containing 31.122 acres of land or 1,355,691 square feet of land.



Glen H. Freeland, R.P.L.S. Date: 01-26-2024
Texas Registered Land Surveyor No. 5758
gfreeland@peagroup.com
Agent of PEA Group
TBPELS Firm #10194679
File No. 2023-0613



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Location: 22100 block (west) of Tomball Cemetery Road, being portions of J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311, City of Tomball, Harris County, Texas.

**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
APRIL 8, 2024
&
CITY COUNCIL
APRIL 15, 2024**



Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, April 8, 2024 at 6:00 P.M.** and by the City Council of the City of Tomball on **Monday, April 15, 2024 at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case Z24-03: Request by Ken & Betty Vairin, represented by META Planning & Design, Inc., to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas.

Zoning Case Z24-04: Request by Houston Deco Balloons LLC, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas.

Zoning Case Z24-05: Request by FLS Development LLC, represented by Shawn & Shonna Speer, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 49.30 acres of land legally described as being portions of Lots 489 through 498 of Tomball Outlots as well as all of Lot 1 & Reserve A in Block 1 of Brandt Holdings subdivision from Commercial (C) & Agricultural (AG) to Planned Development (PD) zoning. The properties are generally located within the 2100 – 2200 blocks (east side) of Hufsmith-Kohrville Road, within the City of Tomball Harris County, Texas

Zoning Case Z24-06: Request by Peter & Sylvia Hildreth, represented by Quadros Migl & Crosby PLLC. to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 6.97 acres of land legally described as being a portion of the J. House Survey, Abstract 34, as well as all of Lots 36, 43, 44, 45 & Reserve D in Block 4 of Tomball Hills Addition from Commercial (C) and Single Family Residential – 9 (SF-9) to Planned Development (PD) zoning. The properties are generally located within the 30700 block (east side) of SH 249, within the City of Tomball, Harris County, Texas.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Administrative Services Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the City Planner, Jared Smith, at (281) 290-1491 or at jasmith@tomballtx.gov.

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the 5th day of April 2024 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Jared Smith

Jared Smith
City Planner

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

For the PLANNING & ZONING COMMISSION
Please call (281) 290-1491 if you have any questions about this notice.

CASE #: Z24-03

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: BROWN RUSSELL E
Parcel I.D.: 1310150000005
Address: 16011 PINE COUNTRY BLVD

Mailing To: Community Development Department
501 James St., Tomball TX 77375

Email: jasmith@tomballtx.gov

I am in favor
Additional Comments:

I am opposed

Signature: Russell E. Brown

501 James Street • TOMBALL, TEXAS 77375



**City of Tomball
Community Development Department**

VAIRIN KEN & BETTY
616 CASTLEWOOD COVE LN
PINEHURST, TX 77362-2018

NOTICE OF PUBLIC HEARING

RE: Zone Change Case Number Z24-03

03/21/2024

The Planning & Zoning Commission will hold a public hearing on **April 8, 2024 at 6:00 PM**, in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas to recommend approval or denial to City Council on a request by Ken & Betty Vairin, represented by META Planning & Design, Inc., to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas.

This hearing is open to any interested person. Opinions, objections and/or comments relative to this matter may be expressed in writing or in person at the hearing. At the bottom of this letter is a form that you may cut off, fill out, and mail. Comments are also accepted by email as listed below. All responses must be signed.

The attached map shows the area of this request. Only that area which is bounded by the cross-hatched line on the map is being considered for **rezoning**. The solid boundary line around the subject area is only a notification area. All owners of property within 300-feet of the subject property are required to be notified. Whether approved or denied by the Planning & Zoning Commission, this case will be heard by City Council for First Reading with public hearing on **April 15, 2024 at 6:00 PM** in City Council Chambers at City Hall, 401 Market Street, Tomball, Texas.

If you have any questions, please contact Jared Smith, City Planner at telephone 281-290-1491 or by email address jasmith@tomballtx.gov

For the PLANNING & ZONING COMMISSION
Please call (281) 290-1491 if you have any questions about this notice.

CASE #: Z24-03

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: VAIRIN KEN & BETTY
Parcel I.D.: 0421810000178
Address: 0 TOMBALL CEMETERY RD

Mailing To: Community Development Department
501 James St., Tomball TX 77375

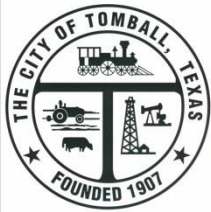
Email: jasmith@tomballtx.gov

I am in favor
Additional Comments:

I am opposed

Signature: Betty Vairin by Laura Vain
(POA)

501 James Street • TOMBALL, TEXAS 77375



**Rezoning
Staff Report**

Planning & Zoning Commission Public Hearing Date: April 8, 2024
City Council Public Hearing Date: April 15, 2024

Rezoning Case: Z24-03
Property Owner(s): Ken and Betty Vairin
Applicant(s): META Planning & Design, Inc.
Legal Description: Portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311
Location: 22100 block (west side) of Tomball Cemetery Road (Exhibit “A”)
Area: 31.12 acres
Comp Plan Designation: Neighborhood Residential / Corridor Commercial (Exhibit “B”)
Present Zoning: Agricultural (AG) District (Exhibit “C”)
Request: Rezone from the Agricultural (AG) to the Single-Family Residential – 6 (SF-6) district

Adjacent Zoning & Land Uses:

North: Agricultural (AG) and Single Family – 9 (SF-9) / Single-family residence(s)

South: Planned Development (PD) #18 / Undeveloped Multifamily

West: Unincorporated parcel / Outside City Limits and ETJ

East: Commercial (C) District and ETJ

BACKGROUND

The subject property is presently undeveloped. The applicants are requesting to rezone the subject property to Single Family Residential – 6 (SF-6) to allow the development of a single-family residential subdivision. This SF-6 zoning district would allow a subdivision comprised of lots being a minimum of 6,000 square feet in area.

ANALYSIS

Description: The subject property comprises approximately 31.12 acres, located in the 22100 block on the west side of Tomball Cemetery Road. Currently, the subject property is located within the Agricultural zoning district and has been within this zoning classification since the City of Tomball adopted zoning in 2008. Immediately north of the subject property are existing single-family residences located on varying sized lots within Agricultural and Single Family – 9 zoning, the properties which are zoned Single Family Residential – 9 (SF-9) were approved for rezoning in 2014. South of the subject site is Planned Development District #18 (Undeveloped), which was created in 2021 for multi-family residential. In addition to this PD there is an unincorporated parcel that is undeveloped. West of the subject property is a large tract of unincorporated land with a single-family residence present. East of the subject property on the east side of Tomball Cemetery Road are properties located within the Commercial (C) zoning district and within the City of Tomball’s Extra Territorial Jurisdiction (ETJ) with single-family residences present.

Comprehensive Plan Recommendation: Much of this property is designated as “Neighborhood Residential” by the Comprehensive Plans Future Land Use Map with a small portion of the property being within the “Corridor Commercial” land use category. The neighborhood residential category is intended for areas predominantly comprised of single-family detached housing. While this area is primarily served by the automobile, the inclusion of sidewalks is important for both improved access and safety. The lot size of neighborhood residential should be influenced by surrounding land uses, with smaller lots being in close proximity to supporting amenities, and recreation opportunities.

According to the Comprehensive Plan, land uses should focus on promoting safe and desirable neighborhoods, with single-family detached residential being the primary use. Secondary uses that are appropriate include parks, schools, and other public facilities. Limited commercial services and single-family attached residential that do not require large parking lots would be appropriate where residential collector streets meet arterials.

The Comprehensive Plan recommends the zoning districts of: Single Family Estate Residential - 20 (SF-20-E), Single Family Residential - 9 (SF-9), Single Family Residential - 6 (SF-6), or Planned Developments (PD) for the neighborhood residential land use category.

The Comprehensive Plan emphasizes the importance of transitioning or buffering land uses by “stepping down” land uses from more intense to less intense uses. The requested SF-6 zoning district will promote a single-family residential subdivision which will function as an effective transitional land use between the planned multi-family residential development south of the subject property and the existing medium/large lot single-family residential subdivisions north of the subject property which are comprised of lots being 9,000 square feet in area or greater. Furthermore, the requested zoning establishes a range of housing opportunities which promotes the goals and objectives of the Comprehensive Plan. Particularly providing the opportunity to facilitate the development of a new neighborhood that will integrate with the surrounding environment and provide options for citizens of Tomball to find housing in all stages of life.

Staff Review Comments:

The request to rezone the subject property to Single Family Residential – 6 (SF-6) is in direct alignment with the goals and objectives of the Neighborhood Residential land use category identified within the Future Land Use Plan. Additionally, this requested rezoning will facilitate the goals/objectives of the Comprehensive Plan, particularly by establishing suitable transitional land

use and encourage a range of housing opportunities within the city. Lastly, the subject property is located near the intersection of a major arterial street (FM 2920) and collector street (Tomball Cemetery Road). Roadways such as these are often considered appropriate for carrying the volume of traffic which is likely to be generated by additional residential homes being developed within this area.

PUBLIC COMMENT

A Notice of Public Hearing was published in the paper and property owners within 300 feet of the project site were mailed notification of this proposal on March 19 ,2024. Any public comment forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case Z24-03.

EXHIBITS

- A. Aerial Location Map
- B. Future Land Use Map
- C. Zoning Map
- D. Site Photo(s)
- E. Rezoning Application

Exhibit "A"
Aerial Location Map



Location



Exhibit "B"
Future Land Use Plan



Future Land Use



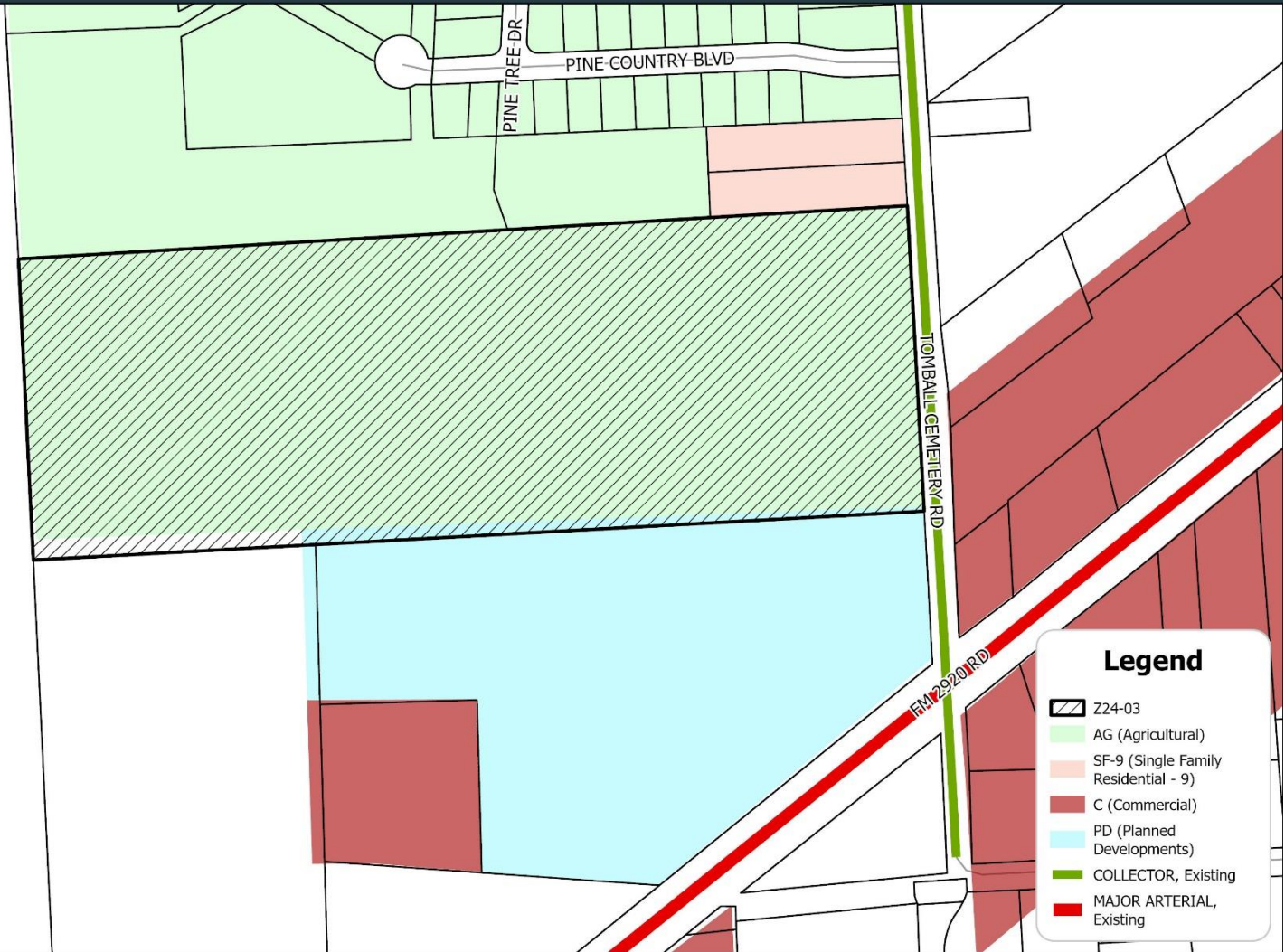
Legend

- Z24-03
- Corridor Commercial
- Neighborhood Residential

Exhibit "C"
Zoning Map



Zoning



Legend

- Z24-03
- AG (Agricultural)
- SF-9 (Single Family Residential - 9)
- C (Commercial)
- PD (Planned Developments)
- COLLECTOR, Existing
- MAJOR ARTERIAL, Existing

Exhibit "D"
Site Photo(s)

Subject Site



Neighbor (West)



Neighbor (East)



Neighbor (North)



Neighbor (North)



Neighbor (North)



Neighbor (South)



Exhibit "E"
Rezoning Application

Revised 5/19/15



APPLICATION FOR REZONING

Community Development Department
Planning Division

APPLICATION SUBMITTAL: Applications will be *conditionally* accepted on the presumption that the information, materials and signatures are complete and accurate. If the application is incomplete or inaccurate, your project may be delayed until corrections or additions are received.

Applicant

Name: Caitlin King (META Planning + Design) Title: Planner
Mailing Address: 24285 Katy Freeway, Suite 525, City: Katy State: TX
Zip: 77494
Phone: (281) 810-7228 Fax: () Email: cking@meta-pd.com

Owner

Name: Betty Vairin Title: _____
Mailing Address: 26 Teakettle City: Hitchcock State: TX
Zip: 77563
Phone: (832) 797-8987 Fax: () Email: vairins@yahoo.com

Engineer/Surveyor (if applicable)

Name: n/a Title: n/a
Mailing Address: n/a City: n/a State: n/a
Zip: n/a
Phone: () n/a Fax: () n/a Email: n/a

Description of Proposed Project: Single family development

Physical Location of Property: Just north of FM 2920; south of Pine Country Blvd, and east of Tomball Cemetery Road
[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: TRS 1C & 2D & TR 17D ABST 20 J H EDWARDS ABST 311 C GOODRICH
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Current Zoning District: AG (Agricultural)

Current Use of Property: Undeveloped land

Proposed Zoning District: SF-6 (Single Family Residential -6)

Proposed Use of Property: Single family development

HCAD Identification Number: 0421810000178 Acreage: 31.122

City of Tomball, Texas 501 James Street, Tomball, Texas 77375 Phone: 281-290-1405 www.tomballtx.gov

Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.

This is to certify that the information on this form is COMPLETE, TRUE, and CORRECT and the under signed is authorized to make this application. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

X Castlin King 02-27-2023
Signature of Applicant Date

X Betty Vairin by Laura Vairin POA 2-27-2024
Signature of Owner Date

Submittal Requirements

The following summary is provided for the applicant's benefit. However, fulfilling the requirements of this summary checklist does not relieve the applicant from the responsibility of meeting the regulations in the Zoning Ordinance, subdivision regulations, and other development related ordinances of the City of Tomball.

Applications must be delivered to the City at least 40 calendar days prior to the City Planning and Zoning Commission hearing date.

- Completed application form**
- *Copy of Recorded/Final Plat**
- Check for \$400.00 + \$10.00 per acre (Non-Refundable)**
- Letter stating reason for request and issues relating to request**
- Conceptual Site Plan (if applicable)**
- Metes & Bounds of property**
- Payment of all indebtedness attributed to subject property must be paid with application or an arrangement in accordance with Section 50-36(a)(3) of the Code of Ordinances as cited below:**

(No person who owes delinquent taxes, delinquent paving assessments, or any other fees, delinquent debts or obligations or is otherwise indebted to the City of Tomball, and which are directly attributed to a piece of property shall be allowed to submit any application for any type of rezoning, building permit, or plan review until the taxes, assessments, debts, or obligations directly attributable to said property and owed by the owner or previous owner thereof to the City of Tomball shall have been first fully discharged by payment, or until an arrangement satisfactory to the City has been made for the payment of such debts or obligations. It shall be the applicant's responsibility to provide evidence of proof that all taxes, fees, etc.. have been paid, or that other arrangements satisfactory to the City have been made for payment of said taxes, fees, etc.)

The City's staff may require other information and data for specific required plans. Approval of a required plan may establish conditions for construction based upon such information.

***Legal Lot Information:** If property is not platted, a plat will be required to be filed with the Community Development Department unless evidence of a legal lot is provided. To be an un-platted legal lot, the applicant is required to demonstrate that the tract existed in the same shape and form (same metes and bounds description) as it currently is described prior to August 15, 1983, the date the City adopted a subdivision ordinance.

Application Process

1. The official filing date is the date the application and fee are received by the City.
2. The City will review the application for completeness and will notify the applicant in writing within 10 days if the application is deemed incomplete.
3. Property owners within two-hundred (200) feet of the project site will be notified by letter within 10 calendar days prior to the public hearing date and legal notice will appear in the official newspaper of the City before the eighth calendar day prior to the date of the hearing.
4. A public hearing will be held by the Planning and Zoning Commission at 6:00 p.m. in the City Council chambers, unless otherwise noted. The Planning and Zoning Commission meetings are scheduled on the second Monday of the month. The staff will review the request with the Commission and after staff presentations the chair will open the public hearing. The applicant will have ten (10) minutes to present the request. The chair will then allow those present in favor of the request and those in opposition to the request to speak. The Commission may then ask staff or anyone present additional questions, after which the Commission may close or table the public hearing. The Commission may then vote to recommend approval or denial to the City Council. The Commission may also table the request to a future date before a recommendation is sent to the City Council.
5. A second public hearing will be scheduled before the City Council after fifteen (15) days of legal notice. The Council meetings are held on the first (1st) and third (3rd) Mondays of the month at 6:00 p.m. in the City Council chambers (401 Market Street, Tomball, Texas, 77375).
6. The City Council will conduct a public hearing on the request in the same manner as the Planning and Zoning Commission. In the event that there has been a petition filed with the City Secretary with twenty percent (20%) of the adjoining property owners in opposition to the subject zoning request, it will require a three fourths (3/4) vote of the full Council to approve the request. Upon approval of the request by the City Council, an amended ordinance shall be prepared and adopted. The ordinance shall have two separate readings and will be effective at such time that it is adopted by City Council and signed by the Mayor and attested by the City Secretary.

FAILURE TO APPEAR: It is the applicant/property owner's responsibility to attend all Planning and Zoning Commission and City Council meetings regarding their case. Failure of the applicant or his/her authorized representative to appear before the Planning and Zoning Commission or the City Council for more than one (1) hearing without approved delay by the City Manager, or his/her designee, may constitute sufficient grounds for the Planning and Zoning Commission or the City Council to table or deny the application unless the City Manager or his/her designee is notified in writing by the applicant at least seventy-two (72) hours prior to the hearing. If the agenda item is tabled the Planning and Zoning Commission shall specify a specific date at which it will be reconsidered.



February 27, 2024

City of Tomball
Planning and Zoning Commission and City Council
c/o City of Tomball Planning Department
501 James Street,
Tomball, Texas, 77375

RE: Tomball Cemetery Road Rezone Application

Dear Commissioners and Councilpersons,

On behalf of Beazer Homes, we, META Planning + Design, LLC, respectfully request for a rezoning of a ±31.1-acre tract of land located within the northwestern portion of the City of Tomball. The subject tract (HCAD number 0421810000178) is located just north of FM 2920, just south of the Pine Country of Tomball development, and just east of Tomball Cemetery Road. Currently, this tract is zoned as AG (Agricultural), but it is being requested that this tract be rezoned to the SF-6 (Single Family Residential -6) zone.

The subject tract is bounded by PD #18 (a proposed multi-family development) to the south and a single-family residential development that is zoned as AG to the north. These adjacent developments exemplify that this area is a prime location for single-family residential development. Additionally, per the City of Tomball's Comprehensive Plan, the future land use for this tract (and the residential neighborhood to the north) is designated as Neighborhood Residential. Rezoning this tract from AG to SF-6 would be in line with the goals of the City of Tomball, as a compatible zoning district for Neighborhood Residential is SF-6. The SF-6 zoning district will allow detached, single-family residential units with a minimum lot area of 6,000 square feet (a minimum lot width of 50' and a minimum lot depth of 100'). Please find the preliminary land plan attached. Please note that the land plan is for graphical representation only and is subject to change.

Beazer Homes is working with the seller to develop this tract in accordance with the rules and regulations of the SF-6 zone. As the subject tract is abutted by single-family and multi-family residential and the City of Tomball has identified the subject tract's future land use as Neighborhood Residential, we feel that the subject tract is in a prime location for the SF-6 zone.

Please contact me if you have any questions.

Sincerely,

Caitlin King

16060 Dillard Drive, Suite 250
Houston, TX 77040

713.688.3530
peagroup.com

LEGAL DESCRIPTION

Being 31.122 acres or 1,355,691 square feet of land situated in the John Edwards Survey, Block 3, Abstract Number 20 and the Chancey Goodrich Survey, Abstract Number 311, Harris County, Texas, being all of that certain called 31.159 acres of land described in deed recorded in Harris County Clerk File Number V256093, Texas, and more particularly described as follow (Bearings and coordinate are based on the Texas Coordinate System of 1983, South Central Zone, all distances shown hereon are surface distances and may be converted to grid by applying the following combined scale factor: 0.9999443881);

COMMENCING at a found 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS" having grid coordinates X: 3,024,702.62 feet, Y: 13,956,276.70 feet found in the west right-of-way line of Tomball Cemetery Road (called 60 feet wide) and the Northwest right-of-way line of FM 2920 (called 120 feet wide), for the southeast corner of Lot 1, Final Plat of Sitemag at Tomball, recorded in Film Code Number 700317 of the Map Records of Harris County;

THENCE, North 03°19'11" West, along the west right-of-way line of said Tomball Cemetery Road and the east line of said Lot 1, a distance of 340.12' to a found 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS" having grid coordinates X: 3,024,682.73 feet, Y: 13,956,616.26 feet the POINT OF BEGINNING of the herein described tract;

THENCE, South 86°39'32" West, along the north line of said Lot 1, at a distance of 1,358.48 passing a 5/8 inch iron rod with cap stamped "TONY P. SWONKE RPLS", found for the northerly northwest corner of said Lot 1 and the northeast corner of a called 18.739 acre tract, recorded in Harris County Clerk File Number RP-2017-242129, and continuing along the North line of said 18.739 acre tract, for a total distance of 1,988.49 feet to a 5/8 inch iron rod found in the east line of a called 122 acre tract recorded in Harris County Clerk File Number N908353, for the northwest corner of said 18.739 acre tract;

THENCE, North 03°00'51" West, along the east line of said 122 acre tract, a distance of 683.31 feet to a 5/8 inch iron rod with cap, in the east line of said 122 acre tract, for the southwest corner of Tract 4, of Replat Number 2 of Pine Country of Tomball Section Three, recorded in File Clerk Number 641167 of the Map Records of Harris County;

S:\PROJECTS\2023\23-0613 TOMBALL CEMETERY RD SUBDIVISION\SURVEY\LEGALS\23-0613 LEGAL DESCRIPTION.doc

THENCE, North 86°42'40" East, along the south line of said Tract 4 and the south line of Reserve "B", Replat of Pine Country of Tomball Section 2, recorded in Film Code Number 628282 of the Map Records of Harris County, at a distance of 1,544.77 feet passing a 1/2 inch iron rod found for the southeast corner of said Reserve B and the southwest corner of Lot 13, Block 1, Pine Country of Tomball Section Two, Reserve "A" Replat, recorded in Film Code Number 671096 of the Map Records of Harris County, continuing for a total distance of 1,984.85 feet to a 5/8 inch iron rod with cap "TONY P. SWONKE RPLS" found in the west right-of-way line of said Tomball Cemetery Road, for the southeast corner of said Lot 13;

THENCE, South 03°19'11" East, along the west right-of-way line of said Tomball Cemetery Road, a distance of 681.49 feet to the POINT-OF-BEGINNING and containing 31.122 acres of land or 1,355,691 square feet of land.



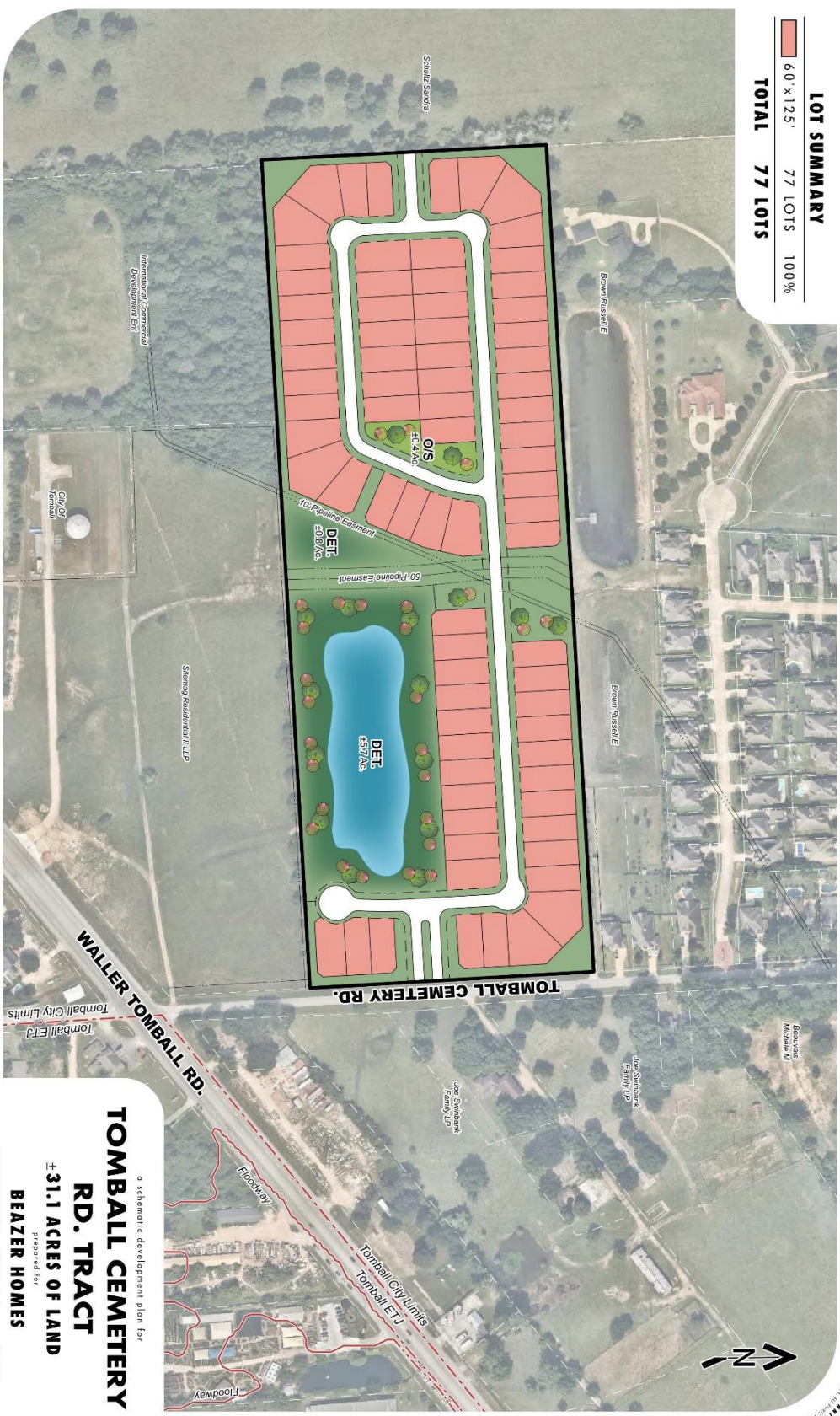
Glen H. Freeland, R.P.L.S. Date: 01-26-2024
Texas Registered Land Surveyor No. 5758
gfreeland@peagroup.com
Agent of PEA Group
TBPELS Firm #10194679
File No. 2023-0613



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LOT SUMMARY

60' x 125'	77 LOTS	100%
TOTAL	77 LOTS	



THIS DRAWING IS A GRAPHIC REPRESENTATION OF A DEVELOPMENT AND IS NOT FOR CONSTRUCTION OR CONSTRUCTION OF A DEVELOPMENT. IT IS NOT TO BE USED FOR ANY OTHER PURPOSES. THE DEVELOPER AND DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.

OPTION E3
 *REQUIRES ZONING CHANGE

MEWA
 24235 Katy Freeway, Ste. 525
 Houston, TX 77050
 Tel: 281-810-1432
 Fax: 281-810-1432
 HOU-0432
 FEBRUARY 13, 2024

TOMBALL CEMETERY RD. TRACT
 a schematic development plan for
+31.1 ACRES OF LAND
 prepared for
BEAZER HOMES

City Council Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Consideration to Approve **Zoning Case Z24-04**: Request by Houston Deco Balloons LLC, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas.

Conduct Public Hearing on **Zoning Case Z24-04**

Adopt, on First Reading, Ordinance No. 2024-08, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (*Zoning*) of the Tomball Code of Ordinances by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

Background:

Origination: Houston Deco Balloons LLC

Recommendation:

Party(ies) responsible for placing this item on agenda: Community Development Department

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

ORDINANCE NO. 2024-08

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 0.87 ACRES OF LAND LEGALLY DESCRIBED AS BEING A PORTION OF TOMBALL OUTLOT 286 FROM SINGLE FAMILY RESIDENTIAL – 20 (SF-20) TO COMMERCIAL (C). THE PROPERTY IS LOCATED WITHIN THE 900 BLOCK (NORTH SIDE) OF AGG ROAD, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.

Whereas, Houston Deco Balloons, LLC, has requested that approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286, being generally located in the 900 block (north side) of Agg Road, within the City of Tomball, Harris County, Texas (the “Property”), be rezoned; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within three hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

Whereas, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City’s receipt of the requested rezoning; and

Whereas, the City Council deems it appropriate to grant the requested rezoning.

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

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The rezoning classification of the Property is hereby changed and is subject to the regulations, restrictions, and conditions hereafter set forth.

Section 3. The Official Zoning Map of the City of Tomball, Texas shall be revised and amended to show the designation of the Property as hereby stated, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the change.

Section 4. This Ordinance shall in no manner amend, change, supplement or revise any provision of any ordinance of the City of Tomball, save and except the change in zoning classification for the Property as described above.

Section 5. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect

or invalidate this Ordinance as a whole or any part or provision hereof other any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed \$2,000. Each day of violation shall constitute a separate offense.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON _____ DAY OF _____ 2024.

COUNCILMAN FORD _____
COUNCILMAN STOLL _____
COUNCILMAN DUNAGIN _____
COUNCILMAN TOWNSEND _____
COUNCILMAN PARR _____

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON ____ DAY OF _____ 2024.

COUNCILMAN FORD _____
COUNCILMAN STOLL _____
COUNCILMAN DUNAGIN _____
COUNCILMAN TOWNSEND _____
COUNCILMAN PARR _____

LORI KLEIN QUINN, Mayor

ATTEST:

TRACYLYNN GARCIA, City Secretary

Exhibit "A"

STATE OF TEXAS §
§
§
§
COUNTY OF HARRIS §

Metes & Bounds Property Description

A tract of land containing 0.8694 Acre (37,870 Square Feet), being a portion of Outlot 286 of Tomball Townsite according the map or plat thereof recorded in Volume 2, Page 65 of the Map Records of Harris County, Texas (M.R.H.C.T.), being the remainder of a tract recorded in the name of James Case et ux under Harris County Clerk's File (H.C.C.F.) No. R838860 (Exhibit "A", Tract II) of the Real Property Records of Harris County, Texas (R.P.R.H.C.T.), and being more particularly described by metes and bounds as follows: (Bearings based on H.C.C.F. No. R838860 of the R.P.R.H.C.T.)

BEGINNING at an iron rod found at the intersection of the north right-of-way line of Agg Road and the west line of said Outlet 286, being the northwest corner of a right-of-way tract recorded in the name of the City of Tomball under H.C.C.F. No. RP-2020-383168 of the R.P.R.H.C.T., and being the southwest corner of this tract;

THENCE, **NORTH 00° 13' 27" EAST**, with the east lines of Outlots 283 and 285 being the east lines of tracts recorded in the name of Robert C. Metcalf and Sherry L. Metcalf under H.C.C.F. No. 20140116371 (Tracts 1 & 2) of the R.P.R.H.C.T., a distance of **147.19 Feet** to 1/2 Inch iron rod found at the northwest corner of this tract;

THENCE, with the lines of a tract recorded in the name of Francisco Lopez and Veronica Beltran under H.C.C.F. No. 20150144381 of the R.P.R.H.C.T. the following two (2) courses:

1. **SOUTH 89° 51' 00" EAST**, a distance of **255.48 Feet** to point at the northeast corner of this tract from which a fence corner bears South 03 01 54 West, a distance of 0.75 Feet;

2. **SOUTH 01° 35' 04" EAST**, a distance of **146.66 Feet** to a 1/2 Inch iron rod with a "PRECISION" cap set on the aforementioned north right-of-way line of Agg Road at the southwest corner of this tract (from which a iron rod found at the southwest corner of the Final Plat of Tim Littlefield, LLC Subdivision recorded under Film Code No. 704839 of the M.R.H.C.T. bears South 89° 59' 00" East, a distance of 30.00 Feet, from said iron rod found a second iron rod found at a corner of said Final Plat bears South 89° 59' 07" East, a distance of 258.39 Feet, from said second rod found a third iron rod found at a corner of said Final Plat bears North 44° 59' 39" East, a distance of 28.27 Feet, from said third rod found a fourth iron rod found bears North 53° 01' 24" West, a distance of 353.25 Feet, from said fourth rod found a fifth iron rod found bears North 00° 08' 58" East, a distance of 10.00 Feet);

THENCE, **NORTH 89° 59' 00" WEST**, with said north right-of-way line, a distance of **260.11 Feet** to the POINT OF BEGINNING and containing 0.8694 Acre of land.

(See attached drawing)



Terrance P. Mish
Registered Professional Land Surveyor
No. 4981
Job No. 24-00516
January 26, 2024



Location: 900 block (north side) of Agg Road, being a portion of Tomball Outlot 286, City of Tomball, Harris County, Texas

**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
APRIL 8, 2024
&
CITY COUNCIL
APRIL 15, 2024**



Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, April 8, 2024 at 6:00 P.M.** and by the City Council of the City of Tomball on **Monday, April 15, 2024 at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case Z24-03: Request by Ken & Betty Vairin, represented by META Planning & Design, Inc., to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 31.12 acres of land legally described as being portions of the J H Edwards Survey, Abstract 20 and the C Goodrich Survey, Abstract 311 from the Agricultural (AG) to Single Family Residential – 6 (SF-6) zoning. The property is generally located within 22100 block (west side) of Tomball Cemetery Road, within the City of Tomball, Harris County, Texas.

Zoning Case Z24-04: Request by Houston Deco Balloons LLC, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 0.87 acres of land legally described as being a portion of Tomball Outlot 286 from Single Family Residential – 20 (SF-20) to Commercial (C) zoning. The property is generally located in the 900 block (North Side) of Agg Road, within the City of Tomball, Harris County, Texas.

Zoning Case Z24-05: Request by FLS Development LLC, represented by Shawn & Shonna Speer, to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 49.30 acres of land legally described as being portions of Lots 489 through 498 of Tomball Outlots as well as all of Lot 1 & Reserve A in Block 1 of Brandt Holdings subdivision from Commercial (C) & Agricultural (AG) to Planned Development (PD) zoning. The properties are generally located within the 2100 – 2200 blocks (east side) of Hufsmith-Kohrville Road, within the City of Tomball Harris County, Texas

Zoning Case Z24-06: Request by Peter & Sylvia Hildreth, represented by Quadros Migl & Crosby PLLC. to amend Chapter 50 (*Zoning*) of the Tomball Code of Ordinances, by rezoning approximately 6.97 acres of land legally described as being a portion of the J. House Survey, Abstract 34, as well as all of Lots 36, 43, 44, 45 & Reserve D in Block 4 of Tomball Hills Addition from Commercial (C) and Single Family Residential – 9 (SF-9) to Planned Development (PD) zoning. The properties are generally located within the 30700 block (east side) of SH 249, within the City of Tomball, Harris County, Texas.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Administrative Services Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the City Planner, Jared Smith, at (281) 290-1491 or at jasmith@tomballtx.gov.

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the 5th day of April 2024 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Jared Smith

Jared Smith
City Planner

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.

CASE #: Z24-04

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: CASE JAMES & PATRICIA
Parcel I.D.: 1212190000001
Address: 1514 S PERSIMMON ST

Mailing To: Community Development Department
501 James St., Tomball TX 77375

Email: jasmith@tomballtx.gov

I am in favor
Additional Comments:

I am opposed

Signature: Patricia Case

501 James Street • TOMBALL, TEXAS 77375

CASE #: Z24-04

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: CASE JAMES & PATRICIA
Parcel I.D.: 0352880000289
Address: 1514 S PERSIMMON ST

Mailing To: Community Development Department
501 James St., Tomball TX 77375

Email: jasmith@tomballtx.gov

I am in favor
Additional Comments:

I am opposed

Signature: Patricia Case

Correct Address: Agg Rd/Medical Complex Blvd.

501 James Street • TOMBALL, TEXAS 77375

CASE #: Z24-04

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: CASE JAMES & PATRICIA ANN
Parcel I.D.: 0352880000415
Address: 0 S PITCHFORD ST

Mailing To: Community Development Department
501 James St., Tomball TX 77375

Email: jasmith@tomballtx.gov

I am in favor
Additional Comments:

I am opposed

Signature: Patricia Case

Correct Address: Agg Rd / Medical Complex ~~Plot~~

501 James Street • TOMBALL, TEXAS 77375

CASE #: Z24-04

You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: CASE JAMES & PATRICIA
Parcel I.D.: 035288000411
Address: 1514 S PERSIMMON ST

Mailing To: Community Development Department
501 James St., Tomball TX 77375

Email: jasmith@tomballtx.gov

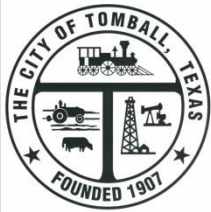
I am in favor
Additional Comments:

I am opposed

Signature: Patricia Case

Correct Address: A 99 Rd. / Medicine Complex Blvd

501 James Street • TOMBALL, TEXAS 77375



**Rezoning
Staff Report**

Planning & Zoning Commission Public Hearing Date: April 8, 2024
City Council Public Hearing Date: April 15, 2024

Rezoning Case: Z24-04
Property Owner(s): Houston Deco Ballons LLC
Applicant(s): Houston Deco Ballons LLC
Legal Description: Portion of Lot 286 of Tomball Outlots
Location: 900 block (North Side) of Agg Road (Exhibit “A”)
Area: 0.87 acres
Comp Plan Designation: Business Park and Industrial (Exhibit “B”)
Present Zoning: Single-Family Residential -20 District (Exhibit “C”)
Request: Rezone from the Single-Family Residential – 20 (SF-20) to the Commercial (C) district

Adjacent Zoning & Land Uses:

North: Single-Family Residential -20 (SF-20)/ Single-family residence(s)
South: Single-Family Residential – 20 (SF-20)/ Single Family residence(s)
West: Single-Family Residential – 20 (SF-20) / Single-family residence(s)
East: Single-Family Residential – 20 (SF-20) / Single-family residence(s)

BACKGROUND

The subject property has been within the City Limits of Tomball since at least 1909. There is an existing agricultural structure located on the property which according to historic imagery appears to have been located on the subject property since at least 1989. The applicants are requesting to rezone the subject property to the Commercial (C) zoning district. According to the information provided by the applicant the intent of this rezoning is to allow for the development of mixed-use space comprising office warehouse and retail facilities.

ANALYSIS

Description: The subject property comprises approximately 0.87 acres, located within the 900 block (north side) of Agg Road. The subject property currently is located within the Single Family Residential Estate – 20 (SF-20) zoning district and has been within this zoning classification since the City of Tomball adopted zoning in 2008. Immediately north, south, east, and west of the subject property are properties within the Single Family Residential Estate – 20 (SF-20) zoning designation, these properties appear to be occupied by single family residences at this time. Even though the property is surrounded by properties zoned Single Family Residential Estate – 20 (SF-20), properties just to the east of the subject property, separated by a narrow driveway, are within the Light Industrial (LI) zoning district. These properties were rezoned to this classification in 2021. The property northeast of the subject property was recently developed with office warehouse buildings.

Comprehensive Plan Recommendation: The property is designated as “Business Park & Industrial” by the Comprehensive Plans Future Land Use Map. This Business Park & Industrial category is intended to create opportunities for employment. The uses that are to be promoted in this designated land use should be uses that benefit from proximity to major thoroughfares which provide convenient access for vehicle traffic, including freight traffic. According to the Comprehensive Plan, land uses should consist of office, warehousing, light manufacturing (with indoor operations), breweries/distilleries, equipment sales, contractor services, and corporate campuses. Appropriate secondary uses may include things such as utility services, government facilities, and transportation/freight uses. The Comprehensive Plan recommends the zoning districts of – Light Industrial (LI), Commercial (C), Office (O), or Planned Developments (PD) for the Business Park & Industrial land use category.

The proposed zoning category of Commercial (C) is in conformance with the Comprehensive Plan recommendation for this area.

Staff Review Comments:

The request to rezone the subject property to Commercial (C) is in conformance with the Future Land Use Plans goal and objective of establishing the Business Park & Industrial land use. The approval of the requested zoning will promote a new development that is consistent with the type of development patterns and character endorsed by the Future Land Use Plan for this area. Furthermore, the subject property is sited along Agg Road, which is a segment of Medical Complex Drive, a roadway which is identified as being a major arterial street in the City of Tomball Major Thoroughfare Plan. Roadways such as this are customarily appropriate for commercial land uses as they provide convenient vehicular access and exposure often necessary to promote commercial success. Additionally, the subject property is near the intersection of Agg Road (major arterial street) and South Persimmon Street (minor arterial street), key intersections of major thoroughfares such as these are important to ensure convenient access to commercial traffic, to include potential freight traffic as promoted by the Business Park & Industrial future land use category.

PUBLIC COMMENT

A Notice of Public Hearing was published in the paper and property owners within 300 feet of the project site were mailed notification of this proposal on March 19, 2024. Any public comment

forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case Z24-04.

