State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, August 25, 2025 at 6:00 PM at the Freeport Council Chamber located at 430 North Brazosport Blvd., Freeport Texas for the purpose of considering the following agenda items:

City Council:	Mayor Jerry Cain Councilman Jeff Pena Councilman Jarvis Davis Councilman George Matamoros Councilman Winston Rossow
Staff:	Dan Pennington, Interim City Manager Jennifer Howell, Police Chief Chris Duncan, Interim City Attorney Clarisa Fernandez, City Secretary Ashlee Hurst, Finance Director Toby Cohen, IT Director Donna Fisher, Human Resource Director Brian Dybala, Golf Course Director Lily Celedon, Staff Accountant Rudy Ragle, Public Works Director Jennifer Howell, Police Chief Chris Motley, Fire Chief Corey Brinkman, Police Captain
Visitors:	David McGinty Manning Rollerson Melanie Oldham

Call to Order:

Call to Order - Jerry Cain, Mayor

Mayor Cain called the Special City Council meeting of the Freeport City Council to order at 6:00P.M. on August 25, 2025, declaring a quorum was present.

Invocation - Councilman

Councilman Rossow led the Invocation.

Pledges - Pledge of Allegiance to the United States; Pledge of Allegiance to the State of Texas.

Councilman Rossow led the Pledge of Allegiance to the United States and the Pledge of Allegiance to the State of Texas.

Audience Participation – Anyone who has registered to speak prior to the meeting being called to order and desires to address the City Council will be heard at this time, or during the discussion of an item listed on the agenda. These forms are located by the City Secretary. After completing the form, give it to the City Secretary. She will give it to the Mayor. The Mayor will call on you when that item is presented, once a motion has been made by Council then public participation will not be allowed. You will have four (4) minutes to make your comments regardless of the number of agenda items to be addressed.

Manning Rollerson addressed the Council. He explained that Freeport Haven and Better Brazoria had worked with Sharon Wilson of Oilfield Witness to shoot videos and conduct an assessment of Freeport LNG. He stated that the report from that assessment was not good and noted that this is a repeated problem with Freeport LNG leaking and dumping in the community. He emphasized that this has an adverse effect on the population, warning that people will get sick and people will die if the problem continues. He added that when contracts are signed with these companies, they are supposed to follow them, especially regarding the health and safety of the community. Mr. Rollerson said he would provide the City with a copy of the report, just as he had provided it to County Judge Matt Sebesta and every agency that governs Freeport. He expressed concern that industries are allowed to dump and pump without any recourse, while the people are suffering. He stated that the effects can be seen in children and in the statistics of toxic poisoning and toxic deaths in Freeport. He said this issue must be addressed. He also spoke about the need for housing in Freeport. He noted that Freeport Haven is working with the federal government to obtain grants to build homes, explaining that rooftops are a tax base and the City needs more housing for young families. He stressed that this is an important issue the City needs to address.Mr. Rollerson then asked what the City planned to do with the downtown City of Freeport building if the City were moving out. He suggested that the building should be put up for bid and said his organization would be one of those interested in bidding, because there is a need for economic growth downtown. He also extended an invitation to the Council to attend an event on September 13, hosted by Freeport Haven and Better Brazoria, where leaders of the City would have an opportunity to speak to young people at the Back-to-School Bash. He said every Council Member was welcome and would have a place to speak, helping the new generation know where the City is headed and who is leading them. Mr. Rollerson concluded by noting that he heard the last Council meeting had been awesome, and said that if a meeting lasts all night, it means the Council is doing something.

Kevin Harris addressed the Mayor, Council, and fellow citizens of Freeport. He thanked the Council for the opportunity to speak on behalf of the Freeport Police Officers Association and spoke about concerns about the impact of budgeting on the department. He acknowledged that budgeting is complex and involves difficult choices, but stated that reducing support for the police department is not one that should be taken, especially when recruitment and retention are already challenging. He said the department cannot fill half of the open positions, and officers are leaving. He explained that they are not leaving for much bigger opportunities, but rather for smaller agencies that have fewer calls, smaller populations, yet offer more competitive compensation. By contrast, Freeport is asking its officers to do more with less, without adjustments for the rising cost of living. Mr. Harris said this makes retaining experienced officers nearly impossible, recruiting new ones extremely difficult, and increases the pressure on current employees, which results in poorer response times and service to citizens. He emphasized that he was not there to criticize but to collaborate and give a clear picture of the impact on the department. He stated that public safety is not something that can be neglected. He said Freeport officers care deeply about the community, serving and protecting with professionalism and integrity, but to continue doing so they need support in resources and recognition. He respectfully asked Council to consider proposed increases to the overtime budget and explore competitive cost-of-living adjustments to bring salaries in line with neighboring agencies, in order to retain current employees and attract new ones. Mr. Harris concluded by saying the Police Officers Association shares many of the same goals as the City Council and wants to keep the Freeport Police Department a competitive and supported place of employment so that officers can safely and adequately serve citizens. He stated, "We too want the best Freeport ever," and thanked the Council for their time, consideration, and ongoing commitment to the community and its employees.

Proclamations - Presentations and Updates

Presentation on proposals for potential water/sewer rate increases.-Ashlee Hurst, Finance Director

Finance Director Ashlee Hurst presented the attached presentation titled "Exhibit A".

