GRAHAM CITY COUNCIL
REGULAR SESSION
JULY 23, 2026

COUNCIL MEMBERS PRESENT
Mayor: Alex Heartfield
Councilmember Place 1: Sarah Lundgren
Mayor Pro-Tem/Place 2: Jeff Dickinson
Councilmember Place 3: Jack Little
Councilmember Place 4: Brendan Weatherman

COUNCIL MEMBERS ABSENT
None.

STAFF PRESENT
Eric Garretty, City Manager
Marci Bueno, City Secretary/Finance Director
B.J. Cook, Code Enforcement Officer
Brent Bullock, Chief of Police
Carla Ritchie, Municipal Court Clerk
Cassie Short, Executive Assistant
Chris Denney, IT Director
David Aleshire, Assistant Fire Chief
DeAnna Bullock, Library Director
Jim Don Laurent, Fire Chief
Joseph Cyr, Auditorium Manager
Kyle Ford, Police Lieutenant
Melinda Brown, Assistant City Manager, GEIC/GIA Executive Director
Mike Watts, Animal Control Officer
Randall Dawson, Director of Public Works

1. **CALL TO ORDER**
   Mayor Alex Heartfield called the meeting to order at 8:30 a.m.

2. **NOTICE OF POSTING:** NOTICE OF THIS REGULAR CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF GRAHAM TEXAS WAS DULY POSTED AT A PLACE READILY ACCESSIBLE TO THE PUBLIC AT LEAST THREE BUSINESS DAYS PRIOR TO THE DATE AND TIME OF THIS MEETING, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT.

3. **OPENING PRAYER FOLLOWED BY U.S. PLEDGE AND TEXAS PLEDGE**
   Gary Elrod led the invocation followed by the U.S. Pledge and Texas Pledge.

4. **ROLL CALL OF MEMBERS PRESENT**
   Mayor: Alex Heartfield
   Councilmember Place 1: Sarah Lundgren
   Mayor Pro-Tem/Place 2: Jeff Dickinson
   Councilmember Place 3: Jack Little
   Councilmember Place 4: Brendan Weatherman

5. **PUBLIC FORUM**
   Gabe Pratt stated he learned about opportunity zoning to bring in possible contractors for apartment buildings. He also stated the City needs to get an impact study on the Data Center.
   Greg Bonzalar stated he has spoken with local landlords, and they expressed their intentions on raising rent prices when their current tenant's agreements are expired due to the Data Center potentially coming. Also stated the Data Center is going to punish the local residents and not the construction crews of the Data Center.
   Krisa Delacruz thanked the City Council and the community for helping and showing up at the Fourth of July parade.

6. **REPORTS**
   Individual Department Heads provided overview for Council on ongoing updates of their respective departments which included: Code Enforcement, Animal Control, Police, Fire, Municipal Court, Library, GEIC/GIA, Auditorium, Visit Graham/Chamber of Commerce, Public Works, and Administration.
   City Manager Eric Garretty provided reports on the Lake Graham Water Level, Key Dates and Upcoming Events, Boards Update, Defining Due Diligence in Relation to

Project Saltworks, Project Status Report, Hotel Occupancy Tax Report collected during May 2026, and the Sales Tax Report collected during May 2026.

7. CONSENT AGENDA.
Following a motion made by Brendan Weatherman and seconded by Sarah Lundgren, the following Consent Agenda was approved unanimously 5 – 0.

   a. Approve the Minutes of the Regular Called Meeting held on **June 25, 2026**; and.

   b. Approve the Minutes of the Special Called Meeting held on **July 10, 2026**; and

   c. Approve a street closure request from Shannon Potts, on behalf of the Young County Museum of History and Culture, for the closure of a certain segment of Echo Street on Saturday, **September 5, 2026**, during the hours of 10:00 a.m. to 4:00 p.m., in support of the First Year Anniversary of same.