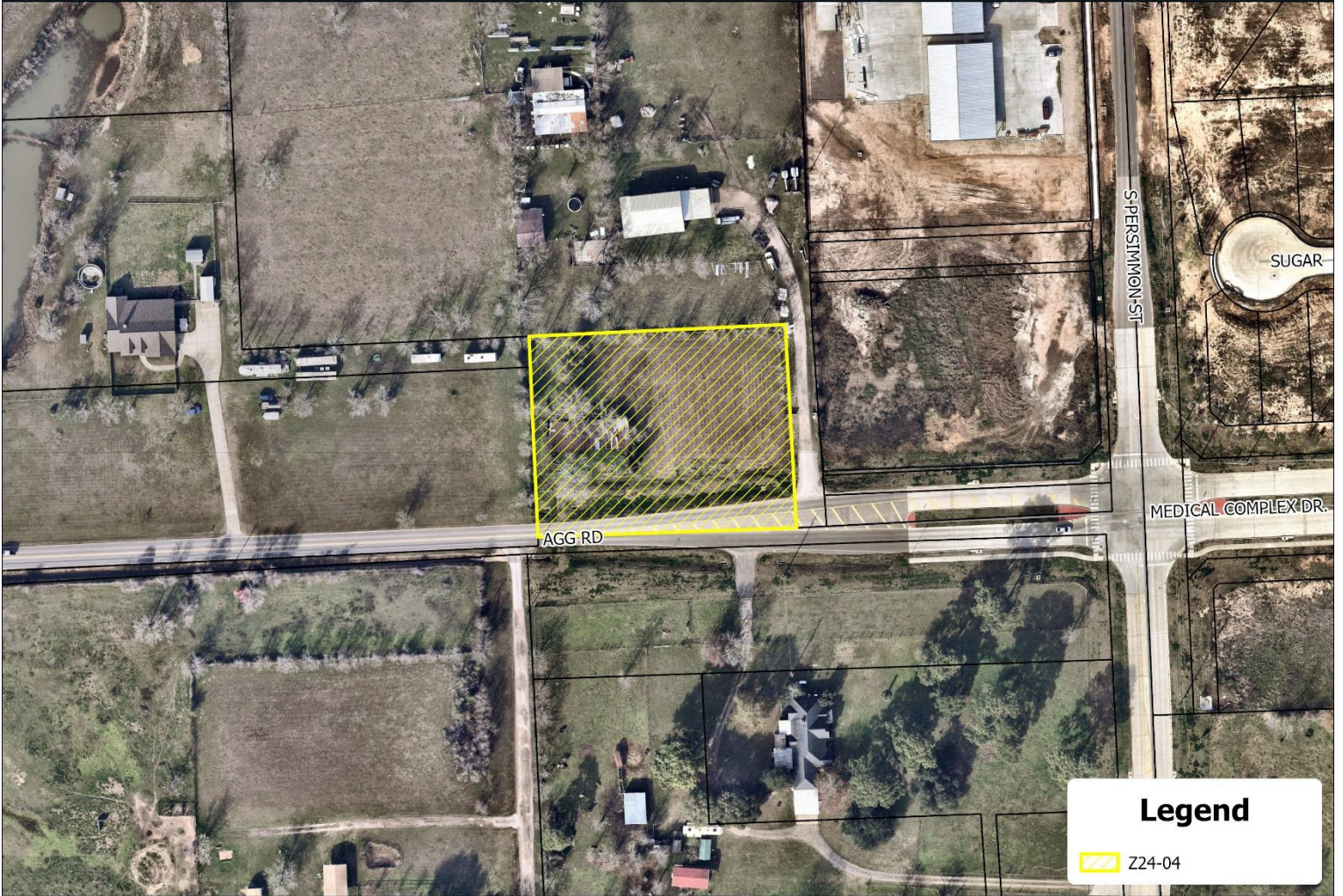
EXHIBITS

- A. Aerial Location Map
- B. Future Land Use Map
- C. Zoning Map
- D. Site Photo(s)
- E. Rezoning Application

Exhibit "A"
Aerial Location Map



Location



Legend

 Z24-04

Exhibit "B"
Future Land Use Map



Future Land Use

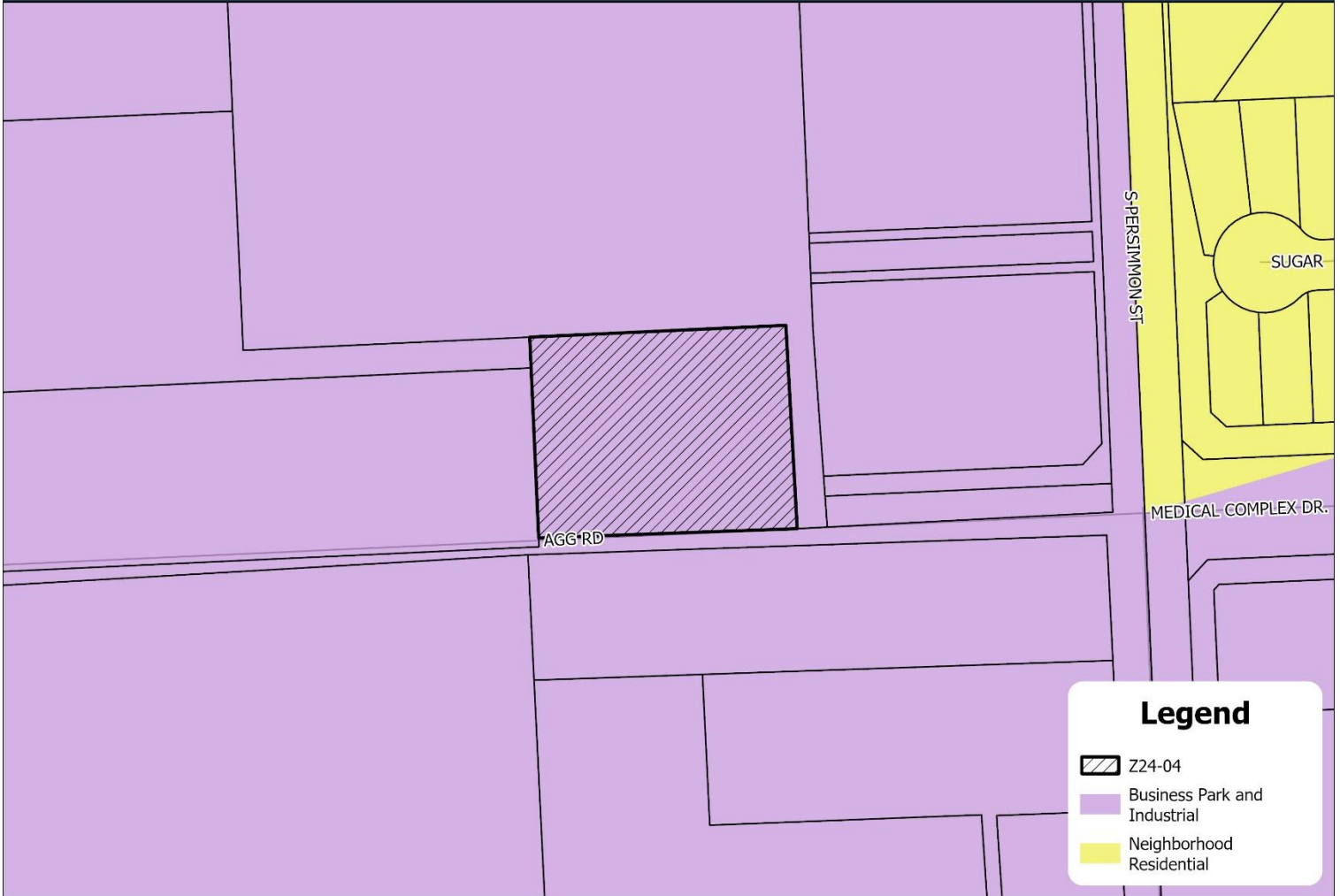
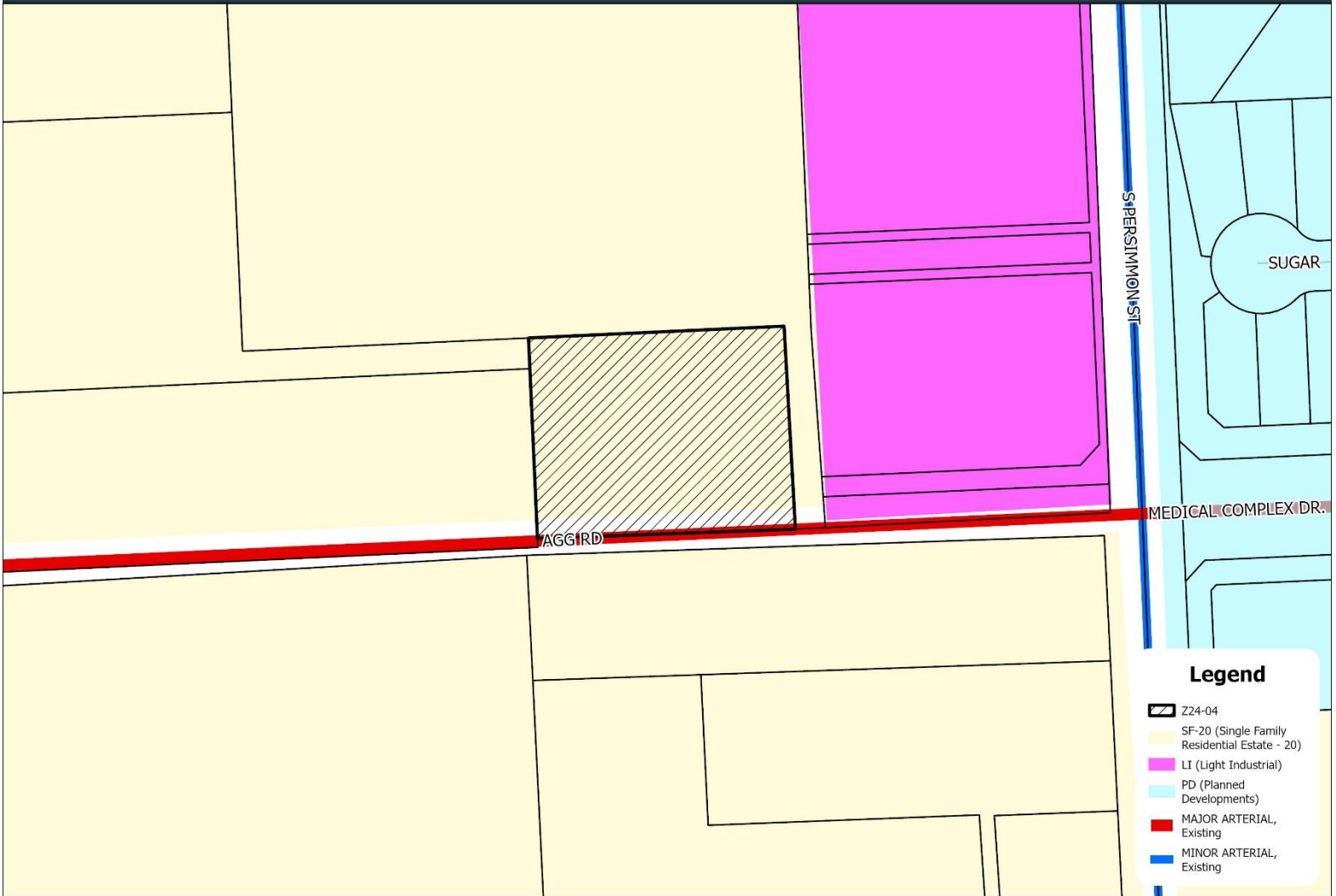


Exhibit "C"
Zoning Map



Zoning



Legend

- Z24-04
- SF-20 (Single Family Residential Estate - 20)
- LI (Light Industrial)
- PD (Planned Developments)
- MAJOR ARTERIAL, Existing
- MINOR ARTERIAL, Existing

Exhibit "D"
Site Photo(s)

Subject Site



Neighbor (West)



Neighbor (East)



Neighbor (North)



Neighbor (South)



Exhibit "E"
Rezoning Application

Revised: 08/25/2023



APPLICATION FOR RE-ZONING
Community Development Department
Planning Division

APPLICATION REQUIREMENTS: Applications will be *conditionally* accepted on the presumption that the information, materials and signatures are complete and accurate. If the application is incomplete or inaccurate, your project may be delayed until corrections or additions are received.

FEEs: Must be paid at time of submission or application will not be processed.

- \$1,000.00 fee for requests to rezone to standard zoning districts
- \$1,500.00 fee for request to rezone to Planned Development districts.

DIGITAL APPLICATION SUBMITTALS:

PLEASE SUBMIT YOUR APPLICATIONS AND PLANS DIGITALLY WITHIN SMARTGOV

[WEBSITE: ci-tomball-tx.smartgovcommunity.com](http://www.ci-tomball-tx.smartgovcommunity.com)

Applicant

Name: Sellapperumage Asanka Fernando Title: Managing Member
Mailing Address: 12307 Northpointe Ridge LN City: Tomball State: TX
Zip: 77377 Contact: Sellapperumage Asanka Fernando
Phone: (346) 2258200 Email: madurawala@gmail.com

Owner

Name: Houston Deco Balloons LLC/ Sellapperumage Asanka Fernando Title: Managing Member
Mailing Address: 11424 Spring Cypress RD, Suite A-7 City: Tomball State: TX
Zip: 77377 Contact: Sellapperumage Asanka Fernando
Phone: (346) 2258200 Email: madurawala@gmail.com

Engineer/Surveyor (if applicable)

Name: _____ Title: _____
Mailing Address: _____ City: _____ State: _____
Zip: _____ Contact: _____
Phone: (____) _____ Fax: (____) _____ Email: _____

Description of Proposed Project: Office Warehouse and Retail Space

Physical Location of Property: Agg Road and S.Persimmon St (0 S PITCHFORD ST)
[General Location – approximate distance to nearest existing street corner]

Legal Description of Property: 0.8694 Acre Being a Portion of outlot 286 Tomball Townsite
[Survey/Abstract No. and Tracts; or platted Subdivision Name with Lots/Block]

Current Zoning District: (SF-20-E) : Single Family Residential Estate

City of Tomball, Texas 501 James Street, Tomball, Texas 77375 Phone: 281-290-1405 www.tomballtx.gov

Current Use of Property: Vacant

Proposed Zoning District: (C) : Commercial

Proposed Use of Property: Office warehouse and Retail Space

HCAD Identification Number: 0352880000415 Acreage: 0.8694

Please note: A courtesy notification sign will be placed on the subject property during the public hearing process and will be removed when the case has been processed.

This is to certify that the information on this form is COMPLETE, TRUE, and CORRECT and the under signed is authorized to make this application. I understand that submitting this application does not constitute approval, and incomplete applications will result in delays and possible denial.

X [Signature] 2/23/24
Signature of Applicant Date

X [Signature] 2/23/24
Signature of Owner Date

2/23/2024

City of Tomball,

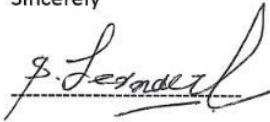
Re: Rezoning for 0.8694 Acre Being a Portion of outlot 286 Tomball Townsite

We have recently acquired a 0.8694-acre property situated at 0 S Pitchford St, Tomball, TX. Presently zoned as SF-20-E: Single Family Residential Estate, our intention is to develop the site into a mixed-use space comprising an office warehouse and a retail warehouse facility.

To align with our development plans, it is imperative to pursue rezoning of the property to commercial status. This strategic endeavor will enable us to optimize the property's potential and contribute positively to the local business landscape.

Thank you,

Sincerely

A handwritten signature in black ink, appearing to read "S. Fernando", written over a horizontal dashed line.

Sellapperumage Asanka Fernando



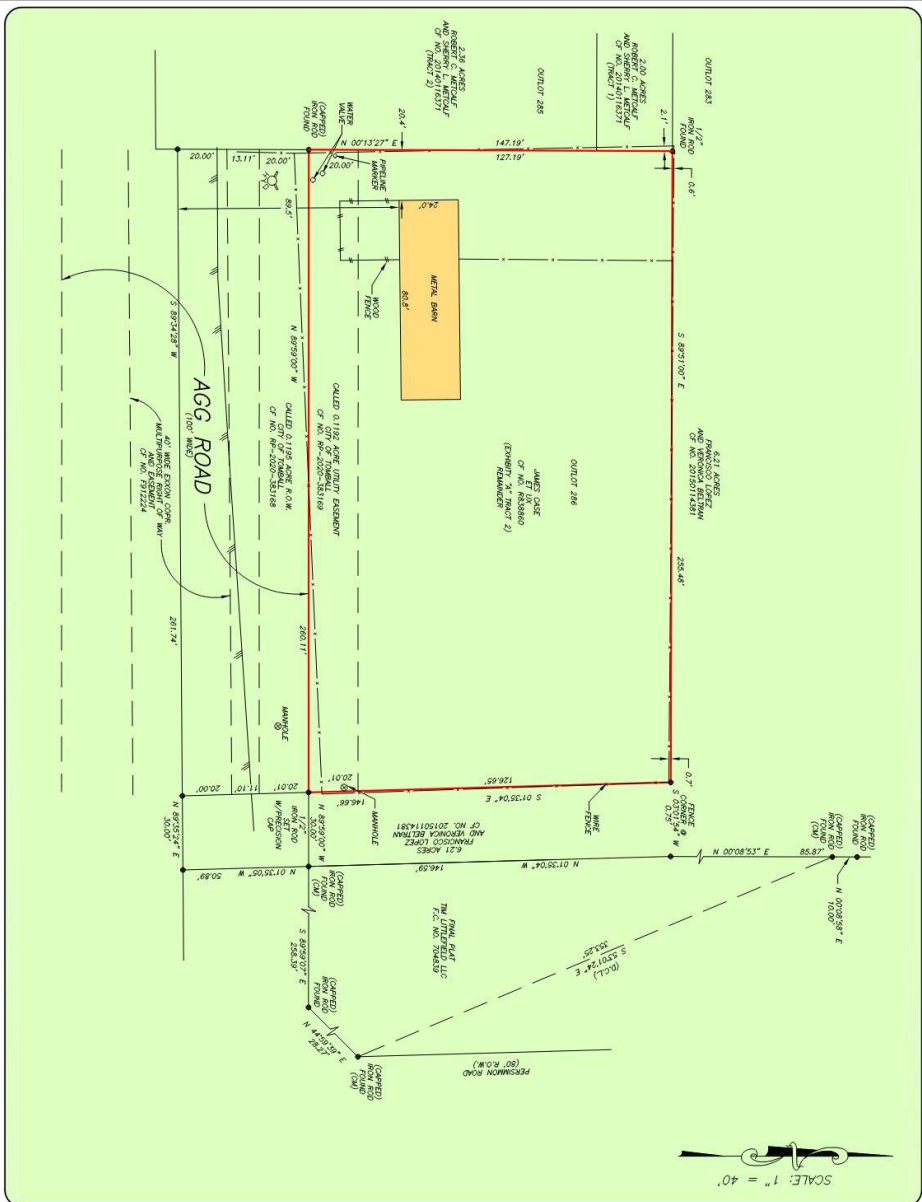
OLD REPUBLIC
 MARISSA DUNNICK
 281-253-0694



PRECISION
 surveyors

281-486-1566
 850 WINDHAMMERE STREET SUITE 150 HOUSTON, TEXAS 77059

1-800-144-0001
 www.precisionurveyors.com
 281-486-1687 210-829-6441
 1779 MC LOSE 410 SUITE 600 SAN ANTONIO, TEXAS 78217
 7601 1501 10625150



OF NO. 24000231 OLD REPUBLIC TITLE
 ADDRESS: AGG ROAD TEXAS 77375
 BORROWER: HOUSTON DECO BALLOONS LLC

**0.8694 ACRE
 BEING A PORTION OF
 OUTLOT 286
 TOMBALL TOWNSITE**

ACCORDING TO THE MAP OR PLAT THEREOF RECORDED
 IN VOLUME 2, PAGE 65 OF THE MAP RECORDS
 OF HARRIS COUNTY, TEXAS (SEE ATTACHED METES AND BOUNDS DESCRIPTION)



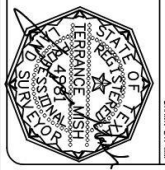
NOTE: REMAIN NUMBER EXHIBENT PER OF NO. 0158359.
 NOTE: PUBLIC ROAD EXHIBENT PER VOL. 2, PG. 65 H.C.M.A.R.
 (DOES NOT AFFECT SUBJECT TRACT)

THIS PROPERTY, EXCEPT WHERE SHOWN OTHERWISE, IS THE PROPERTY OF THE STATE OF TEXAS, AS REPRESENTED BY THE COMMISSIONERS OF THE LANDS, DEPARTMENT OF AGRICULTURE AND MECHANICAL INDUSTRIES, HOUSTON, TEXAS 77002.

A SURVEY INVESTIGATION WAS CONDUCTED BY THE SURVEYOR AND IS SHOWN ON THE SCOPE OF THIS SURVEY.

DECLARATION OF PROFESSIONAL LIABILITY
 I, MARISSA DUNNICK, CERTIFY THAT THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT I AM A LICENSED SURVEYOR IN THE STATE OF TEXAS. I AM NOT PROVIDING ANY WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE ACCURACY OF THIS SURVEY. I AM PROVIDING THIS SURVEY AS A SERVICE TO MY CLIENT AND AM NOT PROVIDING ANY WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE ACCURACY OF THIS SURVEY.

DATE: 01/26/2024
 SURVEYOR: MARISSA DUNNICK
 NO. 48814-002116
 JANUARY 26, 2024



STATE OF TEXAS §
 §
 §
 §
 §
COUNTY OF HARRIS §

Metes & Bounds Property Description

A tract of land containing 0.8694 Acre (37,870 Square Feet), being a portion of Outlet 286 of Tomball Townsite according the map or plat thereof recorded in Volume 2, Page 65 of the Map Records of Harris County, Texas (M.R.H.C.T.), being the remainder of a tract recorded in the name of James Case et ux under Harris County Clerk's File (H.C.C.F.) No. R838860 (Exhibit "A", Tract II) of the Real Property Records of Harris County, Texas (R.P.R.H.C.T.), and being more particularly described by metes and bounds as follows: (Bearings based on H.C.C.F. No. R838860 of the R.P.R.H.C.T.)

BEGINNING at an iron rod found at the intersection of the north right-of-way line of Agg Road and the west line of said Outlet 286, being the northwest corner of a right-of-way tract recorded in the name of the City of Tomball under H.C.C.F. No. RP-2020-383168 of the R.P.R.H.C.T., and being the southwest corner of this tract;

THENCE, **NORTH 00° 13' 27" EAST**, with the east lines of Outlots 283 and 285 being the east lines of tracts recorded in the name of Robert C. Metcalf and Sherry L. Metcalf under H.C.C.F. No. 20140116371 (Tracts 1 & 2) of the R.P.R.H.C.T., a distance of **147.19 Feet** to 1/2 Inch iron rod found at the northwest corner of this tract;

THENCE, with the lines of a tract recorded in the name of Francisco Lopez and Veronica Beltran under H.C.C.F. No. 20150144381 of the R.P.R.H.C.T. the following two (2) courses:

1. **SOUTH 89° 51' 00" EAST**, a distance of **255.48 Feet** to point at the northeast corner of this tract from which a fence corner bears South 03 01 54 West, a distance of 0.75 Feet;

2. **SOUTH 01° 35' 04" EAST**, a distance of **146.66 Feet** to a 1/2 Inch iron rod with a "PRECISION" cap set on the aforementioned north right-of-way line of Agg Road at the southwest corner of this tract (from which a iron rod found at the southwest corner of the Final Plat of Tim Littlefield, LLC Subdivision recorded under Film Code No. 704839 of the M.R.H.C.T. bears South 89° 59' 00" East, a distance of 30.00 Feet, from said iron rod found a second iron rod found at a corner of said Final Plat bears South 89° 59' 07" East, a distance of 258.39 Feet, from said second rod found a third iron rod found at a corner of said Final Plat bears North 44° 59' 39" East, a distance of 28.27 Feet, from said third rod found a fourth iron rod found bears North 53° 01' 24" West, a distance of 353.25 Feet, from said fourth rod found a fifth iron rod found bears North 00° 08' 58" East, a distance of 10.00 Feet);

THENCE, **NORTH 89° 59' 00" WEST**, with said north right-of-way line, a distance of **260.11 Feet** to the POINT OF BEGINNING and containing 0.8694 Acre of land.

(See attached drawing)



Terrance P. Mish
Registered Professional Land Surveyor
No. 4981
Job No. 24-00516
January 26, 2024

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve Resolution 2024-18, a Resolution of the City Council of the City of Tomball, Texas, approving the Utility Rate Study; and Providing an Effective Date.

Background:

Funding was allocated in the FY 2022-2023 budget to complete a utility rate study for water, wastewater, and natural gas rates, and a contract was executed with Willdan Financial Services on April 17, 2023 to prepare the study and report.

The study took into consideration all projects identified in the adopted Water and Wastewater Master Plan for capital improvement projects. A draft study was presented to City Council on November 20, 2023 for feedback. Based on discussions, a revised draft was presented on February 19, 2024 to seek final recommendation for implementation of the utility rate plan.

Based on Council’s recommendation, Resolution 2024-18 approves the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan.

Origination: Project Management

Recommendation:

Staff recommends approving Resolution 2024-18 approving the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo
Staff Member _____ Date _____

Approved by _____
City Manager _____ Date _____

RESOLUTION NO. 2024-18

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS APPROVING THE UTILITY RATE STUDY;
AND PROVIDING AN EFFECTIVE DATE.**

* * * * *

WHEREAS, the City of Tomball, Texas (the “City”), operates a water, wastewater, and natural gas combined utility system; and

WHEREAS, funding was allocated in the Fiscal Year 2022-2023 budget to complete a utility rate study for water, wastewater, and natural gas rates, and a contract was executed with Willdan Financial Services on April 17, 2023 to prepare the study and report; and

WHEREAS, the results of the study were presented to and discussed with the City Council on November 20, 2023 and February 19, 2024; and

WHEREAS, the City Council desires to approve the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan, attached as Exhibit A, to address the City’s growth rate and need to adequately plan, prepare, and provide for the health, safety, and well-being of the City’s citizens;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS**

Section 1. The findings set forth in the recitals of this Resolution are hereby found to be true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

Section 2. That the City Council of the City of Tomball hereby approves the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan, attached as Exhibit A, a copy of same being attached hereto and incorporated herein for all purposes.

Section 3. The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was

open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered, and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

Section 4. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND RESOLVED this ____ day of April 2024.

Lori Klein Quinn
Mayor

ATTEST:

Tracylynn Garcia
City Secretary

City of Tomball, Texas

2023 Water, Wastewater and Natural Gas Rate Study and Long-Term Financial Plan



**CITY OF TOMBALL, TEXAS
 WATER, WASTEWATER AND NATURAL GAS
 RATE STUDY AND LONG-TERM FINANCIAL PLAN
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Acknowledgements

During the course of this rate study, several City of Tomball employees expended considerable time and effort in assisting the project team. These employees included the Mayor and Council, Mr. David Esquivel, Ms. Meagan Mageo, Ms. Jessica Rogers, Ms. Katherine Tapscott, Mr. William Goff, and Ms. Lauren Sykora. The project team owes a debt of gratitude to the hard work, dedication and professionalism of these individuals, without whom this project would not have been successfully completed.

The project team has relied upon the extensive data supplied by the City of Tomball. Thus, the integrity of the study is largely dependent upon the accuracy of this financial and customer data. Every effort has been made by the project team to validate and confirm the information contained herein prior to the preparation of the final study documents. **This report presents no assurance or guarantee that the forecast contained herein will be consistent with actual results or performances.** These represent forecasts based on a series of assumptions about future behavior, and are not guarantees. Any changes in assumptions or actual events may result in significant revisions to the forecast and its conclusions. The cash flow projections and debt service coverage calculations are not intended to present overall financial positions, results of operations, and/or cash flows for the periods indicated, which is in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants.

Executive Summary

EXECUTIVE SUMMARY

Background



In April 2023, the City of Tomball, Texas (the “City”) engaged Willdan Financial Services to conduct a water, wastewater and natural gas rate study and long-term financial plan. The City was interested in developing an updated comprehensive water, wastewater and natural gas rate plan for FY 2023 and beyond. The objective of this study is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service and coverage requirements, while at the same time to the best extent possible minimizing the impact of any adjustments on ratepayers.

The City identified numerous objectives for this study, including but not limited to the following:

- A comprehensive analysis and evaluation of the water, wastewater and gas systems’ current cost of service and revenue requirements.
- A forecast of operating expenses over the next decade, taking into consideration such factors as inflation, system growth, and potential changes in staffing levels.
- A thorough review of the water, wastewater and gas systems’ known capital improvement needs, as well as a determination of the need for funding capital requirements through the issuance of long-term debt for the existing identified capital improvements.
- An estimate of current and forecast accounts, volumes and billing units for the five-year forecast period.
- An analysis of alternative multi-year water, wastewater and gas rate plans that will distribute costs equitably.
- A detailed analysis and comparison of the City’s current and proposed rates to rates in other surrounding communities.

Water and Wastewater Rate Study

Water and Wastewater Rate Comparison

Table ES(W)-1 compare the City’s monthly water and wastewater charges to nearby cities in Texas. Volumes of 10,000 gallons for water and 5,000 gallons for wastewater were used for the residential comparison as it represents

typical usage levels for an average household. The comparison communities shown in the chart are those customarily selected by the City for all benchmarking and comparisons.

The rate data is based on published rates and ordinances posted by each municipality on their website. These rates do not include sales tax, activation or other charges beyond the basic minimum and volume charges.

The following points are also notable:

- Many cities do not assess rates that recover the full cost of service, choosing instead to subsidize their water and wastewater utilities with other revenues or to defer needed repairs and maintenance at the expense of system reliability and integrity.
- Some cities use tax bonds to fund water/wastewater system construction. This results in lower rates but higher ad valorem taxes.

TABLE ES(W)-1

CITY OF TOMBALL					
MONTHLY RESIDENTIAL CHARGES -- 5,000 GALLONS WATER AND 5,000 WASTEWATER 3/4"					
	Population	Water	Wastewater	Additional Charges	Total
Tomball Current	13,585	\$ 26.65	\$ 28.08	\$ 20.50	\$ 75.23
Katy	25,253	10.72	8.44		19.16
Cypress	191,421	22.00	30.00		52.00
Magnolia	3,205	35.60	21.95		57.55
La Grange-Inside	4,487	38.40	22.09		60.49
Pinehurst	4727	29.50	36.00		65.50
Sealy-Inside	6,956	35.50	41.55		77.05
Jersey Village	7,939	39.85	41.68		81.53
Navasota-Inside	8,417	42.92	32.01	12.50	87.43
La Grange-Outside		76.80	27.86		104.66
Navasota-Outside		64.79	48.13	12.50	125.42
Sample Average		\$ 39.61	\$ 30.97	-	\$ 73.08
TX State Average-2023 TML Survey		\$ 52.91	\$ 45.66	-	\$ 98.57

Source: Municipal websites and ordinances

Water and Wastewater Customers and Meters – Test Year and Forecast

The majority of the water and wastewater accounts served by Tomball are residential accounts. **Table ES(W)-2** presents total water and wastewater connections (customers) by customer class for the City for the test year and forecast period. Overall water accounts are forecast to increase from **5,669** in the test year FY 2023 to **8,082** in FY 2032, an annual increase of 4.0% for all customer classes.

Similarly, wastewater accounts are forecast to increase from **4,425** in the test year to **6,847** in FY 2032. The addition of these new connections will result in both non-recurring connection fees and increasing monthly water and wastewater revenues.

TABLE ES(W)-2

CITY OF TOMBALL								
FORECAST TOTAL CUSTOMERS								
WATER Customer Classes								
	Residential	Commercial	Municipal	Residential Outside	Commerical Outside	HMW SUD Wholesale	Bulk Water Sales	Total
WATER Total Customers								
FY 2019	2,989	1,193	64	-	-	-	-	4,247
FY 2020	3,097	1,209	70	-	-	-	-	4,377
FY 2021	3,487	1,259	74	-	-	-	-	4,820
FY 2022	3,917	1,286	73	-	-	-	-	5,275
TY 2023	4,268	1,326	74	-	-	1	-	5,669
FY 2024	4,481	1,366	75	-	-	1	-	5,923
FY 2025	4,705	1,406	76	-	-	1	-	6,188
FY 2026	4,941	1,446	77	-	-	1	-	6,465
FY 2027	5,188	1,486	78	-	-	1	-	6,753
FY 2028	5,395	1,526	79	-	-	1	-	7,001
FY 2029	5,611	1,566	80	-	-	1	-	7,258
FY 2030	5,836	1,606	81	-	-	1	-	7,524
FY 2031	6,069	1,646	82	-	-	1	-	7,798
FY 2032	6,312	1,686	83	-	-	1	-	8,082
WATER Annual New Customers								
FY 2020	108	16	6	-	-	-	-	130
FY 2021	390	50	4	-	-	-	-	444
FY 2022	430	26	(1)	-	-	-	-	455
TY 2023	100	20	1	-	-	-	-	121
FY 2024	213	40	1	-	-	-	-	254
FY 2025	224	40	1	-	-	-	-	265
FY 2026	235	40	1	-	-	-	-	276
FY 2027	247	40	1	-	-	-	-	288
FY 2028	208	40	1	-	-	-	-	249
FY 2029	216	40	1	-	-	-	-	257
FY 2030	224	40	1	-	-	-	-	265
FY 2031	233	40	1	-	-	-	-	274
FY 2032	243	40	1	-	-	-	-	284

Net Revenue Requirement

Table ES(W)-3 presents the City’s forecast Net Revenue Requirement for the ten-year period FY 2023 through FY 2032. The water and wastewater net revenue requirement is expected to increase from **14,829,164** in FY 2023 to **\$23,961,228** in FY 2032. Detailed calculations are presented in the rate model contained in **Appendix A** of this report.

TABLE ES(W)-3

CITY OF TOMBALL

CURRENT AND FORECAST REVENUE REQUIREMENT						
Scenario:						
2024 01 15 -- Scenario I -- "Fully Fund CIP"						
Total Operating Expenses	NHCRWA	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement	
WATER Revenue Requirement						
2023	\$ 3,995,008	\$ 4,045,341	\$ 719,864	\$ 8,760,213	\$ (660,150)	\$ 8,100,063
2024	3,648,225	3,706,339	654,837	8,009,401	(682,588)	7,326,813
2025	3,759,473	3,877,427	1,196,972	8,833,872	(705,967)	8,127,905
2026	4,132,353	4,243,287	1,633,883	10,009,523	(730,334)	9,279,189
2027	4,264,049	4,629,318	2,163,075	11,056,441	(755,738)	10,300,703
2028	4,399,883	5,014,355	2,383,710	11,797,948	(777,657)	11,020,291
2029	4,541,861	5,419,563	2,383,885	12,345,309	(800,307)	11,545,002
2030	4,690,327	5,658,122	2,383,710	12,732,159	(823,719)	11,908,440
2031	4,845,644	5,840,878	2,383,185	13,069,707	(847,923)	12,221,784
2032	5,008,202	6,028,255	2,383,285	13,419,741	(872,950)	12,546,791
WASTEWATER Revenue Requirement						
2023	\$ 4,024,794	\$ -	\$ 2,879,456	\$ 6,904,251	\$ (175,150)	\$ 6,729,101
2024	3,076,156	-	1,446,496	4,522,651	(175,157)	4,347,495
2025	3,181,141	-	2,425,644	5,606,785	(175,164)	5,431,621
2026	3,466,845	-	3,831,229	7,298,075	(175,171)	7,122,904
2027	3,588,442	-	5,143,034	8,731,475	(175,179)	8,556,296
2028	3,713,402	-	6,541,770	10,255,172	(175,185)	10,079,987
2029	3,843,908	-	7,320,301	11,164,209	(175,192)	10,989,016
2030	3,980,255	-	7,319,601	11,299,855	(175,199)	11,124,656
2031	4,122,757	-	7,317,501	11,440,258	(175,206)	11,265,052
2032	4,271,750	-	7,317,901	11,589,651	(175,214)	11,414,437
TOTAL WATER and WASTEWATER Revenue Requirement						
2023	\$ 8,019,803	\$ 4,045,341	\$ 3,599,320	\$ 15,664,464	\$ (835,300)	\$ 14,829,164
2024	6,724,381	3,706,339	2,101,332	12,532,053	(857,745)	11,674,308
2025	6,940,614	3,877,427	3,622,616	14,440,657	(881,130)	13,559,527
2026	7,599,198	4,243,287	5,465,112	17,307,597	(905,505)	16,402,093
2027	7,852,490	4,629,318	7,306,109	19,787,916	(930,917)	18,856,999
2028	8,113,285	5,014,355	8,925,480	22,053,120	(952,842)	21,100,278
2029	8,385,769	5,419,563	9,704,186	23,509,518	(975,499)	22,534,018
2030	8,670,582	5,658,122	9,703,311	24,032,015	(998,918)	23,033,096
2031	8,968,402	5,840,878	9,700,686	24,509,965	(1,023,129)	23,486,836
2032	9,279,952	6,028,255	9,701,186	25,009,393	(1,048,164)	23,961,228

As shown in these charts, NHCRWA charges are by far the largest annual expense paid by Tomball’s water utility. NHCRWA publishes little financial information and no rate projections. The project team utilized recently published rates for NHCRWA for the test year and increased the rates for the forecast period based on an average of forecast West Harris County Regional Water Authority and North Fort Bend Water Authority rate adjustments.

Any changes in NHCRWA forecast rate estimates used in determining the City’s water revenue requirement for this rate study could require significant changes to the rate plan presented in this report.

One of the key assumptions used in the development of the long-term revenue requirement is the City’s Capital Improvement Plan. The City’s CIP assumptions are summarized in **Table ES(W)-4**. The City is forecast to issue

revenue bonds totaling \$138,000,000 for the currently identified water and wastewater system in the next five years, of which \$35,246,312 is for water improvements and \$102,753,668 is for wastewater improvements.

Table ES(W)-4

CITY OF TOMBALL		
FIVE YEAR CAPITAL IMPROVEMENT PLAN		
Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"		
WATER		
	Total Cost	Timing
Projects Eligible to be Funded through Impact Fees		
Grand Parkway EST	\$ 5,677,800	2023-2024
S. Persimmon Water Line	445,300	2023
Main St. Water Line	5,100,000	2025-2026
Medical Complex	1,673,000	2027-2028
Water Line S. Persimmon	1,618,000	2025-2026
16" W Hufsmith	2,517,000	2024-2025
Rudolph Road Utilities	65,500	2023-2026
SCADA	30,000	2023
Total Impact Fee Funded Projects - Water	\$ 17,126,600	
Non Impact Fee Funded Projects		
Pine Street EST	\$ 849,000	2023-2024
East Water Plant	19,541,000	2023-2026
East Water Plant Baker Drive	6,856,000	2023-2025
Oak & Clayton Water Line	1,147,000	2024-2025
SCADA	215,850	2023-2024
Telge Easement Acquisition	750,000	2023-2024
Total Non Impact Fee Funded Projects - Water	\$ 29,508,961	
Total Water CIP	\$ 46,635,561	
WASTEWATER		
Projects Eligible to be Funded through Impact Fees		
FM 2920 Lift Station	\$ 1,500,000	2023-2025
Rudolph Road Utilities	157,088	2023-2025
SCADA	30,000	2023
Hicks Lift Station Expansion	1,410,000	2025-2026
S. Persimmon Gravity Line	4,341,000	2025-2026
Total Impact Fee Funded Projects - WW	\$ 7,438,088	
Non Impact Fee Funded Projects		
Critical Needs	\$ 5,400,900	2023
FM 2920 Lift Station	13,894,100	2023-2024
WWTP Expansion	69,870,022	2023-2027
SW Gravity Main - Telge	860,000	2026-2027
Lutheran Church Rd/FM 2920 Gravity Line	976,000	2025-2026
Sanitary Sewer Alma-James	3,970,000	2025-2026
N. Willow St.	2,474,000	2027-2028
SSES Phase I	4,317,000	2024-2025
SSES Phase 2	8,310,000	2026-2027
Rudolph Road Utilities	150,111	2023-2024
SCADA	215,850	2023-2024
Telge Easement Acquisition	750,000	2023
Total Non Impact Fee Funded Projects - WW	\$ 111,187,983	
Total Wastewater CIP	\$ 118,626,071	
TOTAL 5 YEAR W/WW CIP	\$ 165,261,631	

These assumptions are preliminary in nature and subject to change. Should the City Council materially revise its CIP or choose to issue more or less revenue debt than assumed in this study, or should different financing terms be available at the time the debt is issued, then the rate plans contained in this study may require revision.

Water and Wastewater Rate Recommendations

The project team developed the following two scenarios for the city's consideration:

Scenario 1 – “Fully Fund CIP”

- The Scenario 1- “Fully Fund CIP” funds the city's CIP for FY 2024 – 2028 thru impact fees and rates.

Scenario 2 – “Fund 50% of CIP”

- Scenario 2 Fund 50% of the city's proposed CIP for FY 2024 – 2028. Under Scenario 2 the city will have to determine what projects will be funded or find alternative funding for all projects.

Scenario 1 and Scenario 2 both include the following assumptions which are notable:

- The proposed rate plans adopt a Uniform Monthly Base Charge for Residential and Commercial water customers.
- City staff and the project team discussed the adoption of a four-year rate plan. The proposed rate plan has water rate increases being automatically implemented on October 1 of each year beginning with October 2024 followed with October 2025, October 2026 and October 2027. Wastewater rate increases will also be automatically implemented on October 1st of each year beginning with October 2024 followed by October 2025, October 2026 and October 2027.
- The net revenue requirement on which the rate plans under both scenarios are based is for the years FY 2025 through FY 2028. The rate plans are based on revenue requirements going forward, not revenue requirements from past years. Therefore the FY 2023 test year and FY 2024 forecast year are the source of which the revenue requirements used to calculate the rate plans are estimated.
- Given the expected growth in the City and potential for unexpected events, the project team recommends that the City not commit itself to a rate plan beyond four years. Further, the project team recommends that the City periodically review these rates during the next four years, to incorporate any changes to costs, volumes or growth assumptions that may occur during that time.
- The largest impact on rates will be debt issued to fund the CIP. The initial cost of service and rate proposal assumes that the Utility rate adjustments will be funded on a stand-alone basis, whereby debt service will be funded through impact fees and rates.
- The second largest impact on rates will be the costs from NHCRWA. Should NHCRWA costs be materially different than those forecast in the study, the City should undertake an immediate review of its rate plan

Tables ES(W)-5 presents a summary of the Scenario 1 – “Fully Fund CIP”, water and wastewater recommended rate plan proposed for the City of Tomball. **Table ES(W)-6** presents the impact of this rate plan on monthly customer charges.

TABLE ES(W)-5

CITY OF TOMBALL										
FORECAST RATE PLAN										
SCENARIO:		2024 01 15 -- Scenario I -- "Fully Fund CIP"								
		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27				
WATER RATES - RESIDENTIAL										
Base Charge	Current									
-	10,000	\$ 11.55	\$ -	\$ -	\$ -	\$ -				
10,001	15,000	13.29	-	-	-	-				
15,001	Above	15.29	-	-	-	-				
	Uniform	-	12.85	13.65	14.50	15.40				
Volume Rate Per 1,000 Gal										
-	10,000	3.02	3.20	3.39	3.60	3.81				
10,001	15,000	3.77	4.00	4.24	4.49	4.76				
15,001	Above	4.72	5.00	5.30	5.62	5.96				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WATER RATES - COMMERCIAL										
Base Charge	Current									
-	5,000	19.56	-	-	-	-				
5,001	50,000	31.48	-	-	-	-				
51,001	Above	55.11	-	-	-	-				
	Uniform	-	29.10	30.85	32.75	34.75				
Volume Rate Per 1,000 Gal										
-	5,000	3.66	3.88	4.11	4.36	4.62				
5,001	50,000	4.58	4.85	5.15	5.45	5.78				
51,001	Above	5.72	6.06	6.43	6.81	7.22				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WASTEWATER RATES - RESIDENTIAL										
Monthly Base Charge		\$ 10.23	\$ 13.15	\$ 16.85	\$ 21.60	\$ 25.95				
Volume Rate Per 1,000 Gal -- Winter Avg		3.57	4.57	5.85	7.49	8.98				
WASTEWATER RATES - COMMERCIAL										
Base Charge		24.91	31.95	40.90	52.40	62.90				
Volume Rate Per 1,000 Gal										
-	5,000	4.53	5.80	7.42	9.50	11.40				
5,001	51,000	5.65	7.23	9.26	11.85	14.22				
51,001	Above	7.07	9.05	11.58	14.83	17.79				

TABLE ES(W)-6

CITY OF TOMBALL		FORECAST RATE PLAN				
SCENARIO:	2024 01 15 -- Scenario I -- "Fully Fund CIP"	Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW		\$ 54.73	\$ 64.85	\$ 76.71	\$ 91.52	\$ 105.33
NHCRWA Surcharge		18.00	19.01	20.02	21.02	22.02
Total		72.73	83.86	96.73	112.53	127.36
	Dollar Inc		\$ 11.13	\$ 12.87	\$ 15.81	\$ 14.82
	Percent Inc		15.3%	15.3%	16.3%	13.2%
10,000 Gallons W; 5,000 WW						
10,000 Gallons W; 5,000 WW		\$ 69.83	\$ 80.86	\$ 93.68	\$ 109.50	\$ 124.40
NHCRWA Surcharge		36.00	38.02	40.03	42.03	44.05
Total		105.83	118.88	133.71	151.54	168.45
	Dollar Inc		\$ 13.05	\$ 14.83	\$ 17.83	\$ 16.91
	Percent Inc		12.3%	12.5%	13.3%	11.2%
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW		\$ 250.79	\$ 290.74	\$ 345.47	\$ 414.00	\$ 477.77
NHCRWA Surcharge		72.00	76.03	80.06	84.06	88.10
Total		322.79	366.77	425.53	498.07	565.87
	Dollar Inc		\$ 43.98	\$ 58.76	\$ 72.54	\$ 67.80
	Percent Inc		13.6%	16.0%	17.0%	13.6%

Tables ES(W)-7 presents a summary of the Scenario 2 – “Fund 50% of CIP”, water and wastewater recommended rate plan proposed for the City of Tomball. Table ES(W)-8 presents the impact of this rate plan on monthly customer charges.

Table ES(W)-9 illustrates a comparison of residential and commercial rate plan impacts between Scenario 1 – “Fully Fund CIP” and Scenario 2 – “Fund 50% CIP”.

