



City Manager's Report

August 3, 2026

This report provides a general update on various projects we have underway, plus upcoming projects and items the Council could find as useful.

Paving Projects

Alcove Avenue

The Alcove Avenue paving project is progressing reasonably well with one exception, a utility pole owned by Windstream that is in conflict with the project. Windstream has been notified to move the pole, but somehow that hasn't been done yet. They have admitted this was something they failed to do in a timely manner. Randy H has been working with Lone Star and Windstream on this, and as of a couple of weeks ago, he discussed this with a higher-level Windstream official and was assured the pole would be top priority. Of course, the railroad is also involved, so that doesn't speed things up either.

Donald Preston Drive

The Donald Preston Drive project also remains on schedule, still targeting the full reopening before FISD school starts. We remain pleased with the progress and quality of the job. As discussed in my previous report, we did execute a change order for an \$85,000 DEDUCT to amend the requirements for subgrade re-construction.

Traffic Signal Coordination

Traffic signal coordination remains satisfactory, but please let me know if you observe issues that we need to address.

Sealcoating 2026

The 2026 sealcoating project was completed in June and we are very happy with the project. Let us know if you see piles or "drifts" of excessive rock and we'll address it.

Water Supply

The North Booster Pump Station and Lubbock interconnect are functioning perfectly. We are targeting a total "take" with both connections combined of just under our "take or pay" total of 750,000 gallons per day. Mr. Hall informs me this has allowed us to rest our wells and our EDR Plant, just as we expected. Water usage in July has been

averaging about 1.6 million gallons per day. We remain in Stage 1 of our Drought Contingency Plan, which restricts watering to an Even/Odd schedule.

Water Supply

I met with Mr. Payne on July 23 and am pleased to report we're going to be moving quickly toward well construction in the Loop 88 East area. It is my understanding the TCEQ has approved the well construction, so I'm excited about that additional water supply coming online soon, hopefully this year. As you'll recall, we completed our portion of the infrastructure earlier this year, so we're ready to take water whenever it's available. There are a handful of contract amendments we need to work on, and I'll be doing that subject to your approval over the coming weeks. This will provide even more security to our water supply and greater preservation of our own water wells.

We're also in the TCEQ approval process for the Iron Horse well. Mr. Adams (OJD) has been working on this, and I find it notable that TCEQ has changed some of their procedures, so this was a surprise to Mr. Adams and may or may not delay that approval.

Fiber Optic Contractors and Damages

We continue to see fiber optic lines installed in town, and Mr. Hall informs me there is more of this work coming.

We met with representatives of FiberTex since my last report, and they requested that we provide them with 3 estimates for repair of the damages I included in my last report. We're working on getting those quotes. FiberTex was cooperative, and assured us they would file this claim with their insurance once we present them with the three quotes.

Billing Security Upgrade Issue

A couple of weeks ago, we became aware of a billing issue affecting some customers who attempted to make online utility payments. In these cases, customers either believed their payment had been successfully submitted or were unaware that it had been rejected. Because our utility billing system operates automatically, affected accounts received late notices, late fees, and notifications that service could be disconnected if payment was not received by July 25.

As customers began receiving these notices, we experienced a significant increase in calls. At that time, we did not yet understand the full scope or cause of the problem, and with two key staff members unavailable during part of that week, I determined the most prudent course of action was to issue a public notice stating that utility disconnections would not occur during July while we investigated the issue.

Within a couple more days, we gained a much clearer understanding of both the cause of the problem and the number of accounts affected. We learned that the issue resulted

from a security upgrade implemented by Tyler Technologies that introduced additional verification requirements for online payments. Specifically, the updated system now requires an exact match between the billing address and ZIP code entered by the customer and the information on file. Even minor variations, such as entering "St." instead of "Street," could result in a payment being rejected.

After reviewing the affected accounts, we determined that the number of impacted customers was significantly smaller than originally feared. We also concluded that the primary cause of the rejected payments was customers either not understanding or not acting upon the notices regarding the new verification requirements. Once we had confidence in the scope of the issue, I authorized a follow-up communication rescinding the earlier announcement that there would be no utility disconnections in July.

While this issue may continue to affect some customers over the next billing cycle or two as they adjust to the new requirements, staff will continue working closely with customers to help resolve any problems and ensure successful payment processing.