Finance Director Ashlee Hurst presented to Council regarding water and sewer rate increases. She stated that an Enterprise Fund should operate solely on charges for services, similar to a business, and that it operates on a working capital or cash basis. She explained that a deficit in this type of fund signals problems with operations or pricing and noted that the General Fund should not be used to cover such deficits. She said GASB 24 requires user charges to be set at levels sufficient to cover costs of providing the service, and the Texas Constitution prohibits the City from giving away water service below cost. She also referenced the City's financial policy, which requires maintaining a balanced budget and directs that user fees should be reviewed regularly to ensure recovery of costs, support debt obligations, provide for capital improvements, and maintain adequate working capital. Ms.Hurst explained that water and sewer billing rates have not changed since the last adjustment on September 1, 2023. She said Brazosport Water Authority costs increased last year by 14.14%, or $378,760, and will increase again this year by 7.83%, or $262,800. She further noted that Veolia's costs increased last year by 18.09%, or $474,873, and are projected to rise an additional 3%, or about $100,000, in FY2026. She reported that combined increases since the last rate adjustment total $1,216,433, and she recommended a rate increase to offset these rising expenses. She added that the average annual increase in water costs over the past two years has been $608,217.Ms. Hurst provided rate comparisons. She said the average Freeport water bill based on 5,000 gallons is $37.61, which is 14.85% below the local average of $44.17 and 9.55% below the state average of $41.58. She stated the average Freeport sewer bill of $28.55 is 17.13% below the local average of $34.45 and 18.55% below the state average of $35.05. Ms. Hurst then outlined several proposed options for Council consideration. She stated that Option E would apply a 15% increase to all users, except for residential customers who would see a 5% water and 10% sewer increase, resulting in $1,420,838 in additional revenue. She said this option would increase a typical residential bill by $4.74 and all other user bills by $16.70. She stated that Option F would apply a 20% increase to all users, except for residential customers with the same 5% water and 10% sewer increase. This option would generate $1,689,818 in revenue, with residential customers still paying $4.74 more and all others paying $22.27 more.She said that Option G would apply a 15% increase to all users, except for residential and small business restaurants, which would see only the 5% water and 10% sewer increase. This would result in $1,412,838 in additional revenue, with a $4.74 increase for residential and small restaurant users and a $16.70 increase for all others. She then explained that Option H would apply a 20% increase to all users, except for residential and small business restaurants, which again would see the same 5% water and 10% sewer increase. This option would generate $1,679,818 in revenue, with residential and small restaurant users paying $4.74 more and all others paying $16.70 more. Ms. Hurst concluded her presentation by stating that Freeport's residential water and sewer rates remain well below both the local and state averages. She emphasized that the amount needed to cover the current deficit is $1,162,830.

<u>Presentation on budget request items for FY2025-2026 annual budget.-Ashlee Hurst, Finance Director</u>

The attached presentation titled "Exhibit B" was presented.

Finance Director Ashlee Hurst stated that Administration–Finance is requesting to transition financial software to web-based hosting at a recurring cost of $27,221, add a project accounting module at a recurring cost of $3,470, implement OpenGov at a one-time cost of $29,950, and purchase JustFOIA software for public information requests at a one-time cost of $1,007 and a recurring cost of $10,314 which will be split between Administration and Police Department.

Human Resources Donna Fisher requested TMHR certifications at a one-time cost of $3,000 and a personnel policy consultant at a one-time cost of $3,000.

Building Official Reginald Harris requested an increase in the advertising line-item of $3,000 recurring.

Police Chief Jennifer Howell presented a detailed budget request. She requested to combine PD and Code budgets, provide a 5.5% COLA for all PD staff $175,000, increase the overtime budget by $120,000, update Microsoft Office $11,670, replace the PD building camera storage system $12,000, relocate the server $28,000, replace office chairs $10,000, purchase five vehicle replacements $475,000, remove a tower and add surge protection $30,000, replace jail cameras $5,000, replace a beach buggy $32,000, possible grant, and purchase LPR cameras $63,000 + $84,250, possible grant). She explained that overtime has historically been underfunded and is driven by holiday schedules, events, training, and coverage needs. She emphasized the challenges of recruitment and retention, showing comparative pay rates with surrounding cities and highlighting the cost of turnover. She requested at least a 5.5% COLA, hiring incentives for first responders, tuition reimbursements, and a redesign of the pay matrix to improve recruitment and retention.

Fire Chief Chris Motley requested $13,000 for tires on Engines 902 and 903, $24,000 for training overtime, $258,000 for three firefighter/medics, $400,000 for a new ambulance, and $1.7 million for a new fire engine. He reported success in EMS cost recovery services, departmental training, and interdepartmental collaborations. He emphasized recruitment and retention issues, noting that Freeport's firefighter/EMT base pay is below surrounding agencies. He recommended hiring incentives and academy reimbursement, and requested that Fire/EMS be placed back on a matrix to aid in retention.

Public Works Director Rudy Ragle requested $6,256 for a concrete saw, $1,595 for a vibratory plate compactor, $2,998 for a jumping jack, $29,000 for a 15' batwing, and $14,000 for a zero-turn mower. He said the Parks Department requested $30,000 for Riverplace exterior metal coating, $20,000 for playground equipment repairs, and $10,000 for playground border and mulch. He said for the Recreation Center he requested $10,000 recurring for an annual pool contract, $10,000 one-time for splash pad replacement, and $30,000 one-time for exterior metal coating.

Interim City Manager Dan Pennington said he would be presenting for the Museum. He said the Museum requested $10,000 recurring for staff raises above COLA, $10,000 recurring for the manager raise, $5,000 one-time for a generator, $5,000 one-time for a central dehumidifier, $15,000 one-time to renovate the storage room, $45,000 one-time for a fire suppression system, $25,000 one-time to renovate the exhibit hall, $10,000 one-time for interactive displays, and $9,000 recurring for advertising.

Golf Course Director Brian Dybala requested $10,000 recurring for annual cart path repair and $10,000 one-time for a pump station platform.

Police Chief Jennifer Howell presented Grant Match Requests including $21,605 one-time for a police cybersecurity grant match.

The Council Requests included $50,000 one-time for a Slaughter Road generator and $30,000 one-time to pave the alleyway between the Methodist Church and the retirement homes.

It was reported that the total available resources are $1,622,177. Total one-time requests amount to $3,198,331, recurring requests total $971,490, and combined requests equal $4,169,821. Tentatively approved totals equal $1,455,966.

Public Hearings

Public Hearing for the FY2025-2026 Annual Budget

Mayor Cain opened the Public Hearing at 10:07P.M.

