

## **COUNCIL MINUTES**

September 3, 2025

Stratford City Council met in special session with Mayor Wright presiding and the following:

Council: Michael Hood, Misti McBryde, Ray Lermon, Brad Reed

City Manager: Tommy Bogart

City Secretary: Kathy Rendon

Police Chief: Richard Coborn

Guests: Kathy Allen

### **Call to Order, Pledge of Allegiance, Prayer**

The meeting began with the Pledge of Allegiance and prayer.

### **Discuss and consider action re: review Letter of Intent with Aspen Woods**

Mayor Greg Wright requested to address agenda item 2b (Executive Session) before discussing item 2a, noting a preference to have the executive session discussion prior to reviewing the Letter of Intent with Aspen Woods.

### **EXECUTIVE SESSION**

Council convened into closed session in accordance with Texas Government Code 551.087 to deliberate regarding Economic Development. Kathy Allen was invited to join the executive session for the economic development discussion.

### **Council will reconvene into open session to consider action, if any, on matters discussed in Executive Session**

Upon reconvening in open session, the Council determined that no formal action was needed on item 2a regarding the Letter of Intent with Aspen Woods.

The Council discussed scheduling two meetings for Wednesday, September 10, 2025:

1. A meeting with Aspen Woods officials at 1 PM
2. A public forum meeting at the county barn at 6 PM (contingent on venue availability)

Motion: To schedule a meeting with Aspen Woods officials on Wednesday, September 10, 2025, at 1 PM and a public forum meeting at the county barn at 6 PM on the same day (if the venue is available) was made by Brad Reed, seconded by Michael Hood, approved unanimously

### **Budget Workshop**

The City Manager provided an update on the preliminary budget and discussed several key points regarding the city's financial situation:

1. The city is still finalizing the current fiscal year figures to determine exact revenues and expenditures.
2. The city is planning to apply for water and wastewater grants, which requires demonstrating that the city is taking steps to help itself financially, including raising utility rates.

3. The City Manager noted that utility rates have not been increased since 2017, which could negatively impact grant opportunities.
4. The Council previously discussed moving trash services out of the utility fund into the general fund, but after analysis, the City Manager recommended against this change.
5. Key financial challenges were highlighted:
  - Water sales have consistently declined over the past 10 years
  - Seward County raised their waste collection rates in January 2025, increasing costs for basic pickup, roll-off rates, transportation, and tonnage rates
  - The city is paying approximately \$130,000 annually for certificates of obligation from projects completed 20 years ago (Main Street and wastewater plant improvements), which will continue for another 9 years until 2035
  - The city added three new vehicles this year, adding approximately \$40,000 in debt without corresponding revenue increases

Ray Lermon inquired about the timeline for paying off the certificates of obligation for the Main Street project and wastewater improvements, which the City Manager confirmed would be paid off in 2035.

There was discussion about whether surplus revenue from utility rate increases would remain in the utility fund for maintenance. The City Manager clarified that some of the increased revenue would be needed to cover the cost of the new vehicles.

Ray Lermon asked about repurposing the salary previously allocated to David, a former employee who left in June. The City Manager explained that those funds were already reallocated in the budget but noted the possibility of adding a fifth person to the crew in spring if funds become available, citing improved productivity under current supervision.

### **Discuss and consider action re: utility rates**

The City Manager recommended raising utility rates by \$3 across the board, including tier rates, to address budget deficits and improve the city's position for grant applications. He emphasized that this increase was necessary both financially and to demonstrate to granting agencies that the city is taking steps to address its infrastructure needs.

Council members expressed support for the rate increase, acknowledging that while rate increases are unpopular, they are necessary for the city to qualify for much-needed grants.

Motion: To raise utility rates by \$3 across the board.

Made by: Brad Seconded by: Michael Vote: Approved unanimously

The Council discussed the importance of communicating the reasons for the rate increase to residents. The City Manager agreed to prepare a notice for the newspaper explaining that rates had not been raised since 2017 and describing how the increase relates to the city's efforts to secure infrastructure grants.

### **Items from the Council**

Ray Lermon inquired about trading in the city's old pickups when acquiring new vehicles. The City Manager confirmed that they had discussed this with Corey, who would provide a proposal for trading in the two vehicles being replaced. He noted that they would likely not receive much for the trade-ins due to the wear from pulling heavy equipment, but any amount would be helpful. If they did not trade them in, the city would need to hold a public auction.

Misti McBryde expressed appreciation for the City Manager's willingness to communicate with the public through the newspaper. The City Manager indicated that he would prepare information about the rate increases for the following week's paper.

Brad Reed thanked the rest of the Council for their service to the community of Stratford, noting appreciation for everyone's contributions, including the City Manager and staff.

### **Adjourn**

The meeting was adjourned at 7:09 pm with a motion made by Brad Reed, seconded by Misti McBryde, approved unanimously.