

**Jean Birmingham Council
Chambers, City Hall**
401 South Alamo
Marshall, TX 75671
903-935-4421



Members
Amy Ware, District 4 - Mayor
Risa Jordan-Anderson, District 1
Leo Morris, District 2
Dathaniel Campbell, District 3
Reba Godfrey, District 5
Amanda Abraham, District 6
Micah Fenton, District 7

MINUTES
PLEASE SILENCE ALL DEVICES
SPECIAL-CALLED CITY COUNCIL MEETING
April 9, 2026
4:15 PM

1. Call to Order and Roll Call

Mayor Amy Ware called the Regular meeting to order in the Council Chambers, City Hall at 4:18 PM.

PRESENT:

Mayor and Council Members:

Mayor Amy Ware
Councilmember Leo Morris
Councilmember Reba Godfrey
Councilmember Amanda Abraham
Councilmember Micah Fenton
Councilmember Dathaniel Campbell
Councilmember Risa Jordan-Anderson

ADMINISTRATIVE STAFF PRESENT:

Melissa Vossmer, City Manager
Scott Rectenwald, City Attorney
Doug Box, Interim Public Works Director
Becky Roseberry, Interim Finance Director
Randy Pritchard, Support Services Director
Alex Agnor, Asst. City Manager/Econ. Dev. & Strat. Init. Director

2. Citizen Comments

Texas Government Code, Sec. 551.007 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on the agenda the opportunity to do so before or during the body's consideration of the item. The "Citizens Comments" portion of the meeting meets the requirements of this law and is the public's opportunity to speak on any item on the agenda. Those who wish to speak are requested to fill out a public comment form and will have three (3) minutes to speak unless additional time has been requested.

There were no citizen comments.

3. Discussion and Reports for City Council Consideration and Direction

A. Presentation and Discussion Financing Options for Water and Wastewater Improvements. (Hilltop Securities / City Manager / Interim Public Works Director / Interim Finance Director)

Melissa Vossmer, City Manager, introduced the item, stating that Hilltop Securities has been the city's financial advisor for a number of years, and they were present to talk about opportunities that cities in Texas have to issue municipal debt.

John Martin and Michael Martin of Hilltop Securities provided information regarding types of debt obligations issued by cities, including General Obligation Bonds, Certificates of Obligation, Tax Notes and Utility System Revenue Bonds. The requirements, law, timing, and maturity rate of each type of debt were explained. Debt that is voted on versus non-voted on debt was discussed. Non-voted debt is issued for needs such as health, safety and welfare, while voted debt is for discretionary projects, or wants. It was noted that if a bond election fails, there is a lock out period of three (3) years for the same proposition. Information regarding city bond elections by project type for the May and November 2025 elections was provided, as well as debt issuance for Texas cities in 2025. The legislative session limitations on Certificates of Obligation were discussed, including what can be financed with debt secured with ad valorem taxes, debt service payments for certain projects that are now included on the M&O side for calculating the voter approval tax rate, and those that do not have to be repaid from M&O. Information regarding designated infrastructure and self supported debt were also discussed.

Councilmembers discussed options available to support infrastructure changes, focusing on utility infrastructure. The purpose of a bond election for General Obligation Bonds is to get buy-in from voters because the tax rate could be increased above a certain rate. It was asked if it was allowable for the City to issue Certificates of Obligation and take it above a rate without a vote, which was stated it is allowable.

Councilmembers asked questions about the 56 million dollars for infrastructure that is dedicated solely to water and sewer utilities. The goal for this meeting is to discuss options available to pay for infrastructure. Staff will be bringing a 56 million dollar program forward. The information today is to inform the council of this process and share opportunities available. The program will primarily be for issuance of Certificates of Obligation, spread out over a number of years. The amount of debt currently outstanding was discussed. Discussions were held regarding the timeline for issuance of debt and flexibility of usage. It was stated that 46 of the 56 million dollars was directly designated to water treatment and intake facilities, the other 10 million is related to small water lines.

Melissa Vossmer stated that under the Water Supply and Infrastructure Grants (WSIG) we thought our limit was 15 million, but we recently learned that we qualify for up to 21 million. If we received the grant, the timeline for approval would be August to September, with funds available at the beginning of fiscal year 2027, so funding might not align if an emergency arose. Therefore, the fallback position would be to look at changing the program or additional debt.

Stan Hayes, Hayes Engineering, addressed the council's questions about funding being used for emergencies, stating to keep things simple the grant money could be used for projects and pay back the bonds.

Melissa Vossmer stated the five-year plan is a drop in the bucket for the big picture and discussed needs and projects for Water and Sewer Infrastructure.

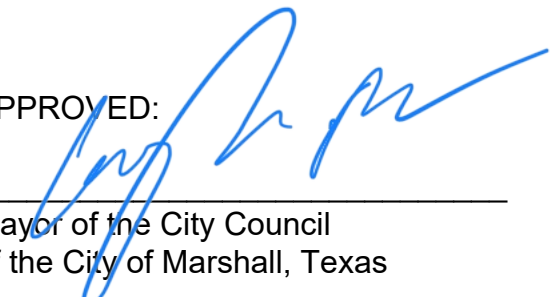
Stan Hayes provided information regarding the Water Supply and Infrastructure Grants (WSIG), where we are and what the probability for success would look like. Stan Hayes spoke regarding the Water CIP Program, including small diameter water main replacements, and looping of dead end mains, which is an ongoing violation of TCEQ. House Bill 500 was discussed. This bill is for water supply and infrastructure projects for cities, counties and utility districts that are consistent with Regional Water Plans. The WSIG tentative schedule includes applications due by July 2026; selection process September 2026; execution of contracts January 2027; with funds available after closing. Stan Hayes highlighted frequently asked questions regarding the grant and project prioritization criteria. The thought process was, since the amount available went from 15 million dollars to 21 million dollars, we take the 10 million dollar projects that are planned as part of the CIP and get them ready to bid by July, and if we're funded, we do them, which allows for the 10 million dollars to be used for other CIP projects. Stan Hayes highlighted current issues and the next steps to take to address those issues.

Council discussed the lines that need to be replaced and requested a timeline and cost estimate for replacing them. Melissa Vossmer stated we have to stabilize the infrastructure and also design and fund the long-term plans for replacement. The make-up of the structure in and around the pipelines was explained.

4. Adjournment

Councilmember Morris made a motion to adjourn. Councilmember Campbell seconded the motion, which passed by a vote of 7:0.

APPROVED:



Mayor of the City Council
of the City of Marshall, Texas

ATTEST:



City Secretary