

**City of Amarillo, Texas
City Council Regular Meeting
April 28, 2026**

Cole Stanley, Mayor
Tim Reid, Councilmember Place 1
Don Tipps, Councilmember Place 2
David Prescott, Councilmember Place 3
Les Simpson, Councilmember Place 4



Grayson Path, City Manager
Bryan McWilliams, City Attorney
Stephanie Coggins, City Secretary

<http://www.amarillo.gov>

Amarillo City Hall, Council Chamber, 623 S. Johnson, Third Floor, Amarillo, Texas

Amarillo City Hall is accessible to individuals with disabilities through its main entry on the west side (623 South Johnson Street) of the building at the main entrance. Access ramps leading to the main entry are located to the north and south of the main entry. Parking spaces for individuals with disabilities are available in the west parking lot. City Hall is equipped with restroom facilities, communications equipment, and elevators that are accessible. Individuals with disabilities who require special accommodations, or a sign language interpreter must contact the City Secretary's Office 48 hours prior to meeting time by telephoning 378-3013 or the City TDD number at 378-4229.

Please note: The City Council may take up items out of the order shown on any Agenda. The City Council reserves the right to discuss all or part of any item in an executive session at any time during a meeting or work session, as necessary and allowed by state law. The City Attorney's Office has reviewed the agenda and is of the opinion that all items noticed therein described for open and/or closed session comply with the Texas Open Meetings Act ("Act") and that this opinion may be relied upon by City officials for all purposes, including but not limited to, Section 551.144 of the Act as amended. Votes or final decisions are made only in open Regular or Special meetings, not in either a work session or executive session.

3:00 PM - City Council convenes in Open Session in City Council Chambers.

1. Ceremonial Items

1.1. Invocation

1.2. Pledge of Allegiance

1.3. The Texas Pledge

1.4. Recognition: "Amarillo Fire Department Accreditation - Texas Fire Chiefs Association's (TFCA) Best Practices"

1.5. Proclamation: "America 250 Celebration"

1.6. Proclamation: "Senior Hunger Awareness Month"

1.7. Proclamation: "Safe Digging Month"

1.8. Proclamation: "Drinking Water Week"

1.9. Proclamation: "Municipal Clerks Week"

Call to Order

2. Announcements

3. **Public Comment - The public will be permitted to offer public comment on agenda items and items related to City business. Citizens interested in commenting may sign up online at <https://www.amarillo.gov/city-secretary/public-comment-registration-form/>, by calling the City Secretary's office at (806) 378-3014, or in person in Room 3500 of City Hall, 623 S. Johnson. Citizens should sign up at least 15 minutes prior to the scheduled meeting start time.**

4. **Consent Agenda - It is recommended that the following items be approved and that the City Manager be authorized to execute all documents necessary for each transaction. The following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Councilmember, in which event the item shall be considered in its normal sequence, after the items not requiring separate discussion have been acted upon by a single motion.**

4.1. **Consider Approval of Minutes.** This item considers approval of the minutes for the City Council regular meeting held on April 14, 2026. (Stephanie Coggins, City Secretary)

4.2. **Consideration of Ordinance No. 8245.** This item is a second and final reading of an ordinance considering the rezoning of a 27.48-acre tract of unplatted land, located in Section 2, Block 9, B.S.& F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Residential District 3. (VICINITY: S. Western St. & Beacon Rd.; APPLICANT/S: Furman Land Surveyors, Inc. for P DUB Land Holdings, LTD) (Brady Kendrick, Senior Planner)

4.3. **Consideration of Resolution No. 04-14-26-2.** This item is a second and final reading consent to consider a resolution directing and authorizing the city manager to study and develop cost recovery options for various city services in preparation for the Fiscal Year 2026/2027 budget. (Grayson Path, City Manager)

4.4. **Consider Award - New Home Construction Contract.** This item considers the award of a contract for a new home construction at 1106 N. Monroe Street, Amarillo, TX.

Award to: Habitat for Humanity

Amount: \$80,000.00

Funding Source: HOME Investment Partnership funds and CHDO set-aside funds
Is the item budgeted? Yes (Jason Riddlespurger, Managing Director of Community Development, Stefanie Rodarte-Suto, Assistant Community Development Director)

- 4.5. Consider Purchase - Street and Parks Mowing Equipment.** This item considers the purchase of three 80-hp John Deere Tractors and two 15-foot mowing decks, used daily by the Street Department & Parks Department. This is the scheduled replacement of units 7476, 7594, 7606, 7607, and 8154 which have reached their end of useful life.
Award to: Deere & Company/Western Equipment (BuyBoard #706-23)
Amount: \$275,978.78
Funding Source: Bond proceeds
Is the item budgeted? Yes (Alan Harder, Director of Public Works)
- 4.6. Consider Purchase - Heavy Haul Truck.** This item considers the purchase of a Western Star Heavy Haul Truck for daily use in the Solid Waste Collection Dangerous Structure Demolition program.
Award to: Premier Truck Group (SourceWell Contract #032824-DAI)
Amount: \$160,111.17
Funding Source: General fund revenues (CIP #PRJ-0000124)
Is the item budgeted? Yes (Alan Harder, Director of Public Works)
- 4.7. Consider Purchase - Solid Waste Dumpsters** This item considers the purchase of 1,836 3-cubic yard dumpsters and 189 8-cubic yard dumpsters used in the Solid Waste Residential and Commercial Collection programs.
Award To: Roll Offs USA of America (Buy Board #786-525)
Amount: \$1,550,907.00
Funding Source: General fund revenues
Is the item budgeted? Yes (Alan Harder, Director of Public Works)
- 4.8. Consider Approval - Lease Agreement for Rick Klein Baseball Complex.** This item considers the approval of a lease agreement between the City of Amarillo and Kids Inc for an initial term of 10 years, with an automatic renewal for a single five-year term.
Lessee: Kids Inc.
Amount: \$1.00 annually
Is the item budgeted? Yes (Michael Kashuba, Director of Parks and Recreation)
- 4.9. Consider Purchase — Valves, Couplings, and Flange Kits for 45" Water Main.** This item considers the purchase of two globe check valves, couplings, and flange kits to replace valves on the 45" Carson County Well Field water main.
Award to: Reece (BuyBoard #756-24)
Amount: \$59,021.64
Funding Source: Water and sewer fund revenues (CIP #PRJ-523950)
Is the item budgeted? Yes (William Johnson, Director of Utilities - Operations)

4.10. Consider Purchase - Two Motors and Two Pumps for Lift Station #16. This item considers the purchase of two motors and two pumps for Lift Station #16 within the Wastewater Collection Department. These pumps have reached the end of life and need to be replaced.

Award to: Austin Armature Works (Buyboard #770-25)

Amount: \$55,853.80

Funding Source: Water and sewer fund revenues

Is the item budgeted? Yes (William Johnson, Director of Utilities - Operations)

4.11. Consider Approval — Interlocal Cooperation Contract between the City of Amarillo and the Texas Department of State Health Services for Recurring Inspections of Mobile Food Units. This item considers the approval of an interlocal cooperation contract between the City of Amarillo and the Texas Department of State Health Service for reoccurring inspections of Mobile Food Units within the Amarillo Area Public Health District. The interlocal agreement contract is not to exceed \$107,517.00 annually and will be reimbursed from the Texas Department of State Health Services monthly upon completion of assigned inspections. (Anthony Spanel, Director of Environmental Health)

4.12. Consider Approval - Center City Tax Increment Reinvestment Zone #1 Developer Agreement with Rillo Investments, LLC for a hospitality project located in the vicinity of SE 10th Ave. and S. Buchanan St. This item considers approval of a developer agreement for the developer to invest not less than \$28 million to construct a new 122-room Hampton Inn Hotel. At completion, the developer would receive a 100% annual property tax rebate of taxes paid (City of Amarillo, Amarillo College, Potter County, Panhandle Groundwater District) for 10 years, along with a not to exceed \$900,000 grant for infrastructure, facade improvements, environmental site remediation, or demolition of existing structures. (Drew Brassfield, Assistant Director of Planning)

5. Discussion Items - City Council will discuss or receive reports on the following current matters or projects:

5.1. Construction Projects FY2025/26 Update

5.2. Design Request for Wastewater Extension Project at 58th and Osage

5.3. Presentation Regarding the Draft Environmental Information Document Open House prepared for the proposed Hollywood Road II Wastewater Treatment Facility.

5.4. Request future agenda items and reports from City Manager

6. Non Consent Agenda

- 6.1. Public Hearing and Consideration of Ordinance No. 8246.** This item is a public hearing and first reading of an ordinance considering the vacation of approximately 8,451.22 feet of public alley right-of-way, being the 20-foot-wide public alley as dedicated in Lawrence Park Unit No. 116 and the south 136.33 feet of the alley segment located between Lot 6, Block 24, Lawrence Park Unit No. 89 and Lot 5A, Block 33, Lawrence Park Unit No. 116, all the above additions to the City of Amarillo, in Section 227, Block 2, A.B.& M. Survey, Potter County, Texas. (VICINITY: SW 26th Ave. & Britain Dr.; APPLICANT/S: Furman Land Surveyors, Inc. for Southwestern Public Service Company, Inc.) (Brady Kendrick, Senior Planner)
- 6.2. Consideration of Ordinance No. 8243.** This item is a second and final reading of an ordinance considering the rezoning of Lots 1 through 3 and 9 through 12, Block 46, Amended Plat of San Jacinto Heights Addition, an addition to the City of Amarillo, in Section 225, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 3 to Residential District 3 with Specific Use Permit 209 for a Daycare facility. (VICINITY: SW 5th Ave. & S. Alabama St.; APPLICANT/S: Yellow City Academy Land & Equipment LTD) (Brady Kendrick, Senior Planner)
- 6.3. Consideration of Resolution No. 04-28-26-1.** This item considers a resolution authorizing the City to seek and distribute State funds, pursuant to article 5190.14, Section 5C of the Texas Revised Civil Statutes for the 2026 Working Ranch Cowboys Association's World Championship Ranch Rodeo. (Katrina Owens, Interim Chief Financial Officer)
- 6.4. Consideration of Resolution No. 04-28-26-3.** This item considers a resolution authorizing the City to seek and distribute State funds, pursuant to article 5190.14, Section 5C of the Texas Revised Civil Statutes, in cooperation with the Amarillo-Potter Event Venue District, for the 2026 AQHA Versatility Ranch Horse World Championships. (Katrina Owens, Interim Chief Financial Officer)

Adjournment

Watch the meeting live: <http://amarillo.gov/city-hall/city-government/view-city-council-meetings>.

I certify that the above notice of meeting was posted on the electronic bulletin board at City Hall, 623 S. Johnson, Amarillo, Texas, and on the City website (www.amarillo.gov) at least three business days prior to the meeting date in accordance with the Open Meetings Laws of the State of Texas, Chapter 551, Texas Government Code.

/s/ Stephanie Coggins
Stephanie Coggins, City Secretary



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Communication

Department: City Secretary

Contact Person: Stephanie Coggins, City Secretary

Agenda Caption: Consider Approval of Minutes. This item considers approval of the minutes for the City Council regular meeting held on April 14, 2026.

Agenda Item Summary: This item requests City Council approval of the minutes for the regular Amarillo City Council. Accurate minutes provide an official record of City Council proceedings and actions for public and administrative purposes.

Requested Action: Review the attached minutes for accuracy, propose any necessary corrections, and consider approval of the minutes as the official record of the respective meetings.

Funding Summary: Not applicable

Purchasing Summary: Not applicable

Community Engagement Summary: Once reviewed by City Council and approved in a regular meeting, minutes will be posted online to the City's Agenda and Minutes portal.

Staff Recommendation: Staff recommends that City Council review the minutes for accuracy, offer any revisions if needed, and approve the minutes.

City of Amarillo, Texas
City Council Regular Meeting
April 14, 2026

Cole Stanley, Mayor
Tim Reid, Councilmember Place 1
Don Tipps, Councilmember Place 2
David Prescott, Councilmember Place 3
Les Simpson, Councilmember Place 4



Grayson Path, City Manager
Bryan McWilliams, City Attorney
Stephanie Coggins, City Secretary

<http://www.amarillo.gov>

Amarillo City Hall, Council Chamber, 623 S. Johnson, Third Floor, Amarillo, Texas

MINUTES

1:00 PM - City Council convenes in City Council Chamber and immediately recesses into Executive Session.

The City Council of the City of Amarillo, Texas met at 1:00 PM on April 14, 2026 for a Regular Meeting held in Council Chamber, located on the third floor of City Hall at 623 South Johnson Street, Amarillo, Texas. Council convened at 1:05 PM with the following members and administrative staff present:

Mayor Cole Stanley
Councilmember Tim Reid
Councilmember Don Tipps
Councilmember David Prescott
Councilmember Les Simpson

Absent were none.

Also in attendance were the following administrative officials:

Grayson Path, City Manager
Andrew Freeman, Deputy City Manager
Rich Gagnon, Assistant City Manager
Donny Hooper, Assistant City Manager
Leslie Schmidt, Senior Assistant City Attorney
Stephanie Coggins, City Secretary
Omoloa Ogunremi, Chief Financial Officer

Note: City Council addressed agenda items in the following order: 1.1; 2; 3; 4; 5.1-5.12; 6.1-6.4; 7.1-7.7

Immediately following agenda item 6.1, Mayor Stanley recessed the open session at 5:16 p.m. and resumed it at 5:32 p.m.

1. Executive Session

The meeting recessed at 1:02 p.m. and reconvened in Executive Session under the provisions of Section 551, Texas Government Code. City Council reconvened in open session at 2:12 p.m., and the meeting was called to order at 3:01 p.m.

1.1. Section 551.087 - Discussion regarding commercial or financial information received from a business prospect and/or to deliberate the offer of a financial or other incentive to a business prospect:

1.1.1. Project #TIRZ1-2501 (Hospitality)

Adjourn from Executive Session

City Council reconvened into open session at 2:12 p.m.

3:00 PM - City Council continues in Open Session in City Council Chambers.

City Council reconvened at 2:12 p.m. Mayor Stanley called open session to order at 3:01 p.m., immediately before the Ceremonial items.

2. Ceremonial Items

2.1. Invocation

Murray Gossett, with First Presbyterian Church, led the invocation.

2.2. Pledge of Allegiance

The Pledge of Allegiance to the United States Flag was led by Mayor Stanley.

2.3. The Texas Pledge

The Pledge of Allegiance to the Texas Flag was led by Mayor Stanley.

2.4. Proclamation: "Alcohol Awareness Month"

A proclamation for "Alcohol Awareness Month" was read by Councilmember David Prescott and presented to Shanna James and representatives of Andrea's Project.

2.5. Proclamation: "Child Abuse Prevention Awareness Month"

A proclamation for "Child Abuse Awareness Month" was read by Councilmember Tim Reid and presented to Judge Carrie Baker and members of CASA.

2.6. Proclamation: "Week of the Young Child"

A proclamation for "Week of the Young Child" was read by Councilmember Don Tipps and presented to Keralee Clay and representatives of Early Matters Texas Panhandle, Amarillo Area Foundation, and The Best Place for Working Parents: Texas Panhandle.

2.7. Proclamation: "National Telecommunicators Week"

A proclamation for "National Telecommunicators Week" was read by Councilmember Les Simpson and presented to Max Dunlap, who received it on behalf of Amarillo Emergency Communications Center telecommunication team members.

Call to Order

3. Announcements

Mayor Stanley introduced the item and asked if there were any announcements.

Assistant City Manager Donny Hooper announced the promotions of William Johnson and Shannon Tollison to Director of Water and Sewer Utilities. Mr. Johnson will oversee operations, and Ms. Tollison will oversee regulatory compliance and administration.

City Manager Grayson Path advised the Council that this was the first meeting for Omolola Ogunremi, the City's new Chief Financial Officer.

4. Public Comment - The public will be permitted to offer public comment on agenda items and items related to City business. Citizens interested in commenting may sign up online at <https://www.amarillo.gov/city-secretary/public-comment-registration-form/>, by calling the City Secretary's office at (806) 378-3014, or in person in Room 3500 of City Hall, 623 S. Johnson. Citizens should sign up at least 15 minutes prior to the scheduled meeting start time.

Mayor Stanley opened the public comment period. The following individuals spoke:

Matthew Alexander Resident
Hazik Aiyana Resident
Adam Dehdashti Resident

Allen Finegold Resident
Tonya Winston Resident
Mike Fisher Resident
Craig Gualteire Resident
Ruben Rivera Resident
Eduardo Valdez Resident
Trent Rosser Resident
John Adair Resident

Mayor Stanley closed the public comment period.

- 5. Consent Agenda - It is recommended that the following items be approved and that the City Manager be authorized to execute all documents necessary for each transaction. The following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Councilmember, in which event the item shall be considered in its normal sequence, after the items not requiring separate discussion have been acted upon by a single motion.**

Mayor Stanley introduced the Consent Agenda and asked if any items should be removed. Hearing no requests for removal, Mayor Stanley called for a motion to approve the Consent Agenda as presented.

Motion by Councilmember Prescott, seconded by Councilmember Tipps, so moved.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

- 5.1. Consider Approval of Minutes.** This item considers approval of the minutes for the following meetings:

- City Council regular meeting held on March 24, 2026
- City Council special meeting held on March 27, 2026

(Stephanie Coggins, City Secretary)

- 5.2. Consideration of Ordinance No. 8241.** This item is the second and final reading and consideration of an ordinance adopting budget amendments pertaining to the fiscal year 2024-2025 budget and providing an effective date. These are budget amendments to the previous Fiscal Year budget for the period from October 1, 2024 to September 30, 2025. (Katrina Owens, Interim Chief Financial Officer)

- 5.3. Consideration of Ordinance No. 8242.** This item is a second and final reading of an ordinance to consider the rezoning of a 2.63 acre tract of land, being all of Lots 6 through 10, Block 153, and Lots 1 through 5, Block 154, plus vacated public rights-of-way, all in Plemons's Addition, an addition to the City of Amarillo, in Section 170, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Multiple Family District 2 to Central Business District. (VICINITY: S. Harrison St. & SW 12th Ave.; APPLICANT/S: OJD Engineering, LLC for First Presbyterian Church) (Brady Kendrick, Senior Planner)
- 5.4. Consideration of Resolution No. 03-24-26-1.** This item is a second and final reading of a resolution considering the acceptance, placement, and public display of a donated "66 Stories from Route 66" mural to be installed on City property. (Stephanie Coggins, City Secretary)
- 5.5. Consideration of Resolution No. 03-24-26-2.** This item is the second and final reading and consideration of a resolution dissolving and abandoning the dedication of an unaccepted public street to the City of Amarillo, conveying the right-of-way to adjacent property owners and dedicating a water line easement to the City of Amarillo; the right-of-way being dissolved include Southeast 28th Avenue located between Lot 6, Block 8, and Lot 1, Block 9, Glenwood Addition, an addition to the City of Amarillo, in Section 154, Block 2, A.B.& M. Survey, Potter County, Texas. (VICINITY: SE 28th Ave. & Olive St.; APPLICANT/S: AMTEX Liquid Waste Processing, LLC) (Brady Kendrick, Senior Planner)
- 5.6. Consideration of Resolution No. 03-24-26-3.** This item is the second and final reading to consider a resolution suspending for 45 days the effective date proposed by Atmos Energy-West Texas Division (Atmos-WTX) in its application filed on or about February 20, 2026, pursuant to section 104.301 of the Gas Utility Regulatory Act. (Katrina Owens, Interim Chief Financial Officer)
- 5.7. Consider Award - Fire Apparatus Auto Parts Supply Agreement.** This item considers the award of a supply agreement for the purchase of automotive parts for Ferrara fleet apparatus, to be used by Amarillo Fire Department. The majority of the department's apparatus are Ferrara units, making access to OEM replacement parts necessary for maintaining operational readiness and reliability.
Award to: Safe Industries

Amount: \$218,500.00

Funding Source: General fund revenues

Is the item budgeted? Yes (Jacob Oehlert, Deputy Fire Chief)

- 5.8. Consider Award - Renewal of the Official City Branding Apparel Contract.** This item considers approval of the renewal of the remaining two one-year renewal options for the existing apparel contract. This agreement provides application of City of Amarillo logos, professional polos, and athletic uniforms, non-sworn uniforms and high visibility safety gear.

Award to: The Great Armadillo Printing Co.

Amount: Not to Exceed based on usage \$300,000.00 (\$150,000 per year)

Funding Source: Various funds based on departmental usage

Is the item budgeted? Yes (Michael Lindley, Purchasing Manager)

- 5.9. Consider Award - Airfield Aerial Pre-Emergent Spraying.** This item considers the award of a five-year contract to spray pre-emergent chemicals on airfield grassy areas at the Rick Husband Amarillo International Airport. This spraying will reduce seed-bearing vegetation that attracts wildlife, reduce the threat of bird strikes, and increase safety.

Award to: S&D Spraying Service

Amount: \$212,950.00

Funding Source: State grant funding (Texas Department of Transportation Ramp Grant)

Is the item budgeted? Yes (Michael Conner, Director of Aviation)

- 5.10. Consider Ratification - Emergency Award for Blower Repairs to Hollywood Road Wastewater Treatment Facility.** This item considers the award of a contract to repair the variable frequency drive on blower #2 at the Hollywood Road Wastewater Treatment Facility (WWTF). City staff proceeded with an emergency procurement of this award to prevent operational disruptions and regulatory compliance issues. The City Council is now being asked to ratify the emergency purchase made to repair and return blower #2 to service at the Hollywood Road WWTF.

Award to: Austin Armature Works (Buyboard #770-25)

Amount: \$103,596.00

Funding Source: Water and sewer fund revenues (CIP #PRJ-523225)

Is the item budgeted? Yes (William Johnson, Director of Utilities - Operations)

- 5.11. Consider Award - Water Recirculation System for the East Dissolved Air Floatation Tank at River Road Wastewater Treatment Facility.** This item considers the award of the

purchase and installation of a water recirculation system for the East Dissolved Air Flotation (DAF) tank at the River Road Wastewater Treatment Facility.

Award to: Zone Industries (Buyboard #672-22)

Amount: \$289,796.00

Funding Source: Water and Sewer revenue Fund

Is the item budgeted? Yes (William Johnson, Director of Utilities - Operations)

5.12. Consider Purchase - Belt Press Replacement Rollers for Hollywood Road. This item considers the purchase of replacement rollers for the belt press at the Hollywood Road Wastewater Treatment Facility.

Award to: Komline Sanderson

Amount: \$259,868.00.

Funding Source: Water and sewer fund revenues (CIP #0000177)

Is the item budgeted? Yes

6. Discussion Items - City Council will discuss or receive reports on the following current matters or projects:

6.1. Presentation of Water & Wastewater Rate Study

Mayor Stanley introduced the item. Grayson Path introduced Chris Ekrut, with NewGen Strategies and Solutions, LLC, who presented this item.

6.2. Streaming of Board and Commission Meetings

Mayor Stanley introduced the item. Kristen Wolbach, Director of Office of Engagement and Innovation, presented the item.