Melanie Oldham thanked the Council for holding the special meeting regarding water and sewer rates and the budget. She said she was very impressed with the City Council during her 16 years in Freeport for taking the time and thought to come up with a budget the City could afford. She expressed concern about possible legislative changes and praised Mr. Pennington and Ms. Ashlee for their work. She suggested the City consider a part-time grant writer to work with department heads on present and future needs, noting other Cities have benefited and that the position would pay for itself. She recalled when Mr. Petty worked with Mr. Toby Davenport that owns City Hall and emphasized the importance of making sure every office in the building stays rented. She also asked about the Heritage House, remembering it once generated income when rented out, and inquired if money is still set aside for it. She commented on the water and sewer rate discussions, saying options F and H seemed best and praising the effort to keep increases as low as possible for residents and small businesses. She addressed the administration, noting repeated audit concerns about material weaknesses and supporting investments in software to increase transparency. She expressed strong support for the Freeport Police Department, saying they deserve a 5.5% cost-of-living adjustment, overtime increases, and hiring bonuses, while suggesting the City review the budgeted $475,000 for vehicles. She extended the same support to Fire and EMS, noting EMS is the majority of calls and supporting an action plan to look at forming a volunteer fire department. She commented on the new ambulance budget, understanding the cost and timeframe, and also noted the 1.7 million fire engine and the need for corporate support, thanking the Fire Department for their response during the Freeport LNG explosion. She thanked those contributing to the beautification committee, including Phillips 66. She expressed concern about the golf course being used by a small percentage of residents and located outside the City, suggesting a survey of residents to prioritize services such as the rec center, pickleball, racquetball, and gym facilities. She praised the improvements at Bryan Beach and emphasized its accessibility for all residents. She closed by thanking the Council for working together on the budget and suggested a large coffee maker for long meetings.

Finance Director Ashlee Hurst said there is $372,500 designated in the bond funds for the Heritage House. She explained the previous RFQ for an architect received no responses but could be reissued. On grant writing, she agreed it would be valuable but stressed the need for a capital improvement plan to identify projects first. Interim City Manager Dan Pennington said he is also working with a company to pursue grant funding for City Hall, with an initial investment of $25,000 but the potential for millions if successful.

Flora Green resides at 1611 North Avenue Q. She stated that although she is new to Freeport, she has lived here for 20 years and is now retired, which allows her to attend City Council meetings and see how the City is run. She shared that she used City services when her husband had a stroke and Mr. Motley arranged a life LifeFlight to Hermann Hospital. She said they used EMS twice and thanked God her husband was still there, praising the service as very good. She said she saw teamwork at the meeting and how the Council was putting things together to make the City run as it should. She stated she is proud of what the Council is doing.

Mayor Cain closed the Public Hearing at 10:21P.M.

Business

Consideration and possible action on setting the City of Freeport proposed 2025 tax rate, setting the public hearing (if necessary), and directing staff to publish the Notice of Proposed 2025 tax rate.

Finance Director Ashlee Hurst recommended that Council propose a tax rate of $0.514210 per $100 valuation, noting that a record vote is required. She explained that the voter approval rate is $0.548749 but recommended adopting the lesser no new revenue rate of $0.514210. She reminded Council that on August 4th a motion had been made to set the public hearing and adoption for September 2nd on the budget and tax rate, but the tax rate itself had not yet been formally proposed, as the motion and advertisement must occur on the same date. She noted that a public hearing is only required if the tax rate exceeds the no-new revenue rate, which the staff proposal does not. Ms. Hurst stated that the proposed budget was developed utilizing projected taxable value and debt service amounts that did not increase property tax rates. She explained that final calculations have since been received based on the 2025 total taxable value of $798 million, of which $2.8 million is from new taxable values. These calculations, performed by the county tax assessor and submitted to the City, show the following required rates: No new revenue tax rate: $0.514210, Debt rate: $0.062940,Voter approval tax rate, including unused increment: $0.548749. She concluded by noting that the financial impact section of the budget includes an overview of these rates.

A motion was made by Councilman Matamoros to set the proposed tax rate not to exceed $0.514210 per $100 in property valuation, seconded by Councilman Davis with discussion that followed.

Councilman Pena asked about the voter approval tax rate of 0.548749, confirming that the higher rate had been approved and would result in higher revenue, while the City was proposing the lower rate of 0.514210. He asked why the City would not want to go with what was approved by the voters. Interim City Manager Dan Pennington clarified that the voter approval rate is not actually passed by voters but is a rate calculated by BCAD. BCAD also calculates the no-new revenue rate, and it is up to the City to decide which rate to adopt. The higher rate would result in slightly higher taxes, but it is the Council's discretion. Interim City Attorney Chris Duncan explained that if the voter approval rate is exceeded, an election must be held. Mr. Pennington said the current cap is 3.5%, and the difference between the two rates is 3.5%. He said the Council has the discretion to set the rate anywhere between the no new revenue rate and the voter approval rate. Staff recommended not adding any additional tax revenue.

Mayor Cain said he is not a fan of an increase in taxes unless it is a necessity.

Mayor Cain called the motion to a vote with all present and voting "Aye" 5-0. The Council unanimously approved the motion.

Councilman Pena voted "Aye". Councilman Davis voted "Aye". Councilman Rossow voted "Aye". Councilman Matamoros voted "Aye". Mayor Cain voted "Aye".

A motion was made by Councilman Matamoros to set the vote for the tax rate on September 15, 2025, at 6:00p.m. at 430 N Brazosport, Freeport, TX, seconded by Councilman Rossow with discussion that followed.

Councilman Pena asked if this was the latest date that the Council is allowed to vote on that? Finance Director Ashlee Hurst said yes.

Mayor Cain called the motion to a vote with all present and voting "Aye" 5-0. The Council unanimously approved the motion.

Councilman Pena voted "Aye". Councilman Davis voted "Aye". Councilman Rossow voted "Aye". Councilman Matamoros voted "Aye". Mayor Cain voted "Aye".

Consideration and possible action approving Ordinance No. 2025-2745 adjusting the water and sewer rates, and approving Resolution No. 2025-2946 amending the Master Fee Schedule to reflect the same.