8. **CONSIDER AND ACT TO AUTHORIZE THE CITY MANAGER TO CONCLUDE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT, IN AN AMOUNT NOT TO EXCEED $36,000, WITH "EIGHT 20 CONSULTING LLC" D/B/A "ZACTAX CONSULTING", A TEXAS LIMITED LIABILITY COMPANY (HUDSON OAKS, TEXAS) FOR THE PURPOSE OF RETAINING CONSULTING SERVICES AS A PART OF THE CITY'S DUE DILIGENCE REQUIREMENTS RELATED TO EVALUATION AND CONSIDERATION OF A CERTAIN LETTER OF INTENT FROM HEADWATERS SITE DEVELOPMENT, L.L.C., A TEXAS LIMITED LIABILTY COMPANY (GRAHAM, TEXAS).**
Motion made by Jack Little and seconded by Jeff Dickinson to authorize the City Manager to conclude and execute a professional services agreement, in an amount not to exceed $36,000, with "Eight 20 Consulting LLC" d/b/a "ZacTax Consulting", a Texas Limited Liability Company (Hudson Oaks, Texas) for the purpose of retaining consulting services as a part of the City's due diligence requirements related to evaluation and consideration of a certain Letter of Intent from Headwaters Site Development L.L.C., a Texas Limited Liability Company (Graham, Texas). Motion passed unanimously 5 – 0.

9. **CONSIDER AND ACT TO APPROVE AND ADOPT, ON FIRST AND FINAL READING, ORDINANCE NO. 1222, WHICH AMENDS THE FISCAL YEAR 2025-2026 ADOPTED ANNUAL BUDGET FOR MUNICIPAL PURPOSES.**
Motion made by Brendan Weatherman and seconded by Jack Little to approve and adopt, on FIRST AND FINAL READING, **Ordinance No. 1222**, which amends the Fiscal Year 2025-2026 adopted annual budget for municipal purposes. Motion passed unanimously 5 – 0.

10. **CONSIDER AND ACT TO APPROVE, ON FIRST READING, ORDINANCE NO. 1223 WHICH ESTABLISHES A FEE SCHEDULE FOR THE PLACEMENT OF AERIAL BANNERS ON THE SQUARE.**
Motion made by Sarah Lundgren and seconded by Jeff Dickinson to approve, on FIRST READING, **Ordinance No. 1223**, which establishes a fee schedule for the placement of aerial banners on the Square, as amended to a $250 fee. Motion passed 4 – 1 with Alex Heartfield voting AGAINST.

11. **PRESENTATION BY THE CITY MANAGER OF THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET TO THE CITY SECRETARY; PROVIDING FOR THE FILING AND THE SUBSEQUENT PUBLICATION OF SAME, PURSUANT TO THE CITY OF GRAHAM CITY CHARTER SECTION 41, WHICH REQUIRES THE CITY MANAGER TO ANNUALLY PRESENT A "BUDGET ESTIMATE" (ALSO KNOWN AS A "PROPOSED BUDGET") TO THE CITY COUNCIL.**
City Manager Eric Garretty presented the Fiscal Year 2026-2027 Proposed Annual Budget to the City Secretary; providing for the filing and subsequent publication of same, pursuant to the City of Graham City Charter Section 41, which requires the City Manager to annually present a "Budget Estimate" (also known as a "Proposed Budget") to the City Council.

12. **REVIEW OF THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET.**
City Manager Eric Garretty reviewed the Fiscal Year 2026-2027 Proposed Annual Budget.

13. **CONSIDER AND ACT TO AMEND THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET.**

Agenda Item was withdrawn.

14. **CONSIDER AND ACT TO SET A DATE, TIME, AND PLACE FOR A BUDGET WORKSHOP TO PROVIDE A PUBLIC FORUM FOR DISCUSSION AND AMENDMENT OF THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET.**
Agenda Item was withdrawn.