6.3. Construction-in-Progress (CIP) Report Update (Cole Stanley, Mayor)

Mayor Stanley introduced the item. Staff answered questions from Council.

6.4. Request future agenda items and reports from City Manager

Mayor Stanley introduced the item. Councilmember David Prescott requested further discussion on the streaming and recording of board and commission meetings and an update

on the Texas Commission on Environmental Quality Agreed Order for the Waste Water Treatment Plants and path forward. Councilmember Tim Reid requested a discussion on the state of parks. Councilmember Don Tipps also requested an analysis of the zoo and parks. Mayor Stanley requested staff look from 2020 forward to see what was removed from the parks and recreation budget.

7. Non Consent Agenda

7.1. Public Hearing and Consideration of Ordinance No. 8243. This item is a public hearing and first reading of an ordinance considering the rezoning of Lots 1 through 3 and 9 through 12, Block 46, Amended Plat of San Jacinto Heights Addition, an addition to the City of Amarillo, in Section 225, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 3 to Residential District 3 with Specific Use Permit 209 for a Daycare facility. (VICINITY: SW 5th Ave. & S. Alabama St.; APPLICANT/S: Yellow City Academy Land & Equipment LTD) (Brady Kendrick, Senior Planner)

Mayor Stanley introduced the item. Brady Kendrick, Senior Planner, presented the item. After hearing the presentation, Mayor Stanley announced a need to abstain due to a conflict of interest with the item. He turned the meeting over to Mayor Pro Tem Prescott and left the dais.

Mayor Pro Tem Prescott opened a public hearing. No one presented to speak. Mayor Pro Tem Prescott closed the public hearing.

Motion by Councilmember Reid, seconded by Councilmember Simpson, to adopt Ordinance No. 8243 as presented.

Vote: 4 - 0 Motion Passed

Ayes: Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: Cole Stanley

Absent: None

Mayor Stanley reentered the dais immediately following the vote and resumed his role as presiding officer.

7.2. Public Hearing and Consideration of Ordinance No. 8244. This item is a public hearing and first reading of an ordinance considering the rezoning of a 4.11-acre tract of unplatted land, located in Section 154, Block 2, A.B.& M. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from General Retail District and Residential District 3 with Specific Use Permit 2 to Multiple-Family District 2. (VICINITY: Ross St. & SE 34th Ave.; APPLICANT/S: Omer Sarig for The Llano Cemetery Association) (Brady Kendrick, Senior Planner)

Mayor Stanley introduced the item. Brady Kendrick, Senior Planner, presented the item. Mayor Stanley opened a public hearing. No one presented to speak. Mayor Stanley closed the public hearing.

Motion by Councilmember Simpson, seconded by Councilmember Tipps, to adopt Ordinance No. 8244 as presented.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

- 7.3. Public Hearing and Consideration of Ordinance No. 8245.** This item is a public hearing and first reading of an ordinance considering the rezoning of a 27.48-acre tract of unplatted land, located in Section 2, Block 9, B.S.& F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Residential District 3. (VICINITY: S. Western St. & Beacon Rd.; APPLICANT/S: Furman Land Surveyors, Inc. for P DUB Land Holdings, LTD) (Brady Kendrick, Senior Planner)

Mayor Stanley introduced the item. Brady Kendrick, Senior Planner, presented the item. Mayor Stanley opened a public hearing. No one presented to speak. Mayor Stanley closed the public hearing.

Motion by Councilmember Tipps, seconded by Councilmember Simpson, to adopt Ordinance No. 8245 as presented.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

- 7.4. Consideration of Resolution No. 04-14-26-2.** This item is the first reading to consider a resolution directing and authorizing the city manager to study and develop cost recovery options for various city services in preparation for the Fiscal Year 2026/2027 budget. (Grayson Path, City Manager)

Mayor Stanley introduced the item. Grayson Path, City Manager, presented the item.

Motion by Councilmember Prescott, seconded by Councilmember Simpson, to adopt Resolution No. 04-14-26-2 as presented.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

7.5. Consideration of Resolution No. 04-14-26-3. This item is the first and recommended final reading to consider a resolution authorizing an application to the Office of the Texas Department of Housing and Community Affairs (TDHCA) for the 2026 Continuing Award Application for the annual Emergency Solutions Grant (ESG). (Jason Riddlespurger, Managing Director of Community Development)

Mayor Stanley introduced the item. Jason Riddlespurger, Managing Director of Community Development, presented the item.

Motion by Councilmember Tipps, seconded by Councilmember Reid, to adopt Resolution No. 04-12-26-3 as a first and final reading.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

7.6. Consider Award - Aircraft Rescue & Firefighting (ARFF) Simulator Hardware. This item considers the award of a contract to provide the hardware for a live fire training simulator to be located near the fire training facility at the Rick Husband Amarillo International Airport. This simulator will replace the old simulator which fell out of Federal Aviation Administration (FAA) compliance several years ago. A separate contract will be established for the civil earthwork needed. The simulator will be used by AFD's ARFF staff, which is required to conduct annual recurrent ARFF training under FAA regulations.

Award to: Kirila Fire Training Facilities, Inc.

Amount: \$1,614,000.00

Funding Source: Federal grant funds (FAA AIP grant program) with any local match supported through airport fund revenues (CIP #540409)

Is the item budgeted? Yes (Michael Conner, Director of Aviation)

Mayor Stanley introduced the item. Rich Gagnon, Assistant City Manager, presented the item. Motion by Councilmember Simpson, seconded by Councilmember Reid, to award the aircraft rescue and firefighting simulator hardware contract as presented.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

7.7. Consider Award - Construction Services Contract for Osage Water Treatment Plant Chlorine System. This item considers the award of a construction services contract for the chlorine system at Osage Water Treatment Plant.

Award to: Stolz Mechanical Contractors, LLC

Amount: \$4,950,000.00

Funding Source: Water and sewer fund revenues (CIP #523440)

Is the item budgeted? Yes (William Johnson, Director of Utilities - Operations)

Mayor Stanley introduced the item. Donny Hooper, Assistant City Manager, presented the item.

Motion by Councilmember Tipps, seconded by Councilmember Simpson, to award a construction services contract for Osage Water Treatment Plant Chlorine System to Stolz Mechanical Contractors, LLC in the amount of \$4,950,000.

Vote: 5 - 0 Motion Passed

Ayes: Cole Stanley, Tim Reid, Don Tipps, David Prescott, Les Simpson

Noes: None

Abstain: None

Absent: None

Adjournment

Mayor Stanley adjourned the Regular Meeting at 7:31 PM.



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community

Department: Planning and Development Services

Contact Person: Brady Kendrick, Senior Planner

Agenda Caption: Consideration of Ordinance No. 8245. This item is a second and final reading of an ordinance considering the rezoning of a 27.48-acre tract of unplatted land, located in Section 2, Block 9, B.S.& F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Residential District 3. (VICINITY: S. Western St. & Beacon Rd.; APPLICANT/S: Furman Land Surveyors, Inc. for P DUB Land Holdings, LTD)

Agenda Item Summary: Purpose: The applicant is proposing a change in zoning to develop the next phase of the Beacon Pointe single-family residential subdivision. The property is proposed to be developed with single-family detached homes.

Adjacent Zoning: Residential District 3 and Agricultural District to the north; land outside of the city limits to the south and east; Agricultural District to the west.

Adjacent Land Uses: Single-family detached homes and vacant land to the north and east; vacant land to the south and west.

City Plan 2045 Place Type: Neighborhood Low and Neighborhood Medium.

Analysis: The applicant's request represents a continuation of the Beacon Pointe subdivision that is under active development. The request would conform with the developer's masterplan that is on file with the city for Beacon Pointe and was found to represent a logical continuation of existing zoning and development patterns found within the area.

Residential District 3 would conform with the City Plan 2045 Place Types for the area and would also conform with the goals and objectives of City Plan pertaining to residential development and development recommendations.

Requested Action: Public hearing and City Council consideration.

Funding Summary: Not applicable.

Purchasing Summary: Not applicable.

Community Engagement Summary: Two phone calls have been received that were general inquiries.

Staff Recommendation: The Planning and Zoning Commission recommended approval with a 5-0 vote.

ORDINANCE NO. 8245

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS; PROVIDING SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF SOUTH WESTERN STREET AND BEACON ROAD, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the “City Plan – Vision 2045” comprehensive plan on June 25, 2024, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AMARILLO:

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the

Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of a 27.48-acre tract of unplatted land, located in Section 2, Block 9, B.S.& F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Residential District 3 being described in Exhibit A attached herein.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 14th day of April 2026 and PASSED on Second and Final Reading on this the 28th day of April 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

Exhibit A

2636972 – Description

A 27.48+/- acre tract of land out of Section 2, Block 9, B.S.&F. Survey, Randall County, Texas, being a portion of that certain tract of land conveyed to P Dub Land Holdings, LTD. (P Dub tract) being described in that certain instrument recorded under Clerk's File No. 2019000204 of the Official Public Records of Randall County, Texas, said 27.48+/- acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod with cap (FURMAN) found, of record, for the Southeast corner of said P Dub tract, same being the Southeast corner of this tract of land;

THENCE N. 89° 30' 35" W. 1241.11 feet on the South line of said P Dub tract to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the Southwest corner of this tract of land;

THENCE N. 00° 29' 25" E. 110.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 44° 30' 35" W. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 60.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 45° 29' 25" E. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 220.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 44° 30' 35" W. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 60.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 45° 29' 25" E. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 220.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 44° 30' 35" W. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 60.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 45° 29' 25" E. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 220.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 44° 30' 35" W. 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 60.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE S. 89° 30' 35" E. 30.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE N. 00° 29' 25" E. 115.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the Northwest corner of this tract of land;

THENCE S. 89° 30' 35" E. 405.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set in the West Right-of-Way line of Ruse Street as dedicated per plat of Beacon Pointe Unit No. 2, an addition to the City of Amarillo according to the map or plat thereof, recorded under Clerk's File No. 2025013238 of the Official Public Records of Randall County, Texas, for the most North Northeast corner of this tract of land;

THENCE S. 00° 29' 25" W. 110.00 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record;

THENCE S. 45° 29' 25" W. 7.07 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record;

THENCE N. 89° 30'35" W. 13.00 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record;

THENCE S. 00° 29' 25" W. 60.00 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record;

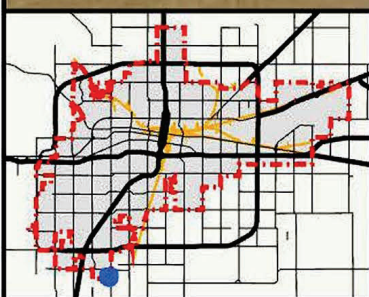
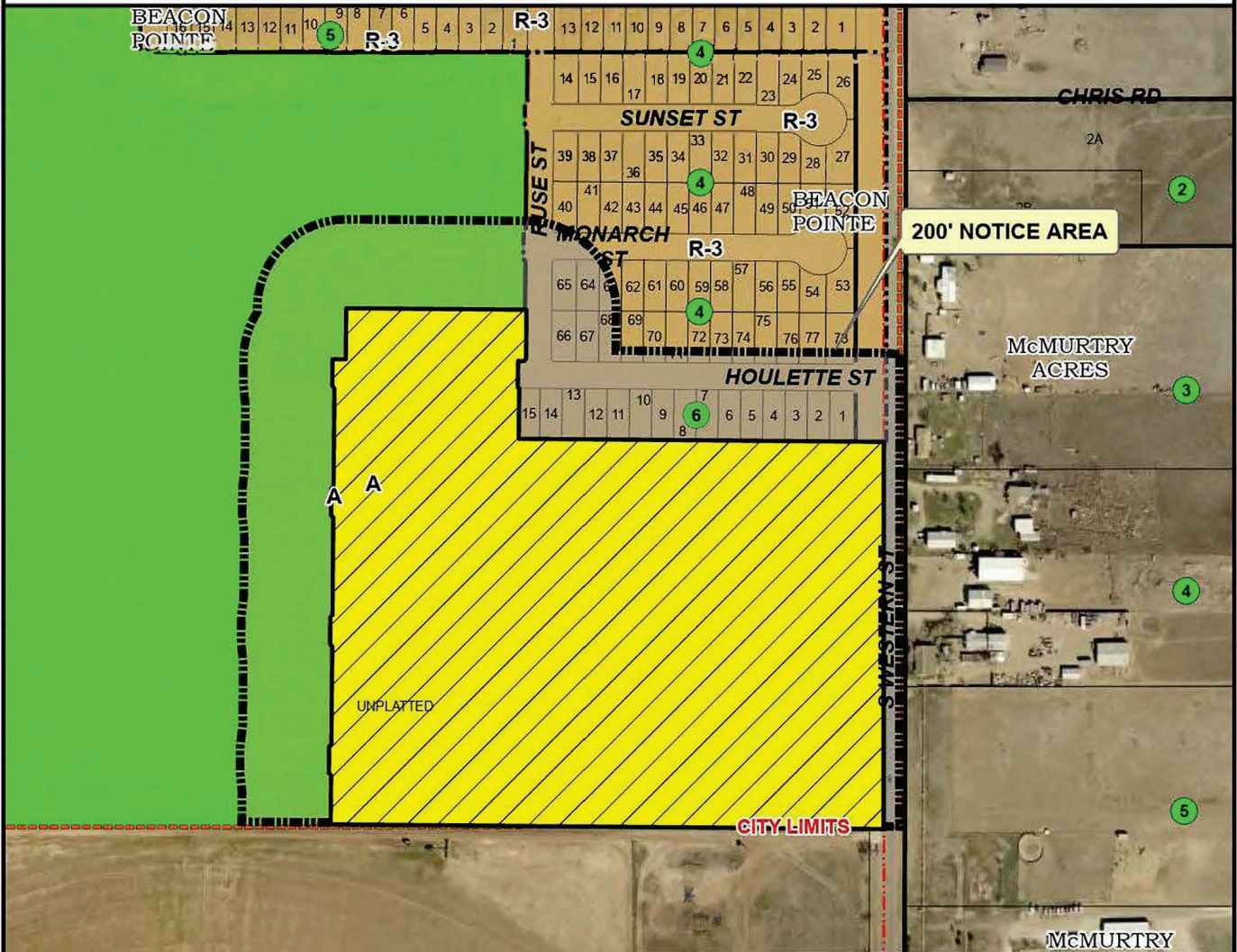
THENCE S. 89° 30' 35" E. 3.00 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record;

THENCE S. 00° 29' 25" W. 115.00 feet to a 1/2 inch iron rod with cap (FURMAN) found, of record, for the Southwest corner of said Beacon Pointe Unit No. 2, same being an interior corner of this tract of land;

THENCE S. 89° 30' 35" E., at 759.15 feet pass a 1/2 inch iron rod with cap (FURMAN) found, of record, in the West Right-of-Way line of S. Western Street as dedicated per plat of said Beacon Pointe Unit No. 2, continuing for a total distance of 819.15 feet to a point in the East line of said Section 2 for the most East Northeast corner of this tract of land, from whence a 3/4 inch iron rod with aluminum cap stamped "FURMAN LAND SURVEYORS SECTION CORNER FIRM #10092400" found, of record, for the Northeast corner of said Section 2 bears N. 00° 01' 55" E. (Base line) 1837.79 feet;

THENCE S. 00° 01' 55" W. 870.03 feet on the East line of said Section 2 to the PLACE OF BEGINNING and containing 27.48 acres of land, more or less.

REZONING FROM A to R-3



Legend

Plotted Parcel	Zoning Boundary
City Limits	Proposed Rezoning
ETJ	200' Notice List
Easements	Zoning Classifications
Section Line	A Agricultural
Subdivision Boundaries	R-3 Residential District 3
Block Numbers	

**CITY OF AMARILLO
PLANNING DEPARTMENT**

Scale: 1 inch = 350 Feet
Date: 2/19/2026
Case No: 2026-38-Z

Case 2026-38-Z Rezoning of a 27.48-acre tract of unplatted land, located in Section 2, Block 9, B.S. & F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Residential District 3.

VICINITY: S. Western St. & Beacon Rd.;

APPLICANT/S: Furman Land Surveyors, Inc. for P DUB Land Holdings, LTD)

AP: K-19

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community
Communication
Fiscal Responsibility
Infrastructure
Public Safety
Technology and Innovation

Department: City Manager's Office

Contact Person: Grayson Path, City Manager

Agenda Caption: **Consideration of Resolution No. 04-14-26-2.** This item is a second and final reading consent to consider a resolution directing and authorizing the city manager to study and develop cost recovery options for various city services in preparation for the Fiscal Year 2026/2027 budget.

Agenda Item Summary: During the March 10, 2026 City Council pre-budget workshop, the City Council heard staff recommendations regarding potential cost recovery measures to be implemented in the FY26/27 budget cycle. Per council instruction, City Staff was asked to review their operations and budgets and identify services currently subsidized by the General Fund or other broad based revenues, then outline realistic options to move closer to cost recovery without cutting services. The intent was not to generate a list of programs to eliminate, but to surface opportunities where users of a particular service could appropriately bear more of its cost, thereby reducing the extent to which citywide property taxes and other general revenues are used to underwrite those activities. In practical terms, this means focusing on targeted fee and rate adjustments, where legally permissible, so that residents and businesses who directly use certain services pay a greater share of the cost, while maintaining community wide funding for core services like public safety that benefit all property owners. Departments were asked to focus primarily on general fund revenue and cost recovery opportunities, provide only preliminary analysis at that stage, and highlight any statutory constraints, operational trade-offs, or equity concerns that Council should understand before giving direction.

The City Council was presented the various options on 3/10/26 and gave a preliminary positive consensus towards a subset of the options. Today's resolution is to seek official council approval of a list of specific cost recovery mechanisms for staff to initiate study and analysis to then bring back for full council consideration as part of this summer's FY26/27 budget process. Today's resolution is not approving any cost recovery implementation, but rather to ensure staff have clear direction on which measures to study and bring back for council consideration as part of FY26/27.

Requested Action: Please consider approval of the attached resolution.

Funding Summary: There is no direct funding impact from this resolution; the City Council will be given the opportunity to implement cost recovery changes as part of the FY26/27 budget process.

Purchasing Summary: N/A

Community Engagement Summary: A public meeting was held on 3/10/26 for presentation of all cost recovery opportunities.

Staff Recommendation: Please review the resolution and all cost recovery initiatives included and approve once the list is satisfactory to the entire council.

RESOLUTION NO. 04-14-26-2

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, DIRECTING AND AUTHORIZING THE CITY MANAGER TO STUDY AND DEVELOP COST RECOVERY OPTIONS FOR VARIOUS CITY SERVICES IN PREPARATION FOR THE FISCAL YEAR 2026/2027 BUDGET; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in preparation for consideration of the Fiscal Year 2026/2027 budget, the City Council conducted a pre-budget workshop on March 10, 2026, and received information from staff concerning various departmental programs and services; and

WHEREAS, the City Council desires to align fees and charges with actual costs where feasible while maintaining quality public services; and

WHEREAS, the City Council supports moving, where appropriate, toward users paying more of the direct costs of specific services, thereby reducing the extent to which citywide property taxes and other general revenues are used to underwrite those activities, while recognizing that some services are provided as quality-of-life and community-wide benefits; and

WHEREAS, the City Council recognizes that most cost recovery initiatives will not result in full department budget neutrality, but rather will move specific items closer to cost recovery; and

WHEREAS, the City Council wishes to direct the City Manager to study and present options for cost recovery and fee adjustments across identified departments, consistent with Council guidance provided during budget development discussions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS:

SECTION 1. General authorization. The City Manager is hereby authorized and directed to study, develop, and present to the City Council cost recovery options and related ordinance or policy amendments for consideration in connection with the Fiscal Year 2026/2027 budget giving due regard to applicable board and/or stakeholder recommendations along with corresponding revenue projections, consistent with the parameters set forth herein.

SECTION 2. Animal Management and Welfare. The City Manager shall study Animal Management and Welfare cost recovery options for specific services, including:

1. Higher daily shelter fees.
2. Increased adult surrender fees.
3. Returning adoption fees to ordinance levels.
4. Stricter penalties for repeat impounds.

The study shall incorporate feedback from the Animal Management and Welfare Board and provide data and revenue/impact estimates when recommendations are brought back to Council.

SECTION 3. City Marshal. The City Manager shall evaluate options to increase the abatement administrative fee in two steps and to add automatic annual adjustments, with the goal of better aligning the fee with actual costs and peer-city practices, recognizing that full cost recovery may not be feasible.

SECTION 4. Environmental Health. The City Manager shall study Environmental Health cost recovery options for specific services, including:

1. Moving grease-trap program revenue from Utilities to the General Fund.
2. Increasing recreational water (pool and spa) fees toward cost recovery, including provision of data on violations and enforcement workload to justify proposed increases.
3. Modest increases in group day care fees.

The analysis shall provide data and revenue/impact estimates when recommendations are brought back to the Council.

SECTION 5. Fire. The City Manager shall study Fire Department cost recovery options for specific services, including:

1. Updated risk-based inspection and plan-review fees.
2. Third-party insurance billing for extraordinary incidents.
3. Graduated false alarm fees.
4. Cost recovery for special-event standbys.

Recommendations shall be developed and presented in a careful and conservative manner, particularly with respect to projected revenue from third-party billing.

SECTION 6. Library. The City Manager shall study Library cost recovery options for specific services, including:

1. Updating default replacement prices to reflect current market costs.
2. Raising copier and printing charges to cover per-page costs.
3. Increasing non-resident card fees so that non-resident users pay closer to the per-resident cost of service.

The study shall incorporate feedback from the Library Advisory Board and provide data and revenue/impact estimates when recommendations are brought back to Council. The City Manager is further authorized to implement minor administrative fee adjustments, such as printing fees, unless the Council objects.

SECTION 7. Parks & Recreation – Golf, Tennis, Athletics, and other options. The City Manager shall:

1. For Golf, continue evaluating a gradual, incremental fee-increase strategy to move toward full cost recovery and budget neutrality while monitoring rounds played and customer satisfaction.
2. For Tennis, monitor the current contractor model and continue the present approach toward cost recovery and budget neutrality.
3. For Athletics, further evaluate options such as expanded field and facility rentals and added or expanded sports offerings.
4. For other Parks & Recreation opportunities, assess reduced mowing and “no-mow habitat” areas and streamlined ISD park agreements (with requested cost data and timelines).

The study shall incorporate feedback from the Parks and Recreation Advisory Board and provide data and revenue/impact estimates when recommendations are brought back to Council.

SECTION 8. Planning. The City Manager shall continue the comprehensive review of Planning fees, recognizing that full cost recovery is not feasible, and may propose reasonable fee adjustments and inflationary or periodic (including annual) updates where warranted.

SECTION 9. Police. The City Manager shall study cost recovery options related to the Police shooting complex, including a cost-recovery analysis that may be paired with capital improvements to enhance competitiveness and user experience, and will provide data and revenue/impact estimates when recommendations are brought back to Council.