TABLE ES(W)-7

CITY OF TOMBALL		FORECAST RATE PLAN					
SCENARIO:		2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"					
		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	
WATER RATES - RESIDENTIAL							
Base Charge	Current						
-	10,000	\$ 11.55	\$ -	\$ -	\$ -	-	
10,001	15,000	13.29	-	-	-	-	
15,001	Above	15.29	-	-	-	-	
	Uniform	-	12.50	12.90	13.30	13.70	
Volume Rate Per 1,000 Gal							
-	10,000	3.02	3.11	3.20	3.30	3.40	
10,001	15,000	3.77	3.88	4.00	4.12	4.24	
15,001	Above	4.72	4.86	5.01	5.16	5.31	
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40	
WATER RATES - COMMERCIAL							
Base Charge	Current						
-	5,000	19.56	-	-	-	-	
5,001	50,000	31.48	-	-	-	-	
51,001	Above	55.11	-	-	-	-	
	Uniform	-	28.30	29.15	30.05	31.00	
Volume Rate Per 1,000 Gal							
-	5,000	3.66	3.77	3.88	4.00	4.12	
5,001	50,000	4.58	4.72	4.86	5.00	5.15	
51,001	Above	5.72	5.89	6.07	6.25	6.44	
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40	
WASTEWATER RATES - RESIDENTIAL							
Monthly Base Charge		\$ 10.23	\$ 12.30	\$ 14.80	\$ 17.80	\$ 19.60	
Volume Rate Per 1,000 Gal -- Winter Avg		3.57	4.28	5.14	6.17	6.79	
WASTEWATER RATES - COMMERCIAL							
Base Charge		24.91	29.95	35.95	43.15	47.50	
Volume Rate Per 1,000 Gal							
-	5,000	4.53	5.44	6.52	7.83	8.61	
5,001	51,000	5.65	6.78	8.14	9.76	10.74	
51,001	Above	7.07	8.48	10.18	12.22	13.44	

TABLE ES(W)-8

CITY OF TOMBALL		FORECAST RATE PLAN				
SCENARIO: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW		\$ 54.73	\$ 61.77	\$ 69.42	\$ 78.44	\$ 84.22
NHCRWA Surcharge		18.00	19.01	20.02	21.02	22.02
Total		72.73	80.78	89.44	99.46	106.25
	Dollar Inc		\$ 8.05	\$ 8.66	\$ 10.02	\$ 6.79
	Percent Inc		11.1%	10.7%	11.2%	6.8%
10,000 Gallons W; 5,000 WW						
10,000 Gallons W; 5,000 WW		\$ 69.83	\$ 77.33	\$ 85.44	\$ 94.95	\$ 101.22
NHCRWA Surcharge		36.00	38.02	40.03	42.03	44.05
Total		105.83	115.34	125.47	136.98	145.27
	Dollar Inc		\$ 9.51	\$ 10.13	\$ 11.50	\$ 8.29
	Percent Inc		9.0%	8.8%	9.2%	6.1%
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW		\$ 250.79	\$ 276.74	\$ 312.05	\$ 353.85	\$ 380.57
NHCRWA Surcharge		72.00	76.03	80.06	84.06	88.10
Total		322.79	352.77	392.12	437.92	468.67
	Dollar Inc		\$ 29.98	\$ 39.34	\$ 45.80	\$ 30.75
	Percent Inc		9.3%	11.2%	11.7%	7.0%

TABLE ES(W)-9

CITY OF TOMBALL		FORECAST RATE PLAN IMPACT COMPARISON				
		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 72.73	\$ 83.86	\$ 96.73	\$ 112.53	\$ 127.36
	Scenario 2 - "Fund 50% of CIP"	72.73	80.78	89.44	99.46	106.25
	Dollar Difference		(3.08)	(7.29)	(13.07)	(21.11)
10,000 Gallons W; 5,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 105.83	\$ 118.88	\$ 133.71	\$ 151.54	\$ 168.45
	Scenario 2 - "Fund 50% of CIP"	105.83	115.34	125.47	136.98	145.27
	Dollar Difference		(3.54)	(8.24)	(14.56)	(23.18)
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 322.79	\$ 366.77	\$ 425.53	\$ 498.07	\$ 565.87
	Scenario 2 - "Fund 50% of CIP"	322.79	352.77	392.12	437.92	468.67
	Dollar Inc		(14.00)	(33.41)	(60.15)	(97.20)

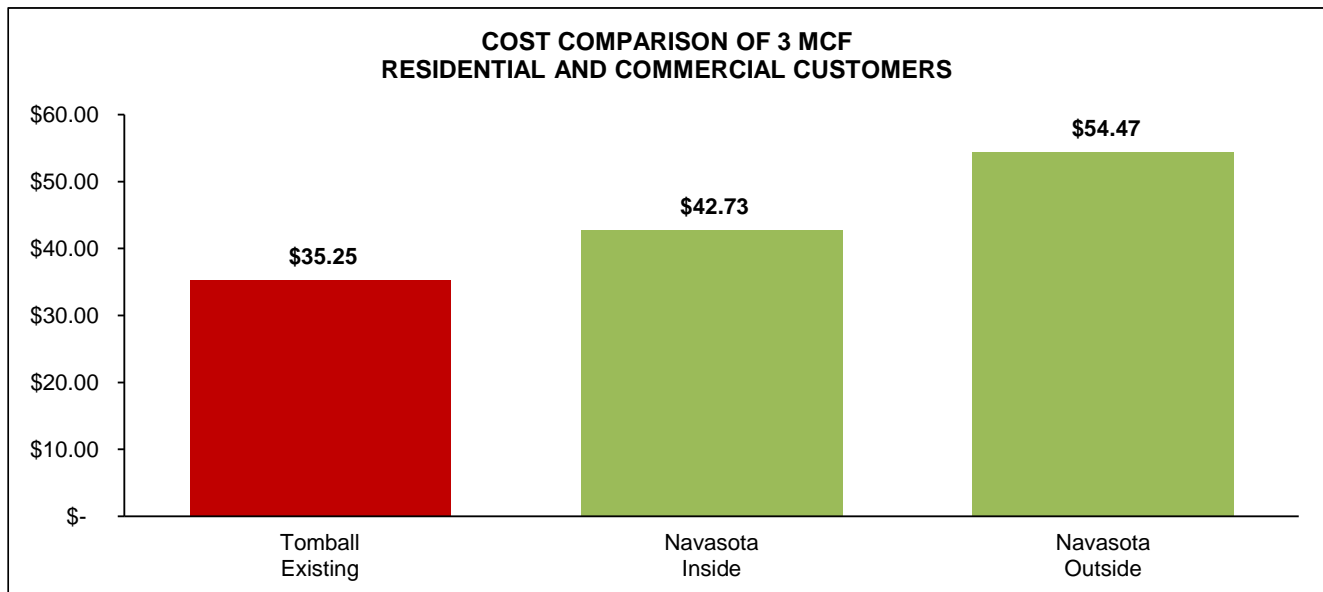
Natural Gas Rate Study

Natural Gas Rate Comparison

Chart ES(G)-1 compares the City’s monthly average cost for 3 MCF to the nearby city of Navasota, Texas. The average residential customer in the City uses a 12-month average of 3 MCF’s with summer usage averaging 1 MCF and winter usage averaging 6 MCF’s. Navasota has a rate structure that differs from Tomball. Navasota charges residential and commercial customers the same rates and also have rates specific to Small, Medium and Large Industrial, School District and Airport Hangar customer classes. Navasota charge customers a Purchased Gas Adjustment as part of the rates that fluctuates monthly based on the actual cost of purchased gas. And as the Chart shows, Navasota charges different rates for inside and outside customers.

It is important to keep in mind that with Navasota rates change monthly based on the Purchased Gas Adjustment and that the Chart below is a reflection of the annual average cost but these rate comparisons can fluctuate significantly based on the actual cost of gas. Tomball’s average cost remains flat over the year as the cost of gas is included in the flat rate.

Chart ES(G)-1

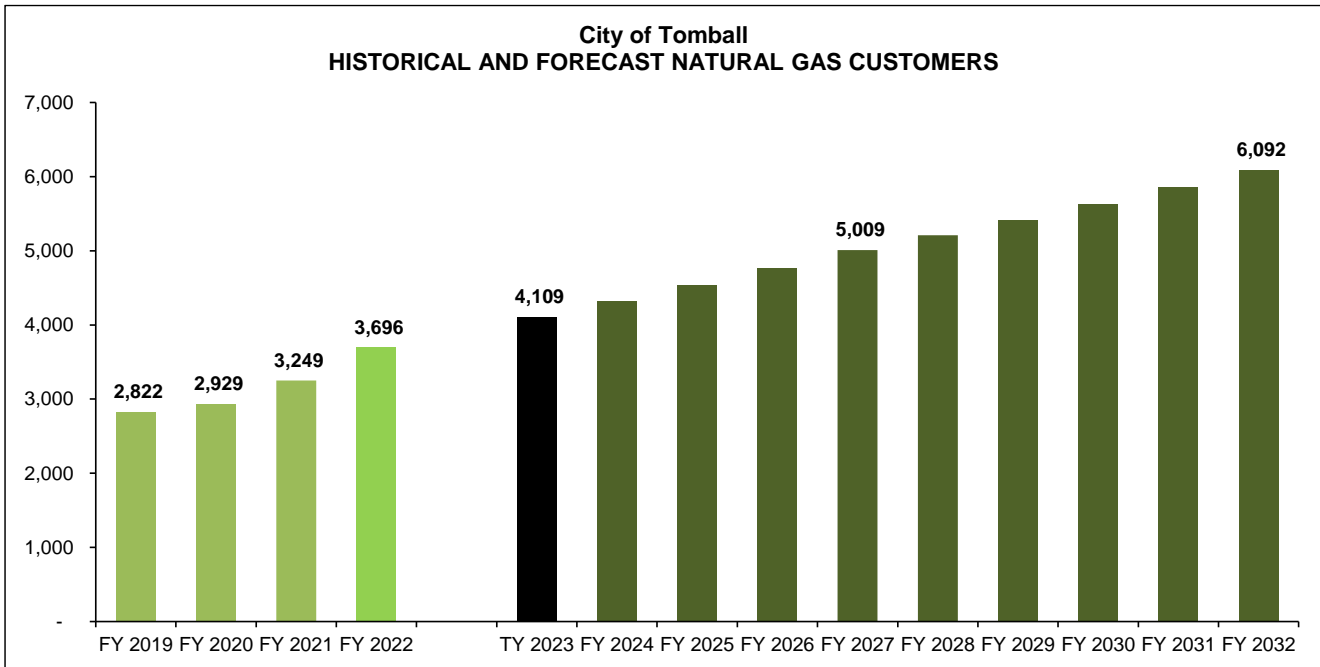


Natural Gas Customers and Meters – Test Year and Forecast

The majority of the gas accounts served by Tomball are residential accounts. **Chart ES(G)-2** reveals that the city is currently serves 4,109 total active gas accounts comprised of 3,682 residential and 416 commercial and 10 municipal accounts. As expected, residential customers represent the overwhelming majority of total customers, nearly 90.00%.

Staff requested that gas account growth rates mirror those of the Water Master Plan projections so for the purposes of this study it is assumed that gas accounts grow at an annual rate of 5.0% FY 2024 – 2027 and an annual rate of 4.0% FY 2028 – 2032.

TABLE ES(G)-2

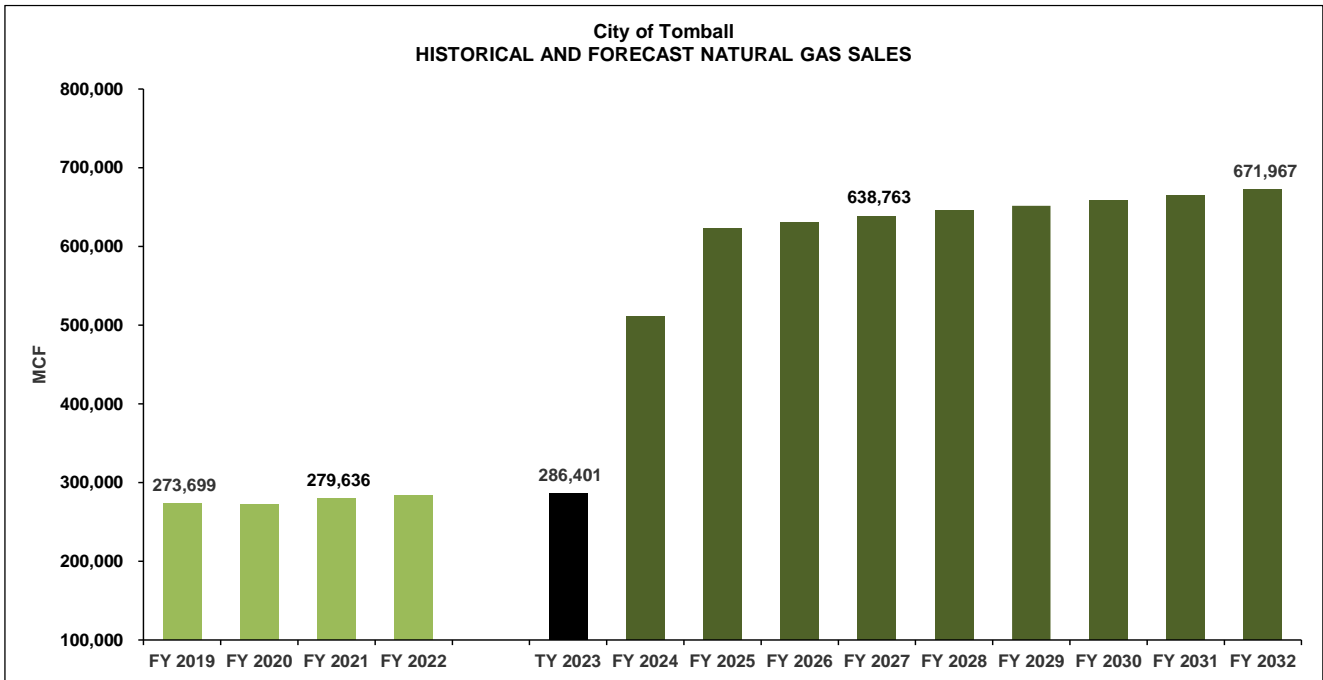


Natural Gas Sales – Test Year and Forecast

Total gas system sales data was analyzed over the same time period as customer data. The project team prepared a ten-year forecast of gas usage and sales based on the same principles on which customer accounts were projected for residential customers. The city is expecting a 1 new large industrial load to come on-line in October 2023, 1 new large commercial customer in March/April 2024, a new industrial area and shopping center in March/April 2024. In FY2025 there is 1 additional large commercial customer coming on-line. The assumption used for the rate study is that the industrial and two large commercial customers have a 50% load factor applied to the usage indicated in the Feasibility analysis provided to the city by Engineered Utility Solutions, Inc.

Table ES(G)-3 shows an annual average increase in system usage of 1.1% annually between FY2019 and FY2023. The growth in residential, commercial and new loads is forecast to more than double gas sales between TY2023 and FY2032.

TABLE ES(G)-3



Natural Gas Net Revenue Requirement

Table ES(G)-4 presents the test year and ten-year forecast for the City’s net revenue requirement to be raised from rates for the natural gas utility for the test year 2023 and forecast period. The gas net revenue requirement is expected to increase from **\$3,862,143** in FY 2023 to **\$6,734,443** in FY 2032.

TABLE ES(G)-4

CITY OF TOMBALL		NATURAL GAS UTILITY FORECAST REVENUE REQUIREMENT									
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
GAS											
Operating Expense	\$ 1,249,690	\$ 1,346,521	\$ 1,400,010	\$ 1,456,675	\$ 1,516,800	\$ 1,580,699	\$ 1,648,723	\$ 1,721,260	\$ 1,798,742	\$ 1,881,649	
Purchased Gas	1,239,105	2,131,938	2,651,368	2,734,677	2,821,084	2,903,550	2,988,770	3,076,844	3,167,876	3,261,974	
Transfers	823,348	712,854	750,823	791,920	836,479	884,871	937,510	994,860	1,057,437	1,125,820	
Capital Outlay	850,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	
Debt Service	-	-	-	-	-	-	-	-	-	-	
Total Cost of Service	\$ 4,162,143	\$ 4,956,314	\$ 5,567,201	\$ 5,748,273	\$ 5,939,363	\$ 6,134,120	\$ 6,340,003	\$ 6,557,964	\$ 6,789,055	\$ 7,034,443	
Less Non-Rate Revenue	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	
Net Revenue Requirement To be Raised from Rates	\$ 3,862,143	\$ 4,656,314	\$ 5,267,201	\$ 5,448,273	\$ 5,639,363	\$ 5,834,120	\$ 6,040,003	\$ 6,257,964	\$ 6,489,055	\$ 6,734,443	

Natural Gas Rate Recommendations

Tables ES(G)-5 presents a summary of the recommended rate plan proposed for the City of Tomball. Table ES(G)-6 presents the impact of this rate plan on monthly customer charges.

The City has not adjusted rates since 2011 despite annual increases in Administration, Utility Billing and Gas O&M costs. As the cost of natural gas has declined but expected to fluctuate this decrease has not completely offset the increase in other costs to run the utility.

The following is notable regarding this proposed rate plan:

- The most significant impact on rates will be the sales to new commercial and industrial loads and the cost of purchased gas. If usage varies significantly from that forecast or prices increase significantly then the rate plan will need to be re-evaluated.
- Another potential impact to the rate plan would be development of a gas utility CIP. Costs of projects and any potential debt financing would need to be factored into a study update and would impact the rate plan.

TABLE ES(G)-5

CITY OF TOMBALL		NATURAL GAS UTILITY RECOMMENDED RATE PLAN					
2023 09 22 - Scenario 1 - NG Cost of Service							
GAS	Current	Effective Dec-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	
Residential							
Base Charge Includes 1 MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Usage Charge Per MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Commercial							
Base Charge Includes 1 MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Usage Charge Per MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75

TABLE ES(G)-6

CITY OF TOMBALL		NATURAL GAS UTILITY IMPACT ON RESIDENTIAL MONTHLY CHARGES				
2023 09 22 - Scenario 1 - NG Cost of Service						
	Current	Effective Dec-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential and Commercial Monthly Charges						
3 MCF Change	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25
		-	-	-	-	-
5 MCF Change	58.75	58.75	58.75	58.75	58.75	58.75
		-	-	-	-	-
35 MCF Change	411.25	411.25	411.25	411.25	411.25	411.25
		-	-	-	-	-

Forecast Summary

Table ES(S)-1 on the following page summarizes the Water, Wastewater and Natural Gas utilities’ rate revenues, non-rate revenues, and operating and capital expenses for the ten-year period FY 2023 – 2032 under Scenario 1.

Table ES(S)-2 presents total monthly utility charges under Scenario 1 for Residential ratepayers with the following average consumption levels: 10,000 gallons of water usage, 5,000 gallons wastewater usage, and 3 MCF of natural gas.

TABLE ES(S)-2

CITY OF TOMBALL		MONTHLY CHARGES UNDER SCENARIO 1				
	Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	
RESIDENTIAL Rates						
Water Rates						
10,000 Gallons	\$ 41.75	\$ 44.01	\$ 45.81	\$ 47.67	\$ 49.58	
NHCRWA Surcharge	36.00	38.02	40.03	42.03	44.05	
Wastewater Rates						
5,000 Gallons	28.08	35.16	43.99	55.01	66.04	
Gas Rates						
3 MCF	35.25	35.25	35.25	35.25	36.25	
TOTAL MONTHLY CHARGES	141.08	152.44	165.09	179.97	195.92	
Difference - \$		11.36	12.65	14.88	15.95	
Difference - %		7.4%	7.7%	8.3%	8.1%	

**CITY OF TOMBALL
WATER, WASTEWATER AND GAS CONSOLIDATED RATE STUDY**

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
WATER, WASTEWATER AND GAS										
<i>Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"</i>										
RATE REVENUES										
Water	\$ 8,343,128	\$ 8,230,797	\$ 8,675,359	\$ 9,530,718	\$ 10,456,253	\$ 11,404,111	\$ 12,295,818	\$ 12,976,642	\$ 13,408,034	\$ 13,989,006
Wastewater	3,053,766	3,222,398	4,253,016	5,715,291	7,680,247	9,721,173	10,822,395	11,617,199	12,218,234	13,068,297
Natural Gas	3,365,212	5,999,389	7,325,126	7,414,323	7,505,751	7,580,721	7,657,191	7,735,190	7,814,749	7,895,900
Total	\$ 14,762,105	\$ 17,452,585	\$ 20,253,501	\$ 22,660,332	\$ 25,642,251	\$ 28,706,005	\$ 30,775,403	\$ 32,329,031	\$ 33,441,018	\$ 34,953,203
NON-RATE REVENUES										
Water	\$ 660,150	\$ 682,588	\$ 705,967	\$ 730,334	\$ 755,738	\$ 777,657	\$ 800,307	\$ 823,719	\$ 847,923	\$ 872,950
Wastewater	175,150	175,157	175,164	175,171	175,179	175,185	175,192	175,199	175,206	175,214
Natural Gas	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total	\$ 1,135,300	\$ 1,157,745	\$ 1,181,130	\$ 1,205,505	\$ 1,230,917	\$ 1,252,842	\$ 1,275,499	\$ 1,298,918	\$ 1,323,129	\$ 1,348,164
TOTAL REVENUES										
Water	\$ 9,003,278	\$ 8,913,385	\$ 9,381,326	\$ 10,261,051	\$ 11,211,992	\$ 12,181,767	\$ 13,096,125	\$ 13,800,361	\$ 14,255,957	\$ 14,861,956
Wastewater	3,228,916	3,397,555	4,428,180	5,890,462	7,855,426	9,896,358	10,997,587	11,792,398	12,393,440	13,243,511
Natural Gas	3,665,212	6,299,389	7,625,126	7,714,323	7,805,751	7,880,721	7,957,191	8,035,190	8,114,749	8,195,900
Total Revenues	\$ 15,897,405	\$ 18,610,329	\$ 21,434,632	\$ 23,865,837	\$ 26,873,168	\$ 29,958,847	\$ 32,050,902	\$ 33,627,949	\$ 34,764,147	\$ 36,301,367
COST OF SERVICE										
OPERATING EXPENSES										
Water	\$ 6,510,304	\$ 6,011,460	\$ 6,258,303	\$ 6,960,484	\$ 7,440,556	\$ 7,922,644	\$ 8,429,882	\$ 8,775,761	\$ 9,071,453	\$ 9,377,736
Wastewater	2,067,508	1,796,051	1,872,383	2,128,575	2,219,772	2,313,423	2,411,679	2,514,809	2,623,099	2,736,852
Natural Gas	2,488,795	3,478,459	4,051,378	4,191,353	4,337,884	4,484,249	4,637,493	4,798,104	4,966,618	5,143,623
Total	\$ 11,066,607	\$ 11,285,970	\$ 12,182,064	\$ 13,280,412	\$ 13,998,213	\$ 14,720,316	\$ 15,479,054	\$ 16,088,674	\$ 16,661,170	\$ 17,258,211
NON-DEPARTMENTAL EXPENSES (GENERAL FUND TRANSFERS)										
Water	\$ 1,148,645	\$ 1,183,104	\$ 1,218,597	\$ 1,255,155	\$ 1,292,810	\$ 1,331,594	\$ 1,371,542	\$ 1,412,688	\$ 1,455,069	\$ 1,498,721
Wastewater	977,286	955,105	983,758	1,013,271	1,043,669	1,074,979	1,107,228	1,140,445	1,174,659	1,209,898
Natural Gas	823,348	712,854	750,823	791,920	836,479	884,871	937,510	994,860	1,057,437	1,125,820
Total	\$ 2,949,279	\$ 2,851,064	\$ 2,953,178	\$ 3,060,346	\$ 3,172,958	\$ 3,291,444	\$ 3,416,281	\$ 3,547,994	\$ 3,687,165	\$ 3,834,439
CAPITAL OUTLAYS										
Water	\$ 381,400	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
Wastewater	980,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Natural Gas	850,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000
Total	\$ 2,211,400	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000

**CITY OF TOMBALL
WATER, WASTEWATER AND GAS CONSOLIDATED RATE STUDY**

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
WATER, WASTEWATER AND GAS										
<i>Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"</i>										
DEBT SERVICE										
Water	\$ 719,864	\$ 654,837	\$ 1,196,972	\$ 1,633,883	\$ 2,163,075	\$ 2,383,710	\$ 2,383,885	\$ 2,383,710	\$ 2,383,185	\$ 2,383,285
Wastewater	2,879,456	1,446,496	2,425,644	3,831,229	5,143,034	6,541,770	7,320,301	7,319,601	7,317,501	7,317,901
Natural Gas	-	-	-	-	-	-	-	-	-	-
Total	\$ 3,599,320	\$ 2,101,332	\$ 3,622,616	\$ 5,465,112	\$ 7,306,109	\$ 8,925,480	\$ 9,704,186	\$ 9,703,311	\$ 9,700,686	\$ 9,701,186
TOTAL EXPENSES										
Water	\$ 8,760,213	\$ 8,009,401	\$ 8,833,872	\$ 10,009,523	\$ 11,056,441	\$ 11,797,948	\$ 12,345,309	\$ 12,732,159	\$ 13,069,707	\$ 13,419,741
Wastewater	6,904,251	4,522,651	5,606,785	7,298,075	8,731,475	10,255,172	11,164,209	11,299,855	11,440,258	11,589,651
Natural Gas	4,162,143	4,956,314	5,567,201	5,748,273	5,939,363	6,134,120	6,340,003	6,557,964	6,789,055	7,034,443
Total	\$ 19,826,607	\$ 17,488,366	\$ 20,007,858	\$ 23,055,870	\$ 25,727,280	\$ 28,187,240	\$ 29,849,521	\$ 30,589,979	\$ 31,299,021	\$ 32,043,835
NET REVENUES AVAILABLE FOR CONTINGENCY										
Total Water Revenues	\$ 243,064	\$ 903,984	\$ 547,454	\$ 251,529	\$ 155,550	\$ 383,819	\$ 750,816	\$ 1,068,202	\$ 1,186,250	\$ 1,442,215
Total Wastewater Revenues	(3,675,335)	(1,125,096)	(1,178,605)	(1,407,613)	(876,049)	(358,813)	(166,622)	492,542	953,182	1,653,859
Total Gas Revenues	(496,931)	1,343,075	2,057,925	1,966,050	1,866,387	1,746,601	1,617,188	1,477,226	1,325,694	1,161,457
Total	\$ (3,929,201)	\$ 1,121,963	\$ 1,426,773	\$ 809,966	\$ 1,145,888	\$ 1,771,607	\$ 2,201,381	\$ 3,037,970	\$ 3,465,126	\$ 4,257,531
Percent of Total Revenues	-24.72%	6.03%	6.66%	3.39%	4.26%	5.91%	6.87%	9.03%	9.97%	11.73%

Section I

SECTION I

SECTION I – INTRODUCTION AND OVERVIEW

Background



In April 2023, the City of Tomball, Texas (the “City”) engaged Willdan Financial Services to conduct a water, wastewater and natural gas rate study and long-term financial plan. The City was interested in developing an updated comprehensive water, wastewater and natural gas rate plan for FY 2023 and beyond. The objective of this study is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service and coverage requirements, while at the same time to the best extent possible minimizing the impact of any adjustments on ratepayers.

The City identified numerous objectives for this study, including but not limited to the following:

- A comprehensive analysis and evaluation of the water, wastewater and gas systems’ current cost of service and revenue requirements.
- A forecast of operating expenses over the next decade, taking into consideration such factors as inflation, system growth, and potential changes in staffing levels.
- A thorough review of the water, wastewater and gas systems’ known capital improvement needs, as well as a determination of the need for funding capital requirements through the issuance of long-term debt for the existing identified capital improvements.
- An estimate of current and forecast accounts, volumes and billing units for the five-year forecast period.
- An analysis of alternative multi-year water, wastewater and gas rate plans that will distribute costs equitably.
- A detailed analysis and comparison of the City’s current and proposed rates to rates in other surrounding communities.

Report Organization

This report is organized into the following sections:

Section I – Introduction and Overview - outlines the background, objectives and scope of this rate study and long-term financial plan. It also presents the City’s current rate structure and a community profile of the City of Tomball. This includes a comparison of the City’s water, wastewater and gas charges with other Texas cities.

Section II – Water and Wastewater Rate Study

The Water and Wastewater **Test Year and Forecast Customer and Volume** sections analyze the City’s customer base, total accounts and current volumes of treated water and wastewater for the current year and a forecast five-years into the future. The **Test Year and Forecast Revenue Requirement** sections outlines the process of analyzing the City’s current water and wastewater utility cost structure. The total current or “test year” revenue requirements are developed, and costs are functionalized between treatment, distribution/collection, administration and customer billing. This section discusses costs associated with the North Harris County Regional Water Authority. Using the test year as a basis, costs are forecast for a five-year period. Water and Wastewater **Rate Design** section presents rate recommendations for the City of Tomball City Council and Staff to consider which would enable it to meet its revenue requirements over the forecast period. This section also presents an analysis of the impact of this rate plan.

Section III – Gas Rate Study

The Gas **Test Year and Forecast Customer and Sales** sections analyze the City’s customer base, total accounts and current sales of natural gas. This section presents totals for the current year and a forecast five-years into the future. **Test Year and Forecast Revenue Requirement** sections outlines the process of analyzing the City’s current gas utility cost structure. The total current or “test year” revenue requirements are developed, and costs are functionalized between supply, distribution, administration and customer billing. This section discusses the historical and forecast cost of gas purchases. Using the test year as a basis, costs are forecast for a five-year period. The **Rate Design** section presents rate recommendations for the City of Tomball City Council and Staff to consider which would enable it to meet its revenue requirements over the forecast period. This section also presents an analysis of the impact of this rate plan.

Appendix A – presents a hard copy printout of the interactive Microsoft Excel spreadsheet model summary developed for the City of Tomball to calculate water and wastewater current and future revenue requirements. The model automatically generates all calculations based on a set of defined user inputs and has an executive dashboard for users to develop real-time “what-if” scenarios.

Appendix B – presents a hard copy printout of the interactive Microsoft Excel spreadsheet model summary developed for the City of Tomball to calculate gas current and future revenue requirements.

City Overview



The City of Tomball, Texas is located in northwest Harris County approximately 40 miles north of Houston. The City encompasses a land area of 12.29 square miles and has an estimated 2022 population of 13,585.

The City of Tomball has operated under a Council-Manager form of government since 1980 in which the elected Mayor and City Council Members establish policy. The Tomball City Council consists of five Council Members and the Mayor. The Council is elected on a non-partisan basis. Council members serve three-year terms, with two council members elected every year. The mayor is elected to serve a three-year term. All

Council members and the Mayor are elected at large.

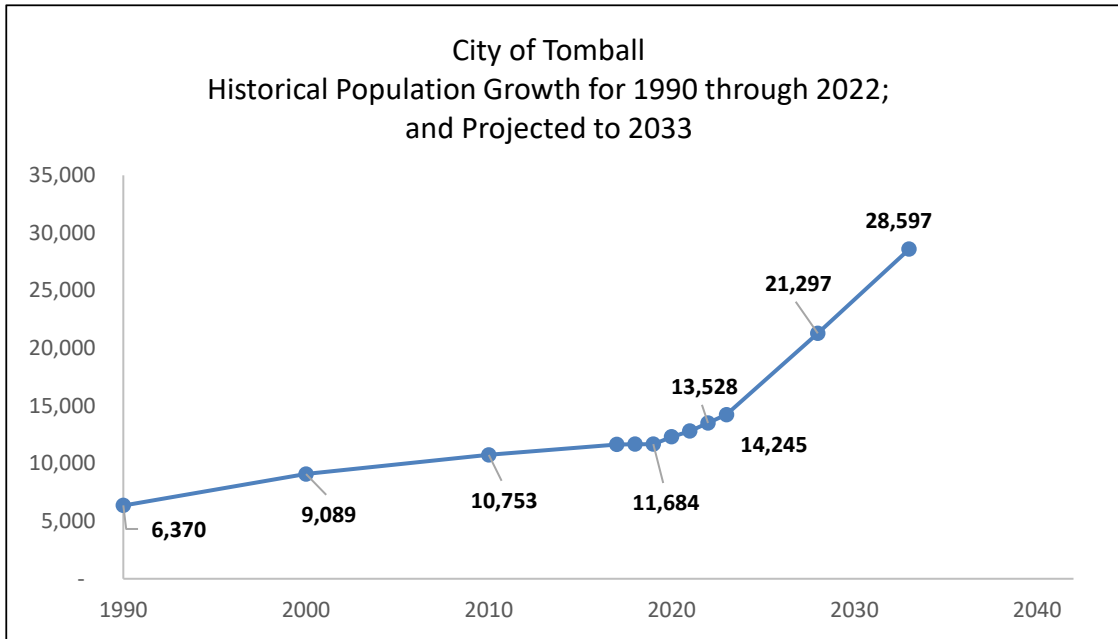
The City Manager operates in much the same way as a Chief Executive Officer of a corporation. The City Manager's Office is responsible for the day-to-day administration of Tomball's City government, including managing the City's budget, the City's departments and operations, and programs for communicating with residents and employees. The council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring both the City Manager and the City Attorney.

The City provides water, sewer and gas services to approximately 5,500 customer accounts through use of a self-supporting water, gas and sewer enterprise fund. Rates charged for services must be adequate to support maintenance and operations, debt service on utility related debt, and pay as you go water and sewer line rehabilitation programs.

Population – Current and Projected

As with many other Southeast Texas communities, the City is experiencing a moderate rate of growth which is expected to continue throughout the forecast period. **Chart I-1** illustrates the rate of growth sustained by Tomball from 1990 – 2023, as well as population forecasts through 2033 from the City's recent Water and Wastewater Impact Fee Report completed by the engineering firm of Freese & Nichols. The City realized an average annual population rate of growth of 1.89% between the year 2000 and 2010, and a total increase in population since 2000 of 56.7%. An annual growth rate of 10.6% is forecast by City staff and their engineers between 2023 and 2028 changing to 7.7% annually from 2023-2033 an average annual growth rate of 8.05%. This residential growth of approximately 220 new accounts annually will be accompanied by commercial growth.

CHART I-1



It is important to note that these projections are always subject to shifts due to multiple factors beyond the City's control.

Section II

SECTION II

SECTION II - WATER & WASTEWATER RATE STUDY



In order to accurately forecast future revenues and expenses, and to develop a fair and reasonable set of rates, it is necessary to examine current water and wastewater utility conditions. The first step in developing cost of service rates is to analyze patterns of usage, both for the system as a whole, and for specified customer classes.

For the City of Tomball, monthly water and wastewater records were reviewed for the period of October 2018 through March 2023. These records provided summary information on the monthly water volumes distributed system-wide as well as the number of accounts for each period by defined customer class and the associated revenues.

Additionally, these records provided the number of accounts and revenues monthly for all classifications of wastewater customers.

According to standard utility ratemaking methodology, in order to allocate revenue requirements equitably among system users, customers must be classified into relatively homogeneous groups with similar usage characteristics or service demands. Costs are then allocated to the customer classes in proportion to the usage characteristics of each class. For the water system, costs are typically allocated to customers based on their average and peak water demands. For the wastewater system, costs are allocated to customers based on their estimated wastewater flows, and in some cases, based on wastewater strengths.

After thoroughly examining volume and customer data, the project team made no revisions to the City’s existing rate classifications. The project team finds these customer class distinctions to be reasonable and appropriate, meeting the criteria of homogenous groups with similar usage patterns.

In this section, the City’s functional customer classes and test year usage patterns will be thoroughly analyzed. A five-year projection of customers and usage will also be presented. These forecasts, along with the revenue requirements, will form the basis of the proposed rate designs.

Water and Wastewater Current Rates

Table II-1 summarizes the City of Tomball’s current water rate structure. **Table II-2** summarizes the City’s current wastewater rate structure. The City last adjusted its rates in October 2022.

TABLE II-1

CITY OF TOMBALL					
CURRENT WATER RATES					
Residential Water Monthly Rates		Commercial Water Monthly Rates			
Base Rate					
Small (0-10,000 Gallons)	\$	11.55	Small (0-5,000 Gallons)	\$	19.56
Medium (10,001-15,000 Gallons)		13.29	Medium (5,001-51,000 Gallons)		31.48
Large (15,001-Above Gallons)		15.29	Large (51,001-Above Gallons)		55.11
Usage Charge (per 1,000 Gallons)					
-	10,000	3.02	-	5,000	3.66
10,001	15,000	3.77	5,001	51,000	4.58
15,001	Above	4.72	51,001	Above	5.72
Bulk Water Sales		North Harris County Regional Water Authority Surcharge			
Base Rate	\$	92.27	The City collects additional surcharges, based on rates established by NHCRA, adjusted as surcharge increases		
Usage Charge (per 1,000 Gallons)		5.12	10/1/2023 Surcharge (per 1,000 Gallons) \$ 3.60		

TABLE II-2

CITY OF TOMBALL					
CURRENT WASTEWATER RATES					
Customers Receiving Potable Water					
Residential Rates		Commercial Rates			
Base Rate	\$	10.23	Base Rate	\$	24.91
Volume Rate (per 1,000 Gallons)		3.57	Usage Charge (per 1,000 Gallons)		
			Small (0-5,000 Gallons)		44.53
			Medium (5,001-51,000 Gallons)		5.65
			Large (51,001-Above Gallons)		7.07
Customers Not Receiving Potable Water					
Residential Rates		Commercial Rates			
Base Rate	\$	41.93	Base Rate	\$	69.78
			Drain Charge (in excess of 15)		2.78
Note 1: Residential Volumetric Charges are based on the average of water usage in the winter months of November - February			Note 2: The City does not assess different rates for accounts of any rate class outside of City limits		

Water accounts served by Tomball are classified as Residential Inside, Residential Outside accounts, Commercial (includes Multi-Family), and HMW SUD Wholesale. Currently, there are no residential accounts outside of City

limits. The water rate structure assesses a base charge by customer class for all rate classes based on usage, and volume is billed based on tiered rates per 1,000 gallons.

All Residential and Commercial customers pay a North Harris County Regional Water Authority Surcharge for each 1,000 gallons used.

Residential wastewater rates are based on a winter average, which is a common billing practice for cities in Texas and throughout the United States. The concept behind **winter averaging** is that during the winter months (usually the months of November, December, January and February), residents are not as likely to water lawns, wash cars, or engage in other summer water uses that are not returned through the wastewater system. However, residents will continue to use water indoors (for bathing, drinking, etc.), in a volume similar to other months. Therefore, it is assumed that all water used during these winter months results in wastewater flows. Commercial wastewater accounts are assessed a tiered volume charge for all recorded water consumption.

Water and Wastewater Rate Comparisons

Chart II-3 and Table II-4 compare the City's monthly water and wastewater charges to nearby cities in Texas. Volumes of 10,000 gallons for water and 5,000 gallons for wastewater were used for the residential comparison as it represents typical usage levels for an average household. The comparison communities shown in the chart are those customarily selected by the City for all benchmarking and comparisons.

The rate data is based on published rates and ordinances posted by each municipality on their website. These rates do not include sales tax, activation or other charges beyond the basic minimum and volume charges.

The following points are also notable:

- Many cities do not assess rates that recover the full cost of service, choosing instead to subsidize their water and wastewater utilities with other revenues or to defer needed repairs and maintenance at the expense of system reliability and integrity.
- Some cities use tax bonds to fund water/wastewater system construction. This results in lower rates but higher ad valorem taxes.

CHART II-3

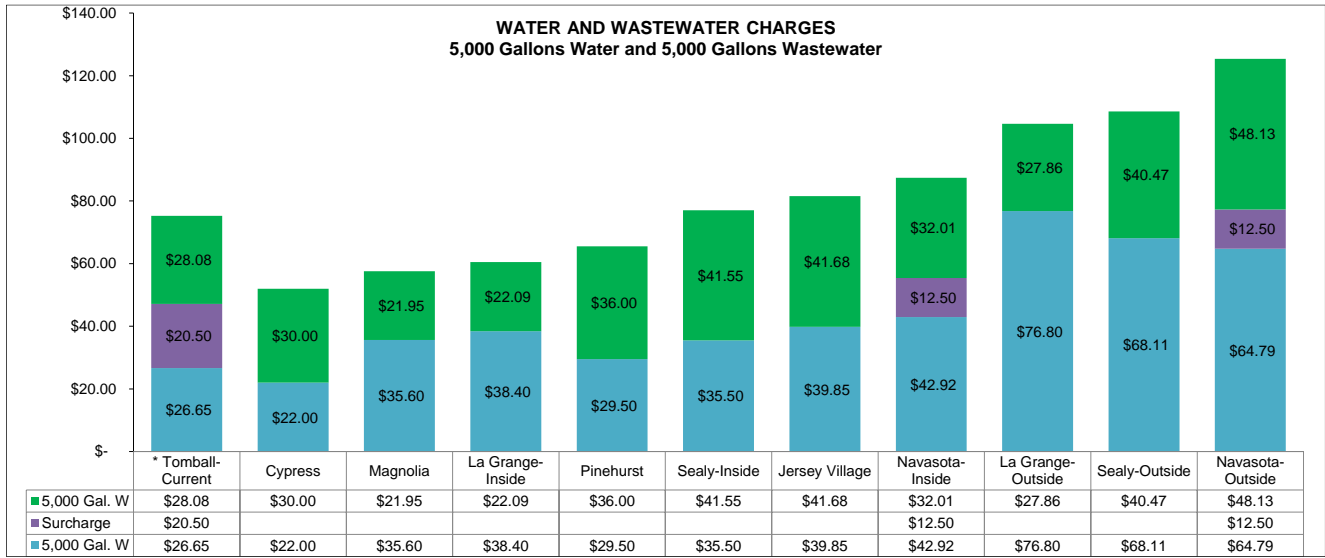


TABLE II-4

CITY OF TOMBALL					
MONTHLY RESIDENTIAL CHARGES -- 5,000 GALLONS WATER AND 5,000 WASTEWATER 3/4"					
	Population	Water	Wastewater	Additional Charges	Total
Tomball Current	13,585	\$ 26.65	\$ 28.08	\$ 20.50	\$ 75.23
Katy	25,253	10.72	8.44		19.16
Cypress	191,421	22.00	30.00		52.00
Magnolia	3,205	35.60	21.95		57.55
La Grange-Inside	4,487	38.40	22.09		60.49
Pinehurst	4,727	29.50	36.00		65.50
Sealy-Inside	6,956	35.50	41.55		77.05
Jersey Village	7,939	39.85	41.68		81.53
Navasota-Inside	8,417	42.92	32.01	12.50	87.43
La Grange-Outside		76.80	27.86		104.66
Navasota-Outside		64.79	48.13	12.50	125.42
Sample Average		\$ 39.61	\$ 30.97	-	\$ 73.08
TX State Average-2023 TML Survey		\$ 52.91	\$ 45.66	-	\$ 98.57

Source: Municipal websites and ordinances

Water and Wastewater Customers and Meters – Test Year and Forecast

Table II-5 and **Chart II-6** present total water accounts for the City for the test year and forecast period. For each of the historical years, the average number of accounts for the year is shown and the growth reflects the difference from one fiscal year end to the next. Overall water accounts are forecast to increase from **5,669** in the test year FY 2023 to **8,082** in FY 2032, an annual increase of 4.0% for all customer classes.

The engineering firm of Freese and Nichols submitted their draft Water and Wastewater Master Plan Report to the City in November 2023. The calculations and projections included in this report were taken into consideration by the project team and discussed with City staff in the development of the account and consumption forecasts utilized in the water and wastewater rate model for this study.