15. **CONSIDER AND ACT TO APPROVE, ON FIRST READING, ORDINANCE NO. 1224 PROPOSING THE ADOPTION OF THE FISCAL YEAR 2026-2027 ANNUAL BUDGET, AS AMENDED (THIS IS A RECORDED VOTE, BY COUNCILMEMBER).**
Motion made by Brendan Weatherman and seconded by Jack Little to approve, on FIRST READING, **Ordinance No. 1224**, proposing the adoption of the Fiscal Year 2026-2027 Annual Budget. Motion passed unanimously 5 – 0.

16. **CONSIDER AND ACT TO SET A PUBLIC HEARING ON THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET FOR THURSDAY, AUGUST 13, 2026, AT 6:00 P.M. WITH SUCH HEARING TO BE HELD AT THE COUNCIL CHAMBERS, 608 ELM STREET, GRAHAM, TEXAS.**
Motion made by Jack Little and seconded by Sarah Lundgren to set a Public Hearing on the Fiscal Year 2026-2027 Proposed Annual Budget for Thursday, **August 13, 2026, at 6:00 p.m.**, with such hearing to be held at the Council Chambers, 608 Elm Street, Graham, Texas. Motion passed unanimously 5 – 0.

17. **CONSIDER AND ACT TO APPROVE, ON FIRST READING, RESOLUTION NO. 206, A RESOLUTION WHICH REVISES THE FISCAL YEAR 2026-2031 CAPITAL IMPROVEMENT PLAN.**
Motion made by Sarah Lundgren and seconded by Jeff Dickinson to approve, on FIRST READING, **Resolution No. 206**, a Resolution which revises the Fiscal Year 2026-2031 Capital Improvement Plan. Motion passed unanimously 5 – 0.

COUNCILMEMBER BRENDAN WEATHERMAN EXITED THE MEETING AT 12:48 P.M.

COUNCILMEMBER BRENDAN WEATHERMAN ENTERED THE MEETING AT 12:49 P.M.

COUNCILMEMBER SARAH LUNGREN EXITED THE MEETING AT 12:51 P.M.

18. **CONSIDER AND ACT TO APPROVE THE QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDING JUNE 30, 2026.**
Motion made by Brendan Weatherman and seconded by Jeff Dickinson to approve the quarterly investment report for the quarter ending **June 30, 2026**. Motion passed unanimously 4 – 0.

COUNCILMEMBER SARAH LUNDGREN ENTERED THE MEETING AT 12:53 P.M.

19. **CONSIDER AND ACT TO APPROVE THE QUARTERLY FINANCIAL STATEMENTS FOR THE QUARTER ENDING JUNE 30, 2026.**
Motion made by Brendan Weatherman and seconded by Jack Little to approve the quarterly financial statements for the quarter ending **June 30, 2026**. Motion passed unanimously 5 – 0.

20. **CONSIDER AND ACT TO APPROVE AND ADOPT ON, FIRST AND FINAL READING, RESOLUTION NO. 261, WHICH ADOPTS THE "REVISED PERSONNEL POLICIES AND PROCEDURES MANUAL".**
Motion made by Jeff Dickinson and seconded by Sarah Lundgren to approve and adopt on, FIRST AND FINAL READING, **Resolution No. 261**, which adopts the "Revised Personnel Policies and Procedures Manual". Motion passed unanimously 5 – 0.

21. **CONSIDER AND ACT TO AUTHORIZE THE CITY SECRETARY/DIRECTOR OF FINANCE TO IMPLEMENT A CHANGE TO THE SCHEDULING OF PAYROLL PAYMENTS TO EMPLOYEES.**
Motion made by Brendan Weatherman and seconded by Sarah Lundgren to authorize the City Secretary/Director of Finance to implement a change to the scheduling of payroll payments to employees. Motion passed unanimously 5 – 0.