SECTION 10. Solid Waste. The City Manager shall evaluate options to increase the Solid Waste Department landfill tipping fee a modest 5-10%, with the goal of better aligning the fee with actual costs while recognizing that full cost recovery may not be feasible.

SECTION 11. Transit. The City Manager shall study Transit cost recovery options for specific services, including:

1. Aggressive pursuit of grants.
2. Careful fare adjustments that balance revenue generation with ridership capacity and the needs of riders with limited ability to absorb large fare increases.
3. Advertising on buses, shelters, and facilities to create a modest revenue stream.

The analysis shall rely primarily on internal data and context while using external benchmarks as a secondary reference.

SECTION 11. Vital Statistics. The City Manager shall study Vital Statistics cost recovery options for specific services, including:

1. Charging for unsuccessful record searches.
2. Ensuring recovery of state-imposed fees.
3. Adding postage and handling charges.

The analysis shall provide data and revenue/impact estimates when recommendations are brought back to the Council.

SECTION 12. Miscellaneous Revenue Adjustments. In addition to the items specifically listed in this Resolution, the City Manager shall proceed with preparation of other routine revenue adjustment recommendations as would typically be prepared as part of the Fiscal Year 2026/2027 proposed budget.

SECTION 13. Reporting and implementation. The City Manager shall present findings, options, and recommendations, including fee schedules, ordinance or policy changes, and estimated fiscal impacts, to the City Council in connection with the Fiscal Year 2026/2027 budget process, and may return individual items earlier if time-sensitive.

SECTION 14. Effective date.

City Council hereby waives a second reading and this Resolution shall be effective immediately upon its adoption.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, this day of April 2, 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

DRAFT

To: Governing Body
From: Grayson Path, City Manager
Date: February 12, 2026
Subject: Pre-Budget Workshop on Budget Process, Property Tax, and Cost Recovery

1. Introduction and purpose

The purpose of this memorandum is to frame our upcoming pre-budget workshop on the City's budget development approach and related revenue topics ahead of the FY26/27 budget process. The workshop is tentatively planned for February 24, 2026, with the option to shift to March 10, 2026, if additional preparation time is needed; in either case, it will be scheduled as a standalone session ahead of your regularly scheduled council meeting to allow for focused discussion outside the regular meeting agenda.

This report does not reopen or revise the City's adopted Financial Policies, which remain the governing framework for our long-term financial management. Instead, it is intended to support a practical, policy-level conversation about how we organize the annual budget process, how we present information to the Council, how we approach the voter-approval tax rate discussion, and how we continue implementing targeted cost-recovery measures within that existing policy framework. At the conclusion of the workshop, I will ask for your feedback and direction so that staff can align the FY26/27 budget development process with your priorities.

If you would find it helpful to have additional time to review and digest this report before a public discussion, please let me know and we can defer the pre-budget workshop presentation to March 10, 2026, rather than February 24, 2026. If there is specific information you would like included in that presentation beyond what is covered in this memorandum, please share those requests with me in advance so that staff and I can work to incorporate or prepare it. Following the workshop itself, if you would like further follow-up sessions, whether on the overall budget process, property tax strategy, or particular cost-recovery items, we can certainly schedule additional discussions as needed.

While staff have invested significant effort in assembling the background, options, and preliminary analysis summarized in this memorandum, the most substantial work still lies ahead and depends on the direction you choose to provide at the workshop. Many of the ideas outlined here are intentionally presented at a concept level so that you can react, refine, or redirect them before staff commits resources to detailed design or implementation. Once we have your guidance on the preferred approach to the budget

calendar, the voter-approval tax rate discussion, and any cost-recovery initiatives you wish to pursue, we will be prepared to undertake the more detailed work needed to bring back concrete proposals through the FY26/27 budget process.

2. Financial leadership and budget process

2.1 Chief Financial Officer recruitment status

Following the retirement announcement of our prior Chief Financial Officer, the City engaged Strategic Government Resources (SGR) in October 2025 to conduct a national search for the next CFO. The recruitment process has been intentionally thorough, including multiple screening stages and opportunities for staff input, with the goal of identifying a candidate who can lead both day-to-day financial operations and a more comprehensive, council-engaged budget program beginning with the FY27/28 cycle.

The position attracted numerous applicants, which SGR and staff narrowed through application reviews, video-recorded interviews, and written questionnaires to a small group of semifinalists and ultimately three finalists. Those finalists were interviewed in-person in early February with an internal advisory panel that included the Deputy City Manager, City Secretary, Director of Human Resources, and Director of Internal Audit, along with separate meetings with senior leaders from the Finance Department and its divisions.

As we complete the remaining steps in this process, I anticipate having additional information to share with the Council in advance of the pre-budget workshop regarding the status of the recruitment and the leading candidate's background.

2.2 CFO mandate and transition to a January–September budget calendar

As the City transitions to new financial leadership, a central expectation for the incoming Chief Financial Officer will be to design and lead a more comprehensive, January–September budget calendar beginning with the FY27/28 budget cycle. This work will focus on improving timing, transparency, and alignment between policy decisions and the annual budget.

In the near term, for the FY26/27 budget, the new CFO will be asked to assume primary responsibility for managing the existing budget timeline, closing out the Workday transition, and ensuring early and meaningful coordination between Finance, the City Manager's Office, and operating departments. The upcoming pre-budget workshop is intended to serve as a

bridge between the outgoing and incoming approaches: it will give Council an opportunity to articulate expectations for the format and content of future budget presentations, and it will give the CFO a clear mandate to embed those expectations into the FY27/28 calendar.

Looking ahead to FY27/28 and beyond, the CFO's mandate is to bring forward a proposed January–September budget calendar that increases Council engagement earlier in the year and reduces the degree to which key discussions are compressed into the summer. Rather than prescribing a specific model at this stage, my expectation is that the new CFO will evaluate best practices, consult with Council and staff, and recommend a calendar that fits Amarillo's needs while remaining consistent with our existing Financial Policies.

Throughout this transition, the CFO will be expected to serve as a core member of the City Manager's executive team whose primary focus from January through September is the budget program: preparing clear materials for Council, coordinating staff work across departments, and supporting Council in understanding the trade-offs inherent in tax rate decisions, cost-recovery measures, and service levels.

3. Property tax strategy and voter-approval tax rate

Under Texas Truth-in-Taxation law, the City's voter-approval tax rate is the maximum property tax rate that may be adopted without voter approval; any rate above that threshold must be submitted to the voters at the November uniform election date, and if the proposition fails, the rate automatically reverts to the voter-approval rate. Given the 3.5% cap on most year-over-year property tax revenue growth, the City's ability to keep pace with rising costs, particularly in public safety, has become increasingly constrained, which is one reason we are also pursuing targeted cost-recovery measures elsewhere in the General Fund.

The Council has already begun discussing the possibility of pursuing a voter-approval tax rate election (VATRE), and those conversations have consistently emphasized public safety as a core priority. Police, Fire, Emergency Management, the Amarillo Emergency Communications Center, Animal Management and Welfare, the City Marshal, and Municipal Court together represent a substantial share of the General Fund, and wage pressures, overtime demands, and service expectations continue to grow faster than our restricted property tax revenue. A practical example is Police overtime: we have repeatedly budgeted a figure below actual experience because we have not been able to balance the General Fund at the true overtime cost and have instead relied on underspending in other departments during the year to stay within the overall budget.

For these reasons, if the Council wishes to move toward a VATRE, my recommendation is that we focus any additional capacity on public safety as a dedicated purpose. Structuring a proposition around public safety would align with the Council’s adopted Strategic Pillars, particularly Public Safety and Fiscal Responsibility, while also recognizing that our current budget does not fully fund the service levels the community expects in these areas; by fully funding public safety departments through a dedicated VATRE, we would also relieve the ongoing pressure on other General Fund departments that have been required to underspend during the year in order to keep the overall General Fund within budget. Historically, our experience with bond elections suggests that voters have been cautious about approving additional debt, and it is reasonable to anticipate similar caution toward any proposed tax increase; within that context, a clearly defined, public-safety-focused VATRE offers the most credible path for securing voter support because it is tied directly to core services that residents consistently identify as top priorities. It would also naturally engage the Police and Fire associations and other public safety stakeholders who are already active in advocating for competitive pay and staffing, while extending the benefits to less visible but essential public safety functions such as Emergency Management, the Amarillo Emergency Communications Center, Animal Management and Welfare, the City Marshal, and Municipal Court.

At the same time, a VATRE would require significant planning and careful execution. From an administrative standpoint, Finance would need to prepare two parallel budget scenarios: one that assumes voters do not approve a higher tax rate and one that assumes they do, with clear contingency plans for service levels, staffing, and capital in each case. From a legal and communications standpoint, the City would need to observe all constraints on advocacy in elections, relying on factual, neutral information, while external organizations, such as the public safety associations, would be free to campaign for or against the proposition under their own direction.

At the workshop, I will ask for your feedback on whether you want staff to proceed with developing public-safety-focused voter-approval tax rate scenarios for FY26/27, including both “with election” and “without election” budgets.

4. Council expectations for the FY26/27 budget presentation

Over the past budget cycle, it became clear that there is a gap between the legal structure of the City’s budget process and the level of involvement and ownership the Council expects to have. Under the City Charter and state law, the City Manager serves as the budget officer, and the Council’s formal role is to receive the proposed budget, hold the required hearings,

and adopt a budget and tax rate. In practice, this Council has expressed an interest to be more engaged earlier in the process and to provide clearer direction on both policy priorities and the way information is presented.

Last year's budget week highlighted the consequences when those expectations and the presentation format are not fully aligned. Even though staff walked through the overall approach and schedule with the Council in advance, several members ultimately felt that some discussions were arriving as surprises or were being addressed in the wrong order, without the context they believed they needed. Whatever the mix of policy disagreements and process concerns, the effect was a perception that the budget conversation was compressed and reactive, rather than steady and predictable.

One of the core purposes of this pre-budget workshop is to reset those expectations and invite the Council to define how they would like to see the FY26/27 budget presented once it is ready for their review. This includes practical questions such as: how many days you wish to devote to budget workshops; how you would like those days sequenced; which topics you want covered in depth versus at a high level; and what types of reports, charts, and other information you find most useful in understanding trade-offs. It also includes clarifying any critical expectations you may have, for example, whether you want staff to bring forward scenarios that include tax or fee increases, or whether you prefer to focus only on reallocation, cost recovery, and service adjustments in the absence of additional revenue.

At the workshop, I will ask the Council to provide direction in three broad areas related to budget presentation:

- Structure and pacing: How many days you would like to set aside for FY26/27 budget discussions this summer and how those days should be organized.
- Content and level of detail: Which funds, departments, and cross-cutting issues (for example, public safety, capital programs, or cost-recovery initiatives) you want highlighted, and what types of comparative or historical data you consider essential for making decisions.
- Boundaries and expectations: Any policy parameters you want staff to keep in mind as we prepare scenarios, for instance, whether to include options such as the VATRE, introduce new fees, cut specific expenses, restructure existing programs, or other topics you would prefer to or not to explore for FY26/27.

The input you provide in these areas will guide how the FY26/27 budget is organized for Council review and will also inform the new CFO's work in designing a more robust January–September budget calendar for FY27/28 and beyond.

5.1 Cost Recovery – Purpose and approach

In January, the Leadership Team was asked to review their operations and budgets and identify services currently subsidized by the General Fund or other broad-based revenues, then outline realistic options to move closer to cost recovery without cutting services. The intent was not to generate a list of programs to eliminate, but to surface opportunities where users of a particular service could appropriately bear more of its cost, thereby reducing the extent to which citywide property taxes and other general revenues are used to underwrite those activities. In practical terms, this means focusing on targeted fee and rate adjustments, where legally permissible, so that residents and businesses who directly use certain services pay a greater share of the cost, while maintaining communitywide funding for core services like public safety that benefit all property owners.

Departments were asked to focus primarily on revenue and cost-recovery opportunities, provide only preliminary analysis at this stage, and highlight any statutory constraints, operational trade-offs, or equity concerns that Council should understand before giving direction. Where a department is funded through enterprise revenues or federal and state grants rather than the General Fund, the emphasis was on confirming whether any practical local cost-recovery opportunities exist and, if not, documenting that those departments still participated in the review.

5.2 Cross-cutting observations

Several themes emerged across the responses. Rather than large new revenue streams, many of the opportunities are incremental; updating existing fees to close gaps where costs have outpaced charges, or aligning local practices with industry standards. In a number of areas, potential changes are tightly constrained by state or federal law, existing contracts, or regulatory requirements, which limit local flexibility even where a subsidy exists.

Departments were also candid about political and operational trade-offs. Some options would require careful public messaging and may not be practical to advance without clear Council interest, while others could be implemented more easily through routine fee-schedule or ordinance updates as part of the normal budget cycle. In all cases, staff

have treated this as concept development: further work on detailed rate design or implementation will occur only if Council directs us to move specific ideas forward.

5.3 Department-by-department options

Subsections 5.3.1 through 5.3.20 summarize each participating department's input using a common structure:

- The specific cost-recovery ideas or constraints identified by staff.
- Order-of-magnitude revenue potential where staff could estimate it.
- Any major pros and cons, including legal, operational, and equity considerations.

For some areas, such as the Airport, Community Development, and WIC, the primary value of this exercise was to confirm that cost recovery through local fees is not a realistic or appropriate option and to acknowledge that those teams still participated in the review. In other areas staff have outlined tangible options that could be brought back in more detail if Council wishes to pursue them.

The subsections that follow are intended to give Council a concise but clear basis to react: to indicate which ideas you would like to see developed further, which you prefer to set aside, and where you would like staff simply to continue monitoring conditions without immediate changes.

5.3.1 Rick Husband Amarillo International Airport

As part of the January 8th cost-recovery request to the Leadership Team, Airport staff reviewed their operations. The Airport operates as an enterprise fund rather than a General Fund department and is already effectively at full cost recovery from the City's perspective.

Given the Airport's self-sufficient status and the fact that its revenue structure is tied to long-term leases, federal funding, and development plans rather than General Fund subsidies, I do not recommend including it in the list of cost-recovery options for this pre-budget workshop unless the Council expressly directs otherwise. I am noting it here simply to confirm that Airport leadership participated in the review, has already taken steps to strengthen its revenue position, and is working with the AEDC on future development opportunities; no further cost-recovery action is requested from Council at this time.

5.3.2 Animal Management and Welfare (AMW)

Animal Management and Welfare was asked to review its primary fee-supported services and identify realistic options to move specific items closer to cost recovery, recognizing that full cost neutrality is not likely achievable for this department. AMW's FY 25/26 budget is approximately \$4.2 million, with about \$128,000 in revenue across its main fee accounts, so the focus was on targeted adjustments to existing fees where there is a clear link between the service provided and the associated cost. Staff provided a detailed fee review and preliminary analysis that ties each recommendation to a specific ordinance section, actual service costs, and an order-of-magnitude revenue estimate.

AMW has identified four fee adjustments. First, increasing the daily shelter care fee in Sec. 8-2-4(a)(3) from \$5.00 to \$15.00 per day (excluding the first day), noting that the fee has not been raised in over a decade and that actual daily care costs range from about \$13.18 to \$17.47 per day. Second, increasing the adult surrender fee in Sec. 8-2-4(b)(7) from \$25.00 to \$50.00, while keeping puppy and kitten surrender fees at \$10.00 dollars for better alignment with intake costs and peer-city practices. Third, returning adoption fees in Sec. 8-2-4(b)(8) to the ordinance rates (\$50.00 for canines and \$30.00 for felines), moving away from the reduced discretionary rates that have been in place since 2020. Fourth, amending Sec. 8-2-4(a)(1) so that impoundment fees double on a second impoundment and requiring spay/neuter before release after a second impoundment; this change is expected to have minimal direct revenue impact but is aimed at reducing repeat violations and improving community outcomes.

Collectively, AMW estimates that these changes could improve revenue by approximately \$130,000–\$140,000 per year. These revenue figures are preliminary order-of-magnitude estimates and would need to be vetted and refined during the FY 26/27 budget process, including review by the AMW advisory board if the Council is amenable.

5.3.3 City Marshal

The City Marshal's Office focused its cost-recovery review on the administrative fee charged for all abatement work performed by a City contractor, which is added to the direct cost of the abatement. This fee has remained at \$75 since March 2012, despite significant increases in staff time, fuel, postage, and administrative work associated with each abatement case. Staff's analysis details the scope of work that precedes each fee assessment: multiple inspections, certified mail notices, data entry, coordination with contractors, lien preparation, and, in roughly 60% of cases, warrant preparation and court processing,

demonstrating that the current fee of \$75 no longer reflects the true cost of administering these cases.

Staff also compared Amarillo's \$75 fee to those charged by peer cities and found Amarillo to be a clear outlier on the low end: for example, Lubbock currently charges \$250, Georgetown \$200, and several similarly sized cities, such as Grand Prairie, Round Rock, Wichita Falls, and San Marcos, are in the \$125 to \$150 range. To move closer to cost recovery and peer practice, staff recommends an increase to the fee, coupled with an automatic annual adjustment going forward.

Even with these changes, the City Marshal's Office would remain far from full cost recovery at the department level, given a current budget of roughly \$2.7 million in expenses and about \$600,000 in revenue; the proposed fee adjustments would simply recoup more of the administrative costs associated with abatement work. Staff's proposed schedule is as follows: increase the administrative fee from \$75 to \$125 for FY 26/27, which, based on current abatement volumes, is preliminarily estimated to increase annual cost-recovery revenue by approximately \$125,000; increase the fee from \$125 to \$150 for FY 27/28, with a further preliminary estimate of roughly \$187,500 in additional annual cost-recovery revenue at current activity levels; and establish an ongoing annual increase of 3% thereafter so that the fee keeps pace with inflation and operational costs rather than remaining flat for another extended period. As with other areas, these revenue figures are preliminary staff estimates and would need to be reconciled with the adopted budget and validated by Finance and the City Marshal's Office during the FY 26/27 and FY 27/28 budget processes before any ordinance changes are brought forward.

5.3.4 Civic Center Complex

The Civic Center Complex is not a General Fund department and is instead supported primarily through its own operating revenues and allocations of Hotel Occupancy Tax (HOT), so it is not a primary lever for reducing the City's property-tax-supported General Fund subsidy in the near term. At the same time, I fully expect the Civic Center to be a significant topic of discussion for the Council, given the long-standing debates over expansion versus replacement, capital investment strategies, and the appropriate level of marketing and event support.

From a cost-recovery standpoint, staff at the Civic Center regularly review and adjust fees to reflect usage and market conditions, including basic rental fees, selected equipment rental charges, ticketing fees under the current Tickets.com "all-in" pricing model, and billed labor

rates for part-time stagehands and outside staffing services such as ushers, security, and EMTs. These adjustments are designed to keep pace with industry standards and recover appropriate operating costs, but they do not resolve the larger strategic questions about the long-term role and configuration of the Civic Center in Amarillo's convention and events market.

Given the Civic Center's funding structure and the depth of prior controversy, including disputes over capital financing approaches and competing visions for expansion or replacement, I do not recommend using this pre-budget workshop to reopen the full Civic Center debate. Instead, I will present the Civic Center here as context only and suggest that if the Council wishes to discuss this further, then the Council schedule a dedicated future discussion focused specifically on the Civic Center Complex, at which staff can present options for reducing the HOT subsidy through operational and fee strategies, along with capital and facility-planning scenarios, and receive clear direction on the Council's preferred path.

5.3.5 Community Development (Extreme Weather Assistance)

Community Development is funded almost entirely through federal and other non-General-Fund sources and therefore is not a primary focus of this cost-recovery review. The principal General Fund item in this area is the \$100,000 allocation for Extreme Weather Assistance (EWA), which the Council added last year to support winter weather surge operations for unsheltered residents while the community's long-term "extreme weather facility" landscape was in transition.

At my request, staff completed a detailed review of the EWA fund and its FY 25 utilization. Their analysis concludes that the \$100,000 allocation remains a critical tool for rapidly scaling outreach, transportation, and, when necessary, emergency shelter back-up during dangerous weather events, particularly given ongoing constraints in warm-space capacity, staffing, and volunteer availability. Eliminating or significantly reducing this allocation in FY 26/27 would likely result in a measurable service reduction, increased reliance on volunteer-dependent systems, and higher operational risk during extreme weather periods.

Based on that review, I do not recommend treating the \$100,000 EWA allocation as a cost-recovery opportunity at this time. Instead, I suggest that we continue funding it as a surge-response mechanism within Community Development.

5.3.6 Environmental Health

Environmental Health currently operates with approximately \$2.3 million in expenditures and \$1.8 million in revenue, leaving a gap of about \$500,000 that is subsidized by the General Fund. The department has identified several concrete options that, taken together, could substantially narrow this gap, alongside the broader Public Health District cost-sharing work already underway.

First, the Wastewater Pretreatment Program represents a straightforward realignment opportunity rather than a new fee. Environmental Health administers the program and collects roughly \$200,000 annually, but those revenues are currently deposited to Utilities, and staff have not identified any legal requirement for this practice. After coordination with Utilities and Finance, Environmental Health reports that shifting this revenue into the General Fund would be administratively simple and would better align program expenses and revenues for budgeting purposes, with implementation planned for FY 26/27.

Second, staff have reiterated that a mosquito-control “Vector Fee” on the utility bill could fully fund the City’s mosquito program, which currently costs about \$313,000 per year and is paid from the General Fund. A fee of approximately \$0.50 per month per account would offset these costs and allow some program growth, but I recognize prior Council concerns about adding charges to the utility bill. For that reason, I will frame this as a flexible tool: any reasonable per-month amount the Council is comfortable with, including something lower than \$0.50, would improve cost recovery for this service, with higher amounts moving more quickly toward full funding of the program.

Third, Environmental Health proposes implementing a local Tattoo and Body Piercing inspection program, one of the National Environmental Health Association’s core program areas and commonly operated by larger Texas cities alongside state regulation. With approximately 59 facilities in the Public Health District, staff estimate this could generate \$30,000–\$40,000 annually and can be managed with existing resources, though it will require several months of lead time for research, stakeholder engagement, ordinance drafting, and public presentation.

Fourth, the Recreational Water Program, which regulates pools and spas at hotels, motels, gyms, and apartment complexes, is currently recovering only about 50% of its costs. Staff estimate that moving to full cost recovery would require roughly \$119,000 in additional annual revenue, likely achieved by approximately doubling permit fees (for example, from \$500 to about \$1,000 per unit), with most properties holding two or three permitted units. My

recommendation is that we aim for full cost recovery for this program with the option of phasing this in if the Council believes this will be more palatable for the businesses.

Fifth, the Group Care Program (daycares and foster homes) currently recovers only about 34% of its costs, and staff estimate that an additional \$63,000 in revenue would be required to reach full cost recovery. Because there are only about 66 facilities and the sector has recently received legislative attention favoring subsidy, Environmental Health does not recommend aggressive fee increases and instead suggests only marginal adjustments that might generate on the order of \$15,000–\$20,000 annually.

