GRAHAM CITY COUNCIL
REGULAR SESSION
AUGUST 6, 2026

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

COUNCIL MEMBERS ABSENT
Councilmember Place 4: Brendan Weatherman

STAFF PRESENT
Eric Garretty, City Manager
Marci Bueno, City Secretary/Finance Director
Brent Bullock, Chief of Police
Cassie Short, Executive Assistant
Chris Denney, IT Director
David Aleshire, Assistant Fire Chief
DeAnna Bullock, Library Director
Jim Don Laurent, Fire Chief
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

5. **MAYOR'S PROCLAMATION**
   City Manager Eric Garretty read the Mayor's Proclamation proclaiming September 2026 as "Graham Area United Way Month".

6. **PUBLIC FORUM**
   Cathy Partridge stated the Chamber of Commerce are preparing to celebrate the 2026 school year with Teacher's Appreciation.
   Lori Drake stated her concerns about the potential property tax rate increase. She stated the property tax rate effects the tenants and affordable housing.
   Judy Brown stated she looked over the environmental study for the data center and that the potential location is meant for agricultural and residential use, not commercial.

7. **REPORTS**
   Individual Department Heads were omitted for the first meeting of the month.
   City Manager Eric Garretty provided reports on the Lake Graham Water Level, Key Dates and Upcoming Events, Boards Update, and the Project Status Report.

8. **CONSENT AGENDA.**
   Following a motion made by Jack Little and seconded by Sarah Lundgren, the following Consent Agenda was approved unanimously 4 – 0.

   a. Approve the Minutes of the Regular Called Meeting held on **July 23, 2026**; and

b. Approve a request for the closure of the Square on **October 6, 2026**, during the hours of 3:00 p.m. to 9:00 p.m. in support of the "2026 National Night Out" hosted by the "Graham and Young County First Responders".

9. **PRESENTATION BY THE CITY MANAGER ON THE PROPOSED MAXIMUM PROPERTY TAX RATE.**
City Manager Eric Garretty presented the proposed Maximum Property Tax Rate.

10. **CONSIDER AND ACT TO APPROVE ON FIRST READING, ORDINANCE NO. 1225, WHICH PROPOSES A MAXIMUM AD VALOREM TAX RATE (ALSO KNOWN AS A "PROPERTY TAX RATE") OF SEVENTY-NINE CENTS ($0.79) PER $100 OF ASSESSED VALUATION, WHICH IS AN INCREASE, FROM THE CURRENT PROPERTY TAX RATE, OF FOURTEEN POINT FORTY-NINE PERCENT (14.49%); PROVIDING FOR A CERTAIN MAINTENANCE AND OPERATION COMPONENT OF THE PROPERTY TAX RATE; PROVIDING FOR A CERTAIN INTEREST AND SINKING FUND COMPONENT OF THE PROPERTY TAX RATE; AND FURTHER PROVIDING THAT SAID PROPOSED, MAXIMUM PROPERTY TAX RATE IS IN SUPPORT OF THE FISCAL YEAR 2026-2027 ANNUAL BUDGET; AND FURTHER STILL PROVIDING FOR AN EFFECTIVE DATE UPON FINAL ADOPTION (THIS IS A RECORDED VOTE, BY COUNCILMEMBER).**
Motion made by Jack Little and seconded by Jeff Dickinson to approve ON FIRST READING, **Ordinance No. 1225**, AS AMENDED, which proposes a maximum Ad Valorem Tax Rate (also known as a "Property Tax Rate") of **seventy-seven cents ($0.77) per $100 of assessed valuation**, which is an increase, from the current Property Tax Rate, of eleven point fifty-nine percent (11.59%); providing for a certain General Maintenance and Operation component of the Property Tax Rate; providing for a certain Interest and Sinking Fund component of the Property Tax Rate; and further providing that said proposed, maximum Property Tax Rate is in support of the Fiscal Year 2026-2027 Annual Budget; and further still providing for an effective date upon final adoption (this is a recorded vote, by Councilmember). Motion passed unanimously 4 – 0.

11. **CONSIDER AND ACT TO AMEND THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET.**
The following Amendments were made to Fiscal Year 2026-2027 Proposed Annual Budget:
Motion made by Jeff Dickinson and seconded by Sarah Lundgren to approve reducing the City's contribution for the Texas Municipal Retirement System for all employees in the General Fund, Water Fund, and Sewer Fund from 6% back to 5%. Motion passed unanimously 4 – 0.
Motion made by Jeff Dickinson and seconded by Jack Little to approve reducing the paving program expense line item in the street department in the General Fund by $100,000. Motion passed unanimously 4 – 0.
Motion made by Jeff Dickinson and seconded by Jack Little to approve reducing the taxes-current revenue line item in the General Fund by $14,560. Motion passed unanimously 4 – 0.
Motion made by Jeff Dickinson and seconded by Sarah Lundgren to DISAPPROVE increasing the law enforcement center expense line item in the police department in the General Fund by $92,707. Motion passed unanimously 4 – 0.
Motion made by Jeff Dickinson and seconded by Jack Little to approve increasing the bond supervisor services expense line item in the General Fund by $304. Motion passed unanimously 4 – 0.
Motion made by Jeff Dickinson and seconded by Jack Little to approve a cost of living adjustment of 2.5% for all employees in the General Fund, Water Fund, and Sewer Fund. Motion passed unanimously 4 – 0.
Motion made by Sarah Lundgren and seconded by Jeff Dickinson to approve reducing the library staff by one full-time position. Motion passed 3 – 1, with Alex Heartfield voting NO.