TABLE II-5

CITY OF TOMBALL							
FORECAST TOTAL CUSTOMERS							
WATER Customer Classes							
Residential	Commercial	Municipal	Residential Outside	Commercial Outside	HMW SUD Wholesale	Bulk Water Sales	Total
WATER Total Customers							
FY 2019	2,989	1,193	64	-	-	-	4,247
FY 2020	3,097	1,209	70	-	-	-	4,377
FY 2021	3,487	1,259	74	-	-	-	4,820
FY 2022	3,917	1,286	73	-	-	-	5,275
TY 2023	4,268	1,326	74	-	-	1	5,669
FY 2024	4,481	1,366	75	-	-	1	5,923
FY 2025	4,705	1,406	76	-	-	1	6,188
FY 2026	4,941	1,446	77	-	-	1	6,465
FY 2027	5,188	1,486	78	-	-	1	6,753
FY 2028	5,395	1,526	79	-	-	1	7,001
FY 2029	5,611	1,566	80	-	-	1	7,258
FY 2030	5,836	1,606	81	-	-	1	7,524
FY 2031	6,069	1,646	82	-	-	1	7,798
FY 2032	6,312	1,686	83	-	-	1	8,082
WATER Annual New Customers							
FY 2020	108	16	6	-	-	-	130
FY 2021	390	50	4	-	-	-	444
FY 2022	430	26	(1)	-	-	-	455
TY 2023	100	20	1	-	-	-	121
FY 2024	213	40	1	-	-	-	254
FY 2025	224	40	1	-	-	-	265
FY 2026	235	40	1	-	-	-	276
FY 2027	247	40	1	-	-	-	288
FY 2028	208	40	1	-	-	-	249
FY 2029	216	40	1	-	-	-	257
FY 2030	224	40	1	-	-	-	265
FY 2031	233	40	1	-	-	-	274
FY 2032	243	40	1	-	-	-	284

CHART II-6

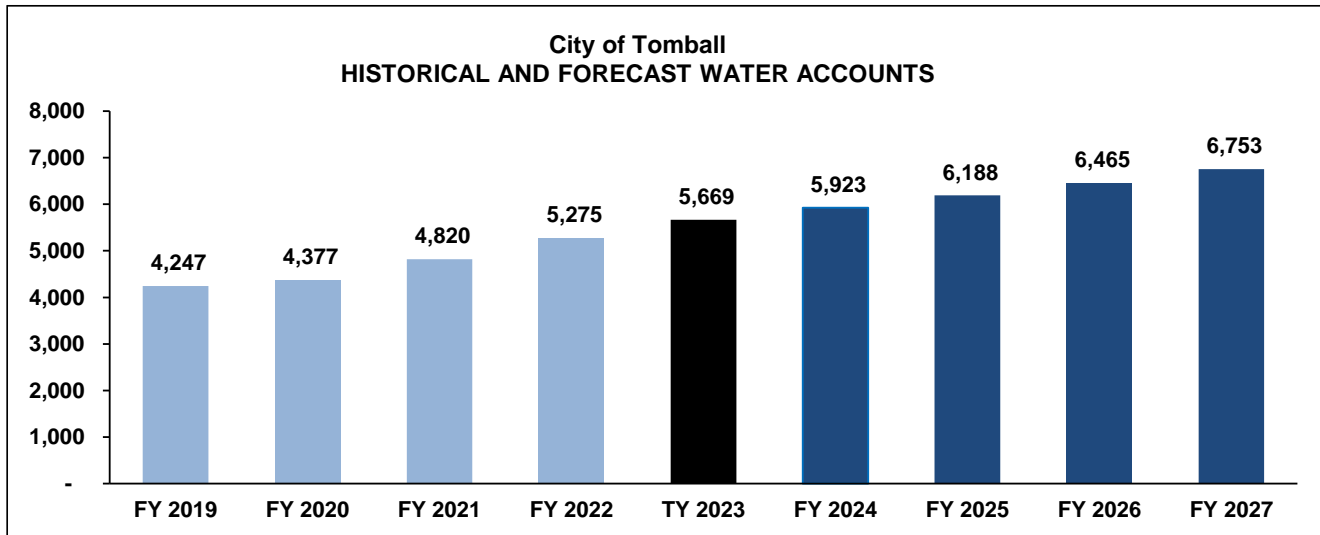


Table II-7 and **Chart II-8** presents wastewater accounts and classifications for the city wastewater accounts for the Test Year 2023 through Fiscal Year 2027. Historical wastewater account information was not available to the Study team due to the cyber-attack that the city experienced at the end of 2022.

It must be stressed that if the City is not able to hook up these projected new connections, financial and rate plan assumptions will have to be substantially modified.

TABLE II-7

CITY OF TOMBALL

HISTORICAL AND FORECAST TOTAL CUSTOMERS

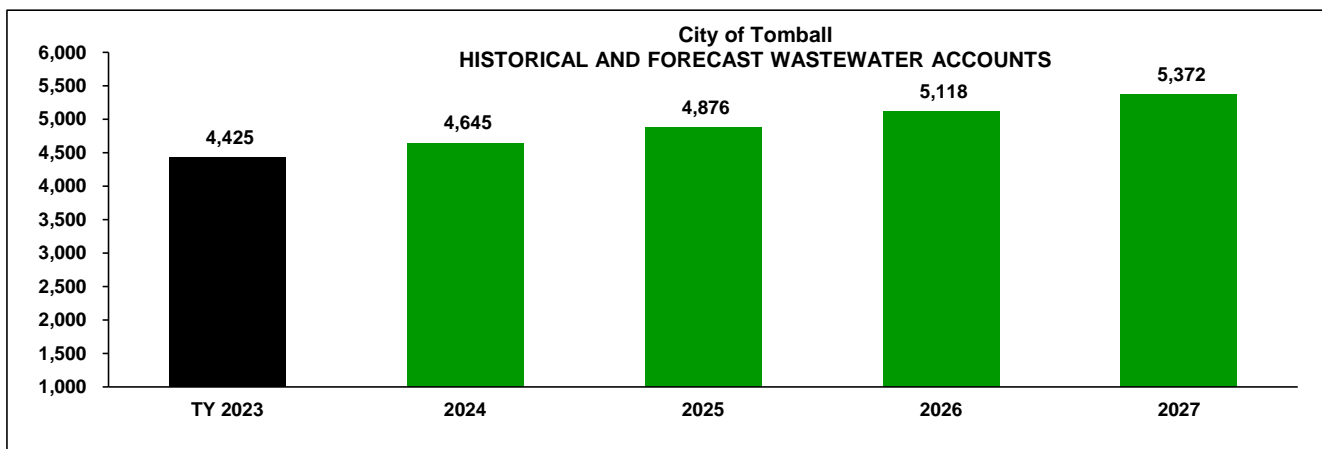
WASTEWATER Customer Classes

	Residential	Commercial	Municipal	Residential Sewer Only	Commercial Sewer Only	Total
TY 2023	3,558	819	23	20	5	4,425
FY 2024	3,736	860	24	20	5	4,645
FY 2025	3,923	903	25	20	5	4,876
FY 2026	4,119	948	26	20	5	5,118
FY 2027	4,325	995	27	20	5	5,372
FY 2028	4,541	1,045	28	20	5	5,639
FY 2029	4,768	1,097	29	20	5	5,919
FY 2030	5,006	1,152	30	20	5	6,213
FY 2031	5,256	1,210	31	20	5	6,522
FY 2032	5,519	1,271	32	20	5	6,847

WASTEWATER Annual New Customers

TY 2023	-	-	-	-	-	-
FY 2024	178	41	1	-	-	220
FY 2025	187	43	1	-	-	231
FY 2026	196	45	1	-	-	242
FY 2027	206	47	1	-	-	254
FY 2028	216	50	1	-	-	267
FY 2029	227	52	1	-	-	280
FY 2030	238	55	1	-	-	294
FY 2031	250	58	1	-	-	309
FY 2032	263	61	1	-	-	325

CHART II-8



Historical and Forecast Water Consumption

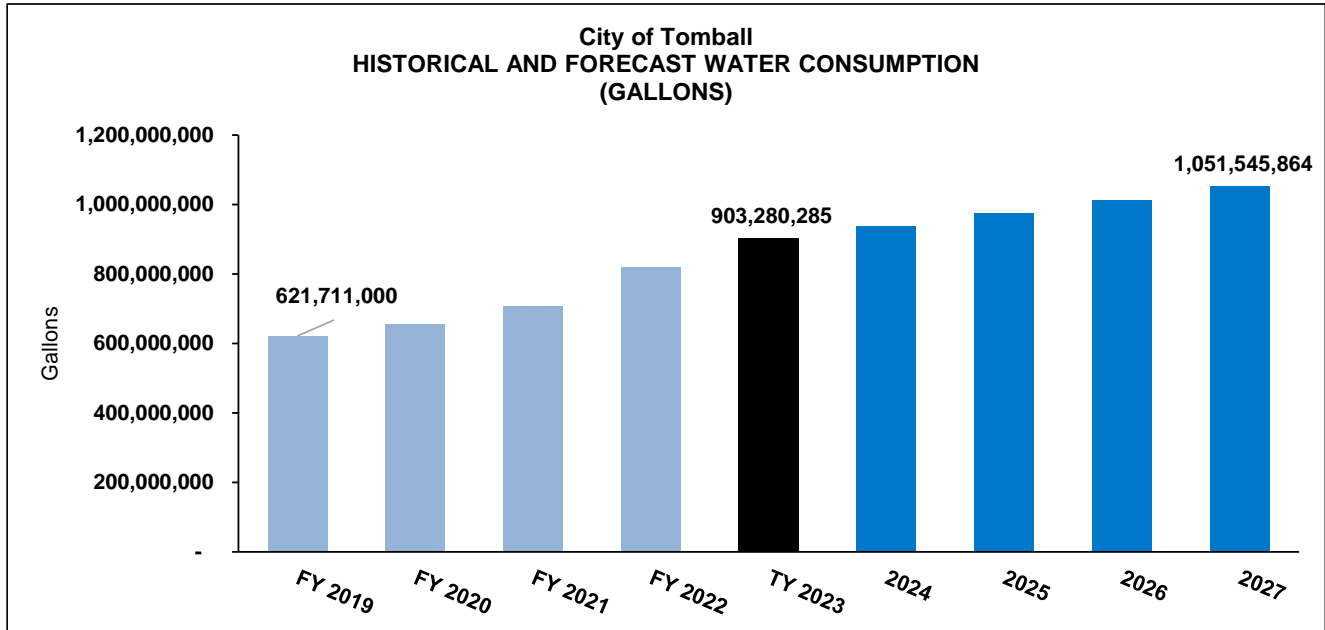
Total water system consumption data was analyzed over the same time period as customer data. The project team prepared a ten-year forecast of water usage based on the same principles on which customer accounts were projected. The results of this forecast are presented in **Table II-9** and **Chart II-10** which present consumption by rate classification for the City for the past three years and the forecast growth over the next decade.

Water usage is expected to increase at an average annual rate of approximately 3.5% over the next decade. By FY 2032 water usage is expected to reach **1,234,265,777** gallons.

TABLE II-9

CITY OF TOMBALL							
ACTUAL AND FORECAST BILLED CONSUMPTION							
WATER Customer Classes							
Residential	Commercial	Municipal	Residential Outside	Commerical Outside	HMW SUD Wholesale	Bulk Water Sales	Total
WATER Historical Volume							
FY 2019	246,923,000	370,005,000	4,783,000	-	-	-	621,711,000
FY 2020	290,109,000	359,035,000	6,251,000	-	-	-	655,395,000
FY 2021	308,678,000	388,168,000	8,247,000	-	-	-	705,093,000
FY 2022	388,355,000	421,988,000	7,738,000	-	-	-	818,081,000
WATER Forecast Volume							
TY 2023	432,470,869	452,353,833	8,930,685	-	-	9,524,897	903,280,285
FY 2024	454,094,413	465,999,499	9,051,370	-	-	9,524,897	938,670,179
FY 2025	476,799,134	479,645,165	9,172,055	-	-	9,524,897	975,141,251
FY 2026	500,639,090	493,290,832	9,292,740	-	-	9,524,897	1,012,747,559
FY 2027	525,671,045	506,936,498	9,413,425	-	-	9,524,897	1,051,545,864
FY 2028	546,697,887	520,582,164	9,534,110	-	-	9,524,897	1,086,339,057
FY 2029	568,565,802	534,227,830	9,654,795	-	-	9,524,897	1,121,973,324
FY 2030	591,308,434	547,873,496	9,775,479	-	-	9,524,897	1,158,482,307
FY 2031	614,960,772	561,519,162	9,896,164	-	-	9,524,897	1,195,900,996
FY 2032	639,559,202	575,164,828	10,016,849	-	-	9,524,897	1,234,265,777
INCREMENTAL HISTORIC AND FORECAST CONSUMPTION - GALLONS							
Residential	Commercial	Municipal	Residential Outside	Commerical Outside	HMW SUD Wholesale	Bulk Water Sales	Total
WATER Annual Historical Volumes							
FY 2020	43,186,000	(10,970,000)	1,468,000	-	-	-	33,684,000
FY 2021	18,569,000	29,133,000	1,996,000	-	-	-	49,698,000
FY 2022	79,677,000	33,820,000	(509,000)	-	-	-	112,988,000
WATER Annual Forecast Volumes							
TY 2023	44,115,869	30,365,833	1,192,685	-	-	9,524,897	85,199,285
FY 2024	21,623,543	13,645,666	120,685	-	-	-	35,389,895
FY 2025	22,704,721	13,645,666	120,685	-	-	-	36,471,072
FY 2026	23,839,957	13,645,666	120,685	-	-	-	37,606,308
FY 2027	25,031,955	13,645,666	120,685	-	-	-	38,798,306
FY 2028	21,026,842	13,645,666	120,685	-	-	-	34,793,193
FY 2029	21,867,915	13,645,666	120,685	-	-	-	35,634,267
FY 2030	22,742,632	13,645,666	120,685	-	-	-	36,508,983
FY 2031	23,652,337	13,645,666	120,685	-	-	-	37,418,688
FY 2032	24,598,431	13,645,666	120,685	-	-	-	38,364,782

CHART II-10



Peaking Factors

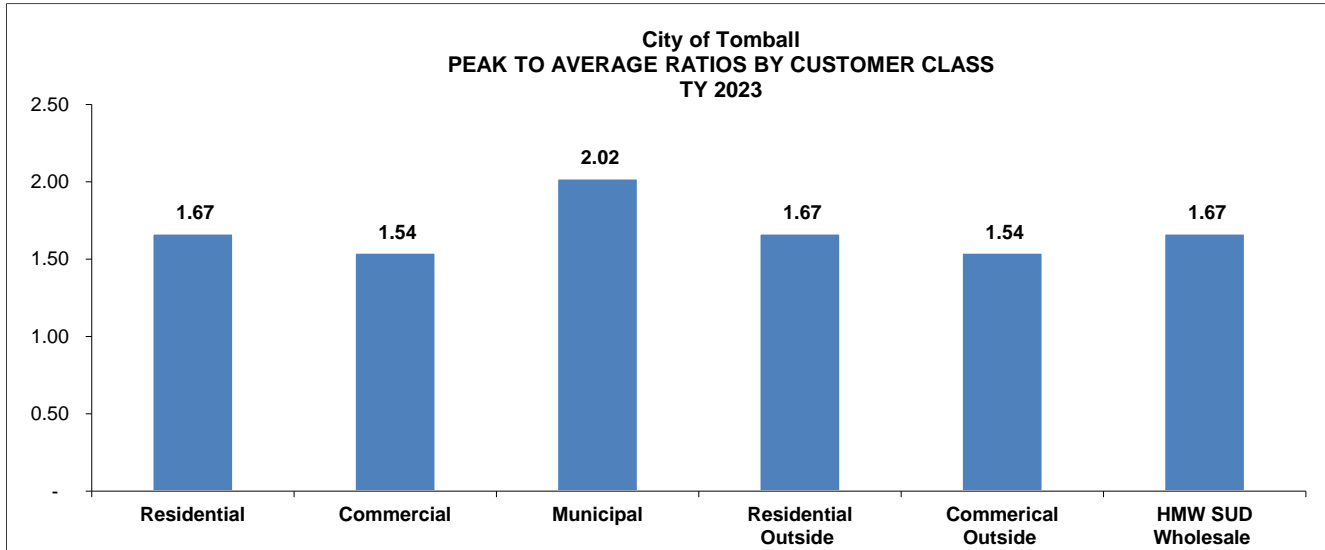
The cost of providing water to customers depends not only on the amount of water each class uses, but also on how that usage occurs over time. The maximum-day and maximum-hour peaking requirements of a water utility’s customers are an important influence on the utility’s costs. Because water utilities attempt to meet all of the demands of their customers, water systems are sized to meet customers’ peak requirements. Therefore, during off-peak periods, there are usually significant costs associated with the unused capacity of the system. These costs must be allocated to customers in proportion to the contribution of each customer class to the system peak, in order to develop equitable cost-based rates. Thus, it is necessary to determine the peak rate of use relative to the average rate of use for each class. This ratio is called a **Peaking Factor**.

The consumption data by class provided by the City was utilized in the rate model to calculate the peak day factor and peaking factors for individual rate classes.

The calculation of peaking factors for individual classes relies on available pumping and consumption information as well as professional judgment. If customer meters could record daily flow rates for each customer, more refined information could be obtained on peaking factors. This is not feasible because of the enormous cost that would be imposed on the utility. Therefore, it is accepted practice in the water industry to develop peaking factor estimates based on standard formulas using system peak day information and monthly customer class usage records. This is a conservative methodology, since customer class peaking factors based on peak months will inevitably be lower than the system-wide peaking factor, which is based on the peak day.

Based on AWWA guidelines, the customer class peaking factors calculated in this study are for non-coincidental peaks. The peaking factors developed for this analysis are based on the annualized water consumption by customer class for FY 2016. The calculations of the peaking factors by class are presented graphically in **Chart II-11**.

CHART II-11



A general ratemaking rule is that **the higher the peak to average ratio, the higher the unit cost of service for a given customer class**. While this is not an absolute rule, it is a good general indicator as to which customer classes are incurring the greatest costs to provide service.

Historical and Forecast Wastewater Flows

The City currently calculates wastewater charges for all customers based on the winter average of their water consumption. All wastewater accounts are billed based on domestic strength, as the City does not have a high concentration of restaurants and apartments dumping high strength sewage into the system.

As with water billed consumption, the project team prepared a ten-year forecast of wastewater billing units. Since individual wastewater usage is not metered, it is derived from the water consumption figures for each customer class. The billing unit forecast is derived using anticipated growth in accounts as depicted in **Table II-7**. The results of the forecast are presented in **Table II-12**.

TABLE II-12

CITY OF TOMBALL						
ACTUAL AND FORECAST BILLED CONSUMPTION						
WASTEWATER Customer Classes						
	Residential	Commercial	Municipal	Residential Sewer Only	Commercial Sewer Only	Total
WASTEWATER Forecast Volume						
TY 2023	231,209,391	279,395,015	2,887,894	1,299,659	1,705,708	516,497,667
FY 2024	242,776,359	293,381,822	3,010,992	1,299,659	1,705,708	542,174,541
FY 2025	254,928,173	308,050,913	3,134,091	1,299,659	1,705,708	569,118,546
FY 2026	267,664,835	323,402,288	3,257,190	1,299,659	1,705,708	597,329,680
FY 2027	281,051,326	339,435,946	3,380,288	1,299,659	1,705,708	626,872,927
FY 2028	295,087,646	356,493,028	3,503,387	1,299,659	1,705,708	658,089,429
FY 2029	309,838,779	374,232,394	3,626,486	1,299,659	1,705,708	690,703,027
FY 2030	325,304,725	392,995,185	3,749,584	1,299,659	1,705,708	725,054,862
FY 2031	341,550,466	412,781,401	3,872,683	1,299,659	1,705,708	761,209,918
FY 2032	358,640,986	433,591,042	3,995,782	1,299,659	1,705,708	799,233,178
INCREMENTAL HISTORIC AND FORECAST CONSUMPTION - GALLONS						
	Residential	Commercial	Municipal	Residential Sewer Only	Commercial Sewer Only	Total
WASTEWATER Annual Forecast Volumes						
TY 2023	-	-	-	-	-	-
FY 2024	11,566,968	13,986,808	123,099	-	-	25,676,874
FY 2025	12,151,815	14,669,091	123,099	-	-	26,944,004
FY 2026	12,736,661	15,351,374	123,099	-	-	28,211,134
FY 2027	13,386,491	16,033,658	123,099	-	-	29,543,247
FY 2028	14,036,321	17,057,083	123,099	-	-	31,216,502
FY 2029	14,751,133	17,739,366	123,099	-	-	32,613,598
FY 2030	15,465,946	18,762,791	123,099	-	-	34,351,835
FY 2031	16,245,741	19,786,216	123,099	-	-	36,155,056
FY 2032	17,090,520	20,809,641	123,099	-	-	38,023,259

Two points are notable about this table. First, as with water, these billing units are forecast based on the growth of wastewater accounts and anticipated consumption ratios built into the rate model based on the growth projections of City personnel. Secondly, wastewater usage is not subject to the significant fluctuations experienced by water accounts. This is because the water volume fluctuation is largely due to outdoor usage that is not returned to the wastewater system.

The table reveals that wastewater billing units are forecast to increase by an annual average of 5.0% over the forecast period.

Water & Wastewater Revenue Requirement - Test Year and Forecast



In this section of the water and wastewater rate study and long-term financial plan, the City of Tomball's test year and forecast water and wastewater utility revenue requirements are developed. The test year consists of the City's fiscal year, October 1, 2022 through September 30, 2023. The test year should not be used to set rates - all rate recommendations presented in this section are based on the City's forecast of future expenses.

The calculation of a revenue requirement differs from a utility's budget in that it represents only that amount that must be raised through the City's user rates. This means that non-rate revenue (such as reconnection fees, late payment charges and interest) must be subtracted from the budgeted operating and capital expenditures to determine the net revenue requirement to be raised from rates.

As is typical for publicly owned utilities, the City of Tomball's system revenue requirements were developed using the cash basis of ratemaking. Under the cash basis, as defined by the AWWA Manual M-1, system revenue requirements consist of cash expenditures and other financial commitments (such as debt service coverage or reserves) that must be met through system operating revenues and other revenue sources.

All data used in the development of the revenue requirements was obtained from the financial statements, budgets and other information provided by the City. Detailed calculations are presented in the rate model summaries contained in **Appendix A** of this report. For rate design purposes, revenue requirements are developed separately for the water and wastewater systems.

The assumptions utilized in this expense forecast will be thoroughly detailed in this section of the report. These assumptions are critical to the development of both the revenue requirement and the ultimate rate recommendation. The project team reviewed these assumptions with the City staff and considers all to be consistent with staff recommendations.

In this section, current and forecast Operating Costs, Capital Outlays, Transfers, and Debt Service will be examined first. Non-rate revenues will be subtracted from the total to yield the Net Revenue Requirement.

Water and Wastewater Operating Expenses and Capital Outlays – Test Year

Table II-13 on the following page summarizes the test year FY 2023 water and wastewater system operating expenses and capital outlays in detail by department and expense category item.

The following is noteworthy about the table:

- There are four (4) Expense categories within the City's Utility Fund, each with their own budget: Water, Wastewater, Utility Administration, and Utility Billing.

- Utility Administration and Utility Billing, Water Department and Wastewater Department operating costs were divided to isolate **Personnel costs** including all salary, insurance and benefit expenses and payroll taxes from Non-Personnel costs in order to build forecast personnel additions into the rate model.
- Utility Administration, Utility Billing, Water Department and Wastewater Department (Non Personnel) **Operating and Maintenance costs** include one or more of the following expense categories:
 - **Supplies**, which includes postage, office equipment and supplies, IT costs, chemicals, etc.
 - **Repair and Maintenance**, which captures the primary operating expenses associated with the day-to-day management and maintenance of the water and wastewater operations.
 - **Services and Charges**, these expenses include such items as utility (electricity, gas, etc.) expense, fuels, small tools, maintenance supplies and contractual services.
 - North Harris Regional Water Authority (NHCRWA) cost
 - **Capital Improvements** funded through the water and wastewater utility budgets.
 - **Transfers**, includes transfers to the Fleet Replacement and Capital Project Funds for water and wastewater operations.

TABLE II-13

CITY OF TOMBALL				
TEST YEAR WATER AND WASTEWATER OPERATING EXPENSES, TRANSFERS AND CAPITAL OUTLAYS				
OPERATING EXPENSES				
WATER DEPARTMENT				
Utility Admin & Billing Personnel	\$	559,884	\$	-
Utility Admin & Billing Operating		217,479		-
Utility Admin & Billing Transfer		1,148,645		-
Water Personnel		756,400		-
Water Operating		931,200		-
Water Fund Transfers		-		-
N Harris Cnty Reg Water Authority		4,045,341		-
Total Water		7,658,949		-
WASTEWATER DEPARTMENT				
Utility Admin & Billing Personnel		-		205,840
Utility Admin & Billing Operating		-		175,568
Utility Admin & Billing Transfer		-		927,286
WW Personnel		-		697,000
WW Operating		-		989,100
WW Fund Transfers		-		50,000
Total Wastewater		-		3,044,794
TOTAL OPERATING EXPENDITURES and TRANSFERS		7,658,949		3,044,794
CAPITAL OUTLAYS				
Total Capital Outlays		381,400		980,000
TOTAL WATER AND WASTEWATER OPERATING EXPENSES, TRANSFERS AND CAPITAL OUTLAYS				
	\$	8,040,349	\$	4,024,794
			\$	12,065,144

Water and Wastewater Operating Expenses and Capital Outlays – Ten Year Forecast

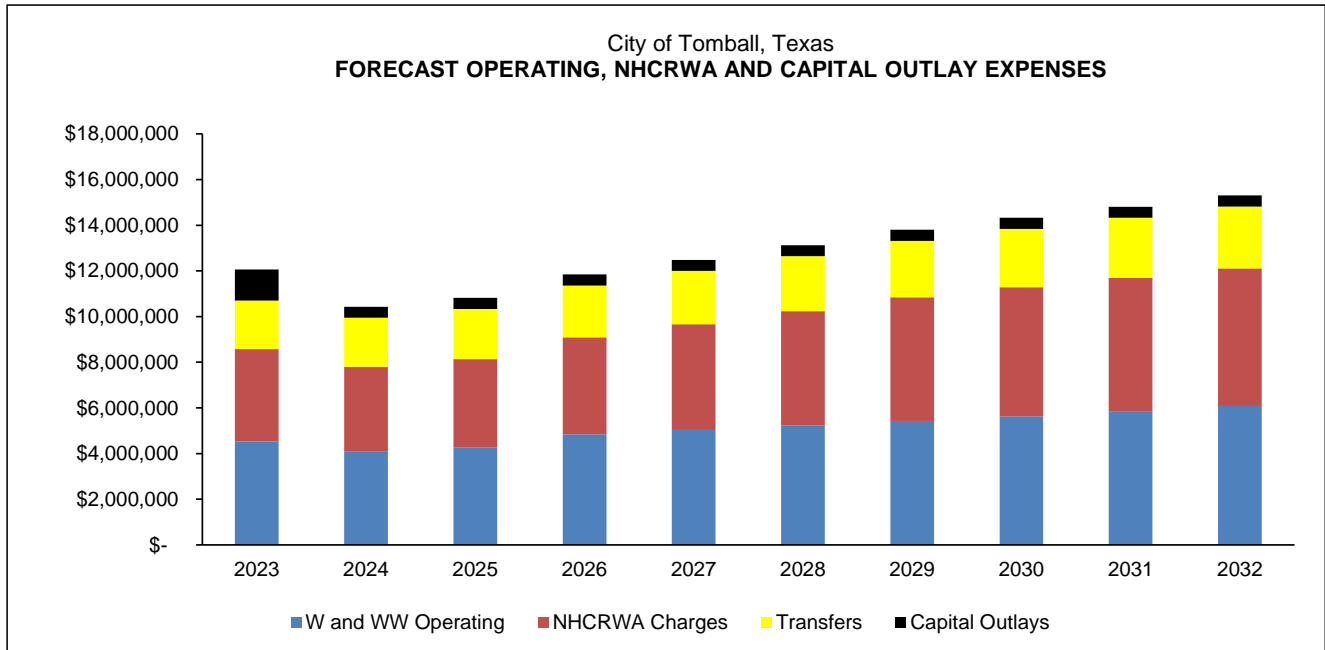
Table II-14 and Chart II-15 present the water and wastewater utility operating expense and capital outlay forecast for the ten-year period FY 2023 – FY 2032. Details behind these calculations can be found in the rate model contained in Appendix A. This forecast is based on the following set of assumptions:

- Most operating costs are expected to increase at an annual rate of 3.0%, which is approximately equivalent to the rate of inflation.
- Certain expenses will increase at above-inflation rates, to reflect the rapid rate of increase of these costs. These expenses include chemicals, workers’ compensation, Medicare and insurance.
- This forecast includes NHCRWA charges.
- Administrative Billing costs and Utility Billing costs are divided between water and wastewater based on their relative percentages of gross revenues.
- The Utility Transfers to the Fleet Replacement and Capital Project Funds were escalated at 3% annually throughout the forecast period.

TABLE II-14

CITY OF TOMBALL		FORECAST OPERATING EXPENSES AND CAPITAL OUTLAYS								
Scenario: 2023 11 20 – Scenario I – "Fully Fund CIP"		2024	2025	2026	2027	2028	2029	2030	2031	2032
Budget Operating Expenses/Capital Outlays										
WATER										
Personnel	\$ 1,360,559	\$ 1,413,939	\$ 1,726,555	\$ 1,795,468	\$ 1,867,819	\$ 1,943,819	\$ 2,023,696	\$ 2,107,694	\$ 2,196,075	
Operating	944,562	966,937	990,642	1,015,770	1,040,470	1,066,501	1,093,943	1,122,881	1,153,405	
NHCRWA Purchases	3,706,339	3,877,427	4,243,287	4,629,318	5,014,355	5,419,563	5,658,122	5,840,878	6,028,255	
Transfers	1,183,104	1,218,597	1,255,155	1,292,810	1,331,594	1,371,542	1,412,688	1,455,069	1,498,721	
Capital Outlays	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	
Total Operating/Capital Outlays	\$ 7,354,564	\$ 7,636,900	\$ 8,375,640	\$ 8,893,366	\$ 9,414,238	\$ 9,961,424	\$ 10,348,449	\$ 10,686,522	\$ 11,036,457	
WASTEWATER										
Personnel	\$ 933,221	\$ 969,868	\$ 1,184,337	\$ 1,231,654	\$ 1,281,332	\$ 1,333,520	\$ 1,388,372	\$ 1,446,059	\$ 1,506,758	
Operating	862,830	902,515	944,237	988,119	1,032,091	1,078,160	1,126,437	1,177,040	1,230,094	
Transfers	955,105	983,758	1,013,271	1,043,669	1,074,979	1,107,228	1,140,445	1,174,659	1,209,898	
Capital Outlays	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	
Total Operating/Capital Outlays	\$ 3,076,156	\$ 3,181,141	\$ 3,466,845	\$ 3,588,442	\$ 3,713,402	\$ 3,843,908	\$ 3,980,255	\$ 4,122,757	\$ 4,271,750	
Water and Wastewater Total	\$ 10,430,720	\$ 10,818,041	\$ 11,842,485	\$ 12,481,808	\$ 13,127,640	\$ 13,805,332	\$ 14,328,704	\$ 14,809,280	\$ 15,308,207	

CHART II-15



North Harris Regional Water Authority

On June 18, 1999, the bill that created the North Harris County Regional Water Authority (HB 2965) was signed into law, and called a special election for January 15, 2000 so voters could confirm the creation of the new Authority and elect Directors to lead it.

Following the election, the NHCRWA became the single entity empowered to negotiate for a secure, long-term, reliable, quality supply of wholesale drinking water for all the independent neighborhoods, municipal utility districts, small municipalities, and permitted well owners within its boundaries.

These boundaries are essentially US 290 on the west, the Harris County line on the north (Spring Creek), FM 1960 and Bammel-North Houston on the south and the western shores of Lake Houston on the east. The Authority is comprised of 335 square miles and includes approximately 710,000 residents.

The NHCRWA's primary assignment is to develop and implement a strategy for complying with the Harris-Galveston Subsidence District's Regulatory Plan that requires a reduction in groundwater usage to no more than 20 percent of total water demand by the year 2035.

The first phase of the District's mandate was completed in 2010, which reduced reliance on groundwater by 30 percent. The next deadline is 2025 – requiring 60 percent conversion to alternate (or surface) water. The Authority is also responsible for building the water pipelines to deliver treated water to the municipal utility districts (MUDs) to serve hundreds of thousands of residents. The current challenge is to complete the planning and engineering stage of the multipronged 2025 conversion system. A new alliance of regional water providers has teamed up to initiate the Luce Bayou Interbasin Transfer Project with the capacity to bring raw water from the Trinity River to Lake Houston and the City's North East Water Purification Plant. The partners include the City of Houston, the

North, West and Central Harris County Regional Water Authorities, the North Fort Bend Water Authority, and the Coastal Water Authority.

Construction on the 90-acre Capers Ridge Pump Station on the Trinity River's west bank is underway. When fully functional, it will be able to divert up to 500 million gallons of water a day from the Trinity River and pump it into side-by-side underground pipelines. To provide an idea of the size of these pipes, a Ford F150 pickup truck could drive through these 8 foot diameter pipes with room to spare. The water will flow through these pipelines to a storage and sedimentation basin, and then into a canal that runs to the northeastern tip of Lake Houston. In anticipation of more raw water coming into the San Jacinto/Lake Houston reservoir, regional water authorities and the City of Houston forged a partnership to accomplish an expansion of the Northeast Water Purification Plant with each paying its fair share of the costs. This multi-billion-dollar project — to be completed in phases over the next 6 to 9 years — will increase the treatment capacity from the current 80 million gallons a day to 400 million gallons a day. The expansion project is considered to be the largest design-build infrastructure project of its kind underway in the U.S. today. In addition to the cost of purchasing the surface water from the City of Houston, there are shared transmission, operations and maintenance expenses to be paid. All of these factors — coupled with the cost of constructing the NHCRWA's 2025 water supply system — will impact the future cost of water.

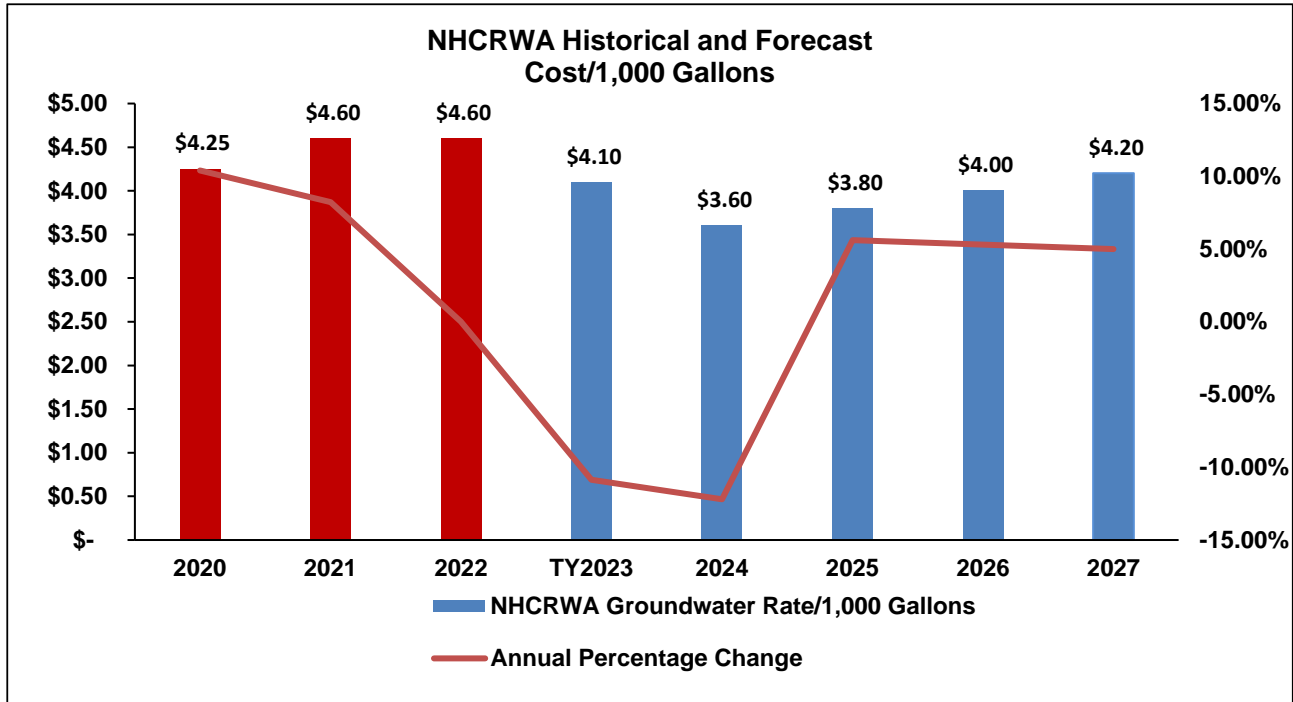
Since the Authority is not a taxing entity, funding for our future water supply and the infrastructure through which to deliver it is being accomplished through the sale of revenue bonds, and paid for by revenue from groundwater pumpage fees and water sales. While the Authority has pledged to keep the fees as low as possible, for as long as possible, we know that the cost of water will continue to go up in the future.

Table II-16 shows historical and forecast NHCRWA groundwater rates/1,000 gallon and the percentage change over the past 3 years and forecast thru FY2027. In September 2023, the NHCRWA Board voted to reduce water rates. The groundwater pumpage fee was reduced from \$4.10 to \$3.60 per 1,000 gallons. The new rates were effective October 1, 2023.

As shown in these charts, NHCRWA charges are by far the largest annual expense paid by Tomball's water utility. NHCRWA publishes little financial information and no rate projections. The project team utilized recently published rates for NHCRWA for the test year and increased the rates for the forecast period based on an average of forecast West Harris County Regional Water Authority and North Fort Bend Water Authority rate adjustments.

Any changes in NHCRWA forecast rate estimates used in determining the City's water revenue requirement for this rate study could require significant changes to the rate plan presented in this report.

TABLE II-16



Water and Wastewater Capital Improvement Plan

The City has developed a comprehensive long-term capital improvement plan (“CIP”) for the next five years. The current CIP is based on recently completed Water and Wastewater Master Plans. The capital improvement plan is an integral part of any long-term rate and financing plan. Much of the City’s planned capital improvements are directly related to the extensive growth in population. The CIP also includes plans to rehabilitate and maintain the existing system in addition to system expansions to service new growth. The City finances its capital improvements primarily through a combination of impact fees and revenue-funded long-term debt. Only the revenue bonds impact the City’s rate plan.

Table II-17 on the following page summarizes the City’s water and wastewater CIP. The water CIP includes storage expansion, repairs and upgrades to pumps and distribution lines, and the construction of pump stations. The wastewater CIP includes wastewater collection system construction and maintenance and WW Treatment Plant expansion.

TABLE II-17

CITY OF TOMBALL		
FIVE YEAR CAPITAL IMPROVEMENT PLAN		
Scenario: 2024 01 15 -- Scenario I – "Fully Fund CIP"		
WATER		
	Total Cost	Timing
Projects Eligible to be Funded through Impact Fees		
Grand Parkway EST	\$ 5,677,800	2023-2024
S. Persimmon Water Line	445,300	2023
Main St. Water Line	5,100,000	2025-2026
Medical Complex	1,673,000	2027-2028
Water Line S. Persimmon	1,618,000	2025-2026
16" W Hufsmith	2,517,000	2024-2025
Rudolph Road Utilities	65,500	2023-2026
SCADA	30,000	2023
Total Impact Fee Funded Projects - Water	\$ 17,126,600	
Non Impact Fee Funded Projects		
Pine Street EST	\$ 849,000	2023-2024
East Water Plant	19,541,000	2023-2026
East Water Plant Baker Drive	6,856,000	2023-2025
Oak & Clayton Water Line	1,147,000	2024-2025
SCADA	215,850	2023-2024
Telge Easement Acquisition	750,000	2023-2024
Total Non Impact Fee Funded Projects - Water	\$ 29,508,961	
Total Water CIP	\$ 46,635,561	
WASTEWATER		
Projects Eligible to be Funded through Impact Fees		
FM 2920 Lift Station	\$ 1,500,000	2023-2025
Rudolph Road Utilities	157,088	2023-2025
SCADA	30,000	2023
Hicks Lift Station Expansion	1,410,000	2025-2026
S. Persimmon Gravity Line	4,341,000	2025-2026
Total Impact Fee Funded Projects - WW	\$ 7,438,088	
Non Impact Fee Funded Projects		
Critical Needs	\$ 5,400,900	2023
FM 2920 Lift Station	13,894,100	2023-2024
WWTP Expansion	69,870,022	2023-2027
SW Gravity Main - Telge	860,000	2026-2027
Lutheran Church Rd/FM 2920 Gravity Line	976,000	2025-2026
Sanitary Sewer Alma-James	3,970,000	2025-2026
N. Willow St.	2,474,000	2027-2028
SSES Phase I	4,317,000	2024-2025
SSES Phase 2	8,310,000	2026-2027
Rudolph Road Utilities	150,111	2023-2024
SCADA	215,850	2023-2024
Telge Easement Acquisition	750,000	2023
Total Non Impact Fee Funded Projects - WW	\$ 111,187,983	
Total Wastewater CIP	\$ 118,626,071	
TOTAL 5 YEAR W/WW CIP	\$ 165,261,631	

Table II-17 reveals that the City’s CIP over the next five years is estimated to be **\$46,635,561** for the water system and **\$118,626,071** for the wastewater system. The City is forecast to issue revenue bonds totaling **\$138,000,000** for the currently identified water and wastewater system in the next five years, of which **\$35,246,312** is for water improvements and **\$102,753,668** is for wastewater improvements.

Water and Wastewater Existing and Forecast Debt Service

Table II-18 presents current and forecast debt service assuming that the City issues the proposed new water and wastewater revenue bonds in FY 2024, 2025, 2026, 2027 and 2028 to fund the CIP. The City currently has one bond issue outstanding that were issued in the FY 2022 to fund water and wastewater system improvements. Future debt is assumed to have a 20-year term and level principal and interest payments.

These assumptions are preliminary in nature and subject to change. Should the City Council choose to issue more or less revenue debt than assumed in this study, or should different financing terms be available at the time the debt is issued, then the rate plans contained in this study may require revision.

TABLE II-18

CITY OF TOMBALL						
CURRENT AND FORECAST DEBT PAYMENTS						
Year	WATER		WASTEWATER		Total	
	Current	Forecast	Current	Forecast		
2023	\$ 719,864	\$ -	\$ 2,879,456	\$ -	\$ 3,599,320	
2024	263,886	390,951	1,055,545	390,951	2,101,332	
2025	263,311	933,661	1,053,245	1,372,399	3,622,616	
2026	263,461	1,370,422	1,053,845	2,777,384	5,465,112	
2027	263,311	1,899,764	1,053,245	4,089,789	7,306,109	
2028	263,836	2,119,874	1,055,345	5,486,425	8,925,480	
2029	264,011	2,119,874	1,056,045	6,264,256	9,704,186	
2030	263,836	2,119,874	1,055,345	6,264,256	9,703,311	
2031	263,311	2,119,874	1,053,245	6,264,256	9,700,686	
2032	263,411	2,119,874	1,053,645	6,264,256	9,701,186	

Water and Wastewater Non-Rate Revenues

Although sales revenues constitute the majority of the revenue received by the City of Tomball for water and wastewater service, a certain amount of revenue is accrued from non-rate sources. These revenues include other general revenues and miscellaneous charges. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement to be raised from rates. Non-Rate Revenues not specifically and solely tied to either water or wastewater were allocated between the two utilities based on their respective percentages of gross revenues. These fees are projected to remain fairly stable over the forecast period. Annual non-rate revenue totals are presented in **Table II-19**.

TABLE II-19

CITY OF TOMBALL			
CURRENT AND FORECAST NON-RATE REVENUES			
FY	WATER	WASTEWATER	Non-Rate Rev. Total
2023	\$ 660,150	\$ 175,150	\$ 835,300
2024	682,588	175,157	857,745
2025	705,967	175,164	881,130
2026	730,334	175,171	905,505
2027	755,738	175,179	930,917
2028	777,657	175,185	952,842
2029	800,307	175,192	975,499
2030	823,719	175,199	998,918
2031	847,923	175,206	1,023,129
2032	872,950	175,214	1,048,164

Water and Wastewater Net Revenue Requirement

Table II-20 presents the test year and ten-year forecast for the City’s net revenue requirement to be raised from rates for the water and wastewater utility for the test year 2023 and forecast period. The water and wastewater net revenue requirement is expected to increase from **14,829,164** in FY 2023 to **\$23,961,228** in FY 2032.