In addition to these program-specific ideas, Environmental Health and the broader Public Health District have already advanced a cost-sharing model with partner governments that is projected to contribute roughly \$72,000 toward district operations, thereby reducing the City’s net General Fund support for district services. Taken together, this work reflects a multi-layered effort to move Environmental Health closer to budget neutrality while maintaining the core public health protections the community expects.

5.3.7 Fire Department

The Fire Department’s FY 25/26 budget is approximately \$50 million, with about \$4 million in revenue, so full cost recovery for the department as a whole is neither realistic nor desirable. Even so, Chief Mays and his team have identified several targeted revenue options that could help narrow the General Fund subsidy over time without changing the department’s core mission.

Several of these ideas focus on updating existing Fire Marshal inspection and plan-review fees so they better reflect the time and expertise involved. This includes adjusting current inspection and prevention fees, introducing tiered or risk-based inspection charges so higher-risk or more complex occupancies pay more, adding re-inspection fees when violations are not corrected, and ensuring that plan review and fire protection system review fees align with the staff work required. Collectively, staff believes these changes could reasonably generate from the tens of thousands into the low six-figure range annually, depending on how aggressively the schedule is updated and how construction and development trends behave.

Other options would seek cost recovery from insurance companies or responsible parties rather than from taxpayers. These include third-party insurance billing for extraordinary response costs tied to major insured losses, hazardous materials cost recovery when

incidents are caused by negligence or regulatory violations, and limited billing to auto insurers for certain motor vehicle collision responses such as extrication, hazardous materials mitigation, or extended scene stabilization. Each of these would require careful policy design, strong documentation, and clear limits to avoid billing for routine EMS and fire calls.

Chief Mays also identifies false alarm fees and special event/standby charges as tools that many cities already use. Graduated fees on properties with repeated false fire alarm activations can both encourage repairs and help offset the cost of unnecessary responses, while charging full cost recovery for optional standbys at private events or high-risk operations ensures that taxpayers are not subsidizing those activities.

5.3.8 Internal Audit (HOT audit savings)

Internal Audit does not generate external revenue, but it has identified a meaningful savings opportunity by bringing the City's Hotel Occupancy Tax (HOT) audits in-house. In 2025, the City canceled its contract with the prior HOT audit vendor, avoiding approximately \$100,000 in annual professional services costs and an additional \$20,000 that had been budgeted but not ultimately expensed once Internal Audit assumed the work.

Beginning in 2026, Internal Audit will perform the HOT audits directly, eliminating the recurring contract expense while preserving the oversight of HOT collections that supports tourism-related funding decisions. This change functions as an ongoing General Fund expenditure reduction rather than a new revenue source, but it has the same net effect: improving the City's financial position and freeing capacity that can be directed to other priorities.

5.3.9 Information Technology

Information Technology does not provide front-line services directly to residents; instead, it supports all other City departments with the systems, networks, and applications they rely on every day. Because of this, IT's costs are largely funded through internal charges to those departments rather than through stand-alone fees paid by the public.

To make those internal charges fairer and more transparent, IT is working with Finance to rebuild the IT fees model into a structure that bills departments based on their actual use of technology, so that operations funded outside the property- and sales-tax base cover their appropriate share of citywide technology costs. In addition, IT is re-evaluating how the City

shares costs for the regional radio system with external agency partners, with the goal of ensuring that other governments and revenue-funded operations pay a fair portion of the ongoing expenses instead of those costs falling disproportionately on Amarillo's taxpayers.

Given the sharp increases in prices for hardware, software, and cloud services, my intent is not to ask IT to cut further, but to support these efforts to rebalance who pays for shared technology so we can sustain and strengthen the systems that every department depends on. I will present these as internal cost-allocation improvements rather than as external fee changes, with the understanding that specific allocation updates will come back through the normal budget process.

5.3.10 Library Services

The Amarillo Public Library has completed a thorough review of its fees and identified several targeted adjustments to improve fairness and cost recovery while preserving access, especially for lower-income patrons. The department recommends keeping most current fees in place, focusing instead on a few specific areas where modest changes can better align charges with actual costs.

First, Library staff have confirmed that overdue fines should remain at their current levels, balancing the need to encourage timely returns against the risk of creating barriers to service; many peer systems have eliminated fines entirely, but Amarillo is maintaining modest fines to protect access to limited, high-demand collections. Default replacement prices for lost or damaged items, which were last set in 2005, will be updated as needed to reflect current market costs, while existing processing fees for lost and damaged materials appear appropriate and will remain unchanged. Internet usage fees will be phased out by state mandate in state fiscal year 2027, when new Texas State Library and Archives Commission accreditation standards will require free internet access for all visitors; this change will reduce Library revenues by roughly \$2,000 per year but is not optional.

Second, the Library has identified copier and mobile printing charges as an immediate cost-recovery opportunity. Under the City's lease with its copier vendor, the Library's all-in per-page cost is about \$0.19, while the current patron charge is \$0.15 per page. To close this gap, we are moving forward with increasing the public copier and mobile printing fee to \$0.20 per page, with implementation targeted for March 1st to allow time for staff notification, system updates, and public communication.

Third, Library staff have completed a detailed nonresident card fee study as part of the City's broader cost-recovery initiative. Using the Library's 2025–26 General Fund allocation and the latest population estimates, the analysis shows that the City spends approximately \$21.26 per resident per year on library services, while the current nonresident fees, \$18 for an individual card and \$33 for a family card, do not fully recover that cost. A survey of sixteen Texas libraries indicates that Amarillo's nonresident fees are among the lowest in the state; staff therefore recommend increasing the nonresident annual card fees to \$25 for individuals and \$45 for families, which will provide better cost recovery for nonresident use while still remaining below both the median \$35 and mean \$53 nonresident fees in the survey.

Other Library fees, including MakerSpace consumables, art supplies, and meeting room charges, are generally aligned with material costs and current policy and are not proposed for change at this time, though staff are open to future refinements (such as exploring hourly meeting-room pricing or limited access for for-profit users) if Council wishes to pursue them in later budget cycles.

5.3.11 Municipal Court

Municipal Court already operates with revenues that exceed its direct operating costs, so the focus here is on reducing expenses and aligning fees with actual costs rather than increasing fine revenue. In coordination with Judge Hamilton, staff have identified several practical steps that can further lessen the Court's impact on the General Fund while maintaining access to justice.

First, the Court is targeting credit and debit card processing costs, which totaled about \$443,000 in 2025 and \$185,000 in 2024, reflecting an effective processing rate of roughly 9% in the most recent year. Staff are working with the City's payment processor to negotiate a lower rate and will then recalibrate the Court's convenience fee structure so that a larger share, potentially all, of these transaction costs are recovered from users who choose card payment, while remaining mindful of the financial impact on defendants.

Second, the Court has implemented a new docket call for self-represented defendants before trial settings, which is expected to reduce interpretation service costs, postage, and staff time by resolving more issues earlier in the process. As these changes are implemented, Municipal Court will work with Finance during the summer budget process to estimate and reflect the resulting reductions in card-processing and operational costs in the appropriate accounts, further strengthening an already positive net contribution to the City's

finances. I present these as internal cost-recovery and efficiency measures that do not require changes to fine levels or core service models.

5.3.12 Parks and Recreation

5.3.12.1 Golf

Golf operations have undergone a sustained, multi-year effort to reduce reliance on the General Fund while stabilizing participation and service quality. Following significant fee and expense changes in FY18/19, the division's subsidy peaked at nearly \$1.9 million, prompting a strategic shift toward smaller, annual adjustments, close tracking of cost inflation, and deliberate program growth. Since then, staff have introduced new programs (such as "Happy Hour" and "Explore the Four"), refined the staffing model, and implemented modest, gradual fee increases that the golfer community can absorb, resulting in a reduction of the annual subsidy from roughly \$1.9 million in 2018–19 to approximately \$370,000 in 2024–25, with the current year trending toward an even less subsidy than last year based on current performance.

From a cost-recovery standpoint, the current strategy is to continue this steady approach rather than pursue large, sudden fee changes that risk eroding the golfer base. Year-over-year, staff are adjusting green fees incrementally, monitoring inflation and operating costs, and expanding programs and participation so that growth in rounds played complements pricing changes. In addition, targeted capital investments are intended to support attendance and revenue while managing long-term operating risk. Staff believe this combination of sustained operational discipline, incremental pricing, and strategic capital improvements positions the division to reach full cost recovery over time, provided the current course is maintained.

5.3.12.2 Tennis

Tennis operations are also being managed toward a neutral or cost-recovery position, with the General Fund subsidy narrowing and current-year performance showing strong cost-recovery metrics as of January. Over the past year, the City implemented a new independent-contractor model for programming that aligns the contractor's compensation with expanded offerings, tournaments, leagues, and other revenue-generating activity. Since that agreement took effect, staff have observed higher participation and overall facility use, and early year-to-date figures indicate that the division is trending favorably relative to its budgeted subsidy.

Given these changes, the primary cost-recovery lever in Tennis has already been pulled, and staff's current assessment is that additional structural adjustments are not needed at this time. Routine program-level fee updates (for example, junior program fees that can be adjusted administratively) will continue as appropriate, and staff will monitor revenues, expenses, and participation through the upcoming budget cycle to determine whether any further refinements are warranted.

5.3.12.3 Athletics

The Athletics division provides adult leagues directly and supports a wide range of youth and adult sports organizations that utilize City fields and facilities. From a cost-recovery perspective, the key opportunities are to increase rental activity by broadening access for associations and other organized groups, introduce additional sports or activities where demand exists, and reduce direct General Fund subsidies to specific partners. Staff's recommendations focus on:

- Expanding field and facility rentals so that more associations and leagues can utilize City assets, improving utilization and generating additional rental revenue.
- Developing new or expanded sports offerings that can attract participation and associated fees, improving the division's revenue base while maintaining community access.
- Eliminating the approximately \$36,000 annual operating subsidy currently provided through the Kids Inc. Athletic Supervisory Agreement, while continuing to provide indirect support through field preparation and maintenance.

Together, these steps are intended to shift Athletics toward a model where user groups and renters bear a larger share of the cost of facility use, while the City continues to support broad access to recreational opportunities.

5.3.12.4 Other Parks cost-recovery considerations

In addition to the specific divisional strategies above, Parks and Recreation has identified several cross-cutting ideas that could either reduce operating costs or better align expenses with the programs that benefit from them.

- No-mow / habitat areas: Expanding designated no-mow or habitat zones in appropriate parks would reduce mowing and routine maintenance costs on a per-acre basis while providing environmental and aesthetic benefits.
- School park maintenance: Staff continue to work with the school districts to streamline and update the existing agreements that govern the City's responsibilities for maintaining park facilities located on school properties.

Landscape maintenance for grant-funded departments: Parks currently provides landscape maintenance for several grant-funded or non-General-Fund areas, including Public Health, WIC, Transit, and Community Development. Reallocating appropriate portions of these landscape costs to the benefiting grant-funded departments would more accurately reflect the true cost of those programs and reduce the Parks General Fund burden, subject to confirmation that the underlying grant sources will allow and support charging those costs to the grant-funded programs.

- Zoo operations: Staff are continuing to work with the Wild West Wildlife Rehabilitation Center to refine and finalize a zoo lease agreement, with the goal of clarifying operational responsibilities and creating a more sustainable financial framework for zoo operations over time.

5.3.13 Planning

The Planning Department's current budget includes roughly \$1.4 million in annual expenses and about \$182,000 in fee revenue, so full cost recovery at the department level is not realistic. Even so, staff have begun a structured review of the fee schedule to ensure that development-related applicants are paying a fair share of the direct costs associated with processing their projects.

Staff's preliminary analysis suggests that some fees already cover planner time while others under-recover once broader staff effort and required public notices are considered. Potential adjustments include modest increases to certain application fees and adding small charges where no fee currently exists (for example, zoning verification letters, site plans, and annexation petitions), but each of these is expected to have only a very low dollar impact on overall revenues and is not a major focus for the upcoming workshop discussion.

5.3.14 Police (Amarillo Shooting Complex)

Within the Police Department, the primary cost-recovery discussion centers on the Amarillo Shooting Complex, which serves both as a critical training facility for law enforcement and as a public shooting range. Under current revenue levels, the range operates at an estimated deficit of roughly \$40,000 even when compared only to the salary of the Range Master, with the shortfall increasing further once part-time staff, maintenance, and equipment costs are included, based on preliminary staff calculations.

Police leadership has outlined several theoretical options: closing the public side, converting the complex into a business-oriented operation, charging outside agencies, or raising public range fees; but each comes with significant drawbacks, including loss of public revenue, added staffing and business-management requirements, uncertain demand in a competitive market, and equity concerns for public safety partners. For now, the most realistic path appears to be a more refined analysis that separates the costs attributable to law-enforcement training from those attributable to public use, with the possibility of targeting cost recovery primarily on the public portion of the facility through future fee or policy adjustments if Council wishes to pursue that direction.

5.3.15 Public Health (Women’s Health Clinic)

Public Health currently receives approximately \$1.4 million in annual General Fund support for the Women’s Health Clinic and related services, with the remainder of the department’s budget funded primarily through grants and other non-General-Fund sources. In response to the January cost-recovery request, the department provided a detailed narrative describing regional maternal health needs, the City’s role in addressing care gaps, and recent steps toward long-term sustainability, including Medicaid enrollment, new grant funding, and interlocal cost-sharing authority. These efforts underscore the clinic’s role in addressing critical access issues for uninsured and underinsured women and position Public Health to leverage third-party reimbursement and external funding over time, but they do not yet translate into a clearly quantifiable reduction of the General Fund subsidy in the FY26/27 budget window.

On the revenue side, Public Health outlined its current cost-recovery framework, including state-constrained immunization fees, a \$70 per-visit charge with a sliding fee scale for the Women’s Health Clinic, and “cost plus \$15” pricing for many other services that are not governed by state fee limits. The department is pursuing additional revenue through participation in the new Charity Care program and continued grant development, and it is

refining billing practices as a Medicaid provider to maximize allowable reimbursement. However, in follow-up correspondence, Public Health confirmed that, at this stage, these measures collectively do not produce a measurable, near-term reduction in the \$1.4 million General Fund support level that could be reflected as a concrete cost-recovery option for FY26/27. For purposes of this pre-budget workshop, staff therefore recommend treating Public Health's submission as important context on service justification and long-term sustainability work, rather than as an immediate lever for reducing General Fund subsidies.

5.3.16 Public Works (solid waste and streets)

Public Works identified two areas for potential cost recovery opportunity: modest adjustments to landfill tipping fees and a concept-level street or transportation system fee. Both are presented here as options for Council discussion, not as staff recommendations to implement at this time.

On solid waste disposal, staff's analysis shows that when landfill (Disposal) and collections operations are viewed together, the combined program already generates a net positive margin, with collections revenue effectively covering the landfill's standalone deficit. Within that context, staff believe there may be room for only a limited landfill tipping-fee increase, on the order of 5–10%, to help offset rising costs, while recognizing that moving too close to regional competitors' rates could prompt private haulers to divert tonnage elsewhere and erode both tipping-fee revenue and participation in the City's commercial collection permit program. I present this as a modest adjustment concept, not as a proposal for full cost recovery of the Disposal Division.

Separately, staff have outlined, at a conceptual level, what a smaller, more focused street or transportation system fee could look like if Council wishes to revisit that idea in the future. Rather than attempting to fund the entire Streets Division, this concept would aim only to help cover core, existing pavement and traffic-control costs, such as pavement repair, signal and sign maintenance, and pavement markings, so that a portion of those ongoing needs is supported by a dedicated fee instead of relying entirely on property and sales tax. Given the history of prior discussions, I do not intend to advance a specific street fee proposal unless the Council clearly signals an interest in exploring it further; for now, it is included here simply as one of several potential cost-recovery tools the City could consider over the longer term.

5.3.17 Transit

Amarillo City Transit recently experienced a significant reduction in federal operating support after being reclassified as a large Urbanized Area, with annual formula funding under FTA Section 5307 falling from about \$4.92 million in FY 2023 to roughly \$2.74 million by FY 2025, a net drop of approximately \$2.18 million compared to the pre-reclassification level. This change has increased the General Fund subsidy required to maintain current service levels and heightened the importance of securing competitive federal and state grants under Sections 5307, 5310, and 5339, each of which typically requires a local match that ACT works to minimize through Transportation Development Credits and other eligible sources.

Within this new funding environment, Transit has identified three realistic levers to modestly reduce General Fund reliance while protecting access for transit-dependent riders: targeted grant pursuits, careful fare adjustments, and a measured expansion of transit advertising. Any potential fare increases would be designed and phased with a recognition that higher fares can reduce ridership and, in turn, negatively affect performance-based allocations. In parallel, ACT is preparing to pilot an in-house advertising program and may bring forward options to prioritize external advertisers on buses, shelters, and other facilities so that, if Council is interested, the system can generate a modest but consistent revenue stream that complements grants and fares without undermining core service or equity goals.

5.3.18 Utilities (Water and Sewer Fund)

Within the Water Utilities Department, staff have identified several fee and permit adjustments that could move specific expenses within the utility fund closer to cost recovery without changing core service levels. These options are presented for concept-level discussion so Council can signal which, if any, they would like staff to develop further.

First, Utilities recommends increasing the tap administration fee and setting a six-month completion deadline for permitted taps so that permit revenue more accurately covers the staff time spent on initial inspections and repeated re-inspections.

Second, staff propose introducing a fee for industrial waste permits under the City's pretreatment program so that a portion of the cost of sampling, site visits, and compliance monitoring is borne by industrial users rather than absorbed entirely within the utility budget.

Third, Utilities sees an opportunity to reset septic hauler permit, dumping, and manifest-related fees to better reflect the cost of processing loads, purchasing manifests (currently more than \$10,000 per year), and addressing any non-compliant dumping that requires repairs or corrective action.

Finally, staff recommend decoupling the Environmental Laboratory fee schedule from the City ordinance by shifting to a Council-approved, publicly posted schedule that can be updated during the annual budget cycle, allowing laboratory charges to keep pace with rapidly rising reagent and operating costs while maintaining transparency for customers and Council.

5.3.19 Vital Statistics

The Vital Statistics Division currently has a small projected subsidy, with roughly \$312,000 in expenditures and \$294,000 in revenue in FY 2025–26. Because base birth and death certificate fees are set by the Texas Department of State Health Services and must be collected uniformly by all local registrars, the City has no discretion to raise those core prices to close the gap.

Instead, staff have identified targeted cost-recovery steps that could reasonably move the division toward cost neutrality while keeping services accessible. These include implementing clearly disclosed, non-refundable search fees when a record cannot be located, aligning online Permitium and remote TxEVER search practices so that unsuccessful searches do not leave the City paying state fees without reimbursement, and adding or modestly increasing ancillary charges to cover postage and handling costs that are currently absorbed in the budget. While revenues will still vary with customer demand from year to year, these changes appear sufficient to eliminate most or all of the current subsidy under typical conditions.

5.3.20 WIC

The WIC Nutrition Program is federally funded and does not have practical options to charge local fees for its core services. Program staff nevertheless participated in the cost-recovery review and highlighted recent state audit concerns about how indirect costs such as IT, insurance, and bonds are allocated and whether they will reimburse us for those costs, along with the potential for a new Public Health District funding model to spread a portion of those costs across member governments on a per-capita basis and reduce pressure on the City's General Fund. No cost-recovery action is requested from Council at this time; this section

simply documents WIC's participation in the review and the ongoing work to align indirect-cost treatment and Public Health District funding.

5.4 Requested Council direction on cost recovery

To move from this exploratory stage into the FY 26/27 budget process, staff need clear direction from Council on two points related to cost recovery.

First, which specific ideas in Section 5.3, if any, you would like staff to develop into more detailed proposals for future discussion. Second, which concepts you prefer to set aside for now, either because of policy concerns, limited revenue potential, or anticipated community sensitivity, recognizing that even "set-aside" ideas can be revisited in future budget cycles if conditions change.

Your direction on these cost-recovery questions, together with your guidance on property-tax strategy in Section 3 and budget-presentation expectations in Section 4, will shape how aggressively we pursue the concepts outlined in this report.

City of Amarillo Pre-Budget Workshop



Workshop Agenda

- **Chief Financial Officer**
 - Leadership transition and immediate responsibilities
- **Budget Calendar Transformation**
 - Future framework for FY27/28
- **Voter Approved Tax Rate Election (VATRE)**
 - Strategic decision for FY26/27
- **Budget Presentation**
 - Council direction for FY26/27 process
- **Cost Recovery Opportunities**
 - Department by department review for FY26/27

Chief Financial Officer

- **Lola Ogunremi, Ph.D., MBA, CPA**
 - Announced February 24, 2026
 - Start date: Mid-April 2026
- **Immediate Responsibilities**
 - Lead budget development and presentation
 - Complete Workday financial system transition
 - Continue strengthening coordination with departments
- **Strategic Mandate**
 - Design January-September budget calendar with enhanced council engagement.