12. **CONSIDER AND ACT TO APPROVE, ON SECOND READING, ORDINANCE NO. 1224 PROPOSING THE ADOPTION OF THE FISCAL YEAR 2026-2027 PROPOSED ANNUAL BUDGET, AS AMENDED (THIS IS A RECORDED VOTE, BY COUNCILMEMBER).**
Motion made by Jack Little and seconded by Sarah Lundgren to approve, on SECONDE READING, **Ordinance No. 1224**, proposing the adoption of the Fiscal Year 2026-2027 Proposed Annual Budget, as amended (this is a recorded vote, by Councilmember). Motion passed unanimously 4 – 0.

13. **CONSIDER AND ACT TO APPROVE, ON SECOND READING, RESOLUTION NO. 260, A RESOLUTION WHICH REVISES THE FISCAL YEAR 2026-2031 CAPITAL IMPROVEMENT PLAN.**
Motion made by Jeff Dickinson and seconded by Jack Little to approve, on SECOND READING, **Resolution No. 260**, a Resolution which revises the Fiscal Year 2026-2031 Capital Improvement Plan. Motion passed unanimously 4 – 0.

14. **PRESENTATION BY EXECUTIVE DIRECTOR CATHY PARTRIDGE ON THE 2026 FOOD TRUCK CHAMPIONSHIP OF TEXAS.**
Graham Chamber of Commerce/Visit Graham Executive Director Cathy Partridge presented on the 2026 Food Truck Championship of Texas.

15. **DISCUSSION REGARDING CURRENT AND FUTURE SUMMER CONCERTS ON THE SQUARE.**
Graham Chamber of Commerce/Visit Graham Executive Director Cathy Partridge discussed current and future summer concerts on the Square.

16. **DISCUSSION REGARDING A PROPOSED UPDATE TO THE CITY'S STRATEGIC PLAN.**
Item was WITHDRAWN.

17. **DISCUSSION REGARDING A PROPOSAL TO IMPLEMENT AN ALTERNATE PROJECT FOR THE USE OF RECLAIMED WATER IN SUPPORT OF THE CITY'S WATER SUPPLY NEEDS.**
City Manager Eric Garretty discussed a proposal to implement an alternate project for the use of the reclaimed water in support of the City's water supply needs.

18. **CONSIDER AND ACT TO APPROVE ON FIRST AND FINAL READING, RESOLUTION NO. 263, WHICH RATIFIES THE CITY OF GRAHAM INVESTMENT POLICY.**
Motion made by Jeff Dickinson and seconded by Jack Little to approve on FIRST AND FINAL READING, **Resolution No. 263**, which ratifies the City of Graham Investment Policy. Motion passed unanimously 4 – 0.

19. **CONSIDER AND ACT TO APPROVE AND ADOPT, ON SECOND AND FINAL READING, ORDINANCE NO. 1223, WHICH ESTABLISHES A FEE SCHEDULE FOR THE PLACEMENT OF AERIAL BANNERS ON THE SQUARE.**
Motion made by Jack Little and seconded by Sarah Lundgren to approve and adopt, on SECOND AND FINAL READING, **Ordinance No. 263**, which establishes a fee schedule for the placement of aerial banners on the Square. Motion passed unanimously 4 – 0.

20. **CONSIDER AND ACT TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND CONCLUDE AN ENGAGEMENT AGREEMENT WITH "MWH GROUP", A TEXAS LIMITED LIABILITY COMPANY (WICHITA FALLS, TEXAS), PURSUANT TO A REQUEST FROM CITY STAFF TO ENGAGE SAME FOR AN INDEPENDENT, THIRD-PARTY AUDIT OF THE CITY OF GRAHAM FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026.**
Motion made by Jeff Dickinson and seconded by Jack Little to authorize the City Manager to negotiate and conclude an Engagement Agreement with "MWH Group", a Texas Limited Liability Company (Wichita Falls, Texas), pursuant to a request from city staff to engage same for an independent, third-party audit of the City of Graham Financial Statements for Fiscal Year ending **September 30, 2026**. Motion passed unanimously 4 – 0.

21. **DISCUSSION REGARDING PROPOSED FUTURE AGENDA ITEMS.**
Future Agenda items include the City's Strategic Plan, update on the summer concert series on the Square, and engineering for the reclaimed water.

22. **RECESS INTO EXECUTIVE SESSION UNDER THE FOLLOWING PROVISIONS OF THE TEXAS GOVERNMENT CODE:** Mayor Alex Heartfield recessed the Council into Executive Session at 9:52 a.m.

    a. **Sec. 551.087 – Deliberations Regarding Economic Development**

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

b. **Section 551.074 Personnel Matters**

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

23. **RECONVENE FROM EXECUTIVE SESSION AND TAKE SUCH ACTION AS MAY BE REQUIRED.** Mayor Alex Heartfield reconvened the Council from Executive Session at 10:29 a.m.

NO ACTION WAS TAKEN.

24. **ADJOURNMENT.**
There being no further business, the meeting was adjourned at 11:34 a.m. Motion made by Jack Little and seconded by Alex Heartfield.

R. Alex Heartfield, Mayor

Marci Bueno, City Secretary/Finance Director