Finance Director Ashlee Hurst said earlier in the evening, staff showed the Council four different options for potential ways to produce more revenue to cover the deficit in the water and sewer fund. It was explained that all the paperwork was ready.

A motion was made by Councilman Pena to pass option letter F that was proposed it provides the City with the most revenue in the water department with the least impact to residents and businesses. The motion failed due to a lack of a second.

A motion was made by Councilman Matamoros for option E, seconded by Councilman Rossow with discussion that followed.

Councilman Pena noted that option E came in at 1.42 when the Council was trying to reach 1.16. Concern was expressed that the City might have to revisit the issue if the number did not hold. Mayor Cain said that new housing growth in Freeport could help offset the issue.

Councilman Davis stated that they would prefer an option that included relief for small businesses and restaurants. Mayor Cain expressed concern that the City should not pick and choose which types of businesses benefit, but rather treat all equally.

Mayor Cain called the motion to a vote with all present and voting "Aye" 3-2. The Council approved the motion. Councilman Pena voted "Nay". Councilman Davis voted "Nay".

Adjournment

Adjournment – Jerry Cain, Mayor

A motion was made by Councilman Matamoros to adjourn the meeting, seconded by Councilman Rossow with all present and voting "Aye" 4-1. Mayor Cain adjourned the meeting at 10:35P.M. Councilman Pena voted "Nay".

Jerry Cain

Jerry Cain, Mayor

Clarisa Fernandez, City Secretary

"EXHIBIT A"

CITY OF FREEPORT

WATER SEWER RATE INCREASE PROPOSALS

Presentation prepared for Mayor & Council for 8/25/2025 meetin

Prepared by: Ashlee Hurst, CGFO
(979) 871-0112 – Office Line
ahurst@freeporttx.gov – Email
Monday – Friday 8a-5p – Office Hours

EDUCATIONAL RECAP

EDUCATIONAL INSIGHT:

- An Enterprise Fund type should sufficiently operate solely on charges for services, like a business
- The fund operates on a working capital basis – better understood as it operates on a cash basis
- A deficit in an Enterprise Fund indicates a problem with their operations or pricing
- The General Fund generally should not make a transfer to cover operating deficits
- GASB 24 states user charges be set at a level sufficient to cover the cost of providing the service
- Texas Constitution Article III, Section 52(a) generally prohibits cities from giving away water service below cost or for free
- City Financial Policy section XII states we develop and maintain a balanced budget
- City Financial Policy section I. Revenues B. User Fees states for services that benefit specific users, where possible, the City shall establish and collect fees to recover the cost of those services. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. City staff should review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary to facilitate City Council's policy decision regarding the level of support to be provided.
- City Financial Policy Section I. Revenues D. Funds User Fees states Enterprise funds user fees shall be set at levels enough to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital and debt coverage.

INFORMATIVE RECAP

WHAT DOES THIS MEAN FOR THE CITY:

- The billing rates have not changed since the last adjustment September 1, 2023
- BWA costs increased last year by 14.14%, a total of $378,760
- BWA costs will increase 7.83% this year, a total of $262,800 in FY2026
- Veolia costs increased last year by 18.09%, a total of $474,873
- Veolia costs will increase by an estimated 3% this year, a total of $100,000 in FY2026
- Total BWA increase in costs since last rate adjustment is 21.97%, totaling $641,560
- Total Veolia increase in costs since last rate adjustment is 21.09%, totaling $574,873
- Combined increase in costs since last rate adjustment totals $1,216,433
- A rate increase is recommended to increase revenues to offset the increased expenses from BWA and Veolia
- The average annual increase in water for the past 2 years is $608,217

WATER BILL COMPARISON – LOCAL AVERAGE

WATER RATE INFORMATION:

- Staff reviewed neighboring cities for comparative purposes
- The average water bill for comparison purposes is $44.17
- Based on 5,000 gallons of consumption, Freeport is 14.85% below local average

	Freeport	Oyster Creek	Clute	Lake Jackson	Angleton	Richwood	Average Bill Price
Water - Base	18.47	19.08	14.77	17.62	33.61	37.53	
Water - 2,001-11,999	6.38	5.25 (over 2,000)	4.86 (up to 10,000)	6.36	12.33 (over 2,000)	6.14 (2,000-19,999)	
Water - Over 12,000	8.40		5.41 (up to 20,000)	7.22 (over 20,000)	12.90 (over 10,000)	6.39 (over 20,000)	
Bill based on 5,000 gals	**37.61**	**34.83**	**29.35**	**36.70**	**70.60**	**55.95**	44.17
		Last changed 10/3/24	Last changed: Unknown	Will increase 10/1/25	Increased 4/1/25	Last changed 10/1/23	

WATER BILL COMPARISON – STATE AVERAGE

Water Fees By Population Category
Summary
2025

			Residential Water		Commercial Water
Population Group	No. of Cities Reporting	Avg. Total Customers	Average Usage	Average Fee For 5,000 Gal	Average Fee For 50,000 Gal
2,000 OR LESS	**79**	411	4,820	56.97	363.63
2,001 - 5,000	**26**	1,200	5,155	49.00	281.21
5,001 - 10,000	**16**	2,879	6,228	90.53	357.63
10,001 - 15,000	**6**	4,647	6,297	41.58	322.15
15,001 - 20,000	**8**	4,446	6,056	52.09	633.34
20,001 - 25,000	**5**	8,237	6,690	57.63	428.30
25,001 - 30,000	**4**	9,260	4,896	39.06	386.25
30,001 - 50,000	**9**	13,424	5,333	41.09	332.08
50,001 - 75,000	**3**	22,569	7,982	24.64	220.86
75,001 - 100,000	**2**	29,562	9,739	41.80	258.77
100,001 - 200,000	**8**	38,989	6,591	37.61	368.77
200,001 - 350,000	**1**	79,162	13,000	43.05	357.95
MORE THAN 500,000	**1**	494,870	5,100	47.50	425.24
Total / Averages	168	8,296	5,465	55.09	355.94