Budget Calendar Transformation

• Strategic Goal

- Transition from compressed summer process to comprehensive January–September calendar
- Increase Council engagement earlier in the year
- Improve transparency, timing, and policy alignment

• Implementation Timeline

- FY26/27 (This Summer): Bridge year using existing timeline with new CFO leadership
- FY27/28 (Next Year): New CFO implements redesigned January–September calendar
- New process built on lessons learned from FY26/27 experience

Voter Approved Tax Rate Election: The Law

• Texas Truth-in-Taxation Law

- Voter-approval tax rate caps annual property tax growth at approximately 3.5% (M&O operations)
- Any rate above this threshold must be submitted to voters at November uniform election
- If proposition fails, rate automatically reverts to voter-approval rate

• Why This Matters

- City expenses typically rise faster than 3.5% revenue cap
- Maintaining current service levels often exceeds allowable revenue growth
- VATRE is the only mechanism available to exceed statutory ceiling

Voter Approved Tax Rate Election: Revenue-Expense Challenge

- **Structural Constraints**
 - Citizens expect certain types and levels of service from the City
 - City expenses rise at rates not subject to the same cap as revenue
 - Maintaining existing services (not expanding) often sees inflationary costs exceeding 3.5%
 - Unless sales tax or other non-property tax revenue compensates, ability to maintain or grow services is constrained
- **Current Impact**
 - Police overtime repeatedly underbudgeted due to revenue limitations
 - Other departments required to underspend to balance General Fund
 - Staff wage pressures and service expectations outpace restricted revenue

Voter Approved Tax Rate Election: Staff Recommendation

- **Proposed Approach**
 - Dedicate VATRE increase to public safety departments
 - Significant portion of General Fund
- **Departments Included:**
 - Police Department
 - Fire Department
 - Emergency Management
 - Amarillo Emergency Communications Center
 - Animal Management and Welfare
 - City Marshal
 - Municipal Court
- **Rationale**
 - Aligns with Council Strategic Pillars
 - Addresses core services residents prioritize
 - Relieves budget pressure across General Fund

Voter Approved Tax Rate Election: VATRE Considerations

- **Advantages:**
 - Relieves ongoing pressure in both public safety and non-public safety budgets
 - Aligns with City Council Strategic Pillars (Public Safety and Fiscal Responsibility)
 - May align well with voter interest in core services
 - Leverages public safety associations and stakeholders to champion voter support
 - Addresses substantial portion of General Fund
- **Challenges:**
 - Staff must produce two parallel budgets in same timeframe
 - City advocacy limited to factual, neutral information only
 - Election occurs in November; results unknown for first two months of fiscal year
 - Voters historically cautious about approving tax increases
 - Requires significant planning and careful execution

Voter Approved Tax Rate Election: Council Direction Needed

- **If No Interest in VATRE**
 - FY26/27 budget timeline proceeds as usual
 - Staff works within existing revenue constraints
- **If Interested in Pursuing VATRE**
 - Decision: Public Safety focus or alternative?
 - If Public Safety, Deputy City Manager initiates work with public safety departments alongside new CFO
- **Staff Will Develop (if VATRE):**
 - Two parallel budget scenarios ("with VATRE" and "without VATRE")
 - Clear contingency plans for service levels, staffing, and capital

Budget Presentation: Council Input Requested

- **Purpose:**
 - Align FY26/27 budget presentation with Council preferences
 - Ensure staff understand your priorities before preparing materials
 - Create productive framework for summer budget discussions
- **Staff Needs Direction On:**
 - Structure and Pacing
 - Number of workshop days and preferred organization
 - Content and Level of Detail
 - Which funds, departments, projects to highlight
 - Data and analysis formats most useful for decision-making
 - Boundaries and Expectations
 - What should staff include or exclude in scenarios? (e.g., tax increases, fee changes, service reductions)
 - Topics Council wishes emphasized or deferred

Cost Recovery Opportunities

Purpose

- **Why Cost Recovery:**
 - Shift appropriate costs from property taxpayers to users of specific services
 - Address ongoing General Fund budget constraints through targeted fee (non-tax) adjustments
 - Focus on maintaining services while improving fiscal sustainability
- **Staff Assignment:**
 - Departments identified services currently subsidized by General Fund
 - Outlined realistic options to move closer to cost recovery
 - Provided preliminary analysis highlighting constraints and trade-offs
- **Key Principle:**
 - Goal is cost recovery, not service cuts

Cost Recovery Opportunities Approach

• Guiding Principles:

- Update fees where costs have outpaced charges
- Align local practices with industry standards
- Recognize federal and state legal constraints
- Consider public and political sensitivities

• Level of Analysis:

- Concept-level proposals, not detailed implementation plans
- Preliminary identification of pros, cons, and constraints
- Focus on feasibility and policy considerations

• Council Role:

- Indicate interest or disinterest in each option
- Staff will develop detailed proposals only for options Council wishes to pursue

Cost Recovery Opportunities

Scope

- **Focus: General Fund Departments**
 - Today's review emphasizes departments funded by property tax and sales tax
 - Opportunities range from modest fee adjustments to structural changes
- **Non-General Fund Departments:**
 - The following participated in review but are not primary focus today:
 - **Airport** - Enterprise fund, already at cost recovery
 - **Community Development** - Federally funded. Exception: \$100k General Fund for Extreme Weather Assistance (EWA). Staff recommend continuing.
 - **Public Health** - Primarily grant-funded; ~\$1.4M General Fund subsidy but limited cost recovery options in near term
 - **WIC** - Federally funded; no local fee authority
- **What's Next:**
 - Department-by-department options (Slides 14-35)
 - Council direction on which ideas to develop further

Animal Management and Welfare

- **Department Context:**
 - Full cost recovery not feasible for this department
 - Focus on targeted fee adjustments where specific costs can be tied to specific services
- **Cost Recovery Options:**
 - **Option 1: Daily Shelter Care Fee**
 - Increase from \$5.00 to \$15.00 per day (excluding first day)
 - Fee has not been adjusted in over a decade
 - Better reflects actual daily care costs
 - **Option 2: Adult Animal Surrender Fee**
 - Increase from \$25.00 to \$50.00
 - Maintain puppy and kitten surrender fees at \$10.00
 - Better aligns with intake costs and peer city practices
 - **Option 3: Adoption Fees**
 - Return to ordinance rates: \$50.00 for canines, \$30.00 for felines
 - Currently using reduced discretionary rates implemented in 2020
 - **Option 4: Repeat Impoundment Policy**
 - Double impoundment fees on second offense and require spay/neuter before release
 - Aimed at reducing repeat violations and improving community outcomes

City Marshal

- **Department Context:**
 - Full cost recovery not feasible for this department
 - Focus on administrative fee for abatement work to better reflect actual costs
- **Cost Recovery Option:**
 - **Abatement Administrative Fee Adjustment**
 - Increase from \$75 to \$125 (FY26/27), then to \$150 (FY27/28)
 - Fee has not been adjusted since March 2012
 - Establish 3% automatic annual adjustment thereafter
 - **Justification:**
 - Fee covers multiple inspections, certified mail notices, data entry, contractor coordination, lien preparation, warrant preparation, and court processing
 - Peer cities currently charge \$125 to \$250 (Amarillo is clear outlier on low end)

Civic Center

- **Department Context:**
 - Not a General Fund department—funded primarily by Hotel Occupancy Tax (HOT) and operating revenues
 - Not a primary focus for reducing General Fund property tax subsidy
 - Long-standing strategic discussions about facility future (expansion, replacement, capital financing)
- **Current Cost Recovery Practices:**
 - Staff regularly review and adjust fees to reflect usage and market conditions:
 - Rental fees, Equipment charges, Ticketing fees, Labor rates (stagehands, security, ushers, EMTs)
 - Adjustments designed to keep pace with industry standards and recover appropriate operating costs
- **Staff Recommendation:**
 - Given complexity of strategic issues and non-General Fund status, recommend deferring detailed Civic Center discussion to a separate, dedicated session
 - If Council wishes to pursue, future session would address HOT subsidy reduction strategies, operational changes, and capital planning scenarios

Environmental Health (1 of 2)

- **Department Context:**
 - Current budget: ~\$2.3M expenditures, ~\$1.8M revenue
 - General Fund subsidy: ~\$500,000
 - Multiple targeted opportunities could substantially narrow this gap
- **Cost Recovery Options:**
 - **Option 1: Grease Trap Program Revenue Realignment**
 - Shift revenue from Utilities to General Fund
 - EH administers program but revenue currently deposited to Utilities
 - Administrative realignment only (no fee changes, no action needed)
 - **Option 2: Vector Fee (Mosquito Control)**
 - ~\$0.50/month fee on utility bills
 - Fully funds mosquito program (currently General Fund supported)
 - Any amount below \$0.50 still offsets property tax burden
 - **Option 3: Tattoo and Body Piercing Inspection Program**
 - Implement local inspection program (NEHA core program, common in larger TX cities)
 - ~59 facilities in Public Health District
 - Absorbed using existing resources

Environmental Health (2 of 2)

- **Cost Recovery Options (continued):**
 - **Option 4: Recreational Water Program (Pools/Spas)**
 - Currently recovering only 50% of costs
 - Double permit fees from \$500 to ~\$1,000 per unit (hotels, motels, gyms, apartments)
 - Move toward full cost recovery
 - Option to phase in if Council prefers
 - **Option 5: Group Care Program (Daycares/Foster Homes)**
 - Currently recovering only 34% of costs
 - Modest fee adjustments recommended
 - Sector has legislative support; staff caution against aggressive increases
 - ~66 facilities total
 - **Option 6: Public Health District Cost-Sharing**
 - Already underway with partner governments
 - Contribution toward district operations
 - Reduces City's net General Fund support for district services

Fire

- **Department Context:**
 - Current budget: ~\$50M expenditures, ~\$4M revenue
 - Full cost recovery not realistic or desirable for core mission
 - Focus on targeted revenue options to narrow General Fund subsidy
- **Cost Recovery Options:**
 - **Option 1: Update Fire Marshal Inspection and Plan-Review Fees**
 - Introduce tiered or risk-based charges (higher-risk occupancies pay more)
 - Add re-inspection fees when violations not corrected
 - **Option 2: Third-Party Insurance Billing**
 - Pursue insurance companies/responsible parties for extraordinary costs (major insured losses, hazmat incidents, certain auto collisions)
 - Requires careful policy design with clear limits to avoid billing routine calls
 - **Option 3: Graduated False Alarm Fees**
 - Properties with repeated false fire alarm activations
 - Encourages repairs and offsets cost of unnecessary responses
 - **Option 4: Special Event/Standby Charges**
 - Full cost recovery for optional standbys at private events or high-risk operations
 - Ensures taxpayers not subsidizing these activities

Internal Audit

- **Department Context:**
 - Does not generate external revenue
 - Identified cost savings opportunity through in-house service delivery
- **Cost Savings Achievement:**
 - Brought HOT (Hotel Occupancy Tax) audits in-house from external consultant
 - Functions as ongoing General Fund expenditure reduction
 - Preserves oversight of HOT collections supporting tourism-related decisions
- **Status:**
 - Already implemented beginning in 2026
 - No Council action required

Information Technology

- **Department Context:**
 - Does not provide front-line services to residents
 - Supports all City departments with systems, networks, and applications
 - Costs funded through internal charges to departments rather than public fees
- **Cost Allocation Improvements:**
 - **IT Fee Model Rebuild:** Billing departments based on actual technology use
 - Rebalances expenses across all funds
 - Ensures non-General Fund departments cover appropriate share
 - Positive impact expected on General Fund
 - **Regional Radio System Cost Sharing:** Re-evaluating shared costs with external agency partners
 - Ensures other governments and revenue-funded operations pay fair portion
 - Prevents costs from falling disproportionately on Amarillo taxpayers
- **Status:**
 - No Council action required
 - Specific allocation updates will return through normal budget process

Library

- **Department Context:**
 - Full cost recovery not feasible for this department
 - Focus on targeted adjustments to improve fairness and cost recovery while preserving access
 - Most current fees remain in place to protect service accessibility
- **Cost Recovery Options:**
 - **Option 1: Default Replacement Prices for Lost/Damaged Items**
 - Last updated in 2005
 - Will be updated to reflect current market costs
 - **Option 2: Copier and Mobile Printing Charges**
 - Increased to \$0.20/page (from \$0.15) effective March 1st
 - Recoups direct per-page cost of service
 - **Option 3: Nonresident Card Fees**
 - City spends \$21.26 per resident per year on library services
 - Current fees: \$18 individual, \$33 family (among lowest in state)
 - Proposed increase: \$25 individual, \$45 family
 - Remains below peer city median (\$35) and mean (\$53)
- **Status:**
 - Option 2 (copier/printing) already implemented
 - Options 1 and 3 require Council direction

Municipal Court

- **Department Context:**
 - Already operates with revenues exceeding direct operating costs
 - Focus on reducing expenses and aligning fees with actual costs (not increasing fines)
 - Maintaining access to justice while improving General Fund position
- **Cost Recovery and Efficiency Improvements:**
 - **Credit and Debit Card Processing Cost Reduction**
 - Negotiated lower rate with payment processor
 - Effective processing rate decreasing from ~9% to ~3%
 - Will recalibrate convenience fee structure to recover transaction costs from users choosing card payment
 - On Council agenda today for approval
 - **New Docket Call for Self-Represented Defendants**
 - Implemented before trial settings
 - Reduces interpretation service costs, postage, and staff time
 - Resolves issues earlier in process, improving efficiency
- **Status:**
 - Card processing rate negotiation on today's Council agenda for approval
 - New docket call already implemented
 - Working with Finance to quantify savings during budget process

Parks and Recreation - Golf

- **Success Story: Multi-Year Strategic Cost Recovery**
- **Dramatic Progress:**
 - General Fund subsidy reduced from \$1.9 million (FY18/19) to \$370,000 (FY24/25)
 - Current year trending even lower than last year
 - Positioned to reach full cost recovery over time
- **Successful Strategy:**
 - Incremental annual fee increases that golfer community can absorb (avoiding large sudden changes)
 - New programs introduced: "Happy Hour", "Explore the Four"
 - Refined staffing model and close tracking of cost inflation
 - Targeted capital investments to support attendance and revenue
- **Staff Recommendation:**
 - Continue steady approach of gradual fee adjustments, program expansion, and operational discipline
 - Maintain current course toward budget neutrality

Parks and Recreation - Tennis

- **Strategic Approach Toward Cost Neutrality**
- **Recent Progress:**
 - Current year showing strong cost-recovery metrics (as of January)
 - Trending favorably relative to budgeted subsidy
 - Higher participation and facility use
- **New Independent Contractor Model:**
 - City Council recently authorized new contractor agreement
 - Aligns contractor compensation with performance
 - Incentivizes expanded offerings: tournaments, leagues, revenue-generating activities
- **Staff Recommendation:**
 - Continue strategic approach with new contractor to further reduce General Fund subsidy
 - Routine program-level fee updates (e.g., junior programs) as appropriate
 - Monitor revenues, expenses, and participation through upcoming budget cycle

Parks and Recreation - Athletics

- **Cost Recovery Opportunities**
- **Option 1: Expand Field and Facility Rentals**
 - Broaden access for associations and leagues to utilize City assets
 - Improve utilization rates
 - Generate additional rental revenue
- **Option 2: Develop New or Expanded Sports Offerings**
 - Attract participation where demand exists
 - Associated fees improve revenue base while maintaining community access
- **Option 3: Discontinue Kids Inc. Payment (~\$36,000 annually)**
 - Eliminate annual operating subsidy through Athletic Supervisory Agreement
 - Continue indirect support through field preparation and maintenance
- **Goal:** Shift toward model where user groups and renters bear larger share of facility costs

Parks and Recreation – Additional Opportunities

- **Additional Cost Reduction and Realignment Opportunities**
- **No-Mow / Habitat Areas**
 - Reduce mowing and routine maintenance costs on per-acre basis
 - Provides environmental and aesthetic benefits
- **School Park Maintenance Agreements**
 - Streamline AISD and CISD agreements
 - Better define City responsibilities and expenses for facilities on school properties
- **Amarillo Zoo Lease Agreement**
 - Lease agreement with Wild West Wildlife Rehabilitation Center finalized
 - Creates sustainable financial framework for zoo operations
 - On Council agenda today for approval

Planning

- **Department Context:**
 - Full cost recovery at department level not realistic
 - Focus on ensuring development-related fees align with direct costs
- **Comprehensive Fee Schedule Review:**
 - Staff have begun a structured review to ensure development-related applicants pay their fair share of direct costs.
- **Preliminary Analysis Indicators:**
 - Some fees already cover planner time
 - Others under-recover once broader staff effort and required public notices are factored in
- **Potential Modest Adjustments:**
 - Increase certain application fees to better reflect staff time and expertise
 - Add small charges where no fee currently exists (e.g., zoning verification letters, site plans, annexation petitions)
 - Expected revenue impact per adjustment is very low
- **Status:**
 - Review in progress
 - Not a major revenue opportunity but contributes to cost recovery principle

Police

- **Department Context:**
 - Full cost recovery not feasible for Police Department as a whole
 - One area with existing revenue generation: Amarillo Shooting Complex
 - Focus: Ensure public use of facility covers its fair share of costs
- **Amarillo Shooting Complex Cost Recovery Analysis**
 - **Current Situation:**
 - Dual-purpose facility: law enforcement training and public shooting range
 - Currently operating at a deficit
 - **Proposed Approach:**
 - Staff prepared to conduct cost analysis separating law-enforcement training expenses from public use expenses.
 - If analysis shows deficit on public use side, cost recovery could occur through fee adjustments or policy changes.
 - **Council Direction Needed:**
 - Authorize staff to proceed with detailed cost analysis?
 - If public use deficit is confirmed, pursue fee adjustments?

Public Works – Solid Waste Landfill

- **Department Context:**
 - Combined Solid Waste (Collections + Landfill) currently generates net positive margin
 - However, Landfill operations are negative when viewed separately
 - Staff examined Landfill independently to identify potential cost recovery options
- **Cost Recovery Opportunity:**
 - Modest 5-10% landfill tipping-fee increase to help offset rising costs while maintaining competitive position.
- **Considerations:**
 - Must balance cost recovery with market competitiveness
 - Fees too close to regional competitors could prompt private haulers to divert tonnage elsewhere
 - Risk: Loss of both tipping-fee revenue and commercial collection permit participation
- **Council Direction Needed:**
 - Is Council interested in pursuing modest 5-10% tipping-fee increase for FY26/27?

Public Works - Street

- **Department Context:**
 - Full cost recovery not feasible for Street Department as a whole
 - Concept-level discussion only—no specific proposal at this stage
- **Conceptual Cost Recovery Approach:**
 - Rather than attempting to fund entire Street Department, a smaller, more focused street or transportation system fee could help cover specific core costs:
 - Pavement repair
 - Signal and sign maintenance
 - Pavement markings
- **Staff Position:**
 - Given history of prior discussions, will NOT advance specific proposal without clear Council interest
 - Presented as potential long-term cost-recovery tool
- **Council Direction Needed:**
 - Does Council wish to explore this concept further?
 - If not, staff will set aside for now and can revisit in future budget cycles

Transit

- **Recent Federal Funding Challenge:**
 - ACT reclassified as large urbanized area, resulting in loss of approximately \$2.18 million in federal formula funding
 - Increased General Fund subsidy required to maintain current service levels
- **Cost Recovery Options:**
 - **Option 1: Grant Pursuit Strategy**
 - Pursuing competitive federal and state grants (Sections 5307, 5310, 5339) to replace lost formula funding
 - Working to minimize local match requirements through Transportation Development Credits
 - **Option 2: Careful Fare Adjustments**
 - Designed and phased with recognition that higher fares can reduce ridership
 - Must balance cost recovery with financial capabilities of transit-dependent riders
 - Ridership reductions can negatively affect future performance-based grant allocations
 - **Option 3: Transit Advertising Expansion**
 - Pilot in-house advertising program on buses, shelters, and ACT facilities
 - Allow external entities to advertise under specific guidelines
 - Generate modest but consistent revenue stream without undermining core service
- **Council Direction Needed:**
 - Which cost recovery options should staff develop further?

Utilities

- **Department Context:**
 - Not a General Fund department—operates as Water/Sewer enterprise fund
 - These ideas won't reduce property tax burden but help utility operations stretch revenue further
- **Cost Recovery Options:**
 - **Increase tap administration fee** to cover inspection costs (including repeated re-inspections)
 - **Create industrial waste permit fee** for sampling, site visits, and compliance monitoring
 - **Address septic dumping and manifest fees** to better cover costs (City currently spends \$10k+/year on manifests alone)
 - **Decouple Environmental Laboratory fee schedule from ordinance** to allow updates during annual budget cycle as reagent costs change
- **Bottom Line:** Shift specific costs to users who generate them (industrial dischargers, septic haulers, tap permit holders) rather than spreading across all utility customers.

Vital Statistics

- **Department Context:**
 - Small subsidy (~\$18,000 gap between \$312k expenses and \$294k revenue)
 - Base birth and death certificate fees are set by the State; City has no authority to change them
- **Cost Recovery Options:**
 - **Non-refundable search fees** when a record cannot be located (currently no charge for unsuccessful searches)
 - **Ensure City recoups state fees** associated with searches; align online (Permitium) and remote (TXEVER) search practices so unsuccessful searches don't leave City paying state fees without reimbursement
 - **Cover ancillary charges** like postage and handling (currently absorbed by City budget)
- **Bottom Line:** These modest adjustments should eliminate most or all of the subsidy under typical conditions while keeping vital records services accessible.

Council Direction

- **What happens next depends on your guidance:**
 - **Revisit any slides** – We can go back to any department for clarification or deeper discussion
 - **Request additional information** – Staff can bring back more detailed analysis on specific cost recovery opportunities
 - **Integrate into FY26/27 budget** – Direct staff to begin working approved cost recovery opportunities into the budget development process
 - **Set aside** – Identify any options Council does not wish to pursue at this time
- **Your direction today will shape the FY26/27 budget preparation.**

Questions?





Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility

Department: Community Development

Contact Person: Jason Riddlespurger, Managing Director of Community Development, Stefanie Rodarte-Suto, Assistant Community Development Director

Agenda Caption: Consider Award - New Home Construction Contract. This item considers the award of a contract for a new home construction at 1106 N. Monroe Street, Amarillo, TX.

Award to: Habitat for Humanity

Amount: \$80,000.00

Funding Source: HOME Investment Partnership funds and CHDO set-aside funds

Is the item budgeted? Yes

Agenda Item Summary: This project will provide funding for the new construction of a three-bedroom, two-bath, single-family dwelling, located at 1106 N. Monroe St, Amarillo, TX. Construction will be completed by the Amarillo chapter of Habitat for Humanity. As a Community Housing Development Organization (CHDO), Habitat for Humanity is eligible to receive federally mandated funding set aside for CHDOs by the HOME Investment Partnership Program, which is administered by the Community Development Department. Habitat for Humanity is the only City-certified CHDO, therefore, making Habitat for Humanity an organization in the area eligible to receive these funds.

Requested Action: Requesting the use of \$80,000.00 HOME CHDO Project Expense funds to fund a new construction project for 1106 N. Monroe St, Amarillo, TX. These funds were previously approved by the Council for use by Habitat for Humanity to meet the HOME CHDO set-aside requirement.

Funding Summary: On July 22, 2025, the Amarillo City Council approved Resolution No. 07-22-25-3, which authorized the adoption of the 2025/2026 Community Development Block Grant and HOME Investment Partnership Programs Annual Action Plan. The approved plan authorized a total of \$129,784 in HOME funds for CHDOs, which was added to the City's CHDO Reserves. For this construction project, Habitat for Humanity has requested \$80,000.00 from this reserve; \$18,253.40 from FY2023 funding, and \$61,746.60 from FY2024 funding. This funding is available to the City of Amarillo through reimbursement by the U.S. Department of Housing and Urban Development.

Purchasing Summary: Not applicable

Community Engagement Summary: CHDO funds are a required HOME entitlement set-aside, with 15% allocated to CHDO. This is outlined in the Annual Action Plan and Consolidated Plan, approved by CDAC on June 6, 2025, and approved by Council on July 22, 2025.

Staff Recommendation: Community Development recommends awarding HOME CHDO funds in the amount of \$80,000 to Habitat for Humanity for the construction of a new home at 1106 N. Monroe St, Amarillo, TX.



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility
Infrastructure

Department: Public Works

Contact Person: Alan Harder, Director of Public Works

Agenda Caption: Consider Purchase - Street and Parks Mowing Equipment. This item considers the purchase of three 80-hp John Deere Tractors and two 15-foot mowing decks, used daily by the Street Department & Parks Department. This is the scheduled replacement of units 7476, 7594, 7606, 7607, and 8154 which have reached their end of useful life.