TABLE II-20

CITY OF TOMBALL						
CURRENT AND FORECAST REVENUE REQUIREMENT						
Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"						
	Total Operating Expenses	NHCRWA	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement
WATER Revenue Requirement						
2023	\$ 3,995,008	\$ 4,045,341	\$ 719,864	\$ 8,760,213	\$ (660,150)	\$ 8,100,063
2024	3,648,225	3,706,339	654,837	8,009,401	(682,588)	7,326,813
2025	3,759,473	3,877,427	1,196,972	8,833,872	(705,967)	8,127,905
2026	4,132,353	4,243,287	1,633,883	10,009,523	(730,334)	9,279,189
2027	4,264,049	4,629,318	2,163,075	11,056,441	(755,738)	10,300,703
2028	4,399,883	5,014,355	2,383,710	11,797,948	(777,657)	11,020,291
2029	4,541,861	5,419,563	2,383,885	12,345,309	(800,307)	11,545,002
2030	4,690,327	5,658,122	2,383,710	12,732,159	(823,719)	11,908,440
2031	4,845,644	5,840,878	2,383,185	13,069,707	(847,923)	12,221,784
2032	5,008,202	6,028,255	2,383,285	13,419,741	(872,950)	12,546,791
WASTEWATER Revenue Requirement						
2023	\$ 4,024,794	\$ -	\$ 2,879,456	\$ 6,904,251	\$ (175,150)	\$ 6,729,101
2024	3,076,156	-	1,446,496	4,522,651	(175,157)	4,347,495
2025	3,181,141	-	2,425,644	5,606,785	(175,164)	5,431,621
2026	3,466,845	-	3,831,229	7,298,075	(175,171)	7,122,904
2027	3,588,442	-	5,143,034	8,731,475	(175,179)	8,556,296
2028	3,713,402	-	6,541,770	10,255,172	(175,185)	10,079,987
2029	3,843,908	-	7,320,301	11,164,209	(175,192)	10,989,016
2030	3,980,255	-	7,319,601	11,299,855	(175,199)	11,124,656
2031	4,122,757	-	7,317,501	11,440,258	(175,206)	11,265,052
2032	4,271,750	-	7,317,901	11,589,651	(175,214)	11,414,437
TOTAL WATER and WASTEWATER Revenue Requirement						
2023	\$ 8,019,803	\$ 4,045,341	\$ 3,599,320	\$ 15,664,464	\$ (835,300)	\$ 14,829,164
2024	6,724,381	3,706,339	2,101,332	12,532,053	(857,745)	11,674,308
2025	6,940,614	3,877,427	3,622,616	14,440,657	(881,130)	13,559,527
2026	7,599,198	4,243,287	5,465,112	17,307,597	(905,505)	16,402,093
2027	7,852,490	4,629,318	7,306,109	19,787,916	(930,917)	18,856,999
2028	8,113,285	5,014,355	8,925,480	22,053,120	(952,842)	21,100,278
2029	8,385,769	5,419,563	9,704,186	23,509,518	(975,499)	22,534,018
2030	8,670,582	5,658,122	9,703,311	24,032,015	(998,918)	23,033,096
2031	8,968,402	5,840,878	9,700,686	24,509,965	(1,023,129)	23,486,836
2032	9,279,952	6,028,255	9,701,186	25,009,393	(1,048,164)	23,961,228

Water Utility Cost Functionalization

Once the total water and wastewater system costs have been identified, the next step in the rate development process is to isolate the costs associated with each system function. Some of these expenditures are a function of base water demand; others are based on the peak demands placed on the system. Certain costs are associated with serving customers regardless of the volume of water use or wastewater discharge. The basic steps used to allocate the City’s water revenue requirements include the following:

1. Each system’s costs (revenue requirements) are categorized by utility function (i.e. treatment, distribution, administrative, customer). This process is known as *functionalization*.
2. Functionalized costs are classified based on the service characteristics or the types of demand served by the utility (base and maximum day). This process is known as *classification*.
3. Costs by service characteristic are allocated to customer classes in proportion to the service demands demonstrated by each class.

This three-step process allows for the allocation of system costs in the same terms as customer classes. The approaches described in this section follow standard industry practices. Water system costs are allocated to the following functions:

Treatment – the process by which raw water is converted to potable water

Distribution – the lines that carry water to individual customers’ properties

Administration – miscellaneous overhead and other non-operating costs

Customer Billing – the processes involved in billing and providing other services to customers

The project team allocated operating budget line item expenses individually to system functions based on general guidelines, specific research and input from the City of Tomball staff. The results of the allocation process for the test year are summarized in **Table II-21**.

TABLE II-21

CITY OF TOMBALL		
TEST YEAR WATER COST FUNCTIONALIZATION		
FY 2023		
Function	Revenue Requirement	Percent
Treatment	\$ 4,222,606	52.1%
Distribution	1,904,951	23.5%
Administration	1,500,061	18.5%
Customer	<u>472,446</u>	<u>5.8%</u>
Total	8,100,063	100.0%

Water Utility Cost Classification

The allocation of functionalized water system costs to service characteristics follows the base-extra capacity cost allocation method recommended by AWWA. Using this method, costs are segregated into the following categories:

Base costs – capital costs and O&M expenses associated with service to customers under average demand conditions. This category does not include any costs attributable to variations in water use resulting from peaks in demand. Base costs tend to vary directly with the total quantity of water used.

Maximum Day/Extra Capacity costs – costs attributable to facilities that are designed to meet peaking requirements. These costs include capital and operating charges for additional plant and system capacity beyond that required for average usage.

Customer Billing costs – costs associated with any aspect of customer service, including billing, accounting, and meter services. These costs are independent of the amount of water used and the size of the customer’s meter, and are not subject to peaking factors.

According to AWWA Manual M-1, in the base-extra capacity method, care must be taken in separating costs between those devoted to base capacity and those devoted to extra capacity. The peak to average factor is calculated by dividing the volume on the peak day of the year by the average daily volume. Facilities designed to meet maximum-day requirements, such as the treatment and distribution functions, are allocated 50% (1/2) to base, and 50% to extra capacity (Max Day). This means that facilities designed to meet maximum-day requirements, such as the treatment and distribution functions, are allocated 50% to base, and 50% to extra capacity.

All customer service-related costs are allocated 100% to customer billing. Administration costs are generally not directly-assignable to individual classifications. Therefore, it is standard rate-making practice to allocate these costs on an indirect basis to service characteristics.

The system-wide costs by service characteristic are shown in **Table II-22**. As with cost functionalization, these percentages are not expected to change significantly in the forecast period.

TABLE II-22

CITY OF TOMBALL			
TEST YEAR WATER COST CLASSIFICATION			
Function	FY 2023 Revenue Requirement		Percent
Base	\$	3,128,415	38.62%
Maximum Day		4,379,781	54.07%
Customer		<u>591,868</u>	<u>7.31%</u>
Total		8,100,063	100.0%

Water Utility Cost Allocation

Allocation of costs by service characteristic to customer classes is based on the proportionate use levels of each characteristic by each class. The total water utility costs by customer class for the test year are summarized in **Table II-23** and for the ten-year forecast period in **Table II-24**.

TABLE II-23

CITY OF TOMBALL		
TEST YEAR WATER COST ALLOCATION		
Function	FY 2023	
	Revenue Requirement	Percent
Residential	\$ 4,242,745	52.4%
Commercial	3,662,038	45.2%
Municipal	111,545	1.4%
HMW SUD Wholesale	83,734	1.0%
Total	8,100,063	100.0%

TABLE II-24

CITY OF TOMBALL					
FORECAST WATER COST ALLOCATION					
Year	Residential	Commercial	Municipal	HMW SUD Wholesale	Total
2023	\$ 4,242,745	\$3,662,038	\$ 111,545	\$ 83,734	\$ 8,100,063
2024	3,873,902	3,281,740	98,320	72,852	7,326,813
2025	4,339,138	3,604,717	106,294	77,757	8,127,905
2026	5,002,983	4,072,507	118,269	85,430	9,279,189
2027	5,610,095	4,471,361	127,961	91,286	10,300,703
2028	6,038,350	4,753,295	134,139	94,507	11,020,291
2029	6,365,688	4,945,779	137,703	95,832	11,545,002
2030	6,608,880	5,064,665	139,194	95,701	11,908,440
2031	6,828,363	5,158,308	140,003	95,111	12,221,784
2032	7,058,349	5,253,013	140,859	94,569	12,546,791

Wastewater Utility Cost Functionalization and Classification

Wastewater system costs are allocated to the following functions:

Treatment -- Volume – the costs associated with treating wastewater volume discharges

Collection – the lines that transport wastewater from customers’ properties to the wastewater treatment plant

Administration – miscellaneous overhead and other non-operating costs

Customer Billing – the processes involved in billing and other services to customers

As was the case for the water system, wastewater utility operating budget line item expenses are allocated individually to functions. The results of the allocation process are presented on **Table II-25**. As with the water utility, these percentages are not forecast to change significantly during the next ten years.

TABLE II-25

CITY OF TOMBALL			
TEST YEAR WASTEWATER COST FUNCTIONALIZATION			
Function		FY 2023 Revenue Requirement	Percent
Treatment	\$	758,602	11.3%
Collection		4,473,894	66.5%
Administration		1,173,489	17.4%
Customer		<u>323,116</u>	<u>4.8%</u>
Total	\$	6,729,101	100.0%

Wastewater Utility Cost Allocation

Allocation of wastewater utility costs by service characteristic to customer classes is performed in the same manner as described for the water utility. The total wastewater utility costs by customer class for the test year are summarized in **Table II-26** and for the ten-year forecast period in **Table II-27**.

TABLE II-26

CITY OF TOMBALL		
TEST YEAR WASTEWATER COST ALLOCATION		
Function	FY 2023	
	Revenue Requirement	Percent
Residential	\$ 3,128,094	46.5%
Commercial	3,524,377	52.4%
Municipal	37,530	0.6%
Residential Sewer Only	17,583	0.3%
Commercial Sewer Only	21,516	0.3%
Total	\$ 6,729,101	100.0%

TABLE II-27

CITY OF TOMBALL						
FORECAST WASTEWATER COST ALLOCATION						
Year	Residential	Commercial	Municipal	Residential Sewer Only	Commercial Sewer Only	Total
2023	\$ 3,128,094	\$ 3,524,377	\$ 37,530	\$ 17,583	\$ 21,516	\$ 6,729,101
2024	2,066,123	2,233,279	24,047	11,061	12,984	4,347,495
2025	2,551,342	2,821,831	29,817	13,007	15,625	5,431,621
2026	3,323,202	3,725,183	38,736	16,136	19,648	7,122,904
2027	3,963,355	4,505,933	46,038	18,328	22,643	8,556,296
2028	4,649,825	5,330,616	53,561	20,479	25,505	10,079,987
2029	5,063,720	5,819,936	57,594	21,240	26,527	10,989,016
2030	5,131,124	5,890,043	57,425	20,500	25,564	11,124,656
2031	5,200,470	5,962,950	57,203	19,789	24,640	11,265,052
2032	5,274,221	6,040,385	56,956	19,113	23,762	11,414,437

Water and Wastewater Rate Design

Rate design involves determining charges for each class of customers that will generate a desired level of revenue in accordance with AWWA and other industry cost of service rate-making principles. The water and wastewater rates developed in this section are designed to recover the test year and forecast revenue requirements while providing funding for the identified capital improvements and existing debt service. The project team developed the following two scenarios for the city's consideration:

Scenario 1 – “Fully Fund CIP”

- The Scenario 1- “Fully Fund CIP” funds the city's CIP for FY 2024 – 2028 thru impact fees and rates.

Scenario 2 – Fund 50% of CIP

- Scenario 2 Fund 50% of the city's proposed CIP for FY 2024 – 2028. Under Scenario 2 the city will have to determine what projects will be funded or find alternative funding for all projects.

Scenario 1 and Scenario 2 both include the following assumptions which are notable:

- The proposed rate plans adopt a Uniform Monthly Base Charge for Residential and Commercial water customers. The differing monthly charges based on total usage are eliminated.
- City staff and the project team discussed the adoption of a four-year rate plan. The proposed rate plan has water rate increases being automatically implemented on October 1 of each year beginning with October 2024 followed with October 2025, October 2026 and October 2027. Wastewater rate increases will also be automatically implemented on October 1st of each year beginning with October 2024 followed by October 2025, October 2026 and October 2027.
- The net revenue requirement on which the rate plans under both scenarios are based is for the years FY 2025 through FY 2028. The rate plans are based on revenue requirements going forward, not revenue requirements from past years. Therefore the FY 2023 test year and FY 2024 forecast year are the source of which the revenue requirements used to calculate the rate plans are estimated.
- Given the expected growth in the City and potential for unexpected events, the project team recommends that the City not commit itself to a rate plan beyond four years. Further, the project team recommends that the City periodically review these rates during the next four years, to incorporate any changes to costs, volumes or growth assumptions that may occur during that time.
- The largest impact on rates will be debt issued to fund the CIP. The initial cost of service and rate proposal assumes that the Utility rate adjustments will be funded on a stand-alone basis, whereby debt service will be funded through impact fees and rates.
- The second largest impact on rates will be the costs from NHCRWA. Should NHCRWA costs be materially different than those forecast in the study, the City should undertake an immediate review of its rate plan.

Scenario 1 – “Fully Fund CIP”

Table II-28 presents a summary of the water and wastewater rate plans proposed for Residential and Commercial customers under Scenario 1. Table II-29 presents the customer rate impact of both the water and wastewater rate adjustments for representative Residential and Commercial accounts under Scenario 1.

TABLE II-28

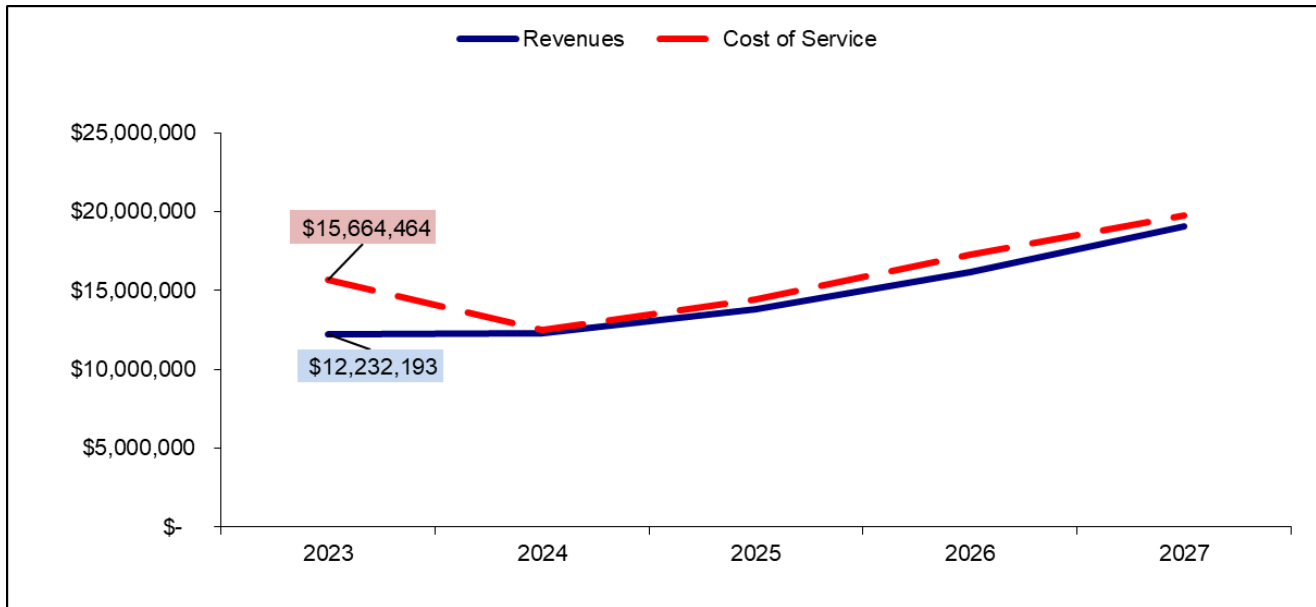
CITY OF TOMBALL										
FORECAST RATE PLAN										
SCENARIO: 2024 01 15 -- Scenario I -- "Fully Fund CIP"										
		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27				
WATER RATES - RESIDENTIAL										
Base Charge		Current								
-	10,000	\$ 11.55	\$ -	\$ -	\$ -	\$ -				
10,001	15,000	13.29	-	-	-	-				
15,001	Above	15.29	-	-	-	-				
	Uniform	-	12.85	13.65	14.50	15.40				
Volume Rate Per 1,000 Gal										
-	10,000	3.02	3.20	3.39	3.60	3.81				
10,001	15,000	3.77	4.00	4.24	4.49	4.76				
15,001	Above	4.72	5.00	5.30	5.62	5.96				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WATER RATES - COMMERCIAL										
Base Charge		Current								
-	5,000	19.56	-	-	-	-				
5,001	50,000	31.48	-	-	-	-				
51,001	Above	55.11	-	-	-	-				
	Uniform	-	29.10	30.85	32.75	34.75				
Volume Rate Per 1,000 Gal										
-	5,000	3.66	3.88	4.11	4.36	4.62				
5,001	50,000	4.58	4.85	5.15	5.45	5.78				
51,001	Above	5.72	6.06	6.43	6.81	7.22				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WASTEWATER RATES- RESIDENTIAL										
Monthly Base Charge		\$ 10.23	\$ 13.15	\$ 16.85	\$ 21.60	\$ 25.95				
Volume Rate Per 1,000 Gal -- Winter Avg		3.57	4.57	5.85	7.49	8.98				
WASTEWATER RATES - COMMERCIAL										
Base Charge		24.91	31.95	40.90	52.40	62.90				
Volume Rate Per 1,000 Gal										
-	5,000	4.53	5.80	7.42	9.50	11.40				
5,001	51,000	5.65	7.23	9.26	11.85	14.22				
51,001	Above	7.07	9.05	11.58	14.83	17.79				

TABLE II-29

CITY OF TOMBALL		FORECAST RATE PLAN				
SCENARIO: 2024 01 15 -- Scenario I -- "Fully Fund CIP"		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW	\$	54.73	\$ 64.85	\$ 76.71	\$ 91.52	\$ 105.33
NHCRWA Surcharge		18.00	19.01	20.02	21.02	22.02
Total		72.73	83.86	96.73	112.53	127.36
Dollar Inc			\$ 11.13	\$ 12.87	\$ 15.81	\$ 14.82
Percent Inc			15.3%	15.3%	16.3%	13.2%
10,000 Gallons W; 5,000 WW	\$	69.83	\$ 80.86	\$ 93.68	\$ 109.50	\$ 124.40
NHCRWA Surcharge		36.00	38.02	40.03	42.03	44.05
Total		105.83	118.88	133.71	151.54	168.45
Dollar Inc			\$ 13.05	\$ 14.83	\$ 17.83	\$ 16.91
Percent Inc			12.3%	12.5%	13.3%	11.2%
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW	\$	250.79	\$ 290.74	\$ 345.47	\$ 414.00	\$ 477.77
NHCRWA Surcharge		72.00	76.03	80.06	84.06	88.10
Total		322.79	366.77	425.53	498.07	565.87
Dollar Inc			\$ 43.98	\$ 58.76	\$ 72.54	\$ 67.80
Percent Inc			13.6%	16.0%	17.0%	13.6%

The projected rate revenues show that over the FY 2024 -- FY 2027, rate revenues should be sufficient to fund the full cost of service including all existing and future debt service over the forecast period. In individual years rates may recover less than costs; the forecast surplus from other years is expected to make up the difference. **Chart II-30** presents the projected financial impact on the City’s utility fund under the proposed rate plan. The ending fiscal year projected utility fund balance is shown on the bottom of the chart. This highlights the importance of the implementation of each annual rate adjustment and future review of growth, operating and capital assumptions and actual financial results.

CHART II-30



	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$ 12,232,193	\$ 12,310,940	\$ 13,809,506	\$ 16,151,513	\$ 19,067,417
Cost of Service	15,664,464	12,532,053	14,440,657	17,307,597	19,787,916
Net Revenues	\$ (3,432,270)	\$ (221,112)	\$ (631,151)	\$ (1,156,084)	\$ (720,499)
Fund Balance	\$ 6,986,711	\$ 6,765,598	\$ 6,134,447	\$ 4,978,363	\$ 4,257,864
Days Op Exp	163	197	155	105	79
Debt Coverage	1.02	2.14	1.57	1.29	1.29

Scenario 2 – “Fund 50% of CIP”

Table II-31 presents a summary of the water and wastewater rate plans proposed for Residential and Commercial customers under Scenario 1. Table II-32 presents the customer rate impact of both the water and wastewater rate adjustments for representative Residential and Commercial accounts under Scenario 1.

TABLE II-31

CITY OF TOMBALL										
FORECAST RATE PLAN										
SCENARIO: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"										
		Current	Effective	Effective	Effective	Effective	Effective	Effective	Effective	Effective
			Oct-24	Oct-25	Oct-26	Oct-27	Oct-28	Oct-29	Oct-30	Oct-31
WATER RATES - RESIDENTIAL										
Base Charge		Current								
-	10,000	\$ 11.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,001	15,000	13.29	-	-	-	-	-	-	-	-
15,001	Above	15.29	-	-	-	-	-	-	-	-
	Uniform	-	12.50	12.90	13.30	13.70				
Volume Rate Per 1,000 Gal										
-	10,000	3.02	3.11	3.20	3.30	3.40				
10,001	15,000	3.77	3.88	4.00	4.12	4.24				
15,001	Above	4.72	4.86	5.01	5.16	5.31				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WATER RATES - COMMERCIAL										
Base Charge		Current								
-	5,000	19.56	-	-	-	-	-	-	-	-
5,001	50,000	31.48	-	-	-	-	-	-	-	-
51,001	Above	55.11	-	-	-	-	-	-	-	-
	Uniform	-	28.30	29.15	30.05	31.00				
Volume Rate Per 1,000 Gal										
-	5,000	3.66	3.77	3.88	4.00	4.12				
5,001	50,000	4.58	4.72	4.86	5.00	5.15				
51,001	Above	5.72	5.89	6.07	6.25	6.44				
NHCRWA Surcharge Per 1,000 Gal		3.60	3.80	4.00	4.20	4.40				
WASTEWATER RATES - RESIDENTIAL										
Monthly Base Charge		\$ 10.23	\$ 12.30	\$ 14.80	\$ 17.80	\$ 19.60				
Volume Rate Per 1,000 Gal -- Winter Avg		3.57	4.28	5.14	6.17	6.79				
WASTEWATER RATES - COMMERCIAL										
Base Charge		24.91	29.95	35.95	43.15	47.50				
Volume Rate Per 1,000 Gal										
-	5,000	4.53	5.44	6.52	7.83	8.61				
5,001	51,000	5.65	6.78	8.14	9.76	10.74				
51,001	Above	7.07	8.48	10.18	12.22	13.44				

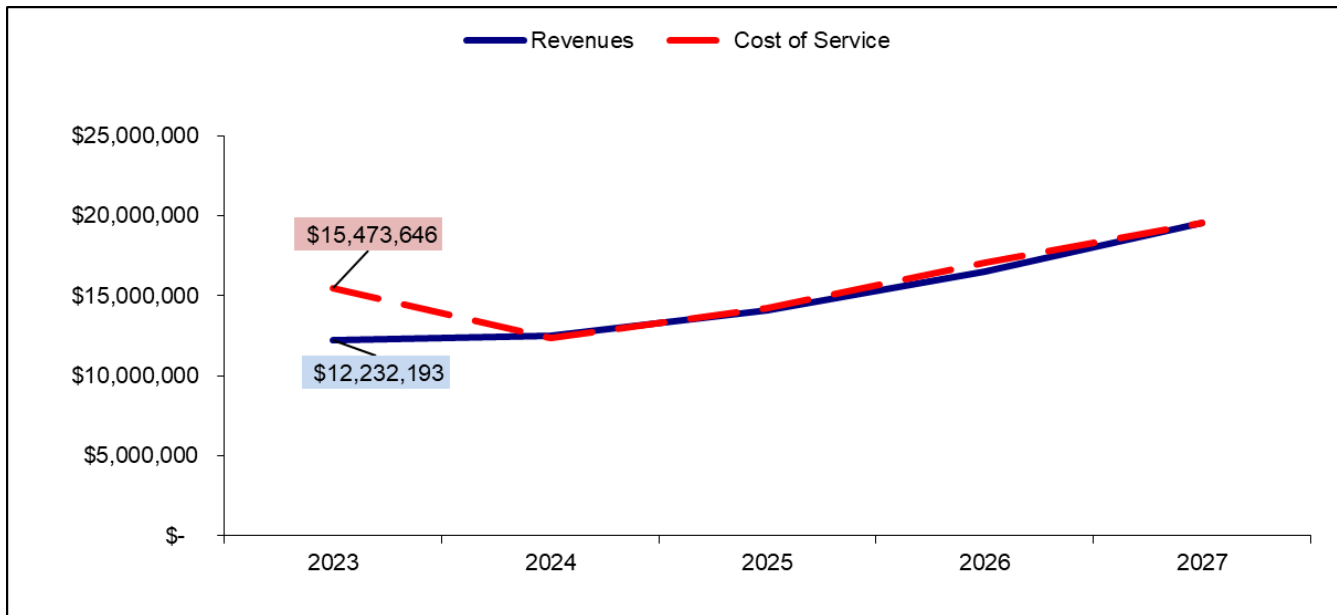
TABLE II-32

CITY OF TOMBALL		FORECAST RATE PLAN				
SCENARIO: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW		\$ 54.73	\$ 61.77	\$ 69.42	\$ 78.44	\$ 84.22
NHCRWA Surcharge		18.00	19.01	20.02	21.02	22.02
Total		72.73	80.78	89.44	99.46	106.25
	Dollar Inc		\$ 8.05	\$ 8.66	\$ 10.02	\$ 6.79
	Percent Inc		11.1%	10.7%	11.2%	6.8%
10,000 Gallons W; 5,000 WW						
10,000 Gallons W; 5,000 WW		\$ 69.83	\$ 77.33	\$ 85.44	\$ 94.95	\$ 101.22
NHCRWA Surcharge		36.00	38.02	40.03	42.03	44.05
Total		105.83	115.34	125.47	136.98	145.27
	Dollar Inc		\$ 9.51	\$ 10.13	\$ 11.50	\$ 8.29
	Percent Inc		9.0%	8.8%	9.2%	6.1%
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW		\$ 250.79	\$ 276.74	\$ 312.05	\$ 353.85	\$ 380.57
NHCRWA Surcharge		72.00	76.03	80.06	84.06	88.10
Total		322.79	352.77	392.12	437.92	468.67
	Dollar Inc		\$ 29.98	\$ 39.34	\$ 45.80	\$ 30.75
	Percent Inc		9.3%	11.2%	11.7%	7.0%

CITY OF TOMBALL		FORECAST RATE PLAN IMPACT COMPARISON				
		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
Residential Monthly Water/WW Charge						
5,000 Gallons W; 5,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 72.73	\$ 83.86	\$ 96.73	\$ 112.53	\$ 127.36
	Scenario 2 - "Fund 50% of CIP"	72.73	80.78	89.44	99.46	106.25
	Dollar Difference		(3.08)	(7.29)	(13.07)	(21.11)
10,000 Gallons W; 5,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 105.83	\$ 118.88	\$ 133.71	\$ 151.54	\$ 168.45
	Scenario 2 - "Fund 50% of CIP"	105.83	115.34	125.47	136.98	145.27
	Dollar Difference		(3.54)	(8.24)	(14.56)	(23.18)
Commercial Monthly Water/WW Charge						
20,000 Gallons W/ 20,000 WW AND NHCRWA Surcharge						
	Scenario 1 - "Fully Fund CIP"	\$ 322.79	\$ 366.77	\$ 425.53	\$ 498.07	\$ 565.87
	Scenario 2 - "Fund 50% of CIP"	322.79	352.77	392.12	437.92	468.67
	Dollar Inc		(14.00)	(33.41)	(60.15)	(97.20)

The projected rate revenues show that over the FY 2024 -- FY 2027, rate revenues should be sufficient to fund the full cost of service including all existing and future debt service over the forecast period. In individual years rates may recover less than costs; the forecast surplus from other years is expected to make up the difference. By FY 2027, rate revenues should be sufficient to fund the wastewater full cost of service including all existing and future debt service over the forecast period. **Chart II-33** presents the projected financial impact on the City’s utility fund under the proposed rate plan. The ending fiscal year projected utility fund balance is shown on the bottom of the chart. This highlights the importance of the implementation of each annual rate adjustment and future review of growth, operating and capital assumptions and actual financial results.

CHART II-33



	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$ 12,232,193	\$ 12,506,415	\$ 14,090,471	\$ 16,552,446	\$ 19,584,762
Cost of Service	15,473,646	12,357,225	14,257,760	17,107,442	19,569,552
Net Revenues	\$ (3,241,452)	\$ 149,190	\$ (167,289)	\$ (554,996)	\$ 15,210
Fund Balance	\$ 7,177,529	\$ 7,326,719	\$ 7,159,430	\$ 6,604,434	\$ 6,619,643
Days Op Exp	169	216	183	141	123
Debt Coverage	1.07	2.32	1.70	1.40	1.39

Section III

SECTION III

SECTION III - NATURAL GAS RATE STUDY



This section of the consolidated rate study and long term financial plan focuses on the revenue and cost of service forecast for the City’s natural gas utility. This section will include analysis of the City’s cost of service for the purchase of natural gas and distribution to residential and commercial customer classes and the resulting rate recommendations.

Using cost of service and projected accounts as a base, revenues by customer class are forecast for the ten-year period. Total revenues include non-rate revenues from sources other than monthly natural gas rate revenues. The forecast also includes recommendations for the rate adjustments that will be required to

ensure that the utility recovers sufficient revenues to fund the supply of natural gas and operating expenses.

For the City of Tomball, monthly natural gas records were reviewed for the period of October 2017 through March 2023. These records provided summary information on the monthly gas purchases and sales as well as the number of accounts for each period by defined customer class and the associated revenues.

In this section, the City’s functional customer classes and test year usage patterns will be thoroughly analyzed. A ten-year projection of customers and usage will also be presented. These forecasts, along with the revenue requirements, will form the basis of the proposed rate designs.

Natural Gas Current Rates

The City has a very straight forward gas rate structure. Since 2011 the City has charged Residential and Commercial customers a Base or Minimum Charge of \$11.75 that includes 1,000 cubic feet or 1 MCF of gas. The Usage Charge for usage greater than 1,001 or 1 MCF is \$11.75. **Table III-1** summarizes the City’s current natural gas rate structure.

TABLE III-1

CITY OF TOMBALL	
NATURAL GAS RATES Effective 2011	
	All Customers
Minimum Charge Includes 1,000 Cubic Feet or 1 MCF	\$ 11.75
Usage Charge 1,001 Cubic Feet or >1 MCF	\$ 11.75

Gas accounts served by the City are classified as Residential accounts, Municipal and Commercial. Accounts outside of City limits are assessed the same rates as those inside City limits.

Natural Gas Rate Comparisons

Chart III-2 compares the City’s annual average cost per MCF to the nearby city of Navasota. Data in this chart is specific to Residential and Commercial customers. Both Navasota and Sealy have a rate structure that differs from Tomball. Navasota charges residential and commercial customers the same rates and also have rates specific to Small, Medium and Large Industrial, School District and Airport Hangar customer classes. Navasota charges customers a Purchased Gas Adjustment as part of the rates that fluctuates monthly based on the actual cost of purchased gas. And as the Chart shows, Navasota charges different rates for inside and outside customers.

It is important to keep in mind that with Navasota rates changing monthly based on the Purchased Gas Adjustment that the Chart below is a reflection of the annual average cost but these rate comparisons can fluctuate significantly based on the actual cost of gas. Tomball’s average cost remains flat over the year as the cost of gas is included in the flat rate.

CHART III-2

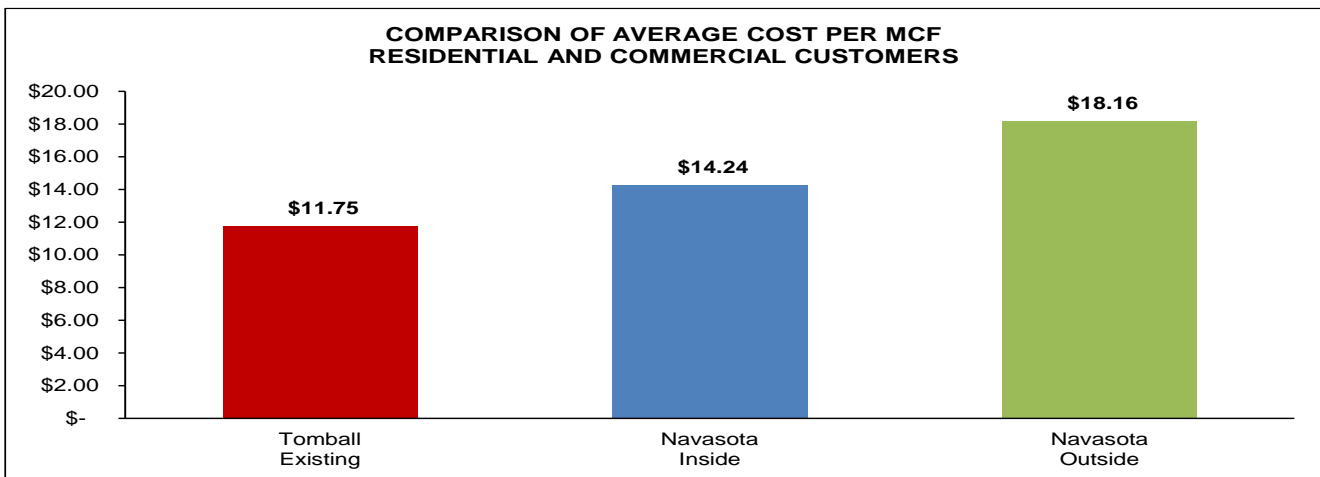
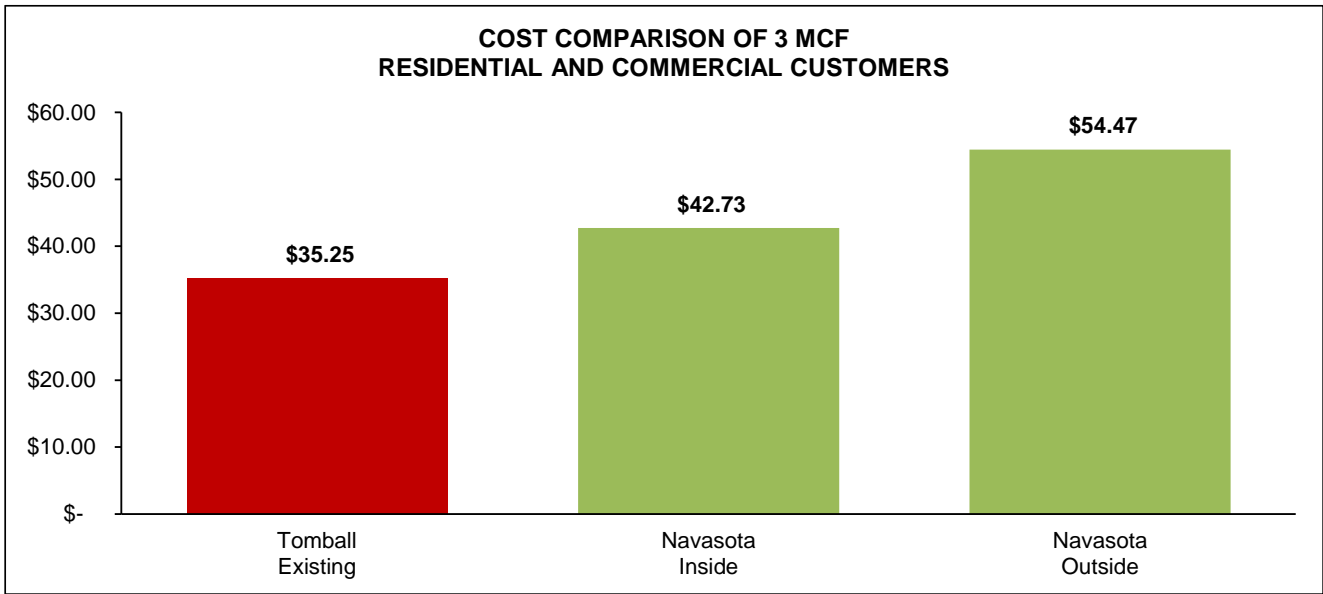


Chart III-3 compares the City’s monthly average cost for 3 MCF to Navasota. The average residential customer uses a 12-month average of 3 MCF’s with summer usage averaging 1 MCF and winter usage averaging 6 MCF’s.

CHART III-3



Natural Gas Customers and Meters – Historical and Forecast

Table III-4 presents total gas customers by class for test year FY 2023. Table III-4 reveals that the city is currently serves 4,109 total active gas accounts comprised of 3,682 residential and 416 commercial and 10 municipal accounts. As expected, residential customers represent the overwhelming majority of total customers, nearly 90.00%.

Table III-4

CITY OF TOMBALL		
NATURAL GAS CUSTOMERS		
Residential	3,682	89.62%
Commercial	416	10.13%
Municipal	10	0.25%
Total	4,109	100.00%

The engineering firm of Freese and Nichols submitted their draft Water and Wastewater Draft Report to the City in August 2023. The calculations and projections included in this report were taken into consideration by the project team and discussed with City staff in the development of the account and consumption forecasts utilized in the gas rate model for this study. Staff requested that gas account growth rates mirror those of the Water Master Plan projections so for the purposes of this study it is assumed that gas accounts grow at an annual rate of 5.0% FY

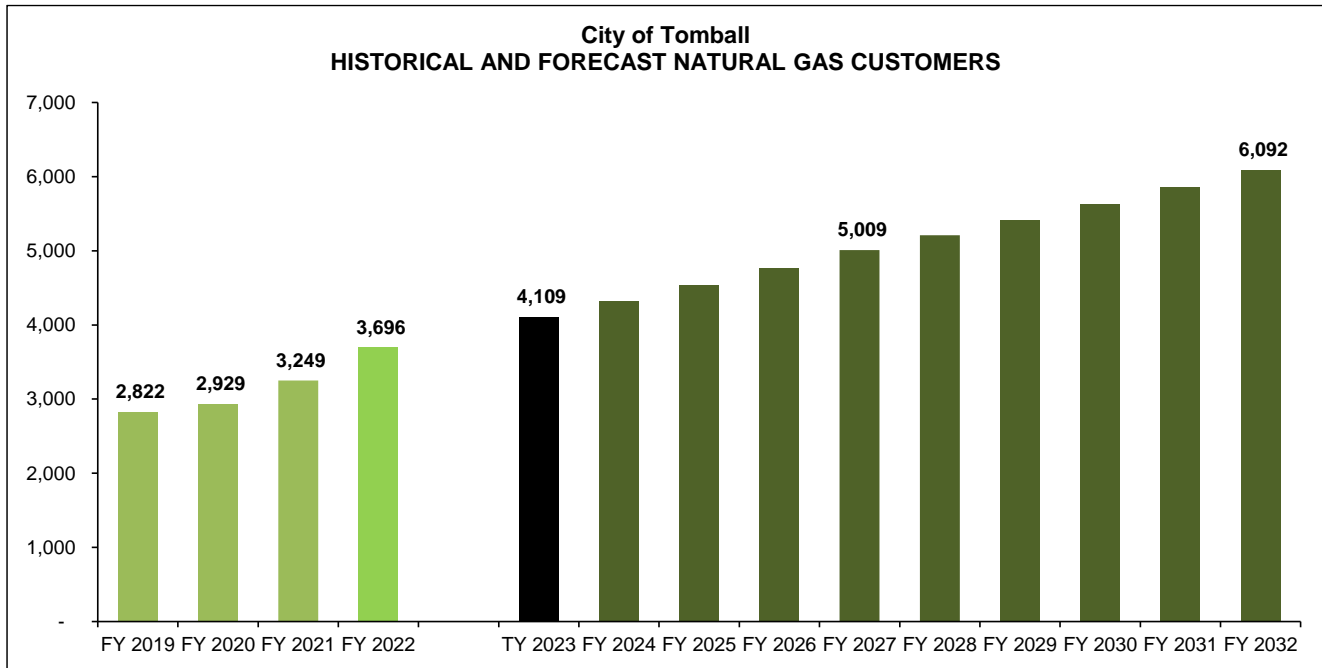
2024 – 2027 and an annual rate of 4.0% FY 2028 – 2032. This is the same growth rate as for the water and wastewater utility. **Table III-5 and Chart III-6** show historical, Test Year and Forecast Gas Accounts for the period 2019 – 2032.

It is important to note that between FY2020 and FY2023 the City average 291 new accounts per year and the 5% increase applied in FY2023 indicates an increase of 188 new accounts increasing to 217 new accounts in FY2024.

TABLE III-5

CITY OF TOMBALL		
NATURAL GAS ACCOUNTS TEST YEAR AND FORECAST		
	Total Accounts	New Accts
FY 2019	2,822	
FY 2020	2,929	107
FY 2021	3,249	320
FY 2022	3,696	447
TY 2023	4,109	188
FY 2024	4,326	217
FY 2025	4,545	219
FY 2026	4,771	227
FY 2027	5,009	238
FY 2028	5,209	200
FY 2029	5,417	208
FY 2030	5,633	216
FY 2031	5,858	225
FY 2032	6,092	234

CHART III-6



It must be stressed that if the City is not able to hook up these projected new connections, financial and rate plan assumptions will have to be substantially modified.

Historical and Forecast Natural Gas Consumption

Total gas system sales data was analyzed over the same time period as customer data. The project team prepared a ten-year forecast of gas usage and sales based on the same principles on which customer accounts were projected for residential customers. The city is expecting a new large industrial load to come on-line in October 2023, 1 new large commercial customer in March/April 2024, a new industrial area and shopping center in March/April 2024. In FY2025 there is forecast to be an additional large commercial customer coming on-line. The assumption used for this rate study is that the industrial and two large commercial customers have a 50% load factor applied to the usage indicated in the Feasibility analysis provided to the city by Engineered Utility Solutions, Inc.

The results of this forecast are presented in **Table III-7 and Chart III-8** which present consumption by rate classification for the city for the past four years and the forecast growth over the next decade.

Table III-7 shows an annual average increase in system usage of 1.1% annually between FY2019 and FY2023. The growth in residential, commercial and new loads is forecast to increase the gas sales by 33% between TY2023 and FY2032.

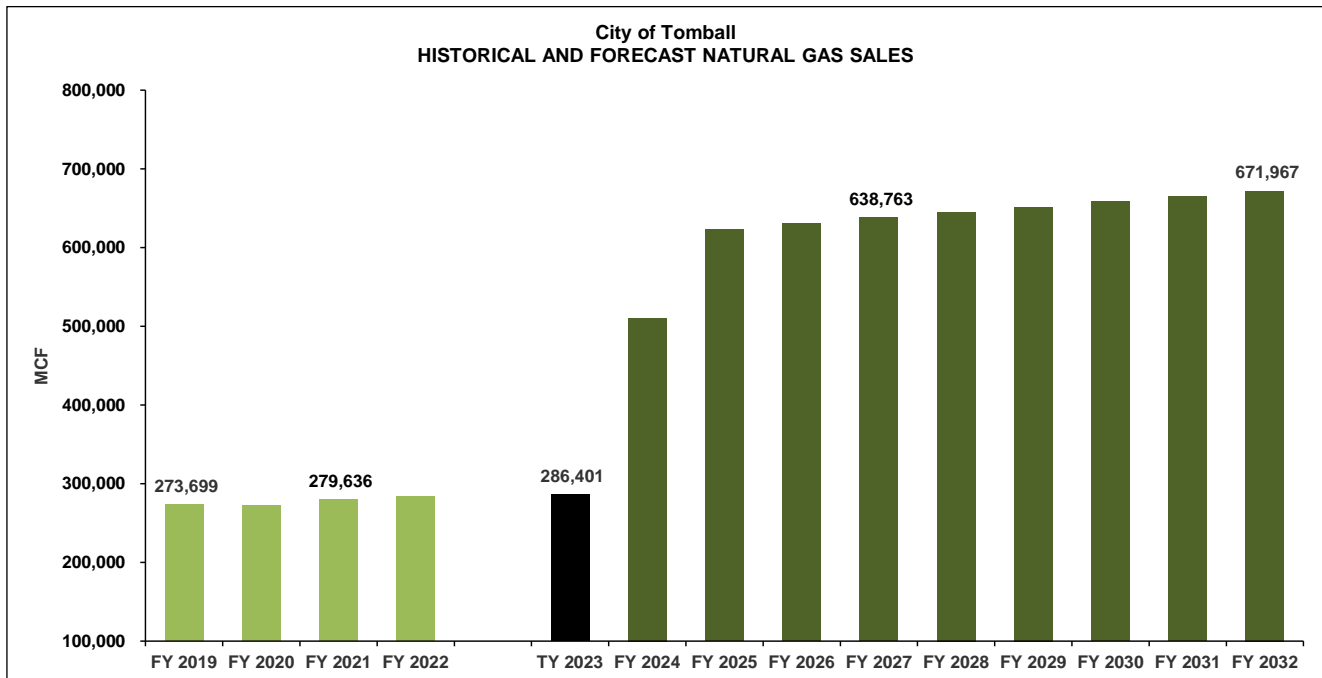
TABLE III-7

CITY OF TOMBALL

ACTUAL AND FORECAST NATURAL GAS SALES
Test Year and Forecast Sales (MCF)

	Residential	Commercial	Houston Poly	Commercial - New	Commercial - New	Total
FY 2019	94,413	179,286	-	-	-	273,699
FY 2020	90,542	182,267	-	-	-	272,809
FY 2021	102,001	177,635	-	-	-	279,636
FY 2022	105,754	177,492	-	-	-	283,246
TY 2023	112,767	173,634	-	-	-	286,401
FY 2024	115,586	180,374	179,580	35,040	-	510,580
FY 2025	118,476	185,175	179,580	70,080	70,080	623,391
FY 2026	121,438	189,805	179,580	70,080	70,080	630,982
FY 2027	124,474	194,550	179,580	70,080	70,080	638,763
FY 2028	126,963	198,441	179,580	70,080	70,080	645,144
FY 2029	129,502	202,409	179,580	70,080	70,080	651,652
FY 2030	132,092	206,458	179,580	70,080	70,080	658,290
FY 2031	134,734	210,587	179,580	70,080	70,080	665,061
FY 2032	137,429	214,798	179,580	70,080	70,080	671,967

CHART III-8



Natural Gas Revenue Requirement - Test Year and Forecast

In this section of the natural gas rate study and long-term financial plan, the City of Tomball's test year and forecast gas utility revenue requirements are developed. The test year consists of the City's fiscal year, October 1, 2022 through September 30, 2023. The estimates presented in this section are based on the City's proposed budget for FY 2023.