State average based on population: $41.58
City of Freeport currently: $37.61
9.55% below state average

https://www.tml.org/ArchiveCenter/ViewFile/Item/219

SEWER BILL COMPARISON – LOCAL AVERAGE

WATER RATE INFORMATION:

- Staff reviewed neighboring cities for comparative purposes
- The average sewer bill for comparison purposes is $34.45
- Based on 5,000 gallons of consumption, Freeport is 17.13% below local average

	Freeport	Oyster Creek	Clute	Lake Jackson	Angleton	Richwood	Average Bill Price
Sewer - Base	14.03	.80 per total of water	14.77	19.04	18.08	28.50	
Sewer - 2,001-Unlimited	4.84		4.86 (up to 10,000) 5.41 (10,001 and over)	6.88	3.97 (per 1,000)	4.95 (over 2,000)	
Bill based on 5,000 gals	**28.55**	**27.86**	**29.35**	**39.68**	**37.93**	**43.35**	**34.45**
		Last changed 10/3/24	Last changed: Unknown	Will increase 10/1/25	Increased 4/1/25	Last changed 10/1/23	

SEWER BILL COMPARISON – STATE AVERAGE

Wastewater Fees By Population Category
Summary
2025

			Residential Sewer	Commercial Sewer
Population Group	No. of Cities Reporting	Avg. Total Customers	Average Fee For 5,000 Gal.	Average Fee For 50,000 Gal.
2,000 OR LESS	**69**	418	31.06	128.64
2,001 - 5,000	**26**	1,092	38.13	227.12
5,001 - 10,000	**16**	2,487	83.41	266.38
10,001 - 15,000	**7**	4,113	35.05	188.80
15,001 - 20,000	**7**	5,146	43.40	188.08
20,001 - 25,000	**5**	7,218	51.12	424.18
25,001 - 30,000	**4**	8,669	40.47	294.78
30,001 - 50,000	**9**	12,817	41.09	298.76
50,001 - 75,000	**3**	19,829	27.69	260.42
75,001 - 100,000	**2**	28,637	28.41	176.20
100,001 - 200,000	**8**	36,333	37.89	300.14
200,001 - 350,000	**1**	73,438	64.00	466.80
MORE THAN 500,000	**1**	481,640	63.01	556.96
Total / Averages	158	8,294	40.55	204.45

State average based on population: $35.05
City of Freeport currently: $28.55
18.55% below state average

https://www.tml.org/ArchiveCenter/ViewFile/Item/218

RATE ADJUSTMENT PROPOSALS E & F

RATE INFORMATION:

- The left includes 15% increase to all users, except for residential. Residential would have 5% water and 10% sewer increase.
- The right includes 20% increase to all users, except for residential. Residential would have 5% water and 10% sewer increase.

PROPOSED INCREASED RATES BASED ON 5% WATER, 10% SEWER, 15% ALL OTHER

This would provide additional revenue of $1,420,838

Proposed Residential/SBR Bill	Water	$39.49
Based on 5,000-gallon usage	Sewer	$31.41
	Trash	$20.00
	Total Bill:	$90.90
	Increase of:	$4.74
Proposed All Others Bill	Water	$71.63
Based on 1" meter	Sewer	$56.40
Based on 5,000-gallon usage	Trash	$35.00
	Total Bill:	$163.03
	Increase of:	$16.70

OPTION E

PROPOSED INCREASED RATES BASED ON 5% WATER, 10% SEWER, 20% ALL OTHER

This would provide additional revenue of $1,689,818

Proposed Residential/SBR Bill	Water	$39.49
Based on 5,000-gallon usage	Sewer	$31.41
	Trash	$20.00
	Total Bill:	$90.90
	Increase of:	$4.74
Proposed All Others Bill	Water	$74.75
Based on 1" meter	Sewer	$58.85
Based on 5,000-gallon usage	Trash	$35.00
	Total Bill:	$168.6
	Increase of:	$22.27

OPTION F

RATE ADJUSTMENT PROPOSALS G & H

RATE INFORMATION:

- The left includes 15% increase to all users, except for residential and small business restaurants. Residential and small business restaurants would have 5% water and 10% sewer increase.
- The right includes 20% increase to all users, except for residential and small business restaurants. Residential and small business restaurants would have 5% water and 10% sewer increase.

PROPOSED INCREASED RATES BASED ON 5% WATER, 10% SEWER, 15% ALL OTHER		
This would provide additional revenue of $1,412,838		
Proposed Residential/SBR Bill	Water	$39.49
Based on 5,000-gallon usage	Sewer	$31.41
	Trash	$20.00
	Total Bill:	$90.90
	Increase of:	**$4.74**
Proposed All Others Bill	Water	$71.63
Based on 1" meter	Sewer	$56.40
Based on 5,000-gallon usage	Trash	$35.00
	Total Bill:	$163.03
	Increase of:	**$16.70**

OPTION G

PROPOSED INCREASED RATES BASED ON 5% WATER, 10% SEWER, 20% ALL OTHER		
This would provide additional revenue of $1,679,818		
Proposed Residential/SBR Bill	Water	$39.49
Based on 5,000-gallon usage	Sewer	$31.41
	Trash	$20.00
	Total Bill:	$90.90
	Increase of:	**$4.74**
Proposed All Others Bill	Water	$74.75
Based on 1" meter	Sewer	$58.85
Based on 5,000-gallon usage	Trash	$35.00
	Total Bill:	$168.6
	Increase of:	**$22.27**

OPTION H

RATE ADJUSTMENT PROPOSALS - SUMMARY

Option	Proposal	Residential/SBR Impact	Other User Impact	Projected Revenue Increase
E	15% others, 10% sewer and 5% water for residential	$4.74	$16.70	$1,420,838
F	20% others, 10% sewer and 5% water for residential	$4.74	$22.27	$1,689,818
G	15% others, 10% sewer and 5% water for residential & small business restaurants	$4.74	$16.70	$1,412,838
H	20% others, 10% sewer and 5% water for residential & small business restaurants	$4.74	$16.70	$1,679,818