Award to: Deere & Company/Western Equipment (BuyBoard #706-23)

Amount: \$275,978.78

Funding Source: Bond proceeds

Is the item budgeted? Yes

Agenda Item Summary: This is the scheduled replacement of units 7606, 7607, 8154 John Deere 80-hp Tractors & units 7476, 7594 15-foot Rotary Mowing Decks. These existing units have reached and exceeded their usable life cycle. New equipment will assist the Street and Parks Departments with daily operational requirements. The funding for this replacement will be from the 25-26 Fleet Services Debt issuance. An 80-hp tractor is a mid-sized machine designed for managing large properties and operating heavier mowing equipment. A 15-foot rotary mower deck is built to maintain extensive acreage and roadsides efficiently, significantly reducing mowing time compared to smaller mowers.

Requested Action: Approval

Funding Summary: Fleet Services Machinery General, account 61120.84200 request total award \$275,978.78

Purchasing Summary: This purchase will be on BuyBoard Contract #706-23. Contract assures discounted governmental pricing and a quicker delivery schedule.

Community Engagement Summary: N/A

Staff Recommendation: City Staff recommends approval.

ITB 176-26 SS Cab Tractors & Mowing Decks

To be awarded as one lot

Western Equipment, LLC

Line 1 New 2025 John Deere 5090E Cab Tractor

1 ea

Unit Price

\$75,480.180

Extended Price

75,480.18

Line 2 New 2025 John Deere 5090E Cab Tractor

2 ea

Unit Price

\$73,859.860

Extended Price

147,719.72

Line 3 New John Deere FC15M Flex Wing Rotary
Cutter

2 ea

Unit Price

\$26,389.440

Extended Price

52,778.88

Total Amount Bid

\$ 275,978.78

Western Equipment, LLC

Amarillo, TX



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility

Department: Public Works

Contact Person: Alan Harder, Director of Public Works

Agenda Caption: Consider Purchase - Heavy Haul Truck. This item considers the purchase of a Western Star Heavy Haul Truck for daily use in the Solid Waste Collection Dangerous Structure Demolition program.

Award to: Premier Truck Group (SourceWell Contract #032824-DAI)

Amount: \$160,111.17

Funding Source: General fund revenues (CIP #PRJ-0000124)

Is the item budgeted? Yes

Agenda Item Summary: The addition of a Western Star Heavy Haul Truck to the City's fleet was approved during the FY 25-26 Capital Improvement Projects (CIP) review as part of Solid Waste Collection's Dangerous Structure Demolition program. The Western Star Heavy Haul Truck is a specialized vehicle designed to transport oversized, overweight and individual loads exceeding 65,000 pounds. The acquisition of the equipment will enhance the City's operational capabilities and improve efficiency in addressing demolition activities and debris removal associated with the Dangerous Structure Demolition program.

Requested Action: Approval

Funding Summary: PRJ-0000124 Equipment for Dangerous Structure Program

Purchasing Summary: This purchase will be on SourceWell Contract # 032824-DAI. Contract assures discounted governmental pricing and a quicker delivery schedule.

Community Engagement Summary: N/A

Staff Recommendation: City Staff recommends approval.

ITB-179-26 AG New Western Star Haul Truck

To be awarded as one lot

Premier Truck Group

Line 1 New Western Star Haul Truck

1 ea

Unit Price

\$160,111.170

Extended Price

160,111.17

Total amount bid

\$ 160,111.17

Premier Truck Group

Amarillo, TX



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility

Department: Public Works

Contact Person: Alan Harder, Director of Public Works

Agenda Caption: Consider Purchase - Solid Waste Dumpsters This item considers the purchase of 1,836 3-cubic yard dumpsters and 189 8-cubic yard dumpsters used in the Solid Waste Residential and Commercial Collection programs.

Award To: Roll Offs USA of America (Buy Board #786-525)

Amount: \$1,550,907.00

Funding Source: General fund revenues

Is the item budgeted? Yes

Agenda Item Summary: This item considers the purchase of 1,836 3 -cubic yard dumpsters and 189 8-cubic yard dumpsters used in the Solid Waste Residential and Commercial Collection programs. New dumpsters are used to replace those which have been damaged beyond repair as well as for growth as new customers are added.

Requested Action: Approval

Funding Summary: 1431.68630 Dumpster Boxes and PRJ-43012 Residential Dumpster Replacement Program

Purchasing Summary: This purchase will be on BuyBoard Contract #786-25

Community Engagement Summary: N/A

Staff Recommendation: City staff recommends approval.

ITB-175-26 AG 3 yard and 8 year refuse containers

To be awarded as one lot

Roll-Offs USA

Line 1 3yd side loader

1 ea

Unit Price

\$1,195,236.000

Extended Price

1,195,236.00

Line 2 8yd fl 2dr hatch back slope

1 ea

Unit Price

\$215,271.000

Extended Price

215,271.00

Line 3 Freight

1 ea

Unit Price

\$140,400.000

Extended Price

140,400.00

Total amount bid

\$ 1,550,907.00

Roll-offs USA

Durant, OK



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community, Communication, Fiscal Responsibility, Infrastructure

Department: Parks and Recreation

Contact Person: Michael Kashuba, Director of Parks and Recreation

Agenda Caption: Consider Approval - Lease Agreement for Rick Klein Baseball Complex. This item considers the approval of a lease agreement between the City of Amarillo and Kids Inc for an initial term of 10 years, with an automatic renewal for a single five-year term.

Lessee: Kids Inc.

Amount: \$1.00 annually

Is the item budgeted? Yes

Agenda Item Summary: This item considers approval of a lease for the Rick Klein Baseball Complex with Kids Inc to operate and maintain the Rick Klein Baseball Complex for youth and adult recreational sports, including baseball and softball, and will retain concession rights.

The Texas Panhandle Youth Sports Foundation (TPYSF) recently announced the consolidation of several local youth baseball and softball organizations, including the Amarillo Area Youth Baseball League (Rotary Baseball), West Texas Youth Baseball League, West Texas Fastpitch, and Canyon Baseball Association, under Kids Inc. As a result of this organizational change, TPYSF, the current lessee, has requested that the City of Amarillo lease Rick Klein Baseball Complex to Kids Inc and end the existing agreement.

The original lease agreement between the City of Amarillo and TPYSF was approved by City Council on January 31, 2023. The agreement was amended on 10/10/2023 to remove Southwest Complex from the agreement due to safety concerns.

Requested Action: Consider approval of a lease with Kids Inc. for the lease of Rick Klein Baseball Complex.

Funding Summary: Not applicable.

Purchasing Summary: Not applicable.

Community Engagement Summary: During the March 11, 2026 Parks and Recreation Advisory Board meeting, the board recommended that council consider entering into a lease agreement with Kids Inc.

Staff Recommendation: Staff recommends approval of the lease agreement



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility
Infrastructure
Public Safety

Department: Water and Sewer Utilities

Contact Person: William Johnson, Director of Utilities - Operations

Agenda Caption: Consider Purchase — Valves, Couplings, and Flange Kits for 45" Water Main. This item considers the purchase of two globe check valves, couplings, and flange kits to replace valves on the 45" Carson County Well Field water main.

Award to: Reece (BuyBoard #756-24)

Amount: \$59,021.64

Funding Source: Water and sewer fund revenues (CIP #PRJ-523950)

Is the item budgeted? Yes

Agenda Item Summary:

City staff is requesting approval to purchase replacement components for the Carson Main, a critical pipeline within the City's water infrastructure system. The Carson Main is a 45-inch pipeline that plays a key role in transporting water through the system. Valves installed along the pipeline help control flow, prevent backflow, and allow for safe operation and maintenance. The existing valves have failed and have reached the end of their service life, reducing the City's ability to effectively manage system operations and increasing the risk of service disruptions or damage to infrastructure. This purchase includes two (2) 16-inch globe check valves, along with the necessary couplings and flange kits required for proper installation and operation. Replacing these components will restore reliability, improve system control, and reduce the likelihood of unexpected failures. Approval of this item will allow the City to proceed with necessary repairs to maintain safe and dependable system performance.

Requested Action: Requesting the approval of the purchase to Reese in the amount of \$59,021.64.

Funding Summary: Funding is available in PRJ-523950, with a current balance of \$441,236.75. This item does not include any transfers from other projects or funds.

Purchasing Summary: Procurement was supported through Co-op Buyboard #756-24.

Community Engagement Summary:

The Carson Main is a major pipeline that helps move water throughout the City's system, supporting reliable service for homes, businesses, and public facilities. Valves along this pipeline play an important role in controlling water flow, preventing backflow, and allowing crews to safely perform maintenance and repairs. The existing valves on the Carson Main have failed and reached the end of their useful life, which increases the risk of service disruptions and limits the City's ability to effectively manage the system. If not replaced, failed valves can lead to reduced reliability, potential water loss, and more complex or costly repairs in the future. This project includes the replacement of two 16-inch globe check valves, along with the necessary

couplings and flange kits to ensure proper installation and long-term performance. Replacing these components will improve system reliability, enhance operational control, and reduce the risk of unexpected failures.

Staff Recommendation: City Staff recommends the purchase.

ITB 181-26 SS Valves, Couplings, and Flange Kits for 45" Water Main

To be awarded as one lot Reece Supply, LLC

Line 1 Valves, Couplings, and Flange Kits

1 ea		
Unit Price		\$59,021.640
Extended Price		59,021.64

Total Amount Bid \$ 59,021.64
Reece Supply, LLC
Amarillo, TX



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility
Infrastructure
Public Safety

Department: Water and Sewer Utilities

Contact Person: William Johnson, Director of Utilities - Operations

Agenda Caption: Consider Purchase - Two Motors and Two Pumps for Lift Station #16. This item considers the purchase of two motors and two pumps for Lift Station #16 within the Wastewater Collection Department. These pumps have reached the end of life and need to be replaced.

Award to: Austin Armature Works (Buyboard #770-25)

Amount: \$55,853.80

Funding Source: Water and sewer fund revenues

Is the item budgeted? Yes

Agenda Item Summary:

City staff is requesting approval to replace aging equipment at Lift Station 16, which plays a critical role in the community's wastewater system.

A lift station is a facility that pumps wastewater from lower elevations to higher elevations so it can continue flowing through the sewer system to a treatment plant. These stations are essential in areas where gravity alone cannot move wastewater efficiently. Without properly functioning lift stations, wastewater service can be disrupted, potentially leading to backups, overflows, and environmental concerns.

The existing pumps and motors at Lift Station 16 are approximately 50 years old and have reached the end of their useful life. Due to their age, the equipment is more prone to breakdowns, increased maintenance costs, and reduced reliability. Replacing this equipment will improve system efficiency, reduce the risk of service interruptions, and help ensure continued protection of public health and the environment.

The proposed replacement includes:

Two (2) 5-horsepower motors (1200 RPM, L215VP10 frame), offered at a 40% discount

One (1) 4-inch pump (Model B5442, T-20 frame, 450 gallons per minute, clockwise rotation), offered at a 20% discount

One (1) 4-inch pump (Model B5442, T-20 frame, 450 gallons per minute, counterclockwise rotation), offered at a 20% discount

Approval of this item will allow the City to move forward with purchasing and installing updated equipment to maintain reliable wastewater service for residents.

Requested Action: Requesting the approval of the purchase to Austin Armature Works in the amount \$55,853.00.

Funding Summary: Funding for this purchase is supported through 52240.68312, with the current remaining balance of \$85,379.97. This item does not include any transfers from other projects or funds.

Purchasing Summary: Procurement was supported through the Co-op Buyboard #770-25.

Community Engagement Summary: Lift stations move wastewater from homes and businesses to treatment facilities when gravity alone cannot do the job, ensuring sewage is safely carried away from the community. When these systems fail, the consequences can be serious, including sewage backups into homes, overflows into streets or waterways, and exposure to harmful bacteria and contaminants. The pumps and motors currently in use at Lift Station 16 are approximately 50 years old and are increasingly at risk of failure, making breakdowns more likely and increasing the potential for public health hazards. Replacing this equipment now is a proactive step that helps prevent emergencies rather than reacting to costly and potentially dangerous failures later. By supporting this investment, residents help protect public health by reducing the risk of sewage exposure, safeguard local waterways from contamination, improve the reliability of the wastewater system, and avoid more costly emergency repairs in the future.

Staff Recommendation: City Staff recommends the approval of the purchase.

ITB 180-26 SS Pumps And Motors LS 16

To be awarded as one lot

Austin Armature Works, LP

Line 1 Motors

2 ea

Unit Price

\$4,950.000

Extended Price

9,900.00

Line 2 Pumps

2 ea

Unit Price

\$22,976.900

Extended Price

45,953.80

Total Amount Bid

\$ 55,853.80

Austin Armature Works, LP

Buda, TX



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community
Fiscal Responsibility
Public Safety

Department: Environmental Health

Contact Person: Anthony Spanel, Director of Environmental Health

Agenda Caption: Consider Approval — Interlocal Cooperation Contract between the City of Amarillo and the Texas Department of State Health Services for Recurring Inspections of Mobile Food Units. This item considers the approval of an interlocal cooperation contract between the City of Amarillo and the Texas Department of State Health Service for reoccurring inspections of Mobile Food Units within the Amarillo Area Public Health District. The interlocal agreement contract is not to exceed \$107,517.00 annually and will be reimbursed from the Texas Department of State Health Services monthly upon completion of assigned inspections.

Agenda Item Summary: This item considers approval of an interlocal cooperation contract between the City of Amarillo and the Texas Department of State Health Services (DSHS) to perform recurring inspections of Mobile Food Units (MFUs) within the Amarillo Area Public Health District.

Pursuant to House Bill 2844, effective July 1, 2026, authority for permitting and inspection of MFUs is transferred from local jurisdictions to DSHS. Due to limited state personnel available to conduct these inspections statewide, DSHS has requested partnerships with local public health agencies to perform inspection services on a per-inspection reimbursement basis.

Under the proposed agreement, the City will conduct MFU inspections on behalf of DSHS and receive reimbursement upon completion of assigned inspections. The total annual contract amount will not exceed \$107,517.00, with payments issued monthly.

The reimbursement rates established in the contract are expected to generate greater revenue than currently collected under local permitting, which is constrained by fee limitations established in Senate Bill 1008. No additional personnel or resources are required to continue providing these inspection services.

Requested Action: Approval of the Interlocal Agreement as presented

Funding Summary: Not to exceed reimbursement of \$107,517.00 annually

Purchasing Summary: Not applicable

Community Engagement Summary: Not applicable

Staff Recommendation: City staff recommends approval



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community
Fiscal Responsibility

Department: Planning and Development Services

Contact Person: Drew Brassfield, Assistant Director of Planning

Agenda Caption: Consider Approval - Center City Tax Increment Reinvestment Zone #1 Developer Agreement with Rillo Investments, LLC for a hospitality project located in the vicinity of SE 10th Ave. and S. Buchanan St. This item considers approval of a developer agreement for the developer to invest not less than \$28 million to construct a new 122-room Hampton Inn Hotel. At completion, the developer would receive a 100% annual property tax rebate of taxes paid (City of Amarillo, Amarillo College, Potter County, Panhandle Groundwater District) for 10 years, along with a not to exceed \$900,000 grant for infrastructure, facade improvements, environmental site remediation, or demolition of existing structures.

Agenda Item Summary: This item is to consider a developer agreement with Rillo Investments, LLC for a hospitality project located at the southeast corner of the SE 10th Avenue and S. Buchanan Street intersection. On this city block, the developer is proposing to construct a new 72,460 sq. ft. 122-room hotel generally associated with a Hampton Inn. The project will include an indoor pool, full bar, guest laundry, and complimentary breakfast and coffee. Parking for the hotel will be included onsite.

In exchange for the investment, the Center City TIRZ #1 Board has approved a 100% annual rebate of property taxes for 10 years, along with an amount not to exceed \$900,000 grant for infrastructure, facade improvements, environmental site remediation, or demolition of existing structures.

As conditions precedent to the Zone making any payment from the TIF to Developer, the Developer must:

- Secure not less than \$28MM in private investment for the Project on the Property.
- Comply with all terms, conditions, and obligations of this Exhibit B and the Agreement to which it is attached.
- Commence construction on or before the expiration of 15 months following execution of the Agreement, which means both obtaining a building permit and being actively engaged in building activities.
- Obtain a Certificate of Occupancy for the building on or before the expiration of three (3) years of building permit issuance.
- Anticipate the first reimbursement no earlier than January 2032. There will be no reimbursement until a Certificate of Occupancy is issued, all taxes on Property are paid to current, and all other conditions of this exhibit and the Agreement are satisfied.

Based on timing of construction it is noteworthy to mention that, beginning January 1, 2037, the Zone's participation from each taxing entity shall be limited to fifty percent (50%) of the ad valorem tax increment attributable to the Property, and Developer's annual reimbursement for any year commencing on or after that date, shall be limited to one hundred percent (100%) of the reduced increment actually received by the Zone, regardless of the balance or any other provision of the Tax Increment Fund.

Requested Action: Consideration of developer agreement approved by the Center City TIRZ #1 Board on April 15, 2026.

Funding Summary: Funding for this agreement would be paid by the TIRZ #1 Budget. Funds collected by TIRZ #1 can only be spent within the Zone on qualifying expenditures per state law.

Purchasing Summary: Not applicable.

Community Engagement Summary: This item was discussed and considered during the April 15, 2026 Center City TIRZ #1 Board Meeting. No public comments were received for or against the item. The Board approved the item 6-0 with 1 abstaining (Tom Warren II).

Staff Recommendation: Staff recommends approval as presented.

**DEVELOPER AGREEMENT
TAX INCREMENT REINVESTMENT ZONE NO. 1, CITY OF AMARILLO, TEXAS**

This DEVELOPER AGREEMENT ("Agreement") is entered into by and between the **TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, CITY OF AMARILLO, TEXAS** (the "Zone"), by and through its administrative board appointed in accordance with Chapter 311 of the Texas Tax Code (the "Act") to oversee the administration of the Zone, a reinvestment zone designated by ordinance of the City of Amarillo, Texas ("City") in accordance with the Act, and Rillo Investments, LLC ("Developer").

The Zone and Developer hereby agree that the following statements are true and correct and constitute the basis upon which the Zone and Developer have entered into this Agreement:

WHEREAS, on December 19, 2006, the City Council approved Ordinance No. 7012 establishing Tax Increment Reinvestment Zone Number One, City of Amarillo, Texas, (the "Zone") in accordance with the Tax Increment Financing Act, as amended (V.T.C.A., Tax Code, Chapter 311) to promote development and redevelopment in the area through the use of tax increment financing;

WHEREAS, on November 13, 2007, pursuant to Ordinance No. 7076, the City did approve Tax Increment Financing Reinvestment Zone Number One, City of Amarillo, Texas, Project and Financing Plan (the "Plan") and certain amendments to Ordinance No. 7012;

WHEREAS, on December 13, 2022, the City Council approved Ordinance No. 8032, amending the termination date of the zone to December 31, 2056 and the City's participation to fifty percent (50%) from 2036 until the termination of the zone;

WHEREAS, pursuant to the Plan, certain tax revenues will flow into a fund to be administered by the Zone, known as the Tax Increment Fund (TIF); also, the Zone may receive other gifts, grants or other revenue to be accounted for separately from the TIF but used only for duly approved authorized purposes of the Zone;

WHEREAS, pursuant to Section 311.010 of the Act and the provisions of City Ordinance No. 7012, as amended, City has delegated to the Zone the powers necessary for the implementation of the Plan, which includes the power to enter into agreements for the construction of both private and public improvements that accomplish or enhance one of these four goals: 1) Convention hotel, 2) Urban residential development, 3) Office/Commercial/Retail development, or 4) Ballpark/Family entertainment venues;

WHEREAS, the Zone and City recognize the importance of its continued role in local economic development, including incentives under Chapter 380, Texas Local Government Code;

WHEREAS, Developer owns or controls certain property located within the Zone, and has requested reimbursement for constructing certain improvements pursuant to the Plan; and,

WHEREAS, Developer's proposed hotel development project (the "Project") was approved for TIRZ participation by the Amarillo City Council on _____;

NOW THEREFORE, in consideration of the mutual covenants and obligations herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Site

Developer has acquired fee simple title to certain real property (the "Property"), which is within the city limits of Amarillo and the boundaries of the Zone. The Property is specifically described in Exhibit A.

Section 2. Project & Financing

Developer proposes to invest not less than \$28 million to develop a new 122-room, approximate 72,460 ft hotel with an indoor pool, full bar, guest laundry, and complimentary breakfast and coffee of the quality generally associated with a Hampton Inn, which is more particularly described in Exhibit B.

Developer understands and agrees that the cost of the Private Improvements associated with the Project shall be funded by and through Developer's own capital or other financing means arranged and obtained by Developer. Further, the TIF payments made to Developer pursuant to this Agreement are not intended to reimburse Developer for all of its costs incurred in connection with performing its obligations under this Agreement. TIF reimbursements are performance-based and contingent upon completion and compliance with all Agreement terms.

Section 3. TIF Participation: partial reimbursement of tax increment

Subject to all limitations and conditions precedent contained in this Agreement and the attached exhibits, Zone agrees to provide: annual reimbursement to Developer of one-hundred percent (100%) reimbursement of the annual ad valorem tax increment (defined below) from participating taxing entities that is generated by the Property's ad valorem tax revenue for a term not to exceed ten (10) years after the terms stated herein. In addition, the Zone agrees to provide a one-time reimbursement (as a grant) to Developer, in an amount not to exceed \$900,000, for infrastructure, façade improvements, environmental site remediation, and demolition of existing structures, which reimbursement will be made upon Developer receiving a certificate of occupancy and submission of paid invoices and evidence reasonably satisfactory to the Zone that such improvements have been completed. The Reimbursement is contingent upon: (i) a building permit issued within fifteen (15) months of City Council approval of this Agreement; (ii) certificate of occupancy received within three (3) years of building permit issuance; and (iii) acceptable streetscape be installed in accordance with Downtown Amarillo Urban Design Standards specified in the attached Exhibit C.

Reimbursements will start on the second fully valued tax year following project completion. The term "tax increment" means the difference in tax revenue on the Property between the year in which the City approved this Agreement and January 1 of each subsequent year during the term of this Agreement.

Unless explicitly provided differently in an exhibit attached hereto, all qualifying grants, loans, reimbursements and any other financial payment to Developer under this Agreement shall be made in annual installments no later than June 30 of each year, provided all information demonstrating current taxes have been paid on the Property and that any other prerequisites stated in this Agreement have been satisfied.

During each fiscal year for the term of this Agreement, payment of the annual installment to Developer shall have priority for reimbursement over all other Zone expenditures subject only to (i) preexisting debt service and (ii) any pre-existing annual expenditures required to be made pursuant to other Developer Agreements prior in time to this Agreement.

Zone also reserves the right, when payments come into the Tax Increment Fund, to prepay all or any portion of the total amount to be reimbursed under this Agreement at any given time. If City in its sole discretion issues Tax Increment Funds Bonds to pay for previous and future projects, Zone may fully reimburse Developer from bond proceeds received, the existing unpaid balance plus accrued interest under this Agreement, and under any other outstanding developer agreements within the Zone.