The calculation of a revenue requirement differs from a utility's budget in that it represents only that amount that must be raised through the City's user rates. This means that non-rate revenue (such as reconnection fees, late payment charges and interest) must be subtracted from the budgeted operating and capital expenditures to determine the net revenue requirement to be raised from rates.

All data used in the development of the revenue requirements was obtained from the financial statements, budgets and other information provided by the City. Detailed calculations are presented in the rate model summaries contained in **Appendix B** of this report. For rate design purposes, revenue requirements are developed separately for the water and wastewater systems.

The assumptions utilized in this expense forecast will be thoroughly detailed in this section of the report. These assumptions are critical to the development of both the revenue requirement and the ultimate rate recommendation. The project team reviewed these assumptions with the City staff and considers all to be consistent with staff recommendations.

In this section, current and forecast Operating Costs, Capital Outlays, Transfers, and Debt Service will be examined first. Non-rate revenues will be subtracted from the total to yield the Net Revenue Requirement.

Natural Gas Operating Expenses and Capital Outlays – Test Year

Table III-9 on the following page summarizes the test year FY 2018 natural gas operating expenses and capital outlays in detail by department and expense category item. The following is noteworthy about these tables:

- There are Three (3) Expense categories within the City's Utility Fund, each with their own budget: Utility Administration, Utility Billing and Gas.
- Utility Administration and Utility Billing and Gas operating costs were divided to isolate **Personnel costs** including all salary, insurance and benefit expenses and payroll taxes from Non-Personnel costs in order to build forecast personnel additions into the rate model.
- Projected staffing additions by department were discussed with City staff and the logic for related costs have been built into the model for forecasting purposes. Actual personnel additions will be reviewed and determined annually during the City's budgeting process.
- Utility Administration, Utility Billing, Gas Department (Non-Personnel) Operating and Maintenance costs include one or more of the following expense categories:
 - **Supplies**, which includes postage, office equipment and supplies, and the cost of purchased Gas.
 - **Repairs and Maintenance**, which captures the primary operating expenses associated with the day-to-day management and maintenance of the water and wastewater operations.

- **Services and Charges**, these expenses include such items as utility (electricity, gas, etc.) expense, fuels, small tools, maintenance supplies and contractual services.
- **Capital Outlays** funded through the gas utility budget.
- **Transfers**, includes transfers to the General Fund including a General and Administrative Overhead allocation to reimburse the General Fund for services provided for the utilities.

Table III-9 also allocates total budget expense based on function and general ratemaking principles. As the table show, total operating expenses, transfers, and capital outlays in the test year are \$4,162,143 for the gas utility.

TABLE III-9

CITY OF TOMBALL						
TEST YEAR NATURAL GAS OPERATING EXPENSES, TRANSFERS AND CAPITAL OUTLAYS						
	Net Budget	Gas Supply	Distribution	Admin	Customer Billing	
UTILITY ADMIN & BILLING						
<u>Operating & Maintenance</u>						
Personnel	\$ 248,601	\$ -	\$ -	\$ 137,160	\$ -	
Non-Personnel	127,489	-	-	46,557	80,932	
Subtotal Admin & Billing	\$ 376,090	\$ -	\$ -	\$ 183,717	\$ 80,932	
<u>Transfers</u>						
Transfers Out	\$ 490,200	\$ -	\$ -	\$ 490,200	\$ -	
Transfer to Emp Ben Trust	164,511	-	-	164,511	-	
Transfer to Fleet Replacement	18,637	-	-	18,637	-	
Subtotal Transfers	\$ 673,348	\$ -	\$ -	\$ 673,348	\$ -	
<u>Capital Outlay</u>	\$ -	\$ -	\$ -	\$ -	\$ -	
Total UTILITY ADMIN & BILLING						
Operating Expenses, Transfers and Capital Outlays	\$ 1,049,438	\$ -	\$ -	\$ 857,065	\$ 80,932	
GAS UTILITY						
<u>Operating & Maintenance</u>						
Personnel	\$ 482,600	\$ -	\$ 482,600	\$ -	\$ -	
Non-Personnel	391,000	-	256,000	135,000	-	
Subtotal Gas O&M	\$ 873,600	\$ -	\$ 738,600	\$ 135,000	\$ -	
Gas Supply	\$ 1,239,105	\$ 1,239,105	\$ -	\$ -	\$ -	
<u>Transfers</u>						
Transfers Out	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer to Emp Ben Trust	150,000	75,000	75,000	-	-	
Subtotal Transfers	\$ 150,000	\$ 75,000	\$ 75,000	\$ -	\$ -	
<u>Capital Outlay</u>	\$ 850,000	\$ -	\$ 850,000	\$ -	\$ -	
Total GAS/ADMIN & BILLING, Operating Expenses, Transfers and Capital Outlays						
	\$ 4,162,143	\$ 1,314,105	\$ 1,663,600	\$ 992,065	\$ 80,932	

Natural Gas Operating Expenses and Capital Outlays – Ten Year Forecast

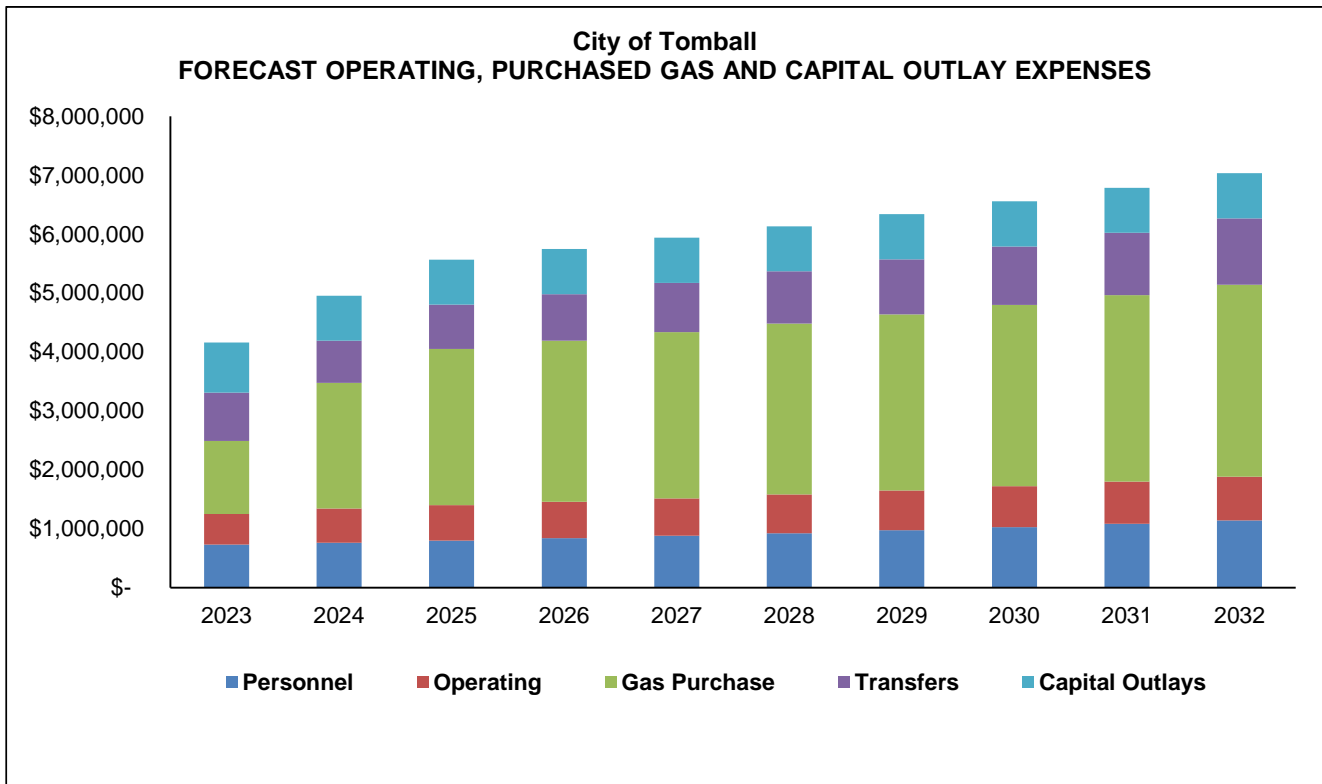
Table III-10 presents the gas utility operating expense and capital outlay forecast for the ten-year period FY 2023 – FY 2032. Details behind these calculations can be found in the rate model contained in **Appendix B**. This forecast is based on the following set of assumptions:

- Most operating costs are expected to increase at an annual rate of 3.0% - 8% annually based on industry standard and City staff recommendation.
- Based on City staff’s recommendation, certain expenses including FICA, TMRS-Employer and Workers Comp Insurance increase up to 12% annually.
- This forecast includes natural gas purchases based on the Joint Gas Purchase Contract that the City is a party to. The cost of purchased gas forecast is based on the average cost of gas change that is forecast from the U.S. Energy Information Administration C-SW Texas delivery and Henry Hub Futures. These will be examined in more detail later in this section.
- Utility Administrative, Utility Billing Costs, Non-Departmental costs and Transfers are divided between water, wastewater and gas utilities based on their relative percentages of personnel per utility department.
- The Utility Transfer to the General Fund is escalated 3% annually throughout the forecast period. The project team recommends that the City a Cost Allocation study following the completion of the current rate study to reassess the current transfer to the General Fund.

TABLE III-10

CITY OF TOMBALL										
Scenario: 2024 01 15 - Scenario 1 - NG Cost of Service										
FORECAST OPERATING EXPENSES AND CAPITAL OUTLAYS										
Budget Operating Expenses/Capital Outlays	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<i>Personnel</i>	\$ 731,201	\$ 764,828	\$ 800,866	\$ 839,557	\$ 881,168	\$ 925,998	\$ 974,381	\$ 1,026,688	\$ 1,083,332	\$ 1,144,778
<i>Operating</i>	518,489	581,693	599,144	617,119	635,632	654,701	674,342	694,572	715,410	736,872
<i>Gas Purchase</i>	1,239,105	2,131,938	2,651,368	2,734,677	2,821,084	2,903,550	2,988,770	3,076,844	3,167,876	3,261,974
<i>Transfers</i>	823,348	712,854	750,823	791,920	836,479	884,871	937,510	994,860	1,057,437	1,125,820
<i>Capital Outlays</i>	850,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000
Total GAS Operating/Capital Outlays	\$ 4,162,143	\$ 4,956,314	\$ 5,567,201	\$ 5,748,273	\$ 5,939,363	\$ 6,134,120	\$ 6,340,003	\$ 6,557,964	\$ 6,789,055	\$ 7,034,443

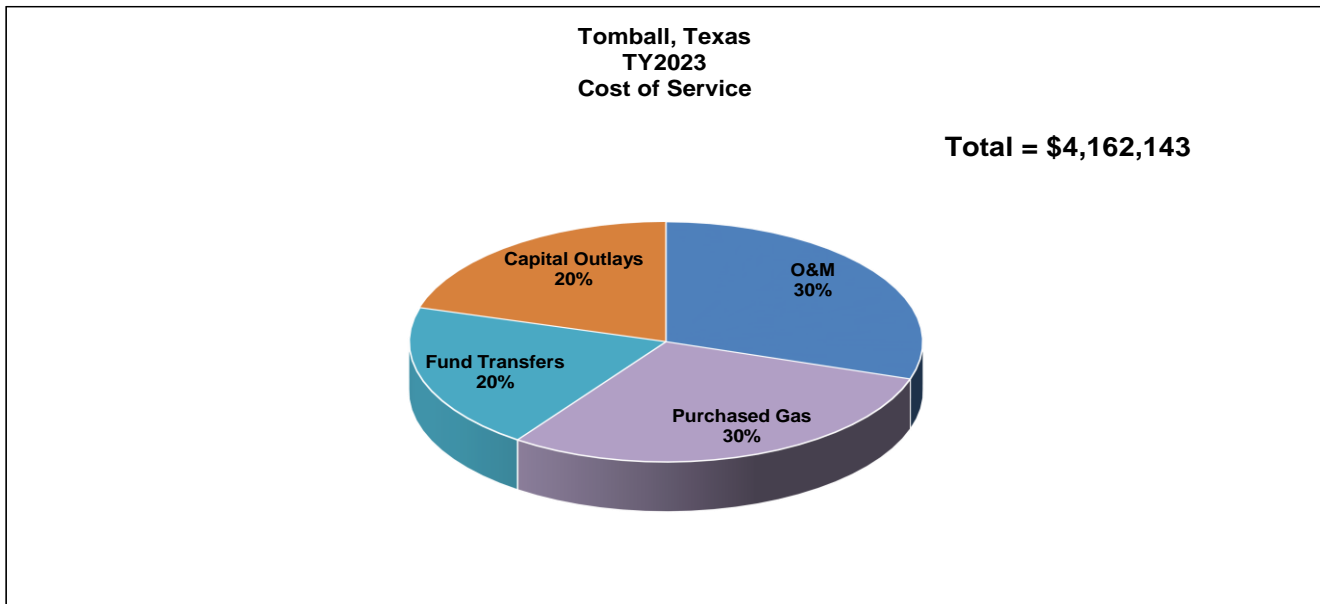
CHART III-11



As shown in these charts, Gas Purchase costs are by far the largest annual expense paid by Tomball’s gas utility.

Chart III-12 shows that for TY 2023 allocated costs account and gas utility Purchased Gas and O&M each account for 30% of the total gas utilities costs.

CHART III-12

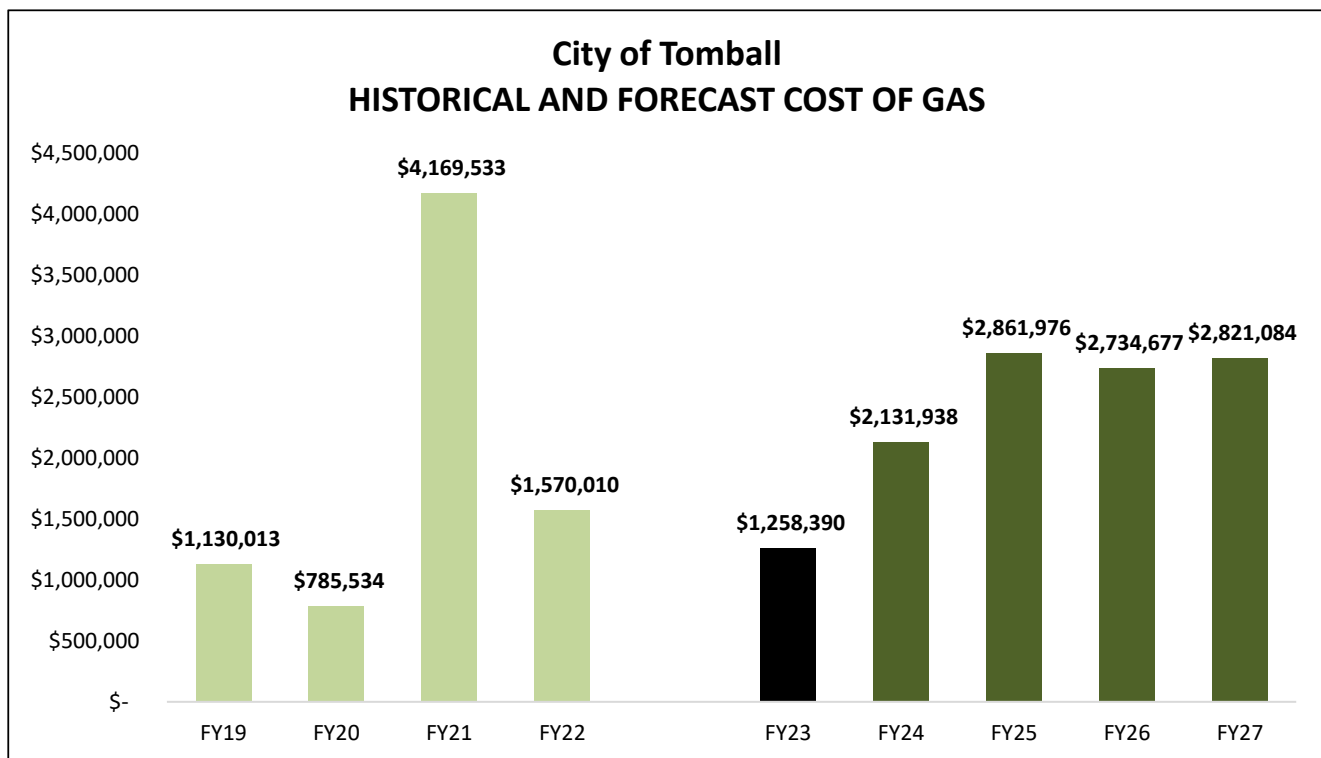


Since 2006 the City has participated in a Joint as Purchase Contract with the Texas Municipal Gas Corporation II, City of La Grange, Texas and Texas Local Governments. The contract is administered by the Municipal Gas Acquisition and Supply Corporation. Since November 2021 the contract has been served by Symmetry Energy and BP Energy Company as the dealer. The contract price includes transportation costs and is a pass thru, weighted average cost of Gas Daily Midpoint spot price supply. A discount is applied monthly by MuniGas to the gas billing for netting, aggregation or set off of purchases from the supplier. **Chart III-13** illustrates the actual cost of purchased gas from FY 2019 – FY2022 and the forecast cost of gas thru FY 2027. The historical and forecast cost of gas is inclusive of the MuniGas discount.

The significant cost of gas in FY21 was due to the once in 100 years weather event in Texas in February 2021.

The forecast cost of gas was calculated based on the average change as forecast from the U.S. Energy Information Administration delivery points C-SW Texas and Henry Hub futures. Annually Henry Hub gas prices are forecast to be subdued thru 2023 as supply remains higher than demand. However, month to month prices remain highly volatile. The average cost is expected to increase by 2% annually however the increase in total cost is from the new gas loads.

CHART III-13



Natural Gas Capital Improvement Plan

The city has developed a comprehensive long-term capital improvement plan (“CIP”) for the Water and Wastewater utilities based on the recently completed Master Plans. **Table III-14** details the Gas Utility Capital Improvement Plan between 2024 and 2027.

CHART III-14

CITY OF TOMBALL	
GAS DEPARTMENT CAPITAL IMPROVEMENT PLAN 2023 - 2027	
Grand Parkway Gas Gate - Gas Gate South	\$ 720,000
Cherry Street Main	403,200
	-
TOTAL GAS DEPARTMENT CIP	\$ 1,123,200

Funding for the Capital Plan is from cost sharing, unobligated enterprise funds and other sources. No long-term debt is forecast to be issued to fund the CIP.

Natural Gas Existing and Forecast Debt Service

At the time of this rate study there is no debt service attributable to the natural gas utility and there is none forecast for the next 5-year period or beyond.

These assumptions are preliminary in nature and subject to change. Should the City Council choose to issue more or less revenue debt than assumed in this study or should different financing terms be available at the time the debt is issued, then the rate plans contained in this study may require revision.

Natural Gas Non-Rate Revenues

Although sales revenues constitute the majority of the revenue received by the City of Tomball for the gas service, a certain amount of revenue is accrued from non-rate sources. These revenues include other general revenues, new tap charges, miscellaneous charges and contractual receipts. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement to be raised from rates. These fees are projected to remain fairly stable over the forecast period. Annual non-rate revenue totals are presented in **Table III-15**.

TABLE III-15

CITY OF TOMBALL										
NATURAL GAS UTILITY FORECAST NON-RATE REVENUES										
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Total GAS Non-Rate Revenues										
Gas Sales	-	-	-	-	-	-	-	-	-	-
Gas Taps	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Penalties	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Forecast Non-Rate Revenues	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000

Natural Gas Net Revenue Requirement

Table III-16 presents the test year and ten-year forecast for the City’s net revenue requirement to be raised from rates for the natural gas utility for the test year 2023 and forecast period. The gas net revenue requirement is expected to increase from **\$3,862,143** in FY 2023 to **\$6,734,443** in FY 2032.

TABLE III-16

CITY OF TOMBALL										
NATURAL GAS UTILITY FORECAST REVENUE REQUIREMENT										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
GAS										
Operating Expense	\$ 1,249,690	\$ 1,346,521	\$ 1,400,010	\$ 1,456,675	\$ 1,516,800	\$ 1,580,699	\$ 1,648,723	\$ 1,721,260	\$ 1,798,742	\$ 1,881,649
Purchased Gas	1,239,105	2,131,938	2,651,368	2,734,677	2,821,084	2,903,550	2,988,770	3,076,844	3,167,876	3,261,974
Transfers	823,348	712,854	750,823	791,920	836,479	884,871	937,510	994,860	1,057,437	1,125,820
Capital Outlay	850,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000
Debt Service	-	-	-	-	-	-	-	-	-	-
Total Cost of Service	\$ 4,162,143	\$ 4,956,314	\$ 5,567,201	\$ 5,748,273	\$ 5,939,363	\$ 6,134,120	\$ 6,340,003	\$ 6,557,964	\$ 6,789,055	\$ 7,034,443
Less Non-Rate Revenue	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Net Revenue Requirement To be Raised from Rates	\$ 3,862,143	\$ 4,656,314	\$ 5,267,201	\$ 5,448,273	\$ 5,639,363	\$ 5,834,120	\$ 6,040,003	\$ 6,257,964	\$ 6,489,055	\$ 6,734,443

Natural Gas Utility Cost Functionalization

Once the total gas system costs have been identified, the next step in the rate development process is to isolate the costs associated with each system function. The basic steps used to allocate the City’s gas revenue requirements include the following:

1. Each system’s costs (revenue requirements) are categorized by utility function (i.e. supply, distribution, administrative, customer). This process is known as *functionalization*.
2. Functionalized costs are classified based on the service characteristics or the types of demand served by the utility. This process is known as *classification*.
3. Costs by service characteristic are allocated to customer classes in proportion to the service demands demonstrated by each class.

This three-step process allows for the allocation of system costs in the same terms as customer classes. The approaches described in this section follow standard industry practices. Water system costs are allocated to the following functions:

Supply – the contractual supply of natural gas received at the city gate delivery point

Distribution – the lines that carry water to individual customers’ properties

Administration – miscellaneous overhead and other non-operating costs

Customer Billing – the processes involved in billing and providing other services to customers

The project team allocated operating budget line item expenses individually to system functions based on general guidelines, specific research and input from the City of Tomball staff. The results of the allocation process for the test year are summarized in **Table III-17**.

TABLE III-17

CITY OF TOMBALL			
TEST YEAR NATURAL GAS COST FUNCTIONALIZATION			
Function		FY 2023 Revenue Requirement	Percent
Supply	\$	1,314,105	31.57%
Distribution		1,663,600	39.97%
Administration		992,066	23.84%
Customer		<u>192,373</u>	<u>4.62%</u>
Total	\$	4,162,144	100.00%

Natural Gas Utility Cost Allocation

Allocation of costs by service characteristic to customer classes is based on the proportionate use levels of each characteristic by each class. The total gas utility costs by customer class for the test year are summarized in **Table III-18**.

TABLE III-18

CITY OF TOMBALL		
TEST YEAR GAS COST ALLOCATION		
Function	FY 2023 Revenue Requirement	Percent
Residential	\$ 2,229,129	53.56%
Commercial	1,917,764	46.08%
Municipal	<u>15,251</u>	<u>0.37%</u>
Total	\$ 4,162,144	100.00%

Natural Gas Rate Design

Rate design involves determining charges for each class of customers that will generate a desired level of revenue in accordance with industry cost of service rate-making principles. The gas rates developed in this section are designed to recover the test year and forecast revenue requirements while providing funding for the identified capital improvements and existing debt service. In this section the project team is presenting its recommended rate plan for the City.



projects and any potential debt financing would need to be factored into a study update and would impact the rate plan.

The City has not adjusted rates since 2011 despite annual increases in Administration, Utility Billing and Gas O&M costs. As the cost of natural gas has declined but expected to fluctuate this decrease has not completely offset the increase in other costs to run the utility.

Table III-19 presents a summary of this natural gas rate plan proposed for Residential and Commercial customers. **Table III-20** presents the customer rate impact of the rate adjustments for representative Residential and Commercial accounts. The following is notable regarding this proposed rate plan:

- The most significant impact on rates will be the sales to new commercial and industrial loads and the cost of purchased gas. If usage varies significantly from that forecast or prices increase significantly then the rate plan will need to be re-evaluated.
- Another potential impact to the rate plan would be development of a gas utility CIP. Costs of

TABLE III-19

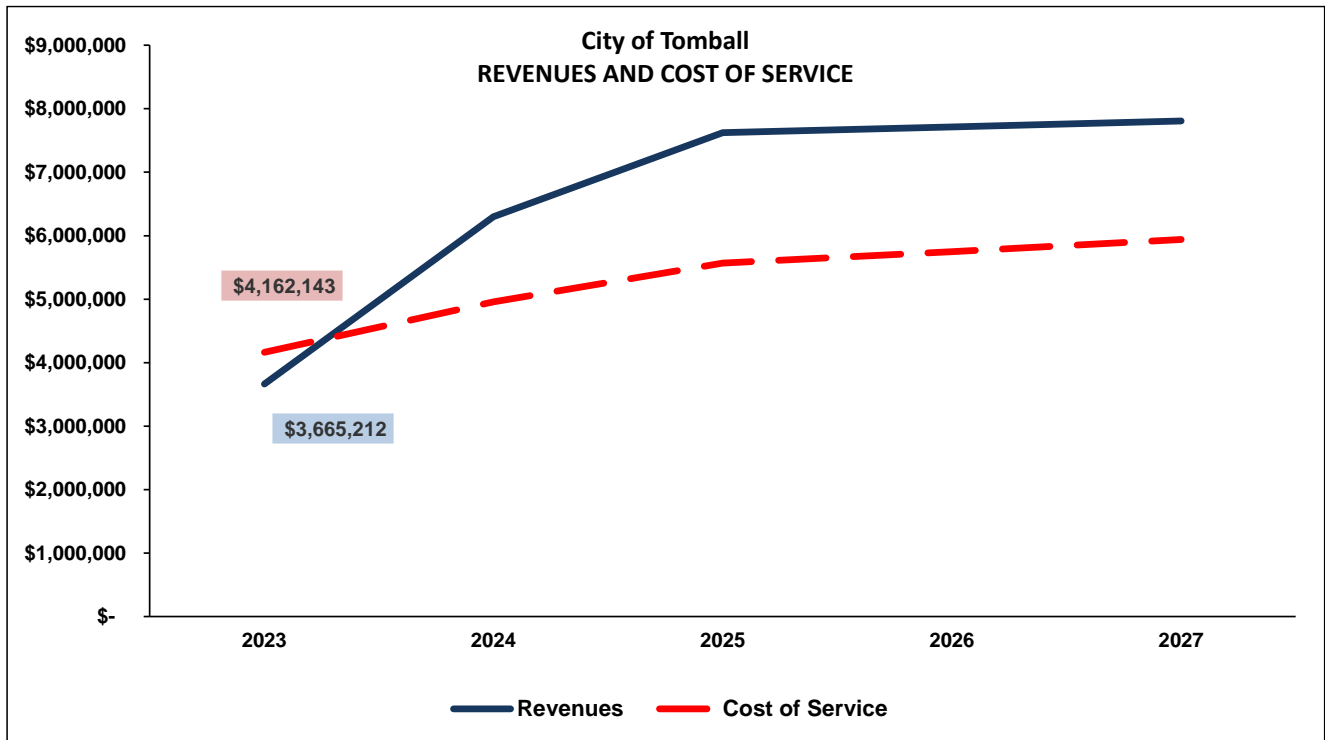
CITY OF TOMBALL		NATURAL GAS UTILITY RECOMMENDED RATE PLAN					
2023 09 22 - Scenario 1 - NG Cost of Service							
GAS	Current	Effective Dec-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-27
Residential Base Charge Includes 1 MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Usage Charge Per MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Commercial Base Charge Includes 1 MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Usage Charge Per MCF	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75

TABLE III-20

CITY OF TOMBALL		NATURAL GAS UTILITY IMPACT ON RESIDENTIAL MONTHLY CHARGES					
2023 09 22 - Scenario 1 - NG Cost of Service							
	Current	Effective Dec-23	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-27
Residential and Commercial Monthly Charges							
3 MCF Change	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25	\$ 35.25
5 MCF Change	58.75	58.75	58.75	58.75	58.75	58.75	58.75
35 MCF Change	411.25	411.25	411.25	411.25	411.25	411.25	411.25

The projected rate revenues developed in this section, are forecast to be sufficient to fund all operating and current scheduled capital obligations for the forecast period. **Chart III-21** presents the projected financial impact on the City’s utility fund under the proposed rate plan. The ending fiscal year projected utility fund balance is shown on the bottom of the chart. This highlights the importance of the implementation of each annual rate adjustment and future review of growth, operating and capital assumptions and actual financial results.

CHART III-21



	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	\$ 3,665,212	6,299,389	7,625,126	7,714,323	7,805,751
Cost of Service	4,162,143	4,956,314	5,567,201	5,748,273	5,939,363
Net Revenue	\$ (496,931.35)	1,343,075	2,057,925	1,966,050	1,866,387

Notes on Rate Recommendations

The forecast and recommendations presented in this study represent a combination of the best information available from the City of Tomball and the project team’s expertise. However, this forecast relies in part on assumptions about future events and events beyond the control of the project team (such as account growth rates within the City). The forecast and recommendations contained in this study may be subject to revision if any of the following events occurs:

- Actual growth in accounts and consumed volumes is less than (or significantly greater than) forecast.
- Capital improvement plan funding costs increase significantly due to the rising cost of materials or other factors such as, for the water utility; NHCRWA costs.
- An unforeseen event impacts the City, such as an extended recession, natural catastrophe or terrorist attack.

- Significant and long-lasting changes in weather patterns.
- Increases or decreases in interest rates, coverage requirements, or reserve requirements for long-term debt.
- The City of Tomball's budget levels or priorities change significantly from those forecast in this study.
- The index cost of natural gas changing significantly from the current Energy Information Administration forecast.

It should be noted that none of these events are foreseen by the project team or the City of Tomball at this time.

If any of these events occur, the City may be compelled to consider further adjustments to its water and wastewater rates.

Appendix A



City of Tomball

Ten Year Rate Analysis and Pro Forma

Fiscal Years 2023 - 2032



Utility System

- Water
- Sewer
- Combined

Dashboard

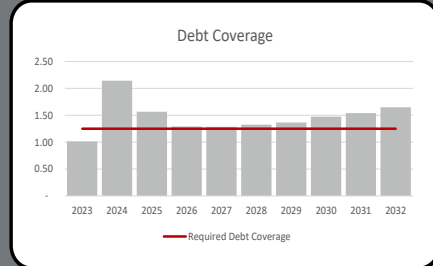
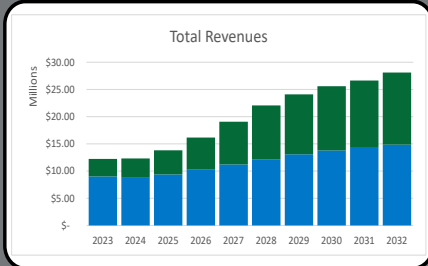
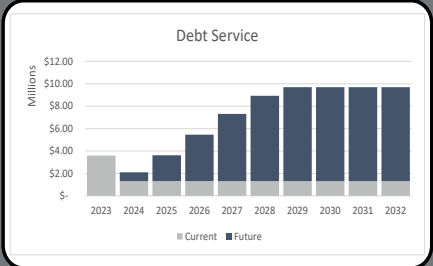
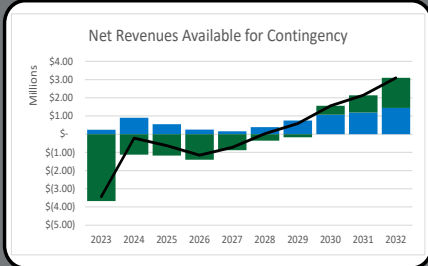
- Projections
- Bill Comparison
- Comparable Utilities

Customer Class

- All Classes

Years

- 10
- 5



Water Sewer Combined Projections

	Jan-23 2023	Dec-23 2024	Oct-24 2025	Oct-25 2026	Oct-26 2027	Oct-27 2028	Oct-28 2029	Oct-29 2030	Oct-30 2031	Oct-31 2032
Water Rate Adjustments										
Base Charge	0.00%	0.00%	6.00%	6.00%	6.00%	6.00%	4.00%	2.00%	0.00%	2.00%
Volume Charge	0.00%	0.00%	6.00%	6.00%	6.00%	6.00%	4.00%	2.00%	0.00%	2.00%
NHCRWA Surcharge	-11.00%	0.00%	4.00%	5.00%	4.00%	4.00%	4.00%	4.00%	1.00%	1.00%
		0	0.04	0.04	0.05	0.04	0.04	0.04	0.01	0.01
Sewer Rate Adjustments										
Base Charge	0.00%	0.00%	28.00%	28.00%	28.00%	20.00%	5.00%	2.00%	0.00%	2.00%
Volume Charge	0.00%	0.00%	28.00%	28.00%	28.00%	20.00%	5.00%	2.00%	0.00%	2.00%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

1 Water and Wastewater Rates

Water Rates -- Residential - Inside

Monthly Base Charge - Current

10,000
10,001 15,000
15,001 Above

Specific To Usage Tier Per City Ordinance (see comment)

\$	10.90	\$	10.90	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	12.54		12.54		-		-		-		-		-		-		-		-
	14.42		14.42		-		-		-		-		-		-		-		-

Monthly Base Charge - Proposed

5/8"
3/4"
1"
1 1/2"
2"
3"
4"
6"

	-		-	\$	12.10	\$	12.85	\$	13.65	\$	14.50	\$	15.40	\$	16.05	\$	16.40	\$	16.40	\$	16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
	-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75

Volume Rate Per 1,000 Gal

10,000
10,001 15,000
15,001 Above

\$	3.02	\$	3.02	\$	3.02	\$	3.20	\$	3.39	\$	3.60	\$	3.81	\$	3.97	\$	4.04	\$	4.04	\$	4.13
	3.77		3.77		3.77		4.00		4.24		4.49		4.76		4.95		5.05		5.05		5.15
	4.72		4.72		4.72		5.00		5.30		5.62		5.96		6.20		6.32		6.32		6.45

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal

\$	4.60	\$	4.10	\$	3.60	\$	3.80	\$	4.00	\$	4.20	\$	4.40	\$	4.61	\$	4.61	\$	4.61	\$	4.61
----	------	----	------	----	------	----	------	----	------	----	------	----	------	----	------	----	------	----	------	----	------

Wastewater Rates -- Residential

Base Charge	\$	10.23	\$	10.23	\$	10.25	\$	13.15	\$	16.85	\$	21.60	\$	25.95	\$	27.25	\$	27.80	\$	27.80	\$	28.40
Usage Chg	-	Above	3.57	3.57	3.57	4.57	5.85	7.49	8.98	9.43	9.62	9.62	9.62	9.62	9.62	9.62	9.62	9.62	9.62	9.62	9.62	9.81

2 Residential - Inside W & WW Monthly Bill

5,000 Gal W & WW	Total	\$	54.08	\$	54.08	\$	55.30	\$	64.85	\$	76.71	\$	91.52	\$	105.33	\$	110.29	\$	112.53	\$	112.53	\$	114.85
NHCRWA Surcharge			23.00		20.50		18.00		19.01		20.02		21.02		22.02		23.04		23.04		23.04		23.04
Total		\$	77.08	\$	74.58	\$	73.30	\$	83.86	\$	96.73	\$	112.53	\$	127.36	\$	133.33	\$	135.57	\$	135.57	\$	137.89
	Increase -- \$			\$	(2.50)	\$	(1.28)	\$	10.56	\$	12.87	\$	15.81	\$	14.82	\$	5.97	\$	2.24	\$	-	\$	2.32
	Increase -- %				-3.2%		-1.7%		14.4%		15.3%		16.3%		13.2%		4.7%		1.7%		0.0%		1.7%
10,000 Gal W & 5,000 Gal WW	Total		69.18		69.18		70.40		80.86		93.68		109.50		124.40		130.12		132.76		132.76		135.48
NHCRWA Surcharge			46.00		41.00		36.00		38.02		40.03		42.03		44.05		46.08		46.08		46.08		46.08
Total		\$	115.18	\$	110.18	\$	106.40	\$	118.88	\$	133.71	\$	151.54	\$	168.45	\$	176.20	\$	178.83	\$	178.83	\$	181.55
	Increase -- \$			\$	(5.00)	\$	(3.78)	\$	12.48	\$	14.83	\$	17.83	\$	16.91	\$	7.75	\$	2.64	\$	-	\$	2.72
	Increase -- %				-4.3%		-3.4%		11.7%		12.5%		13.3%		11.2%		4.6%		1.5%		0.0%		1.5%
30,000 Gal W & 8,000 Gal WW	Total		173.06		173.06		170.76		189.60		211.96		238.74		264.53		276.13		281.68		281.68		287.38
NHCRWA Surcharge			138.00		123.00		108.00		114.05		120.09		126.10		132.15		138.23		138.23		138.23		138.23
Total		\$	311.06	\$	296.06	\$	278.76	\$	303.65	\$	332.05	\$	364.84	\$	396.68	\$	414.36	\$	419.91	\$	419.91	\$	425.61
	Increase -- \$			\$	(15.00)	\$	(17.30)	\$	24.89	\$	28.40	\$	32.79	\$	31.85	\$	17.67	\$	5.56	\$	-	\$	5.70
	Increase -- %				-4.8%		-5.8%		8.9%		9.4%		9.9%		8.7%		4.5%		1.3%		0.0%		1.4%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

3 Fund Balance, Revenues and Expenses

Beginning Water & Sewer Fund Balance	\$ 10,418,981	\$ 6,986,711	\$ 6,765,598	\$ 6,134,447	\$ 4,978,363	\$ 4,257,864	\$ 4,282,870	\$ 4,867,064	\$ 6,427,808	\$ 8,567,240
Revenues and Expenses										
Water Rate Revenues	4,452,707	4,651,765	5,100,500	5,614,893	6,180,215	6,769,416	7,283,366	7,683,833	7,943,370	8,348,127
NHCRWA Surcharge Revenue	3,890,421	3,579,032	3,574,859	3,915,824	4,276,038	4,634,694	5,012,451	5,292,809	5,464,665	5,640,879
WW Rate Revenues	3,053,766	3,222,398	4,253,016	5,715,291	7,680,247	9,721,173	10,822,395	11,617,199	12,218,234	13,068,297
Non-Rate Revenues	835,300	857,745	881,130	905,505	930,917	952,842	975,499	998,918	1,023,129	1,048,164
Total Revenues	12,232,193	12,310,940	13,809,506	16,151,513	19,067,417	22,078,126	24,093,711	25,592,759	26,649,398	28,105,467
Operating Expenses	8,577,812	7,807,511	8,130,686	9,089,059	9,660,329	10,236,067	10,841,562	11,290,570	11,694,552	12,114,587
Net Revenues Available for Capital Outlays/Debt Service/Transfers	3,654,381	4,503,429	5,678,820	7,062,454	9,407,088	11,842,059	13,252,150	14,302,189	14,954,845	15,990,879
Fund Transfers	2,125,931	2,138,209	2,202,355	2,268,426	2,336,479	2,406,573	2,478,771	2,553,134	2,629,728	2,708,619
Capital Outlays	1,361,400	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000
Total Transfers and Capital Outlays	3,487,331	2,623,209	2,687,355	2,753,426	2,821,479	2,891,573	2,963,771	3,038,134	3,114,728	3,193,619
Total Operating Expense/Transfers/Capital Outlays	12,065,144	10,430,720	10,818,041	11,842,485	12,481,808	13,127,640	13,805,332	14,328,704	14,809,280	15,308,207
Net Revenues Available for Debt Service	2,292,981	4,018,429	5,193,820	6,577,454	8,922,088	11,357,059	12,767,150	13,817,189	14,469,845	15,505,879
Debt Service	3,599,320	2,101,332	3,622,616	5,465,112	7,306,109	8,925,480	9,704,186	9,703,311	9,700,686	9,701,186
Total Cost of Service	15,664,464	12,532,053	14,440,657	17,307,597	19,787,916	22,053,120	23,509,518	24,032,015	24,509,965	25,009,393
	TRUE	-	-	-	-	-	-	-	-	-
Scenario I										
Contingency--Net Inc/(Dec) in Fund Balance	(3,432,270)	(221,112)	(631,151)	(1,156,084)	(720,499)	25,006	584,194	1,560,744	2,139,432	3,096,074
Percent of COS	-21.9%	-1.8%	-4.4%	-6.7%	-3.6%	0.1%	2.5%	6.5%	8.7%	12.4%
Drawdown of Fund Balance for Capital Projects	-	-	-	-	-	-	-	-	-	-
Ending Water & Sewer Fund Balance	6,986,711	6,765,598	6,134,447	4,978,363	4,257,864	4,282,870	4,867,064	6,427,808	8,567,240	11,663,314
Revenue Adequacy Tests										
Debt Coverage (Goal is 1.50 -- 1.25 is required)	1.02	2.14	1.57	1.29	1.29	1.33	1.37	1.47	1.54	1.65
Target Level Fund Balance = 18% of Op. Exp.	44.6%	54.0%	42.5%	28.8%	21.5%	19.4%	20.7%	26.7%	35.0%	46.6%
Days of Expenditures in Working Capital/Fund Balance	163	197	155	105	79	71	76	98	128	170

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

4 Total Accounts

<u>Water Accounts</u>										
Total Accounts	5,669	5,923	6,188	6,465	6,753	7,001	7,258	7,524	7,798	8,082
New Accounts	-	254	265	276	288	249	257	265	274	284
Avg. Annual Growth Rate		4.49%	4.47%	4.46%	4.46%	3.68%	3.67%	3.66%	3.65%	3.64%
<u>Wastewater Accounts</u>										
Total Accounts	4,425	4,645	4,876	5,118	5,372	5,639	5,919	6,213	6,522	6,847
New Accounts	-	220	231	242	254	267	280	294	309	325
Avg. Annual Growth Rate		4.97%	4.97%	4.96%	4.96%	4.97%	4.97%	4.97%	4.97%	4.98%

5 Annual Volume

<u>Water Volume</u>										
Residential	432,470,869	454,094,413	476,799,134	500,639,090	525,671,045	546,697,887	568,565,802	591,308,434	614,960,772	639,559,202
Commercial	452,353,833	465,999,499	479,645,165	493,290,832	506,936,498	520,582,164	534,227,830	547,873,496	561,519,162	575,164,828
Municipal	8,930,685	9,051,370	9,172,055	9,292,740	9,413,425	9,534,110	9,654,795	9,775,479	9,896,164	10,016,849
ResidentialOutside	-	-	-	-	-	-	-	-	-	-
CommericalOutside	-	-	-	-	-	-	-	-	-	-
HMW SUD Wholesale	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897
Bulk Water Sales	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	903,280,285	938,670,179	975,141,251	1,012,747,559	1,051,545,864	1,086,339,057	1,121,973,324	1,158,482,307	1,195,900,996	1,234,265,777
<u>Wastewater Billing Units</u>										
Residential	231,209,391	242,776,359	254,928,173	267,664,835	281,051,326	295,087,646	309,838,779	325,304,725	341,550,466	358,640,986
Commercial	279,395,015	293,381,822	308,050,913	323,402,288	339,435,946	356,493,028	374,232,394	392,995,185	412,781,401	433,591,042
Municipal	2,887,894	3,010,992	3,134,091	3,257,190	3,380,288	3,503,387	3,626,486	3,749,584	3,872,683	3,995,782
Residential Sewer Only	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659
Commercial Sewer Only	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	516,497,667	542,174,541	569,118,546	597,329,680	626,872,927	658,089,429	690,703,027	725,054,862	761,209,918	799,233,178

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Revenue and Expense Summary
Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