22. **CONSIDER AND ACT TO APPROVE AND ADOPT, ON FIRST AND FINAL READING, RESOLUTION NO. 253, WICH AUTHORIZES THE CITY**

SECRETARY/DIRECTOR OF FINANCE TO IMPLEMENT A "TEMPORARY LOAN PROGRAM" TO OFFSET THE IMPACT OF A PLANNED CHANGE TO THE PAYROLL PAYMENT SCHEDULE; NOTING THAT SUCH ADVANCE MAY NOT EXCEED SIX HUNDRED DOLLARS ($600.00) AND MYST BE REPAID VIA A PAYROLL DEDUCTION WITHIN TEN PAY PERIODS; AND FURTHER NOTING THAT THE EMPLOYEE MUST DEMONSTRATE HARDSHIP TO RECEIVE SUCH ADVANCE AND SUCH ADVANCE SHALL BE SUBJECT TO THE APPROVAL OF THE CITY MANAGER.

Motion made by Jeff Dickinson and seconded by Brendan Weatherman to approve and adopt, on FIRST AND FINAL READING, **Resolution No. 253**, which authorizes the City Secretary/Director of Finance to implement a "Temporary Loan Program" to offset the impact of a planned change to the payroll payment schedule; noting that such advance may not exceed six hundred dollars ($600.00) and must be repaid via a payroll deduction within ten pay periods; and further noting that the employee must demonstrate hardship to receive such advance and such advance shall be subject to the approval of the City Manager. Motion passed unanimously 5 – 0.

23. **CONSIDER AND ACT TO APPROVE AND ADOPT, ON FIRST AND FINAL READING, RESOLUTION NO. 262, WHICH DECLARES A CERTAIN TWO-YEAR OLD BELGIAN MALINOIS K-9 OFFICER, WITH THE TITLE "K-9 OFFICER HAVOC", AS EXCESS TO REQUIREMENT; AND FURTHER, APPROVES THE TRANSFER OF OWNERSHIP OF SAME; AND FURTHER STILL, PROVIDES FOR CERTAIN TERMS AND CONDITIONS THEREUNTO PERTAINING.**
Motion made by Brendan Weatherman and seconded by Sarah Lundgren to approve and adopt, on FIRST AND FINAL READING, **Resolution No, 262**, which declares a certain two-year old Belgian Malinois K-9 Officer, with the title "K-9 Officer Havoc", as excess to requirement; and further, approves the transfer of ownership of same; and further still, provides for certain terms and conditions thereunto pertaining. Motion passed unanimously 5 – 0.

24. **DISCUSSION REGARDING PROPOSED FUTURE AGENDA ITEMS.**
Future Agenda items included the 2026-2027 Proposed Annual Budget, and the second and final reading of Ordinance No. 1223.

25. **RECESS INTO EXECUTIVE SESSION UNDER THE FOLLOWING PROVISIONS OF THE TEXAS GOVERNMENT CODE:** Mayor Alex Heartfield recessed the Council into Executive Session at 9:33 a.m.

    a. Sec. 551.087 – Deliberations Regarding Economic Development

    (1)Deliberate a certain economic development report prepared for the City Council by "ZacTax Consulting"; and

    (2)Deliberate a proposed Letter of Intent from Headwaters Site Development, a Texas Limited Liability Company (Graham, Texas), related to Project Saltworks.

    b. Sec. 551.074 Personnel Matters'

    (1)Deliberate the reassignment of the Executive Assistant.

    (2)Deliberate the interim evaluation of the City Manager.

26. **RECONVENE FROM EXECUTIVE SESSION AND TAKE SUCH ACTION AS MAY BE REQUIRED.** Mayor Alex Heartfield reconvened the Council from Executive Session at 11:17 a.m.

    NO ACTION WAS TAKEN.

27. **ADJOURNMENT.**
There being no further business, the meeting was adjourned at 1:06 p.m. Motion made by Jack Little and seconded by Alex Heartfield.

R. Alex Heartfield, Mayor

Marci Bueno, City Secretary/Finance Director