Section 4. Reimbursement Limited to TIF Fund

Developer understands and agrees that any and all payments, obligations, grants, loans, reimbursements and any other form of financial obligation imposed on the Zone by this Agreement ("Reimbursement") shall be made solely from then-currently available revenues in the TIF Fund and subject to pre-existing commitments and all other terms of this Agreement and applicable laws. In the event that there is not sufficient revenue in the TIF Fund to timely pay Developer any part of the Reimbursement, the

Zone will pay Developer such portion of the Reimbursement as may be available at the time. The balance of any due but unpaid Reimbursement shall be carried forward without interest and paid by the Zone in the first year in which there is sufficient revenue in the TIF to pay such balance. Developer agrees that it will not look to other funds of the Zone, bonds or funds of the City, or any property of the Zone or City for all or any portion of the Reimbursement, except as may otherwise be expressly approved by the Amarillo City Council. Upon termination of the Zone on December 31, 2056, as provided by Ordinance No. 8032 or such other date as may be specified in a subsequent ordinance adopted in accordance with Section 311.017 of the Act, any portion of the Reimbursement that has not been paid due to the unavailability of revenue in the TIF Fund or due to Developer's failure to meet any precondition under this Agreement for receipt of the Reimbursement shall no longer be considered Project Costs of the Zone, and any obligation of the Zone to pay Developer any remaining balance of the Reimbursement shall automatically expire.

Section 5. Term

Notwithstanding Section 7, the term of this Agreement shall begin upon the effective date and end upon the earlier of: (a) the complete performance of all obligations and conditions precedent by parties to this Agreement; (b) expiration of ten years after commencement of reimbursements and after ten annual reimbursements are paid to the Developer; or (c) the expiration of the term of the Zone. Sections 4, 9, 9A, and 19 shall survive termination of this Agreement.

Section 6. Exhibits

The parties agree that each and every exhibit that is mentioned in and attached to this Agreement is a material part of this Agreement and each such exhibit is by this reference, incorporated into this agreement for all purposes as thought set forth verbatim here.

Section 7. Extension of Deadlines

In addition to any extensions permitted under Section 8 (Force Majeure), Developer and City each have the one-time right to extend any deadline set forth herein for a period of up to 180 days for good cause shown by such party, such right to be exercised by written notice to the other party on or before such deadline to be extended.

Section 8. Force Majeure

It is expressly understood and agreed by the Parties that, if the performance of any obligations hereunder is delayed by reason of a Force Majeure Event, the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such Party was delayed. A "Force Majeure Event" means any event or occurrence that is not within the control of such Party or its Affiliates and prevents a Party or its Affiliates from performing its obligations under this Agreement, including without limitation, any act of God, war, terrorism or the imminent threat thereof, insurrection, civil commotion, riots, labor disputes, strikes, lockouts, embargoes, hurricanes or named windstorms, unusual weather, fire, casualty, disruption to local, national or international transport services or exceptional or abnormal lack of availability of construction materials/supplies, epidemics, quarantine, any other public health restrictions, or public health advisories of a Party hereto, any action, inaction, order, ruling moratorium, regulation, statute, condition or other decision of any governmental agency having jurisdiction over the Party, over the Project or over a Party's operations. For the avoidance of doubt, no Party shall be deemed to be in Default under this Agreement during the pendency of a Force Majeure Event, and any applicable notice, performance, or cure period shall be tolled for the duration of such Force Majeure Event.

Section 9. Indemnity

DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE ZONE, THE BOARD, THE CITY AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, ASSIGNS AND SUCCESSORS, HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES, INTEREST, AND ATTORNEY FEES FOR PERSONAL

INJURY (INCLUDING DEATH), PROPERTY DAMAGE (INCLUDING LOSS) OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT TO THE EXTENT CAUSED BY DEVELOPER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT ACT OR OMISSION OF DEVELOPER, ITS OFFICERS, AGENTS, ASSOCIATES, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE ZONE, BOARD OR CITY OR THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES OR CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OF BOTH DEVELOPER AND ZONE, RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. HOWEVER, NOTHING IN THIS SECTION WAIVES ANY IMMUNITY OR OTHER DEFENSE AVAILABLE TO THE ZONE, BOARD OR CITY UNDER TEXAS OR FEDERAL LAW. DEVELOPER'S INDEMNITY OBLIGATIONS HEREUNDER SHALL BE LIMITED TO THE AMOUNT OF COVERAGE REQUIRED TO BE CARRIED UNDER THIS AGREEMENT OR ACTUALLY AVAILABLE UNDER DEVELOPER'S APPLICABLE INSURANCE POLICIES, WHICHEVER IS GREATER. DEVELOPER SHALL MAINTAIN ALL REQUIRED INSURANCE THROUGHOUT THE TERM OF THIS AGREEMENT AND SHALL PROVIDE CERTIFICATES OF INSURANCE TO THE CITY ANNUALLY AND UPON REQUEST.

Section 10. M/WBE Goals

In satisfaction of the Zone's obligations under Section 311.0101 of the Act, Developer shall make a good faith effort to comply with City's policy regarding participation of business enterprises eligible as small, minority, or women-owned business enterprises in subcontracting any of the construction performed on the Project, provided that the failure to meet any numerical target within this section shall not, in and of itself, constitute a default hereunder. Upon Developer's request, City shall provide Developer with access to the list of companies that qualify as such a business enterprise. Developer shall: (i) maintain records showing its contracts, supply agreements, and service agreements with such Business Enterprises, as well as its efforts to identify and award contracts to such Business Enterprises; and, (ii) provide a report to the Zone annually during construction, in a manner reasonably prescribed by the Board, documenting its efforts to comply with this paragraph.

Section 11. Events of Default & Remedies

A default shall exist if either party fails to perform or observe any material covenant contained in this Agreement, including exhibits, which is not otherwise excused under the terms of this Agreement, and such failure continues beyond any applicable cure period provided herein. The non-defaulting party shall immediately notify the defaulting party in writing upon becoming aware of any change in the existence of any condition or event that would constitute a default or, with the giving of notice or passage of time, or both, would constitute a default under this Agreement. Such notice shall specify the nature and the period of existence thereof and what action, if any, the non-defaulting party requires or proposes to require with respect to curing the default.

If a default shall occur and continue, after thirty (30) days' notice to cure default, the non defaulting party may, at its option, pursue any and all remedies it may be entitled to, at law or in equity, in accordance with Texas law, without the necessity of further notice to or demand upon the defaulting party. The Zone shall not, however, pursue remedies for as long as Developer proceeds in good faith and with due diligence to remedy and correct the default, provided that Developer has commenced to cure such default within the 30 days following notice.

Section 12. Venue and Governing Law

This Agreement is performable in Potter County, Texas and venue of any action arising out of this Agreement shall be exclusively in Potter County. This Agreement shall be governed and construed in accordance with the Charter, ordinances, and resolutions of the City of Amarillo, applicable federal and state

laws (collectively, the “Applicable Laws”). Any violation of Applicable Laws in any material respect by Developer which remains uncured following notice of such violation and opportunity to cure same pursuant to Section 11 shall constitute a default of this Agreement. To the extent permitted by law, the law of the state of Texas shall apply without regard to applicable principles of conflicts of law, and the parties submit to the jurisdiction of the state and federal courts in Amarillo, Potter County, Texas.

Section 13. Notices

Any notice required by this Agreement shall be deemed to be properly served if (a) deposited in the U.S. mail by certified letter, return receipt requested, or (b) sent by electronic mail to the email address designated below, with confirmation of receipt by reply email or other written acknowledgment from the recipient, in either case addressed to the recipient at the recipient’s address shown below, subject to the right of either party to designate a different address or email address by notice given in the manner just described.

If intended for Zone, to:

Tax Increment Reinvestment Zone No. 1
c/o City of Amarillo Planning and Development
Services Department
808 S. Buchanan
Amarillo, Texas 79101
Fax: 806/378-9388

If intended for Developer, to:

Rillo Investments, LLC
1620 S. Dumas Avenue
Dumas, TX 79029
Email: InVisionHotels@gmail.com

Copy to:

Office of the City Attorney
623 S. Johnson
Amarillo, Texas 79101
Fax: 806/378-3018

Copy to:

Wright Law TX, PLLC
620 S. Taylor, Ste. 305
Amarillo, Texas 79101
Email: docs@wrightlawtx.com

Section 14. Severability

In case any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect by a court or agency of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other remaining provisions hereof and this Agreement shall remain in full force and effect and be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

Section 15. Counterparts & Signatures

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. This Agreement may be executed in multiple originals. This Agreement may be executed and delivered by facsimile, portable document format (PDF), or other electronic means, including digital or electronic signatures (such as DocuSign or other similar platforms), and any such executed counterpart shall be deemed an original and equally admissible as an original ink-signed copy.

Section 16. Captions and Recitals

The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement. The Recitals are a part of this Agreement.

Section 17. Successors and Assigns

The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. Provided, however, Developer shall not assign this Agreement without prior Zone approval, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, written approval of the Zone

shall not be required for an assignment to an Affiliate of Developer. "Affiliate of Developer" as used herein, includes any parent, sister, partner, joint venturer, or subsidiary entity of Developer; any entity in which Developer is a major shareholder, owns an equity interest, or is a joint venturer or partner (whether general or limited), the Developer's financial institution, or any special-purpose entity created for purposes of financing the Project that is controlled by Developer, its principals, or any Affiliate, including any master tenant or lessee entity created in connection with a federal or state historic tax credit transaction in which Developer or its Affiliate will serve as project sponsor and controlling party.

Notwithstanding that prior written approval of the Zone is not required for an assignment to an Affiliate of Developer, Developer shall provide written notice to the Zone of any such assignment within thirty (30) days following the effective date of the assignment. Such notice shall identify the assignee, describe the relationship between Developer and the assignee, and be accompanied by a written instrument executed by the assignee confirming the assignee's assumption of all of Developer's obligations under this Agreement.

Section 18. Limited Rights and Non-waiver

This agreement is intended only to establish the rights and obligations as between the Parties hereto and it creates no right, expectation, benefit or obligation for or toward any other person or entity. Nothing stated or omitted from this Agreement shall be construed as a waiver of any defense, affirmative defense, or immunity available to the Zone or the City and their respective officials, directors, members, employees, agents, assigns, successors.

Section 19. Confidentiality

Any nonpublic financial, payroll, or proprietary information, including, without limitation, proprietary information relating to Developer's financing arrangements, investor admission documents, and historic tax credit transaction structures, provided by Developer to the Zone or City pursuant to this Agreement shall be used solely for purposes of administering this Agreement and confirming compliance herewith, and shall be kept confidential to the fullest extent permitted by law, subject to applicable disclosure obligations under the Texas Public Information Act.

Section 20. Entire Agreement

This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

EXECUTED as of the dates shown below so as to be effective for all purposes as of the last date upon which all persons and parties for whom a blank is provided have signed (the "effective date").

TAX INCREMENT REINVESTMENT ZONE
NUMBER ONE, CITY OF AMARILLO, TEXAS

RILLO INVESTMENTS, LLC

By: _____
Dean Frigo Date

By: _____
Pritesh Bhakta, President Date

CITY OF AMARILLO, TEXAS

APPROVED AS TO FORM FOR CITY &
ZONE

By: _____
Grayson Path Date
City Manager

By: _____
Bryan McWilliams Date
City Attorney

Attachments that are part of this Agreement:

- Exhibit A Site description & map
- Exhibit B Private Property Improvement
- Exhibit C Streetscape Standards

DRAFT

Exhibit A Site Description and Map



Site Legal Description

The entire block generally located at the Southeast corner of the intersection of SE 10th Avenue and S. Buchanan Street,
 Amarillo, TX 79101
 and legally described as follows:

BLOCK	143
ADDITION	Plemons
CITY	Amarillo, TX
COUNTY	Potter County, TX

EXHIBIT B
PRIVATE PROPERTY IMPROVEMENTS

SECTION 1. IMPROVEMENTS TO BE CONSTRUCTED

Developer promises to construct the following improvements to the Property described in Exhibit A:

Business/Land Use	72,460 ft new 122-room hotel generally associated with a Hampton Inn.
Other Improvements	an indoor pool, full bar, guest laundry, and complimentary breakfast and coffee
Streetscape and Facade Improvements	Façade and streetscape improvements will adhere to the City's Downtown Amarillo Urban Design Standards (DAUDS) as codified in the Amarillo Code of Ordinances § 4-10-121. Project must receive a Certificate of Appropriateness from the Board of Review for Landmarks and Historic Districts and Downtown Design.

SECTION 2. FINANCIAL ANALYSIS

The proposed TIF assistance will encourage and support the Project and is consistent with the goals of the Zone and public purpose to diversify the economy, eliminate underemployment in the zone, develop or expand business, and commercial activity in the TIRZ. Making grants and rebating tax increments will serve those ends.

In order to make Developer's proposed development viable, Developer has requested that the Zone reimburse Developer for certain costs incurred per §311.010 of the Texas Tax Code and Chapter 380 of the Texas Local Government Code.

SECTION 3. DEVELOPER'S OBLIGATIONS

As conditions precedent to the Zone making any payment from the TIF to Developer, the Developer must:

- Secure not less than \$28MM in private investment for the Project on the Property.
- Comply with all terms, conditions, and obligations of this Exhibit B and the Agreement to which it is attached.
- Commence construction on or before the expiration of 15 months following execution of the Agreement, which means both obtaining a building permit and being actively engaged in building activities.
- Obtain a Certificate of Occupancy for the building on or before the expiration of three (3) years of building permit issuance.
- Anticipate the first reimbursement no earlier than January 2032. There will be no reimbursement until a Certificate of Occupancy is issued, all taxes on Property are paid to current, and all other conditions of this exhibit and the Agreement are satisfied.

EXHIBIT C
STREETScape STANDARDS

See: Downtown Amarillo Urban Design Standards, as adopted 2010 and amended 2014 and 2020. Division 3 – Downtown Urban Design Overlay District within Sec. 4-10 Zoning.

DRAFT



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community

Department: Planning and Development Services

Contact Person: Brady Kendrick, Senior Planner

Agenda Caption: Public Hearing and Consideration of Ordinance No. 8246. This item is a public hearing and first reading of an ordinance considering the vacation of approximately 8,451.22 feet of public alley right-of-way, being the 20-foot-wide public alley as dedicated in Lawrence Park Unit No. 116 and the south 136.33 feet of the alley segment located between Lot 6, Block 24, Lawrence Park Unit No. 89 and Lot 5A, Block 33, Lawrence Park Unit No. 116, all the above additions to the City of Amarillo, in Section 227, Block 2, A.B.& M. Survey, Potter County, Texas. (VICINITY: SW 26th Ave. & Britain Dr.; APPLICANT/S: Furman Land Surveyors, Inc. for Southwestern Public Service Company, Inc.)

Agenda Item Summary: Purpose: The applicant is proposing the relocation of the existing dedicated public alley to the north end of the property that they own. The alley was previously relocated to its present location to facilitate the expansion and construction of the Xcel Energy substation located just to the south of the site. At that time, development plans were not yet finalized for the subject property. Xcel Energy now has plans to develop the property with a utility storage yard that would be affected by the current location of the alley, which is the reason for the request.

Analysis: City Staff and the local utility companies have reviewed the request and do not have objections to the request moving forward. While there are existing utilities located within the alleyway, they are currently in the process of being relocated by the applicant. To facilitate this, a temporary public utility easement will be retained until completion of the relocations. Additionally, the applicant did negotiate with the property owner to the east of this site to acquire their portion of the alleyway if the case is approved. Staff notes that infrastructure plans and requirements for the relocation of the alley and associated utilities were reviewed and approved by the Capital Projects & Development Engineering Department.

Regarding payment for fair market value, given that the applicant is relocating utilities at their cost and also rededicating a new alley segment at no cost to the city, fair market value payment is not required for this item.

Requested Action: Council consideration and a public hearing.

Funding Summary: Not applicable.

Purchasing Summary: Not applicable.

Community Engagement Summary: No comments have been received regarding this item.

Staff Recommendation: The Planning and Zoning Commission recommended approval of this item with a 6 - 0 vote.

ORDINANCE NO. 8246

AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF AMARILLO, TEXAS DETERMINING LACK OF PUBLIC NECESSITY FOR A PUBLIC RIGHT-OF-WAY (ALLEY) IN THE VICINITY OF BRITAIN DRIVE AND SOUTHWEST 26TH AVENUE, POTTER COUNTY, TEXAS; VACATING AND ABANDONING THE HEREIN DESCRIBED RIGHT-OF-WAY; AUTHORIZING THE CITY MANAGER TO CONVEY SUCH REAL PROPERTY TO ABUTTING LANDOWNERS; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR EFFECTIVE DATE.

WHEREAS, Southwestern Public Service Company, Inc. petitioned the City of Amarillo to abandon a public alley right-of-way located in the vicinity of Britain Drive and Southwest 26th Avenue, Potter County, Texas; and

WHEREAS, after reviewing information presented, the Planning and Zoning Commission of the City of Amarillo has recommended to the City Council that there is no public necessity for the following described alley right-of-way; and

WHEREAS, the City Council, having reviewed said recommendation and having considered all relevant information pertaining to the proposed vacation described below, is of the opinion that same is no longer needed for public purposes; and

WHEREAS, the City Council further determined that this alley right-of-way vacation and abandonment is not detrimental or injurious to the public health, safety or general welfare, or otherwise offensive to the neighborhood and is in the best interest of the City of Amarillo's citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS:

SECTION 1: The herein-described alley right-of-way be vacated and abandoned for public purposes:

8,451.22 feet of public alley right-of-way, being the 20-foot-wide public alley as dedicated in Lawrence Park Unit No. 116 and the south 136.33 feet of the alley segment located between Lot 6, Block 24, Lawrence Park Unit No. 89 and Lot 5A, Block 33, Lawrence Park Unit No. 116, all the above additions to the City of Amarillo, in Section 227, Block 2, A.B.& M. Survey, Potter County, Texas, being

further described in Exhibit A attached herein.

SAVE AND EXCEPT: A public utility easement is hereby retained over the entire area of abandonment. Upon completed relocation/rerouting of existing utility equipment, said portion of the public utility easement encroached upon with a structure and/or no longer containing any utility equipment, shall be abandoned entirely.

SECTION 2: The City Manager is authorized to execute an instrument of conveyance to abutting landowner(s) as allowed by law.

SECTION 3: Repealer. All ordinances and resolutions or parts thereof in conflict with this Ordinance are hereby repealed to the extent of conflict with this Ordinance.

SECTION 4: Severability. If any provision, section, subsection, clause or the application of sale to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this Ordinance or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this Ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 5: Effective Date. This Ordinance shall be effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the 28th day of April 2026; and PASSED on Second and Final Reading this the 12th day of May 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

DRAFT

EXHIBIT A

DESCRIPTION

A 8451.22± square foot alley lying South and East of Lot 5-A, Block 33, Lawrence Park Unit No. 116 an addition to the City of Amarillo in Potter County, Texas, according to the map or plat thereof, recorded in Clerks File No. 2022OPR0004893 of the Official Public Records of Potter County, Texas said alley being described by metes and bounds as follows:

COMMENCING at a point being the Northwest corner said Lot 5-A;

THENCE South 136.33 feet along the West line of said Lot 5-A to a point being the BEGINNING CORNER of this tract of land;

THENCE East 180.05 feet along the South line of said Lot 5-A to a point;

THENCE N. 44°59'24" E. 28.28 feet along the South line of said Lot 5-A to a point;

THENCE N. 00°01'11" W. 86.33 feet along the East line of said Lot 5-A to a point;

THENCE West 10.01 feet along the North line of said Lot 5-A to a point;

THENCE North 10.00 feet along the East line of said Lot 5-A to a point;

THENCE East 40.52 feet to a point being in the West line of Lot 6, Block 24, Lawrence Park Unit No. 89 an addition to the City of Amarillo in Potter County, Texas, according to the map or plat thereof, recorded in Volume 2905, Page 297 of the Official Public Records of Potter County, Texas;

THENCE S. 00°02'34" W. 136.33 feet along the West line of said Lot 6 to a point being the Northerly Northeast corner of Lot 2-A of said Block 33;

THENCE West 230.42 feet along North line of said Lot 2-A to a point;

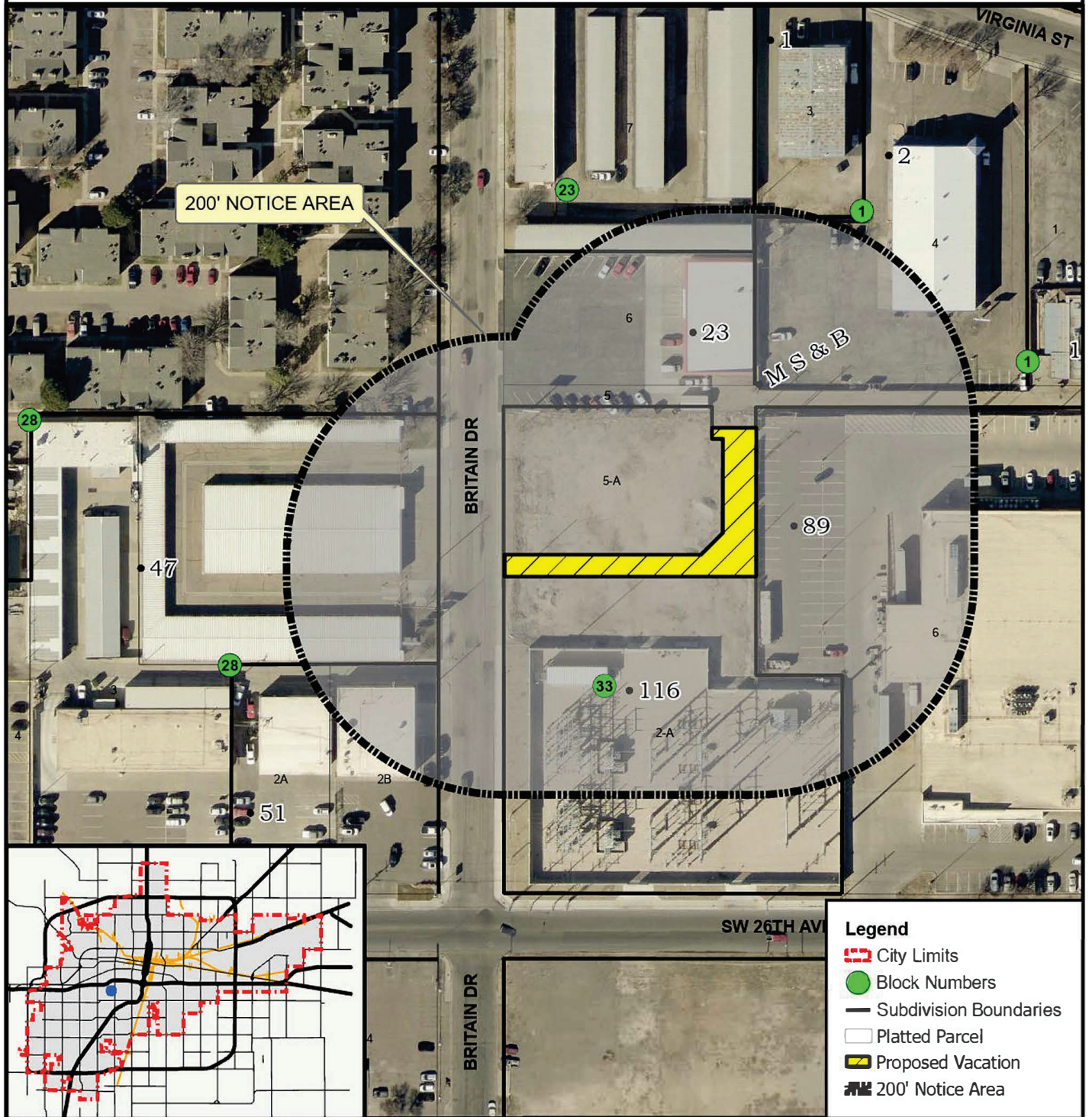
THENCE North 20.00 feet to the BEGINNING CORNER of this alley containing 8451.22± square feet, more or less.