1 Total Utility Fund Balance, Revenues and Expenses

Beginning Fund Balance	\$ 10,418,981	\$ 6,986,711	\$ 6,765,598	\$ 6,134,447	\$ 4,978,363	\$ 4,257,864	\$ 4,282,870	\$ 4,867,064	\$ 6,427,808	\$ 8,567,240
Revenues and Expenses										
Water Rate Revenues	4,452,707	4,651,765	5,100,500	5,614,893	6,180,215	6,769,416	7,283,366	7,683,833	7,943,370	8,348,127
NCHRWA Surcharge Revenue	3,890,421	3,579,032	3,574,859	3,915,824	4,276,038	4,634,694	5,012,451	5,292,809	5,464,665	5,640,879
WW Rate Revenues	3,053,766	3,222,398	4,253,016	5,715,291	7,680,247	9,721,173	10,822,395	11,617,199	12,218,234	13,068,297
Non-Rate Revenues	835,300	857,745	881,130	905,505	930,917	952,842	975,499	998,918	1,023,129	1,048,164
Total Revenues	12,232,193	12,310,940	13,809,506	16,151,513	19,067,417	22,078,126	24,093,711	25,592,759	26,649,398	28,105,467
Cost of Service										
Personnel	2,219,124	2,293,779	2,383,807	2,910,892	3,027,122	3,149,151	3,277,338	3,412,068	3,553,752	3,702,833
Operating	2,313,348	1,807,393	1,869,452	1,934,880	2,003,889	2,072,560	2,144,660	2,220,380	2,299,921	2,383,499
NHCRWA	4,045,341	3,706,339	3,877,427	4,243,287	4,629,318	5,014,355	5,419,563	5,658,122	5,840,878	6,028,255
Total Operating	8,577,812	7,807,511	8,130,686	9,089,059	9,660,329	10,236,067	10,841,562	11,290,570	11,694,552	12,114,587
Net Revenues for Transfer, Cap Outlays, Debt Service	3,654,381	4,503,429	5,678,820	7,062,454	9,407,088	11,842,059	13,252,150	14,302,189	14,954,845	15,990,879
Fund Transfer	2,125,931	2,138,209	2,202,355	2,268,426	2,336,479	2,406,573	2,478,771	2,553,134	2,629,728	2,708,619
Capital Outlays	1,361,400	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000
Debt Service	3,599,320	2,101,332	3,622,616	5,465,112	7,306,109	8,925,480	9,704,186	9,703,311	9,700,686	9,701,186
Total Cost of Service	15,664,464	12,532,053	14,440,657	17,307,597	19,787,916	22,053,120	23,509,518	24,032,015	24,509,965	25,009,393
Contingency--Net Revenues	(3,432,270)	(221,112)	(631,151)	(1,156,084)	(720,499)	25,006	584,194	1,560,744	2,139,432	3,096,074
Percent of COS	-28.1%	-1.8%	-4.6%	-7.2%	-3.8%	0.1%	2.4%	6.1%	8.0%	11.0%
Ending Fund Balance	6,986,711	6,765,598	6,134,447	4,978,363	4,257,864	4,282,870	4,867,064	6,427,808	8,567,240	11,663,314
Revenue Adequacy Tests										
Debt Coverage	1.02	2.14	1.57	1.29	1.29	1.33	1.37	1.47	1.54	1.65
Days of Expenditures in Working Capital/Fund Balance	163	197	155	105	79	71	76	98	128	170

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

**Forecast Revenue and Expense Summary
Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"**

2 WATER Utility Revenues and Expenses

Revenues and Expenses

Water Rate Revenues	\$	4,452,707	\$	4,651,765	\$	5,100,500	\$	5,614,893	\$	6,180,215	\$	6,769,416	\$	7,283,366	\$	7,683,833	\$	7,943,370	\$	8,348,127
NHCRWA Surcharge Revenue		3,890,421		3,579,032		3,574,859		3,915,824		4,276,038		4,634,694		5,012,451		5,292,809		5,464,665		5,640,879
Non-Rate Revenues		660,150		682,588		705,967		730,334		755,738		777,657		800,307		823,719		847,923		872,950
Total Revenues		9,003,278		8,913,385		9,381,326		10,261,051		11,211,992		12,181,767		13,096,125		13,800,361		14,255,957		14,861,956

Cost of Service

Personnel		1,316,284		1,360,559		1,413,939		1,726,555		1,795,468		1,867,819		1,943,819		2,023,696		2,107,694		2,196,075
Operating		1,148,679		944,562		966,937		990,642		1,015,770		1,040,470		1,066,501		1,093,943		1,122,881		1,153,405
NHCRWA		4,045,341		3,706,339		3,877,427		4,243,287		4,629,318		5,014,355		5,419,563		5,658,122		5,840,878		6,028,255
Total Operating	TRUE	6,510,304		6,011,460		6,258,303		6,960,484		7,440,556		7,922,644		8,429,882		8,775,761		9,071,453		9,377,736
Net Revenues for Transfer, Cap Outlays, Debt Service		2,492,973		2,901,925		3,123,023		3,300,567		3,771,435		4,259,124		4,666,243		5,024,600		5,184,504		5,484,221
Transfers		1,148,645		1,183,104		1,218,597		1,255,155		1,292,810		1,331,594		1,371,542		1,412,688		1,455,069		1,498,721
Capital Outlays		381,400		160,000		160,000		160,000		160,000		160,000		160,000		160,000		160,000		160,000
Debt Service		719,864		654,837		1,196,972		1,633,883		2,163,075		2,383,710		2,383,885		2,383,710		2,383,185		2,383,285

Total Cost of Service	TRUE	8,760,213		8,009,401		8,833,872		10,009,523		11,056,441		11,797,948		12,345,309		12,732,159		13,069,707		13,419,741
Contingency--Net Revenues		243,064		903,984		547,454		251,529		155,550		383,819		750,816		1,068,202		1,186,250		1,442,215
Percent of COS		2.7%		10.1%		5.8%		2.5%		1.4%		3.2%		5.7%		7.7%		8.3%		9.7%
Debt Coverage		3.46		4.43		2.61		2.02		1.74		1.79		1.96		2.11		2.18		2.30
		30.60%		30.05%		26.06%		22.16%		18.65%		16.15%		15.15%		14.64%		14.43%		14.00%

3 WASTEWATER Utility Revenues and Expenses

Revenues and Expenses

Wastewater Rate Revenues	\$	3,053,766	\$	3,222,398	\$	4,253,016	\$	5,715,291	\$	7,680,247	\$	9,721,173	\$	10,822,395	\$	11,617,199	\$	12,218,234	\$	13,068,297
Non-Rate Revenues		175,150		175,157		175,164		175,171		175,179		175,185		175,192		175,199		175,206		175,214
Total Revenues		3,228,916		3,397,555		4,428,180		5,890,462		7,855,426		9,896,358		10,997,587		11,792,398		12,393,440		13,243,511

Cost of Service

Personnel		902,840		933,221		969,868		1,184,337		1,231,654		1,281,332		1,333,520		1,388,372		1,446,059		1,506,758
Operating		1,164,668		862,830		902,515		944,237		988,119		1,032,091		1,078,160		1,126,437		1,177,040		1,230,094
Total Operating		2,067,508		1,796,051		1,872,383		2,128,575		2,219,772		2,313,423		2,411,679		2,514,809		2,623,099		2,736,852
Net Revenues for Transfer, Cap Outlays, Debt Service		1,161,408		1,601,504		2,555,797		3,761,887		5,635,653		7,582,936		8,585,907		9,277,588		9,770,342		10,506,659
Transfers		977,286		955,105		983,758		1,013,271		1,043,669		1,074,979		1,107,228		1,140,445		1,174,659		1,209,898
Capital Outlays		980,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000
Debt Service		2,879,456		1,446,496		2,425,644		3,831,229		5,143,034		6,541,770		7,320,301		7,319,601		7,317,501		7,317,901

Total Cost of Service		6,904,251		4,522,651		5,606,785		7,298,075		8,731,475		10,255,172		11,164,209		11,299,855		11,440,258		11,589,651
Contingency--Net Revenues		(3,675,335)		(1,125,096)		(1,178,605)		(1,407,613)		(876,049)		(358,813)		(166,622)		492,542		953,182		1,653,859
Percent of COS		-113.8%		-33.1%		-26.6%		-23.9%		-11.2%		-3.6%		-1.5%		4.2%		7.7%		12.5%
Debt Coverage	Com	0.40		1.11		1.05		0.98		1.10		1.16		1.17		1.27		1.34		1.44

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Water Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

1 Water Rates

Water Rates -- Residential

Monthly Base Charge

-	10,000	\$	11.55	\$	11.55	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-				
10,001	15,000		13.29		13.29		-		-		-		-		-		-		-				
15,001	Above		15.29		15.29		-		-		-		-		-		-		-				
5/8"			-		-	\$	12.10	\$	12.85	\$	13.65	\$	14.50	\$	15.40	\$	16.05	\$	16.40	\$	16.40	\$	16.75
3/4"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
1"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
1 1/2"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
2"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
3"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
4"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75
6"			-		-		12.10		12.85		13.65		14.50		15.40		16.05		16.40		16.40		16.75

Volume Rate Per 1,000 Gal

-	10,000	\$	3.02	\$	3.02	\$	3.02	\$	3.20	\$	3.39	\$	3.60	\$	3.81	\$	3.97	\$	4.04	\$	4.04	\$	4.13
10,001	15,000		3.77		3.77		3.77		4.00		4.24		4.49		4.76		4.95		5.05		5.05		5.15
15,001	Above		4.72		4.72		4.72		5.00		5.30		5.62		5.96		6.20		6.32		6.32		6.45
-	-		-		-		-		-		-		-		-		-		-		-		-

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal	\$	4.60	\$	4.10	\$	3.60	\$	3.80	\$	4.00	\$	4.20	\$	4.40	\$	4.61	\$	4.61	\$	4.61	\$	4.61
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Water Rates -- Commercial

Base Charge - Current

-	5,000	\$	19.56	\$	19.56	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5,001	50,000		31.48		31.48		-		-		-		-		-		-		-		-		-
51,001	Above		55.11		55.11		-		-		-		-		-		-		-		-		-

Base Charge - Proposed

5/8"			-		-	\$	27.45	\$	29.10	\$	30.85	\$	32.75	\$	34.75	\$	36.15	\$	36.90	\$	36.90	\$	37.65
3/4"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
1"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
1 1/2"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
2"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
3"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
4"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65
6"			-		-		27.45		29.10		30.85		32.75		34.75		36.15		36.90		36.90		37.65

Volume Rate Per 1,000 Gal

-	5,000	\$	3.66	\$	3.66	\$	3.66	\$	3.88	\$	4.11	\$	4.36	\$	4.62	\$	4.81	\$	4.90	\$	4.90	\$	5.00
5,001	50,000		4.58		4.58		4.58		4.85		5.15		5.45		5.78		6.01		6.13		6.13		6.26
51,001	Above		5.72		5.72		5.72		6.06		6.43		6.81		7.22		7.51		7.66		7.66		7.81
-	-		-		-		-		-		-		-		-		-		-		-		-

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal	\$	4.60	\$	4.10	\$	3.60	\$	3.80	\$	4.00	\$	4.20	\$	4.40	\$	4.61	\$	4.61	\$	4.61	\$	4.61
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**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Water Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

2A Residential Inside Monthly Bill

5,000 Gal Water	Total	\$ 26.65	\$ 26.65	\$ 27.20	\$ 28.86	\$ 30.62	\$ 32.48	\$ 34.46	\$ 35.88	\$ 36.62	\$ 36.62	\$ 37.38
NHCRWA Surcharge		23.00	20.50	18.00	19.01	20.02	21.02	22.02	23.04	23.04	23.04	23.04
Total		\$ 49.65	\$ 47.15	\$ 45.20	\$ 47.86	\$ 50.63	\$ 53.50	\$ 56.49	\$ 58.91	\$ 59.66	\$ 59.66	\$ 60.42
	Increase -- \$		\$ (2.50)	\$ (1.95)	\$ 2.66	\$ 2.77	\$ 2.87	\$ 2.99	\$ 2.43	\$ 0.75	\$ -	\$ 0.75
	Increase -- %		-5.0%	-4.1%	5.9%	5.8%	5.7%	5.6%	4.3%	1.3%	0.0%	1.3%
10,000 Gal Water	Total	\$ 41.75	\$ 41.75	\$ 42.30	\$ 44.86	\$ 47.58	\$ 50.47	\$ 53.53	\$ 55.70	\$ 56.84	\$ 56.84	\$ 58.00
NHCRWA Surcharge		46.00	41.00	36.00	38.02	40.03	42.03	44.05	46.08	46.08	46.08	46.08
Total		\$ 87.75	\$ 82.75	\$ 78.30	\$ 82.88	\$ 87.61	\$ 92.50	\$ 97.58	\$ 101.78	\$ 102.92	\$ 102.92	\$ 104.08
	Increase -- \$		\$ (5.00)	\$ (4.45)	\$ 4.58	\$ 4.74	\$ 4.89	\$ 5.08	\$ 4.20	\$ 1.14	\$ -	\$ 1.16
	Increase -- %		-5.7%	-5.4%	5.8%	5.7%	5.6%	5.5%	4.3%	1.1%	0.0%	1.1%
30,000 Gal Water	Total	\$ 135.14	\$ 135.14	\$ 131.95	\$ 139.89	\$ 148.31	\$ 157.24	\$ 166.71	\$ 173.41	\$ 176.91	\$ 176.91	\$ 180.47
NHCRWA Surcharge		138.00	123.00	108.00	114.05	120.09	126.10	132.15	138.23	138.23	138.23	138.23
Total		\$ 273.14	\$ 258.14	\$ 239.95	\$ 253.94	\$ 268.41	\$ 283.34	\$ 298.86	\$ 311.64	\$ 315.14	\$ 315.14	\$ 318.70
	Increase -- \$		\$ (15.00)	\$ (18.19)	\$ 13.99	\$ 14.47	\$ 14.93	\$ 15.52	\$ 12.78	\$ 3.50	\$ -	\$ 3.56
	Increase -- %		-5.5%	-7.0%	5.8%	5.7%	5.6%	5.5%	4.3%	1.1%	0.0%	1.1%

2B Commercial Monthly Bill

25,000 Gal Water	Total	\$ 141.38	\$ 141.38	\$ 137.35	\$ 145.59	\$ 154.33	\$ 163.64	\$ 173.50	\$ 180.45	\$ 184.08	\$ 184.08	\$ 187.78
NHCRWA Surcharge		115.00	102.50	90.00	95.04	100.08	105.08	110.12	115.19	115.19	115.19	115.19
Total		\$ 256.38	\$ 243.88	\$ 227.35	\$ 240.63	\$ 254.41	\$ 268.72	\$ 283.62	\$ 295.64	\$ 299.27	\$ 299.27	\$ 302.97
	Increase -- \$		\$ (12.50)	\$ (16.53)	\$ 13.28	\$ 13.78	\$ 14.31	\$ 14.90	\$ 12.02	\$ 3.64	\$ -	\$ 3.69
	Increase -- %		-4.9%	-6.8%	5.8%	5.7%	5.6%	5.5%	4.2%	1.2%	0.0%	1.2%
50,000 Gal Water	Total	\$ 255.88	\$ 255.88	\$ 251.85	\$ 266.96	\$ 282.99	\$ 300.01	\$ 318.05	\$ 330.78	\$ 337.42	\$ 337.42	\$ 344.18
NHCRWA Surcharge		230.00	205.00	180.00	190.08	200.15	210.16	220.25	230.38	230.38	230.38	230.38
Total		\$ 485.88	\$ 460.88	\$ 431.85	\$ 457.04	\$ 483.14	\$ 510.18	\$ 538.30	\$ 561.16	\$ 567.81	\$ 567.81	\$ 574.57
	Increase -- \$		\$ (25.00)	\$ (29.03)	\$ 25.19	\$ 26.10	\$ 27.04	\$ 28.12	\$ 22.86	\$ 6.64	\$ -	\$ 6.76
	Increase -- %		-5.1%	-6.3%	5.8%	5.7%	5.6%	5.5%	4.2%	1.2%	0.0%	1.2%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Water Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

3 Revenues and Expenses

Revenues and Expenses

Water Rate Revenues	\$ 4,452,707	\$ 4,651,765	\$ 5,100,500	\$ 5,614,893	\$ 6,180,215	\$ 6,769,416	\$ 7,283,366	\$ 7,683,833	\$ 7,943,370	\$ 8,348,127
NHCRWA Surcharge Revenue	3,890,421	3,579,032	3,574,859	3,915,824	4,276,038	4,634,694	5,012,451	5,292,809	5,464,665	5,640,879
Non-Rate Revenues	660,150	682,588	705,967	730,334	755,738	777,657	800,307	823,719	847,923	872,950
Total Revenues	9,003,278	8,913,385	9,381,326	10,261,051	11,211,992	12,181,767	13,096,125	13,800,361	14,255,957	14,861,956
Operating Expenses	6,510,304	6,011,460	6,258,303	6,960,484	7,440,556	7,922,644	8,429,882	8,775,761	9,071,453	9,377,736
Net Revenues Available for Capital Outlays/Debt Service	2,492,973	2,901,925	3,123,023	3,300,567	3,771,435	4,259,124	4,666,243	5,024,600	5,184,504	5,484,221
Fund Transfers	1,148,645	1,183,104	1,218,597	1,255,155	1,292,810	1,331,594	1,371,542	1,412,688	1,455,069	1,498,721
Capital Outlays	381,400	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Total Operating Expense/Capital Outlays/Fund Transfers	8,040,349	7,354,564	7,636,900	8,375,640	8,893,366	9,414,238	9,961,424	10,348,449	10,686,522	11,036,457
Net Revenues Available for Debt Service	2,111,573	2,741,925	2,963,023	3,140,567	3,611,435	4,099,124	4,506,243	4,864,600	5,024,504	5,324,221
Debt Service	719,864	654,837	1,196,972	1,633,883	2,163,075	2,383,710	2,383,885	2,383,710	2,383,185	2,383,285
Total Cost of Service	8,760,213	8,009,401	8,833,872	10,009,523	11,056,441	11,797,948	12,345,309	12,732,159	13,069,707	13,419,741
	TRUE									

Contingency--Net Inc/(Dec) in Fund Balance	243,064	903,984	547,454	251,529	155,550	383,819	750,816	1,068,202	1,186,250	1,442,215
Percent of COS	2.8%	11.3%	6.2%	2.5%	1.4%	3.3%	6.1%	8.4%	9.1%	10.7%
	0	-	-	-	-	-	-	-	-	-

Revenue Adequacy Tests

Debt Coverage	3.46	4.43	2.61	2.02	1.74	1.79	1.96	2.11	2.18	2.30
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**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Water Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

5 Total Accounts

Water Accounts

Total Accounts	5,669	5,923	6,188	6,465	6,753	7,001	7,258	7,524	7,798	8,082
New Accounts	-	254	265	276	288	249	257	265	274	284
Avg. Annual Growth Rate		4.49%	4.47%	4.46%	4.46%	3.68%	3.67%	3.66%	3.65%	3.64%

6 Annual Volume

Water Volume

Residential	432,470,869	454,094,413	476,799,134	500,639,090	525,671,045	546,697,887	568,565,802	591,308,434	614,960,772	639,559,202
Commercial	452,353,833	465,999,499	479,645,165	493,290,832	506,936,498	520,582,164	534,227,830	547,873,496	561,519,162	575,164,828
Municipal	8,930,685	9,051,370	9,172,055	9,292,740	9,413,425	9,534,110	9,654,795	9,775,479	9,896,164	10,016,849
ResidentialOutside	-	-	-	-	-	-	-	-	-	-
CommericalOutside	-	-	-	-	-	-	-	-	-	-
HMW SUD Wholesale	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897
Bulk Water Sales	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	903,280,285	938,670,179	975,141,251	1,012,747,559	1,051,545,864	1,086,339,057	1,121,973,324	1,158,482,307	1,195,900,996	1,234,265,777

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

1 Wastewater Rates

Wastewater Rates -- Residential

Base Charge	\$	10.23	\$	10.23	\$	10.25	\$	13.15	\$	16.85	\$	21.60	\$	25.95	\$	27.25	\$	27.80	\$	27.80	\$	28.40
Usage Charge	-	Above	3.57	3.57	3.57	4.57	5.85	7.49	8.98	9.43	9.62	9.62	9.81									

Wastewater Rates -- Commercial

Base Charge																							
	5/8"	\$	24.91	\$	24.91	\$	24.95	\$	31.95	\$	40.90	\$	52.40	\$	62.90	\$	66.05	\$	67.40	\$	67.40	\$	68.75
	3/4"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	1"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	1 1/2"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	2"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	3"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	4"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75
	6"		24.91		24.91		24.95		31.95		40.90		52.40		62.90		66.05		67.40		67.40		68.75

Volume Rate Per 1,000 Gal																							
	-	\$	4.53	\$	4.53	\$	4.53	\$	5.80	\$	7.42	\$	9.50	\$	11.40	\$	11.97	\$	12.21	\$	12.21	\$	12.45
	5,001	51,000	5.65	5.65	5.65	7.23	9.26	11.85	14.22	14.93	15.23	15.23	15.53										
	51,001	Above	7.07	7.07	7.07	9.05	11.58	14.83	17.79	18.68	19.06	19.06	19.44										
	-	-	-	-	-	-	-	-	-	-	-	-	-										

2 Residential Monthly Bill

5,000 Gal	Total	\$	28.08	\$	28.08	\$	28.10	\$	36.00	\$	46.10	\$	59.03	\$	70.87	\$	74.42	\$	75.91	\$	75.91	\$	77.47
WW only	Increase -- \$																						
	Increase -- %																						
10,000 Gal	Total		45.93		45.93		45.95		58.85		75.34		96.47		115.79		121.58		124.02		124.02		126.55
WW only	Increase -- \$																						
	Increase -- %																						
20,000 Gal	Total		81.63		81.63		81.65		104.54		133.83		171.34		205.63		215.92		220.24		220.24		224.69
WW only	Increase -- \$																						
	Increase -- %																						

2.1 Commercial Monthly Bill

25,000 Gal	Total	\$	135.65	\$	135.65	\$	160.60	\$	205.58	\$	263.15	\$	336.88	\$	404.27	\$	424.49	\$	433.01	\$	433.01	\$	441.67
	Increase -- \$																						
	Increase -- %																						
50,000 Gal	Total	\$	276.90	\$	276.90	\$	301.85	\$	386.38	\$	494.57	\$	633.10	\$	759.74	\$	797.73	\$	813.72	\$	813.72	\$	829.99
	Increase -- \$																						
	Increase -- %																						

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

3 Fund Balance, Revenues and Expenses

Beginning Water & Sewer Fund Balance	\$ 10,418,981	\$ 6,986,711	\$ 6,765,598	\$ 6,134,447	\$ 4,978,363	\$ 4,257,864	\$ 4,282,870	\$ 4,867,064	\$ 6,427,808	\$ 8,567,240
Revenues and Expenses										
WW Rate Revenues	3,053,766	3,222,398	4,253,016	5,715,291	7,680,247	9,721,173	10,822,395	11,617,199	12,218,234	13,068,297
Non-Rate Revenues	175,150	175,157	175,164	175,171	175,179	175,185	175,192	175,199	175,206	175,214
Total Revenues	3,228,916	3,397,555	4,428,180	5,890,462	7,855,426	9,896,358	10,997,587	11,792,398	12,393,440	13,243,511
Operating Expenses	2,067,508	1,796,051	1,872,383	2,128,575	2,219,772	2,313,423	2,411,679	2,514,809	2,623,099	2,736,852
Net Revenues Available for Capital Outlays/Debt Service	1,161,408	1,601,504	2,555,797	3,761,887	5,635,653	7,582,936	8,585,907	9,277,588	9,770,342	10,506,659
Fund Transfers	977,286	955,105	983,758	1,013,271	1,043,669	1,074,979	1,107,228	1,140,445	1,174,659	1,209,898
Capital Outlays	980,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Total Operating Expense/Capital Outlays/Fund Transfers	4,024,794	3,076,156	3,181,141	3,466,845	3,588,442	3,713,402	3,843,908	3,980,255	4,122,757	4,271,750
Net Revenues Available for Debt Service	181,408	1,276,504	2,230,797	3,436,887	5,310,653	7,257,936	8,260,907	8,952,588	9,445,342	10,181,659
Debt Service	2,879,456	1,446,496	2,425,644	3,831,229	5,143,034	6,541,770	7,320,301	7,319,601	7,317,501	7,317,901
Total Cost of Service	6,904,251	4,522,651	5,606,785	7,298,075	8,731,475	10,255,172	11,164,209	11,299,855	11,440,258	11,589,651
Drawdown of Fund Balance for Capital Projects										
Contingency--Net Inc/(Dec) in Fund Balance	(3,675,335)	(1,125,096)	(1,178,605)	(1,407,613)	(876,049)	(358,813)	(166,622)	492,542	953,182	1,653,859
Percent of COS	-53.2%	-24.9%	-21.0%	-19.3%	-10.0%	-3.5%	-1.5%	4.4%	8.3%	14.3%
Ending Water & Sewer Fund Balance	6,986,711	6,765,598	6,134,447	4,978,363	4,257,864	4,282,870	4,867,064	6,427,808	8,567,240	11,663,314

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary
Scenario: 2024 01 15 -- Scenario I -- "Fully Fund CIP"

5 Total Accounts

Wastewater Accounts

Total Accounts	4,425	4,645	4,876	5,118	5,372	5,639	5,919	6,213	6,522	6,847
New Accounts	-	220	231	242	254	267	280	294	309	325
Avg. Annual Growth Rate		4.97%	4.97%	4.96%	4.96%	4.97%	4.97%	4.97%	4.97%	4.98%

6 Annual Volume

Wastewater Billing Units

Residential	231,209,391	242,776,359	254,928,173	267,664,835	281,051,326	295,087,646	309,838,779	325,304,725	341,550,466	358,640,986
Commercial	279,395,015	293,381,822	308,050,913	323,402,288	339,435,946	356,493,028	374,232,394	392,995,185	412,781,401	433,591,042
Municipal	2,887,894	3,010,992	3,134,091	3,257,190	3,380,288	3,503,387	3,626,486	3,749,584	3,872,683	3,995,782
Residential Sewer Only	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659
Commercial Sewer Only	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	516,497,667	542,174,541	569,118,546	597,329,680	626,872,927	658,089,429	690,703,027	725,054,862	761,209,918	799,233,178

Appendix A-2



City of Tomball

Ten Year Rate Analysis and Pro Forma

Fiscal Years 2023 - 2032



Utility System

- Water
- Sewer
- Combined

Dashboard

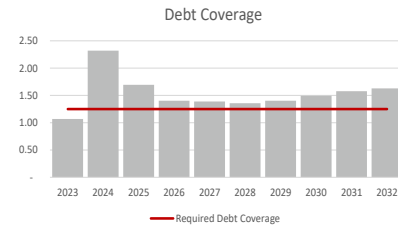
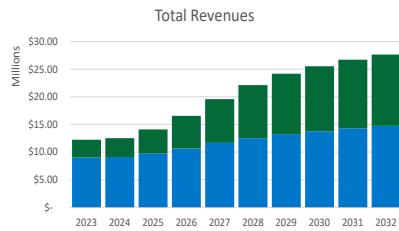
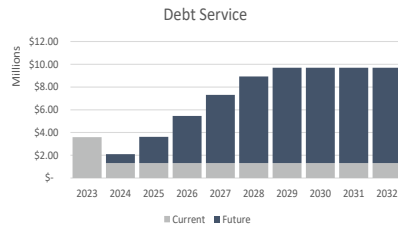
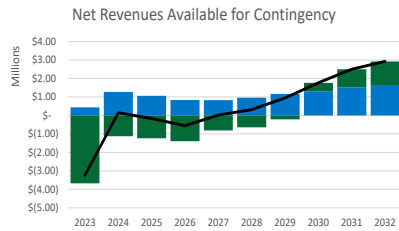
- Projections
- Bill Comparison
- Comparable Utilities

Customer Class

- All Classes

Years

- 10
- 5



Water Sewer Combined Projections

	Jan-23	Dec-23	Oct-24	Oct-25	Oct-26	Oct-27	Oct-28	Oct-29	Oct-30	Oct-31
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Water Rate Adjustments										
Base Charge	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	2.00%	0.00%	2.00%	0.00%
Volume Charge	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	2.00%	0.00%	2.00%	0.00%
NHCRWA Surcharge	-11.00%	0.00%	4.00%	5.00%	4.00%	4.00%	4.00%	4.00%	1.00%	1.00%
	0	0.04	0.04	0.05	0.04	0.04	0.04	0.04	0.01	0.01
Sewer Rate Adjustments										
Base Charge	0.00%	0.00%	20.00%	20.00%	20.00%	10.00%	3.00%	0.00%	3.00%	0.00%
Volume Charge	0.00%	0.00%	20.00%	20.00%	20.00%	10.00%	3.00%	0.00%	3.00%	0.00%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

1 Water and Wastewater Rates

Water Rates -- Residential - Inside

Monthly Base Charge - Current

10,000
10,001 15,000
15,001 Above

Specific To Usage Tier Per City Ordinance (see comment)

\$	10.90	\$	10.90	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	12.54		12.54		-		-		-		-		-		-		-		-
	14.42		14.42		-		-		-		-		-		-		-		-

Monthly Base Charge - Proposed

5/8"
3/4"
1"
1 1/2"
2"
3"
4"
6"

\$	-	\$	-	\$	12.10	\$	12.50	\$	12.90	\$	13.30	\$	13.70	\$	14.00	\$	14.00	\$	14.30	\$	14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30
	-		-		12.10		12.50		12.90		13.30		13.70		14.00		14.00		14.30		14.30

Volume Rate Per 1,000 Gal

10,000
10,001 15,000
15,001 Above
-
-

\$	3.02	\$	3.02	\$	3.02	\$	3.11	\$	3.20	\$	3.30	\$	3.40	\$	3.47	\$	3.47	\$	3.54	\$	3.54
	3.77		3.77		3.77		3.88		4.00		4.12		4.24		4.33		4.33		4.41		4.41
	4.72		4.72		4.72		4.86		5.01		5.16		5.31		5.42		5.42		5.53		5.53
	-		-		-		-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-		-		-		-

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal

\$	4.60	\$	4.10	\$	3.60	\$	3.80	\$	4.00	\$	4.20	\$	4.40	\$	4.61	\$	4.61	\$	4.61	\$	4.61
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Wastewater Rates -- Residential

Base Charge	\$	10.23	\$	10.23	\$	10.25	\$	12.30	\$	14.80	\$	17.80	\$	19.60	\$	20.20	\$	20.20	\$	20.85	\$	20.85
Usage Chg	-	Above	3.57	3.57	3.57	4.28	5.14	6.17	6.79	6.99	6.99	7.20	7.20	-	-	-	-	-	-	-	-	-

2 Residential - Inside W & WW Monthly Bill

5,000 Gal W & WW	Total	\$	54.08	\$	54.08	\$	55.30	\$	61.77	\$	69.42	\$	78.44	\$	84.22	\$	86.48	\$	86.48	\$	88.83	\$	88.83
NHCRWA Surcharge			23.00		20.50		18.00		19.01		20.02		21.02		22.02		23.04		23.04		23.04		23.04
Total		\$	77.08	\$	74.58	\$	73.30	\$	80.78	\$	89.44	\$	99.46	\$	106.25	\$	109.52	\$	109.52	\$	111.87	\$	111.87
	Increase -- \$				(2.50)		(1.28)		7.48		8.66		10.02		6.79		3.27		-		2.35		-
	Increase -- %				-3.2%		-1.7%		10.2%		10.7%		11.2%		6.8%		3.1%		0.0%		2.1%		0.0%
10,000 Gal W & 5,000 Gal WW	Total		69.18		69.18		70.40		77.33		85.44		94.95		101.22		103.82		103.82		106.51		106.51
NHCRWA Surcharge			46.00		41.00		36.00		38.02		40.03		42.03		44.05		46.08		46.08		46.08		46.08
Total		\$	115.18	\$	110.18	\$	106.40	\$	115.34	\$	125.47	\$	136.98	\$	145.27	\$	149.89	\$	149.89	\$	152.59	\$	152.59
	Increase -- \$				(5.00)		(3.78)		8.94		10.13		11.50		8.29		4.62		-		2.69		-
	Increase -- %				-4.3%		-3.4%		8.4%		8.8%		9.2%		6.1%		3.2%		0.0%		1.8%		0.0%
30,000 Gal W & 8,000 Gal WW	Total		173.06		173.06		170.76		182.52		195.98		211.42		222.48		227.71		227.71		233.08		233.08
NHCRWA Surcharge			138.00		123.00		108.00		114.05		120.09		126.10		132.15		138.23		138.23		138.23		138.23
Total		\$	311.06	\$	296.06	\$	278.76	\$	296.57	\$	316.07	\$	337.51	\$	354.63	\$	365.93	\$	365.93	\$	371.31	\$	371.31
	Increase -- \$				(15.00)		(17.30)		17.81		19.50		21.44		17.12		11.31		-		5.38		-
	Increase -- %				-4.8%		-5.8%		6.4%		6.6%		6.8%		5.1%		3.2%		0.0%		1.5%		0.0%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

3 Fund Balance, Revenues and Expenses

Beginning Water & Sewer Fund Balance	\$ 10,418,981	\$ 7,177,529	\$ 7,326,719	\$ 7,159,430	\$ 6,604,434	\$ 6,619,643	\$ 6,932,234	\$ 7,877,942	\$ 9,643,348	\$ 12,143,097
Revenues and Expenses										
Water Rate Revenues	4,452,707	4,651,765	4,968,595	5,314,817	5,683,150	6,047,434	6,376,846	6,593,942	6,931,753	7,164,100
NHCRWA Surcharge Revenue	3,890,421	3,579,032	3,574,859	3,915,824	4,276,038	4,634,694	5,012,451	5,292,809	5,464,665	5,640,879
WW Rate Revenues	3,053,766	3,222,398	4,003,580	5,044,890	6,356,083	7,389,383	8,031,639	8,452,794	9,122,590	9,603,213
Non-Rate Revenues	835,300	1,053,220	1,543,436	2,276,915	3,269,491	4,057,673	4,778,649	5,190,983	5,215,194	5,240,229
Total Revenues	12,232,193	12,506,415	14,090,471	16,552,446	19,584,762	22,129,185	24,199,586	25,530,528	26,734,202	27,648,421
Operating Expenses	8,386,994	7,632,684	7,947,788	8,888,904	9,441,965	9,999,541	10,585,922	11,023,678	11,419,039	11,830,236
Net Revenues Available for Capital Outlays/Debt Service/Transfers	3,845,199	4,873,732	6,142,682	7,663,542	10,142,797	12,129,644	13,613,664	14,506,850	15,315,163	15,818,185
Fund Transfers	2,125,931	2,138,209	2,202,355	2,268,426	2,336,479	2,406,573	2,478,771	2,553,134	2,629,728	2,708,619
Capital Outlays	1,361,400	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000	485,000
Total Transfers and Capital Outlays	3,487,331	2,623,209	2,687,355	2,753,426	2,821,479	2,891,573	2,963,771	3,038,134	3,114,728	3,193,619
Total Operating Expense/Transfers/Capital Outlays	11,874,326	10,255,893	10,635,144	11,642,330	12,263,444	12,891,114	13,549,692	14,061,811	14,533,767	15,023,855
Net Revenues Available for Debt Service	2,483,799	4,388,732	5,657,682	7,178,542	9,657,797	11,644,644	13,128,664	14,021,850	14,830,163	15,333,185
Debt Service	3,599,320	2,101,332	3,622,616	5,465,112	7,306,109	8,925,480	9,704,186	9,703,311	9,700,686	9,701,186
Total Cost of Service	15,473,646	12,357,225	14,257,760	17,107,442	19,569,552	21,816,594	23,253,878	23,765,122	24,234,452	24,725,041
	TRUE	-	-	-	-	-	-	-	-	-
Scenario I										
Contingency--Net Inc/(Dec) in Fund Balance	(3,241,452)	149,190	(167,289)	(554,996)	15,210	312,591	945,708	1,765,406	2,499,749	2,923,380
Percent of COS	-20.9%	1.2%	-1.2%	-3.2%	0.1%	1.4%	4.1%	7.4%	10.3%	11.8%
Drawdown of Fund Balance for Capital Projects	-	-	-	-	-	-	-	-	-	-
Ending Water & Sewer Fund Balance	7,177,529	7,326,719	7,159,430	6,604,434	6,619,643	6,932,234	7,877,942	9,643,348	12,143,097	15,066,477
Revenue Adequacy Tests										
Debt Coverage (Goal is 1.50 -- 1.25 is required)	1.07	2.32	1.70	1.40	1.39	1.36	1.40	1.50	1.58	1.63
Target Level Fund Balance = 18% of Op. Exp.	46.4%	59.3%	50.2%	38.6%	33.8%	31.8%	33.9%	40.6%	50.1%	60.9%
Days of Expenditures in Working Capital/Fund Balance	169	216	183	141	123	116	124	148	183	222

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

4 Total Accounts

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<u>Water Accounts</u>										
Total Accounts	5,669	5,923	6,188	6,465	6,753	7,001	7,258	7,524	7,798	8,082
New Accounts	-	254	265	276	288	249	257	265	274	284
Avg. Annual Growth Rate		4.49%	4.47%	4.46%	4.46%	3.68%	3.67%	3.66%	3.65%	3.64%
<u>Wastewater Accounts</u>										
Total Accounts	4,425	4,645	4,876	5,118	5,372	5,639	5,919	6,213	6,522	6,847
New Accounts	-	220	231	242	254	267	280	294	309	325
Avg. Annual Growth Rate		4.97%	4.97%	4.96%	4.96%	4.97%	4.97%	4.97%	4.97%	4.98%

5 Annual Volume

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<u>Water Volume</u>										
Residential	432,470,869	454,094,413	476,799,134	500,639,090	525,671,045	546,697,887	568,565,802	591,308,434	614,960,772	639,559,202
Commercial	452,353,833	465,999,499	479,645,165	493,290,832	506,936,498	520,582,164	534,227,830	547,873,496	561,519,162	575,164,828
Municipal	8,930,685	9,051,370	9,172,055	9,292,740	9,413,425	9,534,110	9,654,795	9,775,479	9,896,164	10,016,849
ResidentialOutside	-	-	-	-	-	-	-	-	-	-
CommericalOutside	-	-	-	-	-	-	-	-	-	-
HMW SUD Wholesale	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897
Bulk Water Sales	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	903,280,285	938,670,179	975,141,251	1,012,747,559	1,051,545,864	1,086,339,057	1,121,973,324	1,158,482,307	1,195,900,996	1,234,265,777
<u>Wastewater Billing Units</u>										
Residential	231,209,391	242,776,359	254,928,173	267,664,835	281,051,326	295,087,646	309,838,779	325,304,725	341,550,466	358,640,986
Commercial	279,395,015	293,381,822	308,050,913	323,402,288	339,435,946	356,493,028	374,232,394	392,995,185	412,781,401	433,591,042
Municipal	2,887,894	3,010,992	3,134,091	3,257,190	3,380,288	3,503,387	3,626,486	3,749,584	3,872,683	3,995,782
Residential Sewer Only	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659
Commercial Sewer Only	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	516,497,667	542,174,541	569,118,546	597,329,680	626,872,927	658,089,429	690,703,027	725,054,862	761,209,918	799,233,178

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Revenue and Expense Summary
Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

1 Total Utility Fund Balance, Revenues and Expenses																				
Beginning Fund Balance	\$	10,418,981	\$	7,177,529	\$	7,326,719	\$	7,159,430	\$	6,604,434	\$	6,619,643	\$	6,932,234	\$	7,877,942	\$	9,643,348	\$	12,143,097
Revenues and Expenses																				
Water Rate Revenues		4,452,707		4,651,765		4,968,595		5,314,817		5,683,150		6,047,434		6,376,846		6,593,942		6,931,753		7,164,100
NCHRWA Surcharge Revenue		3,890,421		3,579,032		3,574,859		3,915,824		4,276,038		4,634,694		5,012,451		5,292,809		5,464,665		5,640,879
WW Rate Revenues		3,053,766		3,222,398		4,003,580		5,044,890		6,356,083		7,389,383		8,031,639		8,452,794		9,122,590		9,603,213
Non-Rate Revenues		835,300		1,053,220		1,543,436		2,276,915		3,269,491		4,057,673		4,778,649		5,190,983		5,215,194		5,240,229
Total Revenues		12,232,193		12,506,415		14,090,471		16,552,446		19,584,762		22,129,185		24,199,586		25,530,528		26,734,202		27,648,421
Cost of Service																				
Personnel		2,219,124		2,293,779		2,383,807		2,910,892		3,027,122		3,149,151		3,277,338		3,412,068		3,553,752		3,702,833
Operating		2,313,348		1,807,393		1,869,452		1,934,880		2,003,889		2,072,560		2,144,660		2,220,380		2,299,921		2,383,499
NHCRWA		3,854,523		3,531,512		3,694,529		4,043,132		4,410,954		4,777,829		5,163,923		5,391,230		5,565,365		5,743,903
Total Operating		8,386,994		7,632,684		7,947,788		8,888,904		9,441,965		9,999,541		10,585,922		11,023,678		11,419,039		11,830,236
Net Revenues for Transfer, Cap Outlays, Debt Service		3,845,199		4,873,732		6,142,682		7,663,542		10,142,797		12,129,644		13,613,664		14,506,850		15,315,163		15,818,185
Fund Transfer		2,125,931		2,138,209		2,202,355		2,268,426		2,336,479		2,406,573		2,478,771		2,553,134		2,629,728		2,708,619
Capital Outlays		1,361,400		485,000		485,000		485,000		485,000		485,000		485,000		485,000		485,000		485,000
Debt Service		3,599,320		2,101,332		3,622,616		5,465,112		7,306,109		8,925,480		9,704,186		9,703,311		9,700,686		9,701,186
Total Cost of Service		15,473,646		12,357,225		14,257,760		17,107,442		19,569,552		21,816,594		23,253,878		23,765,122		24,234,452		24,725,041
Contingency--Net Revenues		(3,241,452)		149,190		(167,289)		(554,996)		15,210		312,591		945,708		1,765,406		2,499,749		2,923,380
Percent of COS		-26.5%		1.2%		-1.2%		-3.4%		0.1%		1.4%		3.9%		6.9%		9.4%		10.6%
Ending Fund Balance		7,177,529		7,326,719		7,159,430		6,604,434		6,619,643		6,932,234		7,877,942		9,643,348		12,143,097		15,066,477
Revenue Adequacy Tests																				
Debt Coverage		1.07		2.32		1.70		1.40		1.39		1.36		1.40		1.50		1.58		1.63
Days of Expenditures in Working Capital/Fund Balance		169		216		183		141		123		116		124		148		183		222

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Revenue and Expense Summary
Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

2 WATER Utility Revenues and Expenses

Revenues and Expenses

Water Rate Revenues	\$	4,452,707	\$	4,651,765	\$	4,968,595	\$	5,314,817	\$	5,683,150	\$	6,047,434	\$	6,376,846	\$	6,593,942	\$	6,931,753	\$	7,164,100
NHCRWA Surcharge Revenue		3,890,421		3,579,032		3,574,859		3,915,824		4,276,038		4,634,694		5,012,451		5,292,809		5,464,665		5,640,879
Non-Rate Revenues		660,150		878,063		1,172,797		1,415,545		1,705,620		1,837,594		1,860,244		1,883,656		1,907,860		1,932,887
Total Revenues		9,003,278		9,108,860		9,716,251		10,646,186		11,664,808		12,519,722		13,249,542		13,770,407		14,304,278		14,737,866

Cost of Service

Personnel		1,316,284		1,360,559		1,413,939		1,726,555		1,795,468		1,867,819		1,943,819		2,023,696		2,107,694		2,196,075
Operating		1,148,679		944,562		966,937		990,642		1,015,770		1,040,470		1,066,501		1,093,943		1,122,881		1,153,405
NHCRWA		3,854,523		3,531,512		3,694,529		4,043,132		4,410,954		4,777,829		5,163,923		5,391,230		5,565,365		5,743,903
Total Operating	TRUE	6,319,486		5,836,633		6,075,405		6,760,329		7,222,192		7,686,118		8,174,243		8,508,868		8,795,940		9,093,384
Net Revenues for Transfer, Cap Outlays, Debt Service		2,683,791		3,272,227		3,640,846		3,885,856		4,442,616		4,833,604		5,075,299		5,261,539		5,508,337		5,644,482

Transfers		1,148,645		1,183,104		1,218,597		1,255,155		1,292,810		1,331,594		1,371,542		1,412,688		1,455,069		1,498,721
Capital Outlays		381,400		160,000		160,000		160,000		160,000		160,000		160,000		160,000		160,000		160,000
Debt Service		719,864		654,837		1,196,972		1,633,883		2,163,075		2,383,710		2,383,885		2,383,710		2,383,185		2,383,285

Total Cost of Service	TRUE	8,569,395		7,834,574		8,650,974		9,809,368		10,838,077		11,561,422		12,089,670		12,465,267		12,794,194		13,135,390
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Contingency--Net Revenues		433,882		1,274,286		1,065,277		836,818		826,731		958,300		1,159,872		1,305,140		1,510,083		1,602,476
Percent of COS		4.8%		14.0%		11.0%		7.9%		7.1%		7.7%		8.8%		9.5%		10.6%		10.9%
Debt Coverage		3.73		5.00		3.04		2.38		2.05		2.03		2.13		2.21		2.31		2.37
		30.60%		30.05%		27.16%		24.23%		21.48%		19.82%		19.04%		18.78%		18.13%		17.88%