Below the local average on residential water prices by 14.85%, per comparison
Below the state average on residential water prices by 9.55% for population bracket, per TML
Below the local average on residential sewer prices by 17.13%, per comparison
Below the state average on residential sewer prices by 18.55% for population bracket, per TML

The amount needed to cover the deficit is $1,162,830

DISCUSSION

"Exhibit B"

FY2025-2026 Annual Budget

Departmental Budget Requests

Prepared by: Ashlee Hurst, CGFO
Presented at: 8/25/25 Special Meeting

Overview

- Each department will have 10 minutes
- Budget requests for 2026
- Justification for the requests
- Q & A with Council is encouraged
- Highlighted amounts are tentatively approved

Presentation Order

- Administration – Finance
- Administration – H.R.
- Building / Permits
- Police / Code
- Fire / EMS
- Streets
- Parks
- Recreation Center
- Museum
- Golf Course
- Grant Match Requests
- Council Requests

Administration - Finance

- Requests:
  - Transition financial software to web-based hosting
    - $27,221 recurring
  - Financial software project accounting module
    - $3,470 recurring
  - Implementation costs for OpenGov
    - $29,950 one-time
  - JustFOIA public information request software (Admin / PD)
    - $1,007 one-time $10,314 recurring

Administration – H.R.

- Requests:
  - TMHR Certifications
    - $3,000 one-time
  - Personnel Policy Consultant
    - $3,000 one-time

Building / Permits

- Requests:
  - Increase in advertising line-item
    - $3,000 recurring

Freeport Police Department

2025-2026

Budget Request and Considerations

It is the vision of the Freeport Police Department to provide our community with a quality of life where they feel safe and secure.

Budget Request

• Combine PD and Code budget	$0 (House Bill 1900)
• 5.5% COLA for ALL PD staff	$175,000
• Overtime Increase	$120,000
• Microsoft Office 2022 Update	$11,670
• Replace PD Building Camera Storage	$12,000
• Server Relocation	$28,000
• Replace Office Chairs	$10,000
• 5 Vehicle Replacements	$475,000
• Remove Tower and Surge Protection	$30,000
• Replace Jail Cameras	$5,000
• Beach Buggy Replacement (grant?)	$32,000
• LPR Cameras (grant?)	$63,000 + $84,250

Overtime

- **Increase Department Overtime Budget by $120,000 to accurately reflect the needs of the department.**
  - **Holiday is counted as hours worked.**
  - **Dispatch and Patrol are generally pushed into overtime at each holiday.**
  - **13.5 Holidays at the current hourly rate creates almost $135,000 in overtime.**
  - **Current overtime budget is $120,000, causing a deficit of $15,000 immediately.**
  - **Does not include extra shifts for events, court, trainings, coverage and beach.**

- **2023-2024 Increases**
  - **Beach Patrol (incorrect data)**
  - **Citizens Police Academy (requested by council)**
  - **Over 80 Events**
  - **Improper Time Keeping Discovered**
  - **Evidence (Audit)**
  - **Captain Gillchriest**

OT HISTORY		
Year	**Amount**	**3% Increase**
2015-2016	$77,435.10	$2,323.05
2016-2017	$112,079.48	$3,362.38
2017-2018	$88,223.06	$2,646.69
2018-2019	$91,651.00	$2,749.53
2019-2020	$130,837.57	$3,925.13
2020-2021	$176,377.32	$5,291.32
2021-2022	$116,356.10	$3,490.68
2022-2023	$191,085.54	$5,732.57
2023-2024	$359,838.21	$10,795.15
2024-2025	$179,380.83	$5,381.42
TOTAL		$45,697.93
2015+3%	$77,435.10	$123,133.03

Safety is THE Priority

- Citizens
- Staff
  - Currently operating in a deficit of 4 patrol and 1 dispatch opening.
  - Risk of multiple additional openings which could create a cascade effect.
  - 15 police cadets in the academy.
  - More than 15 openings across agencies in Brazoria county.
  - Each agency below is increasing their rate effective October 1st, except Freeport.

CURRENT HOURLY RATES		
City	Officer	Dispatcher
Angleton	$29.61	$20.68
Clute (6mo)	$27.48 / $28.30	$20.70 / $21.34
Lake Jackson	$29.52	$19.95
Freeport	**$27.19**	$20.48

Safety is THE Priority

- A 6-month Clute PD Officer makes almost as much as a 4-year FPD Officer.
- A new hire at Angleton PD and Lake Jackson PD makes almost a much as 7-year FPD Officer.
- A new hire at Iowa Colony PD make almost as much as a FPD Corporal.

The market is NOT an agency market.

It is an employee's market.

These are who we are losing staff to.

Safety is THE Priority

- Failure to retain is expensive.

- Retention is investing and cost effective.

- 2022-2025 we have replaced 13 officers and 8 dispatchers.
  - Officer replacement cost $32,000 x 13 = $416,000
  - Dispatch replacement cost $28,000 x 8 = $224,000
  - Total spent in replacing staff $640,000

How can we change this?

By providing competitive salary to get quality applicants and retain them.

Safety is THE Priority

- Provide at least a 5.5% COLA to ***ALL*** PD staff and matrix.