NOTES

1. Existing alley was dedicated per that certain instrument recorded in Clerk's File No. 2022OPR0001460 as filed in the Official Public Records of Potter County, Texas and is shown on the plat of Lawrence Park Unit No. 116, recorded in Clerk's File No. 2022OPR0004893 of the Official Public Records of Potter County, Texas.

2. A public utility easement will remain in place until utilities have been relocated out of proposed alley vacation.

**CASE V-25-02
ALLEY VACATION**



**CITY OF AMARILLO
PLANNING DEPARTMENT**

Case V-25-02 Vacation of approximately 8,451.22 feet of public alley right-of-way, being the 20-foot-wide public alley as dedicated in Lawrence Park Unit No. 116 and the south 136.33 feet of the alley segment located between Lot 6, Block 24, Lawrence Park Unit No. 89 and Lot 5A, Block 33, Lawrence Park Unit No. 116, all the above additions to the City of Amarillo, in Section 227, Block 2, A.B. & M. Survey, Potter County, Texas.

Scale: 1 inch = 125 feet
Date: 3/18/2026
Case No: V-25-02



Applicant: Furman Land Surveyors, Inc. for Southwestern Public Service Company, Inc.

Vicinity: SW 26th Ave. & Britain Dr.

AP: L-13

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Business Friendly Community

Department: Planning and Development Services

Contact Person: Brady Kendrick, Senior Planner

Agenda Caption: Consideration of Ordinance No. 8243. This item is a second and final reading of an ordinance considering the rezoning of Lots 1 through 3 and 9 through 12, Block 46, Amended Plat of San Jacinto Heights Addition, an addition to the City of Amarillo, in Section 225, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 3 to Residential District 3 with Specific Use Permit 209 for a Daycare facility. (VICINITY: SW 5th Ave. & S. Alabama St.; APPLICANT/S: Yellow City Academy Land & Equipment LTD)

Agenda Item Summary: Purpose: The applicant is requesting a change in zoning to convert a vacant church into a daycare facility with an associated outdoor playground area.

Adjacent Zoning: Residential District 3 in all directions.

Adjacent Land Uses: Single-family detached homes in all directions.

City Plan 2045 Place Type: Neighborhood Medium.

Analysis: The applicant is currently in the process of finalizing plans to convert a vacant church into a daycare facility. The church was originally constructed in 1955 and features a parking lot on the north side of the building and a playground area to the east of the building that is also included with the boundary of the request.

The applicant submitted a site plan for review (included as an attachment within the packet) along with supporting details for consideration by both City Staff and the Planning and Zoning Commission. The applicant is not proposing changes to the exterior/existing site conditions and will be maintaining the existing landscaping and trees that are onsite. Sign and other development standards are to conform with the existing zoning district (R-3).

Hours of operation will be from 7:00am to 6:00pm during the week and the facility will employ approximately 20 people.

Regarding City Plan 2045, the Neighborhood Medium category does allow for institutional land uses to be incorporated into neighborhoods as a secondary use. A daycare facility, per the City's zoning ordinance, is classified under the Educational and Institutional Use category.

When considering a specific use permit, the use under consideration is often compatible in many ways with other uses allowed within the base zoning district but should be considered on a case-by-case basis prior to being allowed. In this instance, given that the proposed use is occupying a building and site that was formerly utilized by an institutional land use in the past, there is already an expectation established that this site contains a non-residential type land use.

Additionally, given the lack of changes to the exterior of the site and building proposed, additional impacts are expected to be minimal except for periodic increases in traffic during pick-up and drop-off hours. Given that those periods of time will be

limited to only a couple of occurrences per day, the overall impact in the Planning and Zoning Commission's opinion is minimal and of similar nature to the church that previously operated on the property.

The Planning and Zoning Commission also notes that this type of use is one that would serve residents of the area directly and would provide an opportunity for childcare for the San Jacinto neighborhood. It has been noted that childcare facilities are in demand within Amarillo and service type uses such as this are recommended within neighborhoods by City Plan where appropriate. Given active redevelopment efforts within the neighborhood, the proposed use given its location and the characteristics of the property is appropriate in the opinion of the Planning and Zoning Commission and would offer a key institutional use for many residents of the area.

Requested Action: Public hearing and City Council consideration.

Funding Summary: Not applicable.

Purchasing Summary: Not applicable.

Community Engagement Summary: No comments from the public have been received.

Staff Recommendation: The Planning and Zoning Commission recommended approval of the rezoning with a 5-0 vote.

ORDINANCE NO. 8243

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF SOUTHWEST 5TH AVENUE AND SOUTH ALABAMA STREET, POTTER COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the “City Plan – Vision 2045” comprehensive plan on June 25, 2024, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AMARILLO:

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of Lots 1 through 3 and 9 through 12, Block 46, Amended Plat of San Jacinto Heights Addition, an addition to the City of Amarillo, in Section 225, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 3 to Residential District 3 with Specific Use Permit 209 for a Daycare facility being described in Exhibit A attached herein.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 14th day of April 2026 and PASSED on Second and Final Reading on this the 28th day of April 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

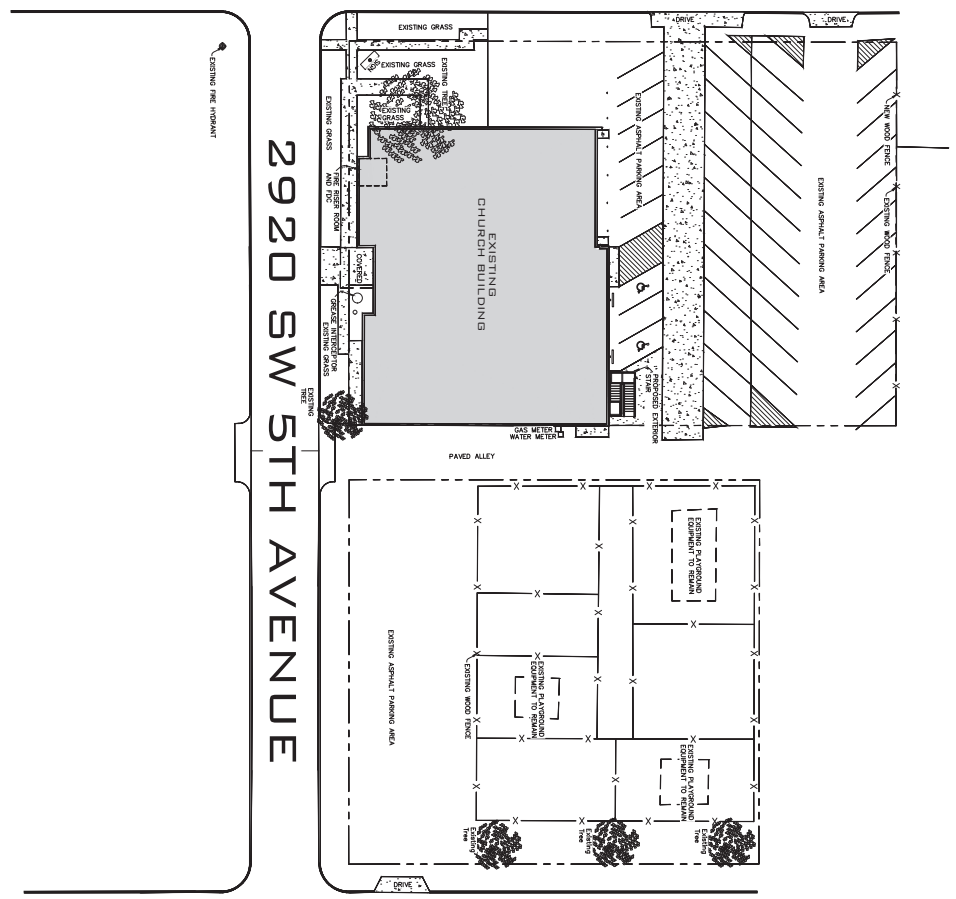
APPROVED AS TO FORM:

Bryan McWilliams, City Attorney



01/03/2026

S. ALABAMA STREET



2920 SW 5TH AVENUE

Exhibit A

SITE PLAN
SCALE: 1" = 20'-0"

S. KENTUCKY STREET

SITE PLAN NOTES:

- A. ALL PARKING AND DRIVEWAYS SHALL CONFORM TO THE POLYCYCLIC OF THE CITY OF AMARILLO.
- B. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- C. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- D. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- E. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- F. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- G. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- H. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- I. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- J. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- K. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- L. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- M. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.
- N. ALL DRIVEWAYS SHALL BE CONCRETE ON TO THE EXISTING ASPHALT DRIVEWAY.

GENERAL NOTES:

- USE OF SCHEDULE YELLOW CITY ADDRESS EQUIPMENT TO BE USED FOR ADDRESS MARKING AND EQUIPMENT TO BE USED FOR ADDRESS MARKING.
- RETAINING WALLS TO BE CONSTRUCTED BY OTHERS.
- EXISTING LANDSCAPING AND TREES SHALL BE MAINTAINED AS SHOWN ON THE SITE PLAN.
- TREAS COLLECTION VIA PARKING OVERSEEN IN ALLEY.



CONTRACTOR / BUILDER

REVISIONS

A NEW DAYCARE FACILITY FOR:

Yellow City Academy

2920 SW 5TH AVE AMARILLO, TEXAS

At residential building plans on the copyrighted drawing, the contractor shall be responsible for the accuracy of the information provided. Each additional home constructed by this same contractor is subject to the same terms and conditions as the original home. The contractor shall be responsible for the accuracy of the information provided. Each additional home constructed by this same contractor is subject to the same terms and conditions as the original home.

OWNER: **AMARILLO**

DATE: **11/11/2025**

SHEET: **1 OF 3**

PROJECT: **23167**

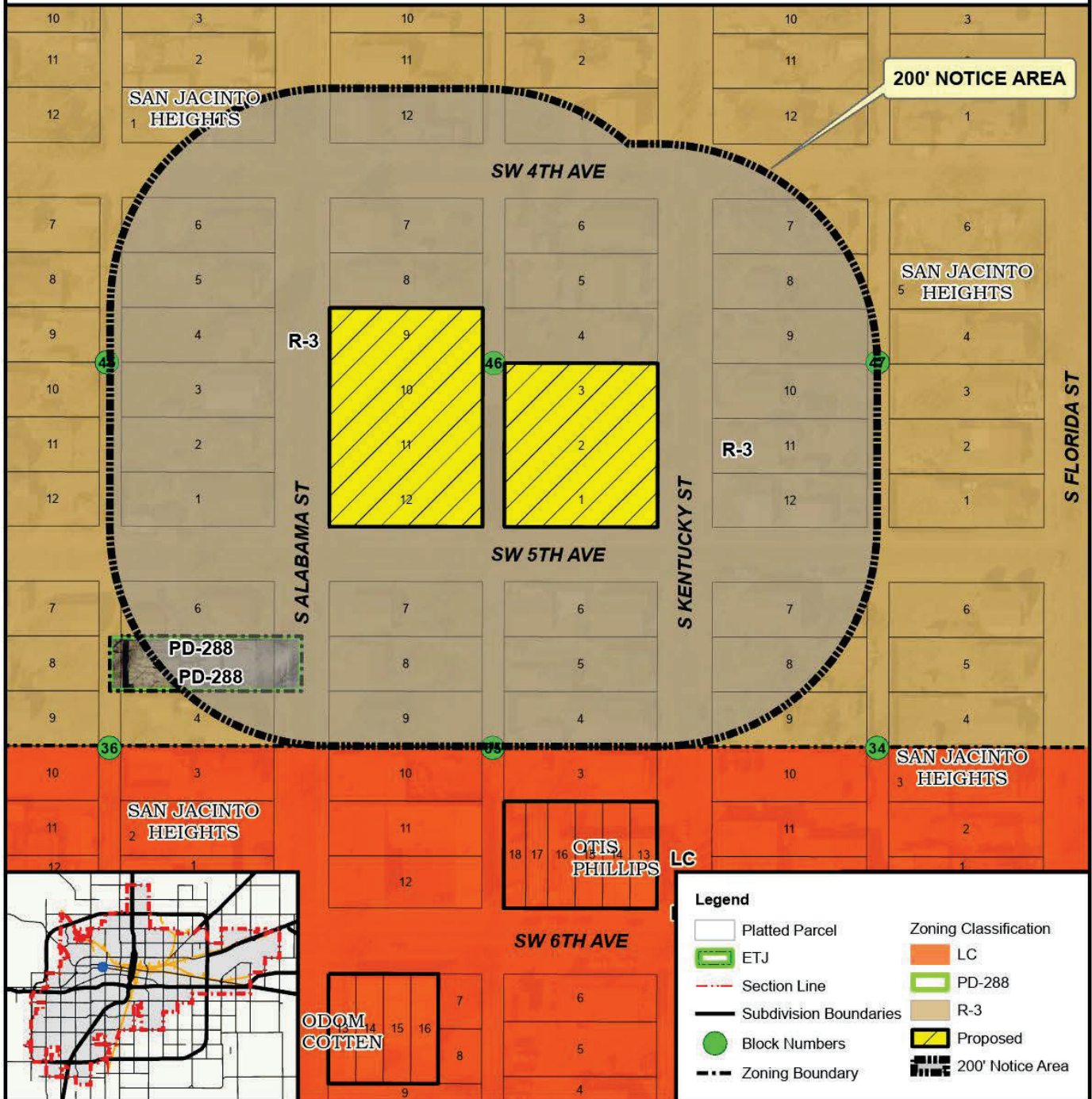
THE DRAWING BOARD

2920 A 5th Street
Amarillo, TX 79109
Phone: (806) 335-3329
Fax: (806) 335-3366

DESIGNED BY: **AMARILLO**

DRAWN BY: **AMARILLO**

REZONING FROM R-3 to R-3/S



**CITY OF AMARILLO
PLANNING DEPARTMENT**

Scale: 1 inch = 125 Feet
Date: 2/19/2026
Case No: Z-24-04



Case Z-24-04 Rezoning of Lots 1 through 3 and 9 through 12, Block 46, Amended Plat of San Jacinto Heights Addition, an addition to the City of Amarillo, in Section 225, Block 2, A.B.& M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 3 to Residential District 3 with a Specific Use Permit for a Daycare facility. (VICINITY: SW 5th Ave. & S. Alabama St.; APPLICANT/S: Yellow City Academy Land & Equipment LTD)

AP: L-11

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility

Department: Finance

Contact Person: Katrina Owens, Interim Chief Financial Officer

Agenda Caption: **Consideration of Resolution No. 04-28-26-1.** This item considers a resolution authorizing the City to seek and distribute State funds, pursuant to article 5190.14, Section 5C of the Texas Revised Civil Statutes for the 2026 Working Ranch Cowboys Association’s World Championship Ranch Rodeo.

Agenda Item Summary: This item allows the City of Amarillo as the host community to seek and distribute State funds, pursuant to article 5190.14, Section 5C of the Texas Revised Civil Statutes for the 2026 Working Ranch Cowboys Association’s World Championship Ranch Rodeo.

Requested Action: Consideration of the item as presented.

Funding Summary: N/A

Purchasing Summary: N/A

Community Engagement Summary: N/A

Staff Recommendation: Staff recommends approval of the item as presented.

RESOLUTION NO. 04-28-26-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO: AUTHORIZING THE CITY MANAGER TO SEEK AND DISTRIBUTE STATE FUNDS, PURSUANT TO ARTICLE 5190.14, SECTION 5C OF THE TEXAS REVISED CIVIL STATUTES, A QUALIFYING EVENT; PROVIDING SEVERABILITY CLAUSE; PROVIDING SAVINGS CLAUSE AND EFFECTIVE DATE.

WHEREAS, the Working Ranch Cowboy Association has selected Amarillo, Texas as the site for its 2026 World Championship Ranch Rodeo event, despite enticements to take that event to another state; and

WHEREAS, the City of Amarillo is the host community of the Working Ranch Cowboy Association event and other eligible events (hereafter “event” whether singular or plural), and

WHEREAS, that event may be eligible to receive some funding as an eligible event from Special Event Trust Funds (hereafter, “Trust Fund”) pursuant to Tex. Rev. Civ. Stat., Art. 5190.14, Sec. 5C (hereafter, “Sec. 5C”); and

WHEREAS, the City of Amarillo and the State of Texas may benefit directly from this state law by utilizing state funds to augment local incentives for the purpose(s) of retaining events in our city and our state that are being courted by other cities located in other states, and by enhancing these events so that they have more prestige and draw more contestants and attendees; and

WHEREAS, Sec. 5C allows for the use of any funds received from the State under this law to offset direct expenditures related to the event; and

WHEREAS, the City of Amarillo, and the State of Texas may benefit indirectly from this state law by an increase in tourism resulting from the retention or the attraction of events to our city and state that will likely have the effect of:

- An increase in utilized hotel rooms, which has a positive impact on the Hotel Occupancy Tax; and
- An increase in general sales and consumption, which has a positive impact on the local and state sales tax; and
- An increase in the length of time an event is in Amarillo facilities, which increases the local facility rental revenue.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS THAT:

SECTION 1. The City Manager is authorized to submit an application to the Office of the Governor's Economic Development & Tourism Division to seek state funds, pursuant to Sec. 5C for the purpose of utilizing any funds received to assist in enhancing the Working Ranch Cowboy Association's World Championship Ranch Rodeo, and other eligible events, with a goal of increasing participation and attendance and benefiting the economy of the City of Amarillo and the State of Texas. Further, the City Manager is authorized to negotiate a contract with the Working Ranch Cowboy Association specifically as to any state funds received through Sec. 5C with the explicit guidance that the application and the contract be developed so as to maximize the state funds coming back to the City to support the World Championship Ranch Rodeo and other eligible events.

SECTION 2. Should any part of this Resolution conflict with any other resolution, then such other resolution is repealed to the extent of the conflict with this Resolution.

SECTION 3. Should any word, phrase, or part of this Resolution be found to be invalid or unconstitutional, such finding shall not affect any other word, phrase, or part hereof and such shall be and continue in effect.

SECTION 4. This Resolution shall be effective on and after its adoption.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this 28th day of April 2026 and PASSED on Second and Final Reading on this the 12th day of May 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

DRAFT



Agenda Transmittal Memo

Date: April 28, 2026

Council Priority: Fiscal Responsibility

Department: Finance

Contact Person: Katrina Owens, Interim Chief Financial Officer

Agenda Caption: **Consideration of Resolution No. 04-28-26-3.** This item considers a resolution authorizing the City to seek and distribute State funds, pursuant to article 5190.14, Section 5C of the Texas Revised Civil Statutes, in cooperation with the Amarillo-Potter Event Venue District, for the 2026 AQHA Versatility Ranch Horse World Championships.

Agenda Item Summary: This item allows the City of Amarillo as the host community to apply for State funds through the Special Events Trust Fund for the 2026 AQHA Versatility Ranch Horse World Championships,

Requested Action: Council consideration and approval of the resolution.

Funding Summary: Not applicable.

Purchasing Summary: N/A

Community Engagement Summary: Not applicable.

Staff Recommendation: Staff recommendation is to approve the resolution for the 2026 AQHA Versatility Ranch Horse World Championships so the Event Trust Fund application may be submitted.

RESOLUTION NO. 04-28-26-2

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO: AUTHORIZING THE CITY MANAGER TO SEEK AND DISTRIBUTE STATE FUNDS, PURSUANT TO ARTICLE 5190.14, SECTION 5C OF THE TEXAS REVISED CIVIL STATUTES, A QUALIFYING EVENT; PROVIDING SEVERABILITY CLAUSE; PROVIDING SAVINGS CLAUSE AND EFFECTIVE DATE.

WHEREAS, Amarillo, Texas has been selected as the site for the 2026 American Quarter Horse Association (AQHA) Versatility Ranch Horse Championship Show event; and

WHEREAS, the City of Amarillo, is the host community of the event and other eligible events (hereafter “event” whether singular or plural), and

WHEREAS, that event may be eligible to receive some funding as an eligible event from Special Event Trust Funds (hereafter, “Trust Fund”) pursuant to Tex. Rev. Civ. Stat., Art. 5190.14, Sec. 5C (hereafter, “Sec. 5C”); and

WHEREAS, the City of Amarillo and the State of Texas may benefit directly from this state law by utilizing state funds to augment local incentives for the purpose(s) of retaining events in our city and our state that are being courted by other cities located in other states, and by enhancing these events so that they have more prestige and draw more contestants and attendees; and

WHEREAS, Sec. 5C allows for the use of any funds received from state under this law to offset direct expenditures related to the event; and

WHEREAS, the City of Amarillo, and the State of Texas may benefit indirectly from this state law by an increase in tourism resulting from the retention or the attraction of events to our city and state that will likely have the effect of:

- An increase in utilized hotel rooms, which has a positive impact on the Hotel Occupancy Tax; and
- An increase in general sales and consumption, which has a positive impact on the local and state sales tax; and
- An increase in the length of time an event is in Amarillo facilities, which increases the local facility rental revenue.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS THAT:

SECTION 1. The City Manager is authorized to submit an application to the Office of the Governor's Economic Development & Tourism Division to seek state funds, pursuant to Sec. 5C for the purpose of utilizing any funds received to assist in enhancing the 2026 American Quarter Horse Association (AQHA) Versatility Ranch Horse Championship Show event, and other eligible events, with a goal of increasing participation and attendance and benefiting the economy of the City of Amarillo and the State of Texas. Further, the City Manager is authorized to negotiate a contract with the sponsoring association or entity specifically as to any state funds received through Sec. 5C with the explicit guidance that the application and the contract be developed so as to maximize the state funds coming back to the City to support the event and other eligible events.

SECTION 2. That should any part of this resolution conflict with any other resolution, then such other resolution is repealed to the extent of the conflict with this resolution.

SECTION 3. That should any word, phrase, or part of this resolution be found to be invalid or unconstitutional, such finding shall not affect any other word, phrase, or part hereof and such shall be and continue in effect.

SECTION 4. That this resolution shall be effective on and after its adoption.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this 28th day of April 2026 and PASSED on Second and Final Reading on this the 12th day of May 2026.

Cole Stanley, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

DRAFT