3 WASTEWATER Utility Revenues and Expenses

Revenues and Expenses

Wastewater Rate Revenues	\$	3,053,766	\$	3,222,398	\$	4,003,580	\$	5,044,890	\$	6,356,083	\$	7,389,383	\$	8,031,639	\$	8,452,794	\$	9,122,590	\$	9,603,213
Non-Rate Revenues		175,150		175,157		370,639		861,371		1,563,871		2,220,080		2,918,404		3,307,327		3,307,334		3,307,342
Total Revenues		3,228,916		3,397,555		4,374,219		5,906,261		7,919,954		9,609,463		10,950,044		11,760,121		12,429,924		12,910,555

Cost of Service

Personnel		902,840		933,221		969,868		1,184,337		1,231,654		1,281,332		1,333,520		1,388,372		1,446,059		1,506,758
Operating		1,164,668		862,830		902,515		944,237		988,119		1,032,091		1,078,160		1,126,437		1,177,040		1,230,094
Total Operating		2,067,508		1,796,051		1,872,383		2,128,575		2,219,772		2,313,423		2,411,679		2,514,809		2,623,099		2,736,852
Net Revenues for Transfer, Cap Outlays, Debt Service		1,161,408		1,601,504		2,501,836		3,777,686		5,700,181		7,296,040		8,538,364		9,245,311		9,806,825		10,173,703

Transfers		977,286		955,105		983,758		1,013,271		1,043,669		1,074,979		1,107,228		1,140,445		1,174,659		1,209,898
Capital Outlays		980,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000		325,000
Debt Service		2,879,456		1,446,496		2,425,644		3,831,229		5,143,034		6,541,770		7,320,301		7,319,601		7,317,501		7,317,901

Total Cost of Service		6,904,251		4,522,651		5,606,785		7,298,075		8,731,475		10,255,172		11,164,209		11,299,855		11,440,258		11,589,651
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Contingency--Net Revenues		(3,675,335)		(1,125,096)		(1,232,566)		(1,391,814)		(811,521)		(645,709)		(214,165)		460,265		989,666		1,320,904
Percent of COS		-113.8%		-33.1%		-28.2%		-23.6%		-10.2%		-6.7%		-2.0%		3.9%		8.0%		10.2%
Debt Coverage	Com	0.40		1.11		1.03		0.99		1.11		1.12		1.17		1.26		1.34		1.39

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

1 Water Rates

Water Rates -- Residential

Monthly Base Charge

-	10,000	\$ 11.55	\$ 11.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,001	15,000	13.29	13.29	-	-	-	-	-	-	-	-	-	-	-	-	-
15,001	Above	15.29	15.29	-	-	-	-	-	-	-	-	-	-	-	-	-
5/8"		-	-	\$ 12.10	\$ 12.50	\$ 12.90	\$ 13.30	\$ 13.70	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.30	\$ 14.30	\$ 14.30	\$ 14.30
3/4"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
1"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
1 1/2"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
2"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
3"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
4"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30
6"		-	-	12.10	12.50	12.90	13.30	13.70	14.00	14.00	14.00	14.00	14.30	14.30	14.30	14.30

Volume Rate Per 1,000 Gal

-	10,000	\$ 3.02	\$ 3.02	\$ 3.02	\$ 3.11	\$ 3.20	\$ 3.30	\$ 3.40	\$ 3.47	\$ 3.47	\$ 3.47	\$ 3.47	\$ 3.54	\$ 3.54	\$ 3.54	\$ 3.54
10,001	15,000	3.77	3.77	3.77	3.88	4.00	4.12	4.24	4.33	4.33	4.33	4.33	4.41	4.41	4.41	4.41
15,001	Above	4.72	4.72	4.72	4.86	5.01	5.16	5.31	5.42	5.42	5.42	5.42	5.53	5.53	5.53	5.53
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal	\$ 4.60	\$ 4.10	\$ 3.60	\$ 3.80	\$ 4.00	\$ 4.20	\$ 4.40	\$ 4.40	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61
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Water Rates -- Commercial

Base Charge - Current

-	5,000	\$ 19.56	\$ 19.56	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,001	50,000	31.48	31.48	-	-	-	-	-	-	-	-	-	-	-	-	-
51,001	Above	55.11	55.11	-	-	-	-	-	-	-	-	-	-	-	-	-

Base Charge - Proposed

5/8"		-	-	\$ 27.45	\$ 28.30	\$ 29.15	\$ 30.05	\$ 31.00	\$ 31.65	\$ 31.65	\$ 31.65	\$ 31.65	\$ 32.30	\$ 32.30	\$ 32.30	\$ 32.30
3/4"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
1"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
1 1/2"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
2"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
3"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
4"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30
6"		-	-	27.45	28.30	29.15	30.05	31.00	31.65	31.65	31.65	31.65	32.30	32.30	32.30	32.30

Volume Rate Per 1,000 Gal

-	5,000	\$ 3.66	\$ 3.66	\$ 3.66	\$ 3.77	\$ 3.88	\$ 4.00	\$ 4.12	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.29	\$ 4.29	\$ 4.29	\$ 4.29
5,001	50,000	4.58	4.58	4.58	4.72	4.86	5.00	5.15	5.26	5.26	5.26	5.26	5.36	5.36	5.36	5.36
51,001	Above	5.72	5.72	5.72	5.89	6.07	6.25	6.44	6.57	6.57	6.57	6.57	6.70	6.70	6.70	6.70
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NHCRWA Surcharge 1,000 Gal

Per 1,000 Gal	\$ 4.60	\$ 4.10	\$ 3.60	\$ 3.80	\$ 4.00	\$ 4.20	\$ 4.40	\$ 4.40	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61	\$ 4.61
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**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

2A Residential Inside Monthly Bill

5,000 Gal Water	Total	\$ 26.65	\$ 26.65	\$ 27.20	\$ 28.05	\$ 28.92	\$ 29.80	\$ 30.70	\$ 31.34	\$ 31.34	\$ 31.98	\$ 31.98
NHCRWA Surcharge		23.00	20.50	18.00	19.01	20.02	21.02	22.02	23.04	23.04	23.04	23.04
Total		\$ 49.65	\$ 47.15	\$ 45.20	\$ 47.06	\$ 48.94	\$ 50.82	\$ 52.72	\$ 54.37	\$ 54.37	\$ 55.02	\$ 55.02
	Increase -- \$		\$ (2.50)	\$ (1.95)	\$ 1.86	\$ 1.87	\$ 1.88	\$ 1.90	\$ 1.65	\$ -	\$ 0.65	\$ -
	Increase -- %		-5.0%	-4.1%	4.1%	4.0%	3.8%	3.7%	3.1%	0.0%	1.2%	0.0%
10,000 Gal Water	Total	\$ 41.75	\$ 41.75	\$ 42.30	\$ 43.61	\$ 44.94	\$ 46.30	\$ 47.69	\$ 48.67	\$ 48.67	\$ 49.66	\$ 49.66
NHCRWA Surcharge		46.00	41.00	36.00	38.02	40.03	42.03	44.05	46.08	46.08	46.08	46.08
Total		\$ 87.75	\$ 82.75	\$ 78.30	\$ 81.62	\$ 84.97	\$ 88.33	\$ 91.74	\$ 94.75	\$ 94.75	\$ 95.74	\$ 95.74
	Increase -- \$		\$ (5.00)	\$ (4.45)	\$ 3.32	\$ 3.35	\$ 3.36	\$ 3.41	\$ 3.01	\$ -	\$ 0.99	\$ -
	Increase -- %		-5.7%	-5.4%	4.2%	4.1%	4.0%	3.9%	3.3%	0.0%	1.0%	0.0%
30,000 Gal Water	Total	\$ 135.14	\$ 135.14	\$ 131.95	\$ 135.95	\$ 140.05	\$ 144.26	\$ 148.59	\$ 151.59	\$ 151.59	\$ 154.64	\$ 154.64
NHCRWA Surcharge		138.00	123.00	108.00	114.05	120.09	126.10	132.15	138.23	138.23	138.23	138.23
Total		\$ 273.14	\$ 258.14	\$ 239.95	\$ 249.99	\$ 260.14	\$ 270.36	\$ 280.74	\$ 289.82	\$ 289.82	\$ 292.87	\$ 292.87
	Increase -- \$		\$ (15.00)	\$ (18.19)	\$ 10.04	\$ 10.15	\$ 10.22	\$ 10.38	\$ 9.08	\$ -	\$ 3.05	\$ -
	Increase -- %		-5.5%	-7.0%	4.2%	4.1%	3.9%	3.8%	3.2%	0.0%	1.1%	0.0%

2B Commercial Monthly Bill

25,000 Gal Water	Total	\$ 141.38	\$ 141.38	\$ 137.35	\$ 141.50	\$ 145.74	\$ 150.14	\$ 154.69	\$ 157.82	\$ 157.82	\$ 160.99	\$ 160.99
NHCRWA Surcharge		115.00	102.50	90.00	95.04	100.08	105.08	110.12	115.19	115.19	115.19	115.19
Total		\$ 256.38	\$ 243.88	\$ 227.35	\$ 236.54	\$ 245.82	\$ 255.22	\$ 264.82	\$ 273.01	\$ 273.01	\$ 276.18	\$ 276.18
	Increase -- \$		\$ (12.50)	\$ (16.53)	\$ 9.19	\$ 9.28	\$ 9.40	\$ 9.60	\$ 8.19	\$ -	\$ 3.17	\$ -
	Increase -- %		-4.9%	-6.8%	4.0%	3.9%	3.8%	3.8%	3.1%	0.0%	1.2%	0.0%
50,000 Gal Water	Total	\$ 255.88	\$ 255.88	\$ 251.85	\$ 259.43	\$ 267.22	\$ 275.26	\$ 283.56	\$ 289.27	\$ 289.27	\$ 295.07	\$ 295.07
NHCRWA Surcharge		230.00	205.00	180.00	190.08	200.15	210.16	220.25	230.38	230.38	230.38	230.38
Total		\$ 485.88	\$ 460.88	\$ 431.85	\$ 449.51	\$ 467.37	\$ 485.42	\$ 503.81	\$ 519.65	\$ 519.65	\$ 525.45	\$ 525.45
	Increase -- \$		\$ (25.00)	\$ (29.03)	\$ 17.66	\$ 17.86	\$ 18.05	\$ 18.39	\$ 15.83	\$ -	\$ 5.80	\$ -
	Increase -- %		-5.1%	-6.3%	4.1%	4.0%	3.9%	3.8%	3.1%	0.0%	1.1%	0.0%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

3 Revenues and Expenses

Revenues and Expenses

Water Rate Revenues	\$ 4,452,707	\$ 4,651,765	\$ 4,968,595	\$ 5,314,817	\$ 5,683,150	\$ 6,047,434	\$ 6,376,846	\$ 6,593,942	\$ 6,931,753	\$ 7,164,100
NHCRWA Surcharge Revenue	3,890,421	3,579,032	3,574,859	3,915,824	4,276,038	4,634,694	5,012,451	5,292,809	5,464,665	5,640,879
Non-Rate Revenues	660,150	878,063	1,172,797	1,415,545	1,705,620	1,837,594	1,860,244	1,883,656	1,907,860	1,932,887
Total Revenues	9,003,278	9,108,860	9,716,251	10,646,186	11,664,808	12,519,722	13,249,542	13,770,407	14,304,278	14,737,866
Operating Expenses	6,319,486	5,836,633	6,075,405	6,760,329	7,222,192	7,686,118	8,174,243	8,508,868	8,795,940	9,093,384
Net Revenues Available for Capital Outlays/Debt Service	2,683,791	3,272,227	3,640,846	3,885,856	4,442,616	4,833,604	5,075,299	5,261,539	5,508,337	5,644,482
Fund Transfers	1,148,645	1,183,104	1,218,597	1,255,155	1,292,810	1,331,594	1,371,542	1,412,688	1,455,069	1,498,721
Capital Outlays	381,400	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Total Operating Expense/Capital Outlays/Fund Transfers	7,849,531	7,179,737	7,454,003	8,175,485	8,675,002	9,177,712	9,705,785	10,081,557	10,411,009	10,752,105
Net Revenues Available for Debt Service	2,302,391	3,112,227	3,480,846	3,725,856	4,282,616	4,673,604	4,915,299	5,101,539	5,348,337	5,484,482
Debt Service	719,864	654,837	1,196,972	1,633,883	2,163,075	2,383,710	2,383,885	2,383,710	2,383,185	2,383,285
Total Cost of Service	8,569,395	7,834,574	8,650,974	9,809,368	10,838,077	11,561,422	12,089,670	12,465,267	12,794,194	13,135,390
	TRUE									

Contingency--Net Inc/(Dec) in Fund Balance	433,882	1,274,286	1,065,277	836,818	826,731	958,300	1,159,872	1,305,140	1,510,083	1,602,476
Percent of COS	5.1%	16.3%	12.3%	8.5%	7.6%	8.3%	9.6%	10.5%	11.8%	12.2%
	-	-	-	-	-	-	-	(0)	-	-

Revenue Adequacy Tests

Debt Coverage	3.73	5.00	3.04	2.38	2.05	2.03	2.13	2.21	2.31	2.37
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**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

5 Total Accounts

Water Accounts

Total Accounts	5,669	5,923	6,188	6,465	6,753	7,001	7,258	7,524	7,798	8,082
New Accounts	-	254	265	276	288	249	257	265	274	284
Avg. Annual Growth Rate		4.49%	4.47%	4.46%	4.46%	3.68%	3.67%	3.66%	3.65%	3.64%

6 Annual Volume

Water Volume

Residential	432,470,869	454,094,413	476,799,134	500,639,090	525,671,045	546,697,887	568,565,802	591,308,434	614,960,772	639,559,202
Commercial	452,353,833	465,999,499	479,645,165	493,290,832	506,936,498	520,582,164	534,227,830	547,873,496	561,519,162	575,164,828
Municipal	8,930,685	9,051,370	9,172,055	9,292,740	9,413,425	9,534,110	9,654,795	9,775,479	9,896,164	10,016,849
ResidentialOutside	-	-	-	-	-	-	-	-	-	-
CommericalOutside	-	-	-	-	-	-	-	-	-	-
HMW SUD Wholesale	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897	9,524,897
Bulk Water Sales	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	903,280,285	938,670,179	975,141,251	1,012,747,559	1,051,545,864	1,086,339,057	1,121,973,324	1,158,482,307	1,195,900,996	1,234,265,777

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

1 Wastewater Rates

Wastewater Rates -- Residential

Base Charge		\$	10.23	\$	10.23	\$	10.25	\$	12.30	\$	14.80	\$	17.80	\$	19.60	\$	20.20	\$	20.20	\$	20.85	\$	20.85
Usage Charge	- Above		3.57		3.57		3.57		4.28		5.14		6.17		6.79		6.99		6.99		7.20		7.20

Wastewater Rates -- Commercial

Base Charge		\$	24.91	\$	24.91	\$	24.95	\$	29.95	\$	35.95	\$	43.15	\$	47.50	\$	48.95	\$	48.95	\$	50.45	\$	50.45
	5/8"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	3/4"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	1"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	1 1/2"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	2"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	3"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	4"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45
	6"		24.91		24.91		24.95		29.95		35.95		43.15		47.50		48.95		48.95		50.45		50.45

Volume Rate Per 1,000 Gal		\$	4.53	\$	4.53	\$	4.53	\$	5.44	\$	6.52	\$	7.83	\$	8.61	\$	8.87	\$	8.87	\$	9.14	\$	9.14
	- 5,000		4.53		4.53		4.53		5.44		6.52		7.83		8.61		8.87		8.87		9.14		9.14
	5,001 51,000		5.65		5.65		5.65		6.78		8.14		9.76		10.74		11.06		11.06		11.39		11.39
	51,001 Above		7.07		7.07		7.07		8.48		10.18		12.22		13.44		13.84		13.84		14.26		14.26
	-		-		-		-		-		-		-		-		-		-		-		-

2 Residential Monthly Bill

5,000 Gal	Total	\$	28.08	\$	28.08	\$	28.10	\$	33.72	\$	40.50	\$	48.64	\$	53.53	\$	55.15	\$	55.15	\$	56.85	\$	56.85
WW only	Increase -- \$		-		0.02		5.62		6.78		8.14		4.88		1.62		-		1.70		-		-
	Increase -- %		0.0%		0.1%		20.0%		20.1%		20.1%		10.0%		3.0%		0.0%		3.1%		0.0%		0.0%
10,000 Gal	Total		45.93		45.93		45.95		55.14		66.21		79.49		87.46		90.09		90.09		92.84		92.84
WW only	Increase -- \$		-		0.02		9.19		11.07		13.28		7.97		2.64		-		2.75		-		-
	Increase -- %		0.0%		0.0%		20.0%		20.1%		20.1%		10.0%		3.0%		0.0%		3.0%		0.0%		0.0%
20,000 Gal	Total		81.63		81.63		81.65		97.98		117.62		141.18		155.32		159.99		159.99		164.83		164.83
WW only	Increase -- \$		-		0.02		16.33		19.64		23.56		14.14		4.67		-		4.84		-		-
	Increase -- %		0.0%		0.0%		20.0%		20.0%		20.0%		10.0%		3.0%		0.0%		3.0%		0.0%		0.0%

2.1 Commercial Monthly Bill

25,000 Gal	Total	\$	135.65	\$	135.65	\$	160.60	\$	192.73	\$	231.29	\$	277.55	\$	305.34	\$	314.53	\$	314.53	\$	324.00	\$	324.00
	Increase -- \$		-		24.95		32.13		38.56		46.27		27.79		9.19		-		9.47		-		-
	Increase -- %		0.0%		18.4%		20.0%		20.0%		20.0%		10.0%		3.0%		0.0%		3.0%		0.0%		0.0%
50,000 Gal	Total	\$	276.90	\$	276.90	\$	301.85	\$	362.23	\$	434.69	\$	521.63	\$	573.83	\$	591.07	\$	591.07	\$	608.84	\$	608.84
	Increase -- \$		-		24.95		60.38		72.46		86.95		52.20		17.24		-		17.76		-		-
	Increase -- %		0.0%		9.0%		20.0%		20.0%		20.0%		10.0%		3.0%		0.0%		3.0%		0.0%		0.0%

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary

Scenario: **2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"**

3 Fund Balance, Revenues and Expenses

Beginning Water & Sewer Fund Balance	\$ 10,418,981	\$ 7,177,529	\$ 7,326,719	\$ 7,159,430	\$ 6,604,434	\$ 6,619,643	\$ 6,932,234	\$ 7,877,942	\$ 9,643,348	\$ 12,143,097
Revenues and Expenses										
WW Rate Revenues	3,053,766	3,222,398	4,003,580	5,044,890	6,356,083	7,389,383	8,031,639	8,452,794	9,122,590	9,603,213
Non-Rate Revenues	175,150	175,157	370,639	861,371	1,563,871	2,220,080	2,918,404	3,307,327	3,307,334	3,307,342
Total Revenues	3,228,916	3,397,555	4,374,219	5,906,261	7,919,954	9,609,463	10,950,044	11,760,121	12,429,924	12,910,555
Operating Expenses	2,067,508	1,796,051	1,872,383	2,128,575	2,219,772	2,313,423	2,411,679	2,514,809	2,623,099	2,736,852
Net Revenues Available for Capital Outlays/Debt Service	1,161,408	1,601,504	2,501,836	3,777,686	5,700,181	7,296,040	8,538,364	9,245,311	9,806,825	10,173,703
Fund Transfers	977,286	955,105	983,758	1,013,271	1,043,669	1,074,979	1,107,228	1,140,445	1,174,659	1,209,898
Capital Outlays	980,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Total Operating Expense/Capital Outlays/Fund Transfers	4,024,794	3,076,156	3,181,141	3,466,845	3,588,442	3,713,402	3,843,908	3,980,255	4,122,757	4,271,750
Net Revenues Available for Debt Service	181,408	1,276,504	2,176,836	3,452,686	5,375,181	6,971,040	8,213,364	8,920,311	9,481,825	9,848,703
Debt Service	2,879,456	1,446,496	2,425,644	3,831,229	5,143,034	6,541,770	7,320,301	7,319,601	7,317,501	7,317,901
Total Cost of Service	6,904,251	4,522,651	5,606,785	7,298,075	8,731,475	10,255,172	11,164,209	11,299,855	11,440,258	11,589,651
Drawdown of Fund Balance for Capital Projects										
Contingency--Net Inc/(Dec) in Fund Balance	(3,675,335)	(1,125,096)	(1,232,566)	(1,391,814)	(811,521)	(645,709)	(214,165)	460,265	989,666	1,320,904
Percent of COS	-53.2%	-24.9%	-22.0%	-19.1%	-9.3%	-6.3%	-1.9%	4.1%	8.7%	11.4%
Ending Water & Sewer Fund Balance	7,177,529	7,326,719	7,159,430	6,604,434	6,619,643	6,932,234	7,877,942	9,643,348	12,143,097	15,066,477

**CITY OF TOMBALL
WATER/WASTEWATER COST OF SERVICE MODEL**

	Current	Current 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
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Forecast Summary
Scenario: 2024 01 15 -- Scenario 2 -- "Fund CIP with Half Rates and Half Tax Revenue"

5 Total Accounts

Wastewater Accounts

Total Accounts	4,425	4,645	4,876	5,118	5,372	5,639	5,919	6,213	6,522	6,847
New Accounts	-	220	231	242	254	267	280	294	309	325
Avg. Annual Growth Rate		4.97%	4.97%	4.96%	4.96%	4.97%	4.97%	4.97%	4.97%	4.98%

6 Annual Volume

Wastewater Billing Units

Residential	231,209,391	242,776,359	254,928,173	267,664,835	281,051,326	295,087,646	309,838,779	325,304,725	341,550,466	358,640,986
Commercial	279,395,015	293,381,822	308,050,913	323,402,288	339,435,946	356,493,028	374,232,394	392,995,185	412,781,401	433,591,042
Municipal	2,887,894	3,010,992	3,134,091	3,257,190	3,380,288	3,503,387	3,626,486	3,749,584	3,872,683	3,995,782
Residential Sewer Only	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659	1,299,659
Commercial Sewer Only	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708	1,705,708
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total System	516,497,667	542,174,541	569,118,546	597,329,680	626,872,927	658,089,429	690,703,027	725,054,862	761,209,918	799,233,178

Appendix B

**CITY OF TOMBALL
GAS COST OF SERVICE MODEL**

Oct-22 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

1 GAS Rates

Residential

Base Charge	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75		
Includes 1,000 Mcf																												
Variable Monthly Charge	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Usage Charge	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75

2 Residential Inside Monthly Bill

3 MCF	Total	Base Charge	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75
		Usage Charge		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50		23.50
		Variable Monthly Ch:		-		-		-		-		-		-		-		-		-		-		-		-		-
		Total		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25		35.25
	Increase			-		-		-		-		-		-		-		-		-		-		-		-		-
5 MCF	Total	Base Charge	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75
		Usage Charge		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00		47.00
		Variable Monthly Ch:		-		-		-		-		-		-		-		-		-		-		-		-		-
		Total		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75		58.75
	Increase			-		-		-		-		-		-		-		-		-		-		-		-		-
10 MCF	Total	Base Charge	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75	\$	11.75
		Usage Charge		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75		105.75
		Variable Monthly Ch:		-		-		-		-		-		-		-		-		-		-		-		-		-
		Total		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50		117.50
	Increase			-		-		-		-		-		-		-		-		-		-		-		-		-

**CITY OF TOMBALL
GAS COST OF SERVICE MODEL**

Oct-22 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary
Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

3 Fund Balance, Revenues and Expenses

Revenues and Expenses

Gas Rate Revenues	\$ 3,365,212	\$ 5,999,389	\$ 7,325,126	\$ 7,414,323	\$ 7,505,751	\$ 7,580,721	\$ 7,657,191	\$ 7,735,190	\$ 7,814,749	\$ 7,895,900
Non-Rate Revenues	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Operating Revenues	3,665,212	6,299,389	7,625,126	7,714,323	7,805,751	7,880,721	7,957,191	8,035,190	8,114,749	8,195,900
Operating Expenses - O&M	\$ 1,249,690	\$ 1,346,521	\$ 1,400,010	\$ 1,456,675	\$ 1,516,800	\$ 1,580,699	\$ 1,648,723	\$ 1,721,260	\$ 1,798,742	\$ 1,881,649
Gas Purchase Cost	1,239,105	2,131,938	2,651,368	2,734,677	2,821,084	2,903,550	2,988,770	3,076,844	3,167,876	3,261,974
Total Operating Expense	2,488,795	3,478,459	4,051,378	4,191,353	4,337,884	4,484,249	4,637,493	4,798,104	4,966,618	5,143,623
Net Revenues Available for Transfers/Capital Outlays/Debt Service	1,176,417	2,820,930	3,573,747	3,522,970	3,467,866	3,396,472	3,319,698	3,237,086	3,148,131	3,052,277
Fund Transfers	823,348	712,854	750,823	791,920	836,479	884,871	937,510	994,860	1,057,437	1,125,820
Capital Outlays	850,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000	765,000
Total Transfers and Capital Outlays	1,673,348	1,477,854	1,515,823	1,556,920	1,601,479	1,649,871	1,702,510	1,759,860	1,822,437	1,890,820
Total Operating Expense/Transfers/Capital Outlays	4,162,143	4,956,314	5,567,201	5,748,273	5,939,363	6,134,120	6,340,003	6,557,964	6,789,055	7,034,443
Net Revenue Available for Debt Service	3,312,143	4,191,314	4,802,201	4,983,273	5,174,363	5,369,120	5,575,003	5,792,964	6,024,055	6,269,443
Debt Service	-	-	-	-	-	-	-	-	-	-
Total Cost of Service	4,162,143	4,956,314	5,567,201	5,748,273	5,939,363	6,134,120	6,340,003	6,557,964	6,789,055	7,034,443
	TRUE									
Contingency--Net Inc(Dec) in Fund Balance	\$ (496,931)	\$ 1,343,075	\$ 2,057,925	\$ 1,966,050	\$ 1,866,387	\$ 1,746,601	\$ 1,617,188	\$ 1,477,226	\$ 1,325,694	\$ 1,161,457
Percent of Revenues	-13.6%	21.3%	27.0%	25.5%	23.9%	22.2%	20.3%	18.4%	16.3%	14.2%

Revenue Adequacy Tests

Debt Coverage	-	-	-	-	-	-	-	-	-	-
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**CITY OF TOMBALL
GAS COST OF SERVICE MODEL**

Oct-22 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032

Forecast Summary
Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

5 Total Accounts

Gas Accounts

Total Accounts	4,109	4,326	4,545	4,771	5,009	5,209	5,417	5,633	5,858	6,092
New Accounts	-	217	219	227	238	200	208	216	225	234
Avg. Annual Growth Rate		5.29%	5.06%	4.99%	4.99%	3.99%	3.99%	3.99%	3.99%	3.99%

6 Annual Volume

Gas Volume

Residential	112,767	115,586	118,476	121,438	124,474	126,963	129,502	132,092	134,734	137,429
Commercial	173,634	180,374	185,175	189,805	194,550	198,441	202,409	206,458	210,587	214,798
Municipal	1,189	1,189	1,189	1,189	1,189	1,189	1,189	1,189	1,189	1,189
Industrial - New	-	179,580	179,580	179,580	179,580	179,580	179,580	179,580	179,580	179,580
Commercial - New	-	35,040	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
Commercial - New	-	-	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
Total System	287,590	511,769	624,580	632,171	639,952	646,333	652,841	659,479	666,250	673,156

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2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

Gas Rates

	Oct-23	Oct-24	Oct-25	Oct-26	Oct-27	Oct-28	Oct-29	Oct-30	Oct-31	Oct-22
Month of Adjustment (October = 1)	3	3	1	1	1	1	1	1	1	1

Ave. Cost to City	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Base Charge Annual Adjustment

Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Municipal	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Industrial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City does not charge Muni Customers

Add to Cost Volumetric Adjustment- Annual

Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Municipal	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Industrial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial - New	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF TOMBALL												
GAS COST OF SERVICE MODEL												
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

Residential

Base Charge			\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750
Variable Monthly Charge			-	-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750
	na	na	-	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-	-

Commercial

Base Charge			\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750
Variable Monthly Charge			-	-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750
	na	na	-	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-	-

Municipal

Base Charge			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Variable Monthly Charge			-	-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	na	na	-	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-	-

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			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

Industrial - New

Base Charge			\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Variable Monthly Charge			-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750
	na	na	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-

Commercial - New

Base Charge			\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Add-on			-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750	11.750
	na	na	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-

Commercial - New

Base Charge			\$ 11.75	\$ 11.750	\$ 11.750	\$ 11.750	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75	\$ 11.75
Add-on			-	-	-	-	-	-	-	-	-	-
Usage Charge	1,001	Above	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75
	na	na	-	-	-	-	-	-	-	-	-	-
	na	na	-	-	-	-	-	-	-	-	-	-

Summary of Results -- Rate Calculator

Revenues Less Revenue Requirement	(496,931)	1,343,075	2,057,925	1,966,050	1,866,387	1,746,601	1,617,188	1,477,226	1,325,694	1,161,457
Debt Coverage	-	-	-	-	-	-	-	-	-	-

CITY OF TOMBALL GAS COST OF SERVICE MODEL										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

GAS Rate Revenues

Residential

Base	\$	519,211	\$	545,172	\$	572,431	\$	601,052	\$	631,105	\$	656,349	\$	682,603	\$	709,907	\$	738,303	\$	767,835
Volume		805,801		812,966		819,660		825,841		831,461		835,468		839,050		842,179		844,825		846,955
Total	\$	1,325,012	\$	1,358,138	\$	1,392,091	\$	1,426,893	\$	1,462,566	\$	1,491,817	\$	1,521,653	\$	1,552,086	\$	1,583,128	\$	1,614,791

Commercial

Base	\$	58,673	\$	63,228	\$	66,594	\$	69,924	\$	73,420	\$	76,357	\$	79,411	\$	82,587	\$	85,891	\$	89,326
Volume		1,981,527		2,056,168		2,109,214		2,160,279		2,212,538		2,255,321		2,298,900		2,343,290		2,388,504		2,434,556
Total	\$	2,040,200	\$	2,119,396	\$	2,175,808	\$	2,230,203	\$	2,285,958	\$	2,331,677	\$	2,378,311	\$	2,425,877	\$	2,474,394	\$	2,523,882

Municipal

Base	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Volume		-		-		-		-		-		-		-		-		-		-
Total	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

Industrial - New

Base	\$	-	\$	71	\$	71	\$	71	\$	71	\$	71	\$	71	\$	71	\$	71	\$	71
Volume		-		2,109,995		2,109,995		2,109,995		2,109,995		2,109,995		2,109,995		2,109,995		2,109,995		2,109,995
Total	\$	-	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065	\$	2,110,065

Commercial - New

Base	\$	-	\$	71	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141
Volume		-		411,720		823,440		823,440		823,440		823,440		823,440		823,440		823,440		823,440
Total	\$	-	\$	411,791	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581

Commercial - New

Base	\$	-	\$	-	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141	\$	141
Volume		-		-		823,440		823,440		823,440		823,440		823,440		823,440		823,440		823,440
Total	\$	-	\$	-	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581	\$	823,581

Total Gas Revenue

	\$	3,365,212	\$	5,999,389	\$	7,325,126	\$	7,414,323	\$	7,505,751	\$	7,580,721	\$	7,657,191	\$	7,735,190	\$	7,814,749	\$	7,895,900
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Less Net Revenue Requirement

		3,862,143		4,656,314		5,267,201		5,448,273		5,639,363		5,834,120		6,040,003		6,257,964		6,489,055		6,734,443
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Net Revenues

		(496,931)		1,343,075		2,057,925		1,966,050		1,866,387		1,746,601		1,617,188		1,477,226		1,325,694		1,161,457
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	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

Coverage Calculation

Revenues

Gas Rate Revenues	\$	3,365,212	\$	5,999,389	\$	7,325,126	\$	7,414,323	\$	7,505,751	\$	7,580,721	\$	7,657,191	\$	7,735,190	\$	7,814,749	\$	7,895,900
Non-Rate Revenues		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>		<u>300,000</u>
		3,665,212		6,299,389		7,625,126		7,714,323		7,805,751		7,880,721		7,957,191		8,035,190		8,114,749		8,195,900

Expenses

Total Gas System Expenses		<u>3,312,143</u>		<u>4,191,314</u>		<u>4,802,201</u>		<u>4,983,273</u>		<u>5,174,363</u>		<u>5,369,120</u>		<u>5,575,003</u>		<u>5,792,964</u>		<u>6,024,055</u>		<u>6,269,443</u>
		3,312,143		4,191,314		4,802,201		4,983,273		5,174,363		5,369,120		5,575,003		5,792,964		6,024,055		6,269,443

Net Revenues Available for Debt Service		353,069		2,108,075		2,822,925		2,731,050		2,631,387		2,511,601		2,382,188		2,242,226		2,090,694		1,926,457
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Debt Service		-		-		-		-		-		-		-		-		-		-
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Debt Coverage		-		-		-		-		-		-		-		-		-		-
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CITY OF TOMBALL											
GAS COST OF SERVICE MODEL											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	

Input Area -- Rates Input

Scenario: 2023 11 20 - Scenario 1 - NG Cost of Service

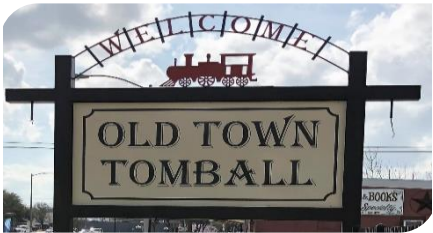
GAS -- Customer and Usage Data

Net Annual Volume after Minimum:

Category	Rate	Usage	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Residential	-	All	100.0%	68,579	69,189	69,758	70,284	70,763	71,104	71,409	71,675	71,900	72,081
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	68,579	69,189	69,758	70,284	70,763	71,104	71,409	71,675	71,900	72,081
Commercial	-	All	100.0%	168,641	174,993	179,508	183,854	188,301	191,942	195,651	199,429	203,277	207,196
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	168,641	174,993	179,508	183,854	188,301	191,942	195,651	199,429	203,277	207,196
Municipal	-	All	100.0%	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067
Industrial - New	-	All	100.0%	-	179,574	179,574	179,574	179,574	179,574	179,574	179,574	179,574	179,574
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	-	179,574	179,574	179,574	179,574	179,574	179,574	179,574	179,574	179,574
Commercial - New	-	All	100.0%	-	35,040	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	-	35,040	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
Commercial - New	-	All MCF	100.0%	-	-	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
	na	na	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	-	-	70,080	70,080	70,080	70,080	70,080	70,080	70,080	70,080
Total				238,286	459,862	570,066	574,939	579,864	583,846	587,860	591,904	595,977	600,078
	1	Above	100.0%	238,286	459,862	570,066	574,939	579,864	583,846	587,860	591,904	595,977	600,078
	15,001	25,000	0.0%	-	-	-	-	-	-	-	-	-	-
	25,001	Above	0.0%	-	-	-	-	-	-	-	-	-	-
			100.0%	238,286	459,862	570,066	574,939	579,864	583,846	587,860	591,904	595,977	600,078

Customer Class Units -- Total Bills

Residential	Total	44,188	46,398	48,717	51,153	53,711	55,859	58,094	60,418	62,834	65,348
Commercial	Total	4,993	5,381	5,668	5,951	6,248	6,498	6,758	7,029	7,310	7,602
Municipal	Total	122	122	122	122	122	122	122	122	122	122
Industrial - New	Total	-	6	6	6	6	6	6	6	6	6
Commercial - New	Total	-	6	12	12	12	12	12	12	12	12
0	Total	-	-	-	-	-	-	-	-	-	-
Total System		49,304	51,913	54,537	57,257	60,112	62,510	65,005	67,599	70,297	73,102



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City Council Meeting

Agenda Item

Data Sheet

Meeting Date: April 15, 2024

Topic:

Approve Resolution 2024-19, a Resolution of the City Council of the City of Tomball, Texas, approving and establishing the 2024 to 2028 Utility Rate Plan as approved in the Utility Rate Study; and Providing an Effective Date.

Background:

Funding was allocated in the FY 2022-2023 budget to complete a utility rate study for water, wastewater, and natural gas rates, and a contract was executed with Willdan Financial Services on April 17, 2023 to prepare the study and report. The study took into consideration all projects identified in the adopted Water and Wastewater Master Plan for capital improvement projects. A draft study was presented to City Council on November 20, 2023 for feedback. Based on discussions, a revised draft was presented on February 19, 2024 to seek final recommendation for implementation of the utility rate plan where direction was given to proportionally fund eligible capital improvement projects through utility rates and impact fees.

Based on Council’s recommendation, Resolution 2024-19 approves and establishing the 2024 to 2028 utility rate pan for water, wastewater, and natural gas to proportionally fund eligible capital improvement projects identified in the Water and Wastewater Master Plan. The proposed rate plan is outlined in the table below.

Water Rates				
Residential	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$12.50	\$12.90	\$13.30	\$13.70
Usage Charge up to 10,000	\$3.11	\$3.20	\$3.30	\$3.40
Usage Charge 10,001-15,000	\$3.88	\$4.00	\$4.12	\$4.24
Usage Charge 15,001 & above	\$4.86	\$5.01	\$5.16	\$5.31
Commercial	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$28.30	\$29.15	\$30.05	\$31.00
Usage Charge up to 5,000	\$3.77	\$3.88	\$4.00	\$4.12
Usage Charge 5,001-50,000	\$4.72	\$4.86	\$5.00	\$5.15
Usage Charge 50,001 & above	\$5.89	\$6.07	\$6.25	\$6.44
Residential Outside	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$18.70	\$19.30	\$19.90	\$20.50
Usage Charge up to 10,000	\$4.67	\$4.81	\$4.95	\$5.10
Usage Charge 10,001-15,000	\$5.82	\$6.00	\$6.18	\$6.36
Usage Charge 15,001 & above	\$7.29	\$7.51	\$7.74	\$7.97
HMW SUD Wholesale	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$95.10	\$98.00	\$100.95	\$104.00
Usage Charge	\$4.36	\$4.49	\$4.62	\$4.76
Bulk Water Sales	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$95.10	\$98.00	\$100.95	\$104.00
Usage Charge	\$5.12	\$5.12	\$5.12	\$5.12

Wastewater Rates				
Residential	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$12.30	\$14.80	\$17.80	\$19.60
Usage Charge	\$4.28	\$5.14	\$6.17	\$6.79
Commercial	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$29.95	\$35.95	\$43.15	\$47.50
Usage Charge up to 5,000	\$5.44	\$6.52	\$7.83	\$8.61
Usage Charge 5,001-50,000	\$6.78	\$8.14	\$9.76	\$10.74
Usage Charge 50,001 & above	\$8.48	\$10.18	\$12.22	\$13.44
Residential – Sewer Only	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$50.35	\$60.45	\$72.55	\$79.85
Commercial – Sewer Only	Oct. 2024	Oct. 2025	Oct. 2026	Oct. 2027
Base Charge	\$83.74	\$100.48	\$120.58	\$132.64

Based on Council’s direction at the Feb. 19 City Council meeting, the proposed rate plan is based on funding 50% of planned and eligible capital improvement projects through utility rates. As discussed with City Council, each year as part of the budget process, the proposed rates will be reviewed and any potential adjustments to the rates can be incorporated into the City’s Master Fee Schedule at that time.

Origination: Project Management

Recommendation:

Staff recommends approving Resolution 2024-19 approving and establishing the 2024 to 2028 utility rate plan as approved in the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo
Staff Member _____ Date _____

Approved by _____
City Manager _____ Date _____

RESOLUTION NO. 2024-19

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS APPROVING AND ESTABLISHING THE 2024
TO 2028 UTILITY RATE PLAN AS APPROVED IN THE UTILITY
RATE STUDY; AND PROVIDING AN EFFECTIVE DATE.**

* * * * *

WHEREAS, the City of Tomball, Texas (the “City”), operates a water, wastewater, and natural gas combined utility system; and

WHEREAS, funding was allocated in the Fiscal Year 2022-2023 budget to complete a new study for water, wastewater, and natural gas rates, and a contract was executed with Willdan Financial Services on April 17, 2023 to prepare the study and report; and

WHEREAS, the results of the study were presented to and discussed with the City Council on November 20, 2023 and February 19, 2024; and; and

WHEREAS, City Council has adopted the 2023 Water, Wastewater, and Natural Gas Rate Study and Long-Term Financial Plan and has provided direction to proportionally fund eligible capital improvement projects through utility rates; and

WHEREAS, The City Council desires to approve the 2024 to 2028 Utility Rate Plan for water and wastewater rates, attached as Exhibit A, to address the City’s growth rate and need to adequately plan, prepare, and provide for the health, safety, and well-being of the City’s citizens; and

WHEREAS, The City Council has determined that it is in the best interest of the public and for the orderly financial and operational administration of the City that the 2024 to 2028 Utility Rate Plan be established by resolution and be updated as necessary; **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS**

Section 1. The findings set forth in the recitals of this Resolution are hereby found to be true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

Section 2. That the City Council of the City of Tomball hereby approves the 2024 to 2028 Utility Rate Plan, attached as Exhibit A, a copy of same being attached hereto and incorporated herein for all purposes.

Section 3. The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered, and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

Section 4. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND RESOLVED this ____ day of April 2024.

Lori Klein Quinn
Mayor

ATTEST:

Tracylynn Garcia
City Secretary

EXHIBIT A

CITY OF TOMBALL PROPOSED WATER/WASTEWATER RATE PLAN										
	Current			Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27			
WATER RATES										
Residential										
Base Charge - Current	-	10,000	\$	11.55	\$	-	\$	-	\$	-
	10,001	15,000		13.29		-		-		-
	15,001	Above		15.29		-		-		-
Base Charge - Proposed			\$	12.07	\$	12.50	\$	12.90	\$	13.30
Base Charge										13.70
Usage Charge	-	10,000		3.02		3.11		3.20		3.30
	10,001	15,000		3.77		3.88		4.00		4.12
	15,001	Above		4.72		4.86		5.01		5.16
										5.31
Commercial										
Base Charge - Current	-	5,000	\$	19.56	\$	-	\$	-	\$	-
	5,001	50,000		31.48		-		-		-
	51,001	Above		55.11		-		-		-
Base Charge - Proposed			\$	27.45	\$	28.30	\$	29.15	\$	30.05
Base Charge										31.00
Usage Charge	-	5,000		3.66		3.77		3.88		4.00
	5,001	50,000		4.58		4.72		4.86		5.00
	51,001	Above		5.72		5.89		6.07		6.25
										6.44
ResidentialOutside										
Base Charge - Proposed			\$	-	\$	18.70	\$	19.30	\$	19.90
Base Charge										20.50
Usage Charge	-	10,000		-		4.67		4.81		4.95
	10,001	15,000		-		5.82		6.00		6.18
	15,001	Above		-		7.29		7.51		7.74
										7.97
HMW SUD Wholesale										
Base Charge			\$	92.27	\$	95.10	\$	98.00	\$	100.95
Base Charge										104.00
Usage Charge	-	10,000		4.23		4.36		4.49		4.62
	10,001	15,000		4.23		4.36		4.49		4.62
	15,001	Above		4.23		4.36		4.49		4.62
										4.76
Bulk Water Sales										
Base Charge			\$	92.27	\$	95.10	\$	98.00	\$	100.95
Base Charge										104.00
Usage Charge	-	10,000		5.12		5.12		5.12		5.12
	10,001	15,000		5.12		5.12		5.12		5.12
	15,001	Above		5.12		5.12		5.12		5.12

CITY OF TOMBALL PROPOSED WATER/WASTEWATER RATE PLAN							Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27
WASTEWATER RATES											
Residential											
Base Charge						10.23	12.30	14.80	17.80	19.60	
Usage Charge	-	Above				3.57	4.28	5.14	6.17	6.79	
Commercial											
Base Charge - Current	-	5,000	\$	-	\$	-	-	-	-	-	
	5,001	51,000		-		-	-	-	-	-	
	51,001	Above		-		-	-	-	-	-	
Base Charge - Proposed						24.91	29.95	35.95	43.15	47.50	
Usage Charge	-	5,000				4.53	5.44	6.52	7.83	8.61	
	5,001	51,000				5.65	6.78	8.14	9.76	10.74	
	51,001	Above				7.07	8.48	10.18	12.22	13.44	
Residential Sewer Only											
Base Charge	5/8"					41.93	50.35	60.45	72.55	79.85	
Usage Charge	-	Above				-	-	-	-	-	
Commercial Sewer Only											
Base Charge			\$		\$	69.78	83.74	100.48	120.58	132.64	
Usage Charge	-	Above				-	-	-	-	-	

City Council Meeting Agenda Item Data Sheet

Meeting Date: April 15, 2024

Topic:

Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.071 – Consultation with the City Attorney regarding a matter which the Attorney’s duty requires to be discussed in closed session.

Background:

Origination: David Esquivel, City Manager

Recommendation:

Party(ies) responsible for placing this item on agenda: David Esquivel, City Manager