STEP	Officer	Hourly	Percent	Dispatcher	Hourly	Percent
0	$56,557.35	$0.00	0.00%	$42,603.93	$0.00	0.00%
1	$57,154.35	$0.29	1.04%	$43,084.48	$0.23	1.12%
2	$57,751.35	$0.29	1.03%	$43,565.03	$0.23	1.10%
3	$58,348.35	$0.29	1.02%	$44,045.58	$0.23	1.09%
4	$58,945.35	$0.29	1.22%	$44,526.13	$0.23	1.30%
5	$59,661.74	$0.34	1.60%	$45,102.78	$0.28	1.70%
6	$60,616.94	$0.46	2.36%	$45,871.66	$0.37	2.51%
7	$62,049.74	$0.69	3.85%	$47,024.98	$0.55	4.09%
8	$64,437.73	$1.15	3.71%	$48,947.17	$0.92	3.93%
9	$66,825.72	$1.15	3.57%	$50,869.37	$0.92	3.78%
10	$69,213.72	$1.15	3.45%	$52,791.57	$0.92	3.64%
11	$71,601.71	$1.15	3.00%	$54,713.76	$0.92	3.16%
12	$73,750.90	$1.03	2.59%	$56,443.74	$0.83	2.72%
13	$75,661.30	$0.92	2.21%	$57,981.49	$0.74	2.32%
14	$77,332.89	$0.80	0.93%	$59,327.03	$0.65	0.97%
15	$78,049.29	$0.34	0.76%	$59,903.69	$0.28	0.77%
16	$78,646.29	$0.29	0.76%	$60,364.24	$0.22	0.83%
17	$79,243.29	$0.29	0.75%	$60,864.79	$0.24	0.79%
18	$79,840.29	$0.29	0.75%	$61,345.34	$0.23	0.78%
19	$80,437.29	$0.29	0.00%	$61,825.88	$0.23	0.00%
20	$80,437.29	$0.00	0.00%	$61,825.88	$0.00	0.00%

COLA HISTORY			
Year	City %	PD %	USA %
2019-2020	3.5%	3.5%	1.6%
2020-2021	3%	3%	1.3%
2021-2022	3.5%	Matrix	5.9%
2022-2023	3.5%	3.5%	8.7%
2023-2024	3.5%	3.5%	3.2%
2024-2025	3%	0%	2.5%
TOTAL	20.0%	13.5%	23.2%

A new officer moving from STEP 0 to STEP 1 receives a *gross* annual raise of $597, *net* is approximately $400 for the year, which equates to a per paycheck "raise" of $15.

Safety is THE Priority

- Decrease in police or code staff will cause a decrease of service.
  - Abandoned or junk vehicles
  - Bar checks
  - Beach patrol
  - Special watches
  - Civil matters
  - Clerk checks
  - Theft and Burglary (not in progress)
  - Criminal Mischief (not in progress)
  - City ordinance violations
  - Illegal dumping
  - Financial crimes
  - Non-injury accidents
  - Private property accidents
  - Motorist assist
  - Noise complaints
  - Parking violations
  - Animal complaints

The frequency of seeing an officer patrolling in your neighborhood will decline.

Our citizens deserve the best Freeport ever.

Safety is THE Priority

- What are other agencies doing?
  - 4-19% COLA and raises
  - Sign on bonuses of $5,000-$20,000
  - Tuition reimbursement for academy

- What do we recommend?
  - At least a 5.5 % cost of living adjustment with matrix/step/merit
  - Sign on bonuses for first responders
  - Tuition reimbursement
  - Future redesign of matrix to better recruit and retain staff.

Safety is THE Priority

Recommended Proposal for ALL First Responders:

- Hiring Incentive For New First Responder:
  - $5000 total
    - $1000 at start
    - $2000 at 1 year
    - $2000 at 2 years

- Replacing 5 Officers:
  - $5000 at start
  - $12,500 at 1 year
  - $12,500 at 2 years
  - Total $30,000 for 5 Officers

- 5 Hiring Incentives equals the same amount it cost to replace 1 Officer.

Safety is THE Priority

__Recommended Proposal for ALL First Responders:__

- Academy Reimbursement:
  - Average Police Academy up to $5000
    - 25% upon completion of Field Training
    - 25% upon completion of 1 year
    - 50% upon completion of 2 years

- Restrictions:
  - Freeport must be your first hire agency after graduation.
  - Must have graduated within the past 3 years.

- Currently 6 officers would be eligible.
  - Average of $5,000 for academy
  - Total $30,000 for 6 Officers

- 6 Reimbursements equals the same amount it cost to replace 1 Officer.

Safety is THE Priority

Recommended Proposal:

- Future redesign of matrix
  - Employees decide in first 2-5 years whether to stay.
    - *FPD avg is 3 years on patrol.*
  - Starting pay has been the same for 2 consecutive years because no COLA.
  - Currently the total for all raises in first 5 years of employment:
    - $1.49/hour for Officers or $3,099,
      - Divided by 5 = $619 annually divided by 26 pay periods = $23 gross = $15 net
    - $1.20/hour for Dispatchers or $2,496
      - Divided by $499 annually divided by 26 pay periods = $19 gross = $12 net

Would you stay for a $15 per pay period "raises" for 5 years?

Safety is THE Priority

- A new matrix will provide a better recruitment tool and elevate retention of current staff.
- Currently there are no step increases after 19 years of service so experienced staff “cap out”, which essentially results in experienced personnel being encouraged to leave.
- Apply a 5.5% increase to matrix to try to catch PD staff up to neighboring agencies and to compensate from ***no COLA*** last year.
- A redesign of the matrix for next fiscal year to help remain competitive and alleviate the need for large increases every few years, which has been the necessity in the past.

Safety is THE Priority

- Why are we wanting to do this?
  - Because our citizens ***deserve*** a safe Freeport.
  - Because our staff are ***key*** to the change needed in Freeport.
  - Because city officials ***want and expect*** the best Freeport ever.

- Staff will continue to leave if they do not feel they are treated fairly, and non-competitive compensation is a major determinant.

- If we cannot retain our current staff and recruit additional staff, we cannot adequately serve our citizens and our citizens deserve exceptional service.

- We ***can***, ***should*** and ***MUST*** do better!

Safety is THE Priority

Questions?

Freeport Fire & EMS

2025-2026

Budget Request and Considerations

Freeport Fire & EMS is committed to serving the public with compassion, care, and educational outreach. We strive to protect our community through professional fire response, emergency medical services, and effective emergency management.

Budget Request

• Tire- Engine 902 Engine 903	$13,000
• Training Overtime	$24,000
• 3 Firefighter/Medics	$258,000
• Ambulance	$400,000
• Fire Engine (Quint)	$1,700,000

Non Budget Request

Salary Surveys (February 2021)

Department Director's Budget recommendation is limited only to supplies, services, maintenance, sundry, and captial.

Accomplishments

- Communications Infrastructure Improvement
  - ILA Port Freeport & City of Freeport Public Safety
  - Multi-band portable radios (27) grant
- Employee Training (FEMA Training Grant)
  - Vehicle Extrication
  - Rope Rescue
  - Confine Space Rescue
  - Advance EMT
- Cost Recovery Services
  - EMS Cost recovery revenue
  - Increased 42%, fiscal year each year for the last three years.
  - Cost recovery agency forecast $920,000
- Departmental Training (Company Shifts) Fire Field
  - Live Burn Training: BCFFA Fire Field
- Regional and/or Interdepartmental Collaboration
  - ILA Port Freeport & City of Freeport
  - Industry and Freeport Table Top Drills

Overtime

Increase the Overtime Budget to reflect the needs of the department.

- Additional staffing during Holidays Weekends.
  - Holiday weekend coverage includes Friday through the Holiday with additional staffing
  - Additional staffing is six.
  - Holiday Weekends: New Years, Good Friday (Easter), Independence Day, Labor Day, Thanksgiving, Christmas.
  - Holiday: Martin Luther King, Jr., President's Day, Columbus Day
- Does not include extra shifts for events, training, and backfill coverage.
  - Fire/EMS Prevention
  - Fishin' Fieta
  - Kid Fest
  - Riverfest – Boat Races
  - National Night Out
  - Fire Works
  - Bonfire

Employee Recruitment & Retention

(AKA: Attracting and Keeping Employees)

Staff Levels:

Currently: Staff shortage for three positions.

Last year: Staff shortage four positions.
Periodically: Staff shortage five positions.

Forecast: Possible two employee turnovers.

Recruiting:

Surrounding fire/EMS departments recruitment is creating challenge:

Salary ranges from $61,00 to $68,000

Freeport: $55,000

Background:

- 2019: Merit-based pay. Fire/EMS was removed from step raises.
- 2020: Pay increase was not COL only but performance rating.
    - COL: 1.5 % and Merit: 1.5 %
- 2023: Council Approval Fire/EMS salary adjustment.
- 2023: Fire/EMS annual base salary is 12% below.

COLA HISTORY			
Year	City %	PD %	USA %
2019-2020	3.5%	3.5%	1.6%
2020-2021	3%	3%	1.3%
2021-2022	3.5%	Matrix	5.9%
2022-2023	3.5%	3.5%	8.7%
2023-2024	3.5%	3.5%	3.2%
2024-2025	3%	0%	2.5%
TOTAL	**20.0%**	**13.5%**	**23.2%**

Recruitment & Retention Recommended Proposal

Recommended Proposal for ALL First Responders:

- Hiring Incentive For New First Responder:
  - $5000 total
  - $1000 at start
  - $2000 at 1 year
  - $2000 at 2 years

- Vacancies 5 Firefighter/EMS:
  - $5000 at start
  - $12,500 at 1 year
  - $12,500 at 2 years
  - Total $30,000

5 Hiring incentives equal the expense of recruiting, testing, background investigation, drug screen/physical, and field training of 1 Firefighter/EMT

Recruitment & Retention Recommended Proposal

Recommended Proposal for ALL First Responders:

- Academy Reimbursement:
  - Average Fire Academy up to $5000
    - 25% upon completion of Field Training
    - 25% upon completion of 1 year
    - 50% upon completion of 2 years

- Restrictions:
  - Freeport must be your first hire agency after graduation.
  - Must have graduated within the past 3 years.

- Currently 5 Firefighter/EMT would be eligible.
  - Average of $5,000 for academy
  - Total $30,000 for 5 Firefighter/EMT

- 5 Hiring incentives equal the expense of recruiting, testing, background investigation, drug screen/physical, and field training of 1 Firefighter/EMT

Recruitment & Retention Recommended Proposal

- Fire/EMS be placed back on a matrix
- Benefit: Retaining a highly skilled workforce
- Recruit quality workforce to meet the citizens needs and expectations.
- Why ?
- Our citizens immediate needs are our priority!
- Staff are key to efficient delivery of services Fire/EMS!
- Our Elected Officials want and expect the best!

Freeport Fire & EMS

Questions ?

Streets

- Requests:
  - Concrete saw
    - $6,256 one-time
  - Vibratory plate compactor
    - $1,595 one-time
  - Jumping jack
    - $2,998 one-time
  - 15’ batwing
    - $29,000 one-time
  - Zero turn mower
    - $14,000 one-time

Parks

- Requests:
  - Riverplace exterior metal coating
    - $30,000 one-time
  - Repair playground equipment
    - $20,000 one-time
  - Border and mulch (playgrounds)
    - $10,000 one-time

Recreation Center

- Requests:
  - Annual pool contract
    - $10,000 recurring
  - Splash pad replacement
    - $10,000 one-time
  - Rec Center exterior metal coating
    - $30,000 one-time

Museum

- Requests:
  - Museum staff raises above COLA
    - $10,000 recurring ($6,000 recurring)
  - Museum manager raise
    - $10,000 recurring ($6,000 recurring)
  - Generator
    - $5,000 one-time ($14,000 one-time)
  - Central dehumidifier
    - $5,000 one-time
  - Renovate museum storage room
    - $15,000 one-time
  - Fire suppression system
    - $45,000 one-time
  - Renovate exhibit hall
    - $25,000 one-time
  - Interactive touch-screen displays
    - $10,000 one-time
  - Advertising line-item increase
    - $9,000 recurring

Golf Course

- Requests:
    - Annual cart path repair
        - $10,000 recurring
    - Pump station platform
        - $10,000 one-time (future project within next 2 years)

Grant Match Requests

- Requests:
  - PD – cybersecurity grant 20% match
    - $21,605 one-time

Council Requests Received

- Slaughter Road generator
  - $50,000 one-time
- Pave alleyway between Methodist Church & retirement homes
  - $30,000 one-time

Total Available Resources: $1,622,177

Total One Time Requests: $3,198,331
Total Recurring Requests: $971,490
Grand Total Requests: $4,169,821

Tentatively Approved Total:
$1,455,966

Discussion for Council Final Approved Projects

Thank you, Mayor & Council!