

ORDINANCE NO. 02102026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TOYAH, TEXAS, APPROVING A BUDGET AMENDMENT FOR THE FISCAL YEAR 2025-2026 IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; PROVIDING FOR SUPPLEMENTAL APPROPRIATIONS AND/OR TRANSFERS OF CERTAIN FUNDS AND THE VARIOUS AMOUNTS, AS ATTACHED IN EXHIBIT B; REPEALING ALL PRIOR ORDINANCES AND ACTIONS IN CONFLICT HEREWITH; AND ESTABLISHING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Toyah (“City”), having approved and adopted its Operating Budget for Fiscal Year 2025-2026 (“Operating Budget”); and

WHEREAS, the City Mayor of the City has submitted to the City Council information related to unforeseen expenditures/expenses amounting to a grave public necessity to meet an unusual and unforeseen condition as allowed for in the Texas Local Government Code, Title 4, Subtitle A., Chapter 102, Sec. 102.009, to-wit: in May 2025, the licensed, City water operator unexpectedly resigned therefore leaving the City without a way to process potable water at our water plant for the City; and

WHEREAS, such above-referenced action in turn led the City to have to purchase loads of treated water from Water Works, LLC, Pecos, TX, to provide safe drinking water to residents of the City. Attendant to such action, the expected revenues and expenditures from being able to run our water plant and sell bulk water, have been abated until such time as a qualified water operator is able to be located and hired; and

WHEREAS, all such actions referenced herein have resulted in the Mayor presenting a proposed amendment to the current revenues as well as information related to exiting revenues and reserves which may be available for such supplemental appropriation; and

WHEREAS, the City Council having discussed and determined that such revenues and/or reserves is economically feasible and in the best interest of prudent budgeting and solely for municipal purposes, hereby desires to amend and approve the proposed budget amendment to reflect such supplemental appropriation to the current budget at the regularly scheduled city council meeting held on February 10, 2026.

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

SECTION 1: The current Amended Water System Budget for Fiscal Year 2025-2026 for the City of Toyah, attached hereto as Exhibit A, is hereby amended by the proposed additional budget amendment for the Fiscal Year 2025-2026 attached hereto as Exhibit B, is hereby adopted and approved as the amended Operating Budget for the Water System of the City for Fiscal Year 2024-2025 for all purposes and filed with the originally approved Operating Budget as required by law.

SECTION 2: The City is hereby authorized to expend those funds allocated under the Fiscal Year 2025-2026 Budget Amendment, together with the 2025-2026 Additional Budget Amendment, as set forth and any fund balance at the end of the current fiscal year 2025-2026 will be carried forward to the next budget to fund the allocations for the next fiscal year. Such carrying forward does not preclude modification of such next year's budget as may be required.

SECTION 3: If any provision of this ordinance or application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions, or application thereof, of this ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

SECTION 4: This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements are satisfied in accordance with the laws of the State of Texas.

READ and ADOPTED on this the 10th day of FEBRUARY 2026.

CITY OF TOYAH, TEXAS



Misty Begay, Mayor

ATTEST:



Naomi Machuca, Mayor Pro Tem

RESOLUTION R2102026

A RESOLUTION OF THE CITY OF TOYAH, TEXAS UPDATING THE WATER, TRASH, AND SEWER SERVICE APPLICATION AND AGREEMENT

WHEREAS, The City of Toyah, Texas ("City") has required completion of a water and sewer service application/agreement to govern and establish guidelines as well as provide the City with the required information needed from anyone seeking to obtain city utility services. This application was previously combined to include requests for all utility services on one document; and

WHEREAS, there is an ever changing need of individuals who seek to obtain some or all of the utility services in the City; they may not want or need all utility services. The City believes that separation of the service applications for water and sewer, into individual applications and agreements is necessary and beneficial for the residents; and

WHEREAS, the current utility service application/agreement has not been reviewed and updated since 2022; and

WHEREAS, the City desires to update the utility service application/agreement so that documentation and filing of active service agreements more accurately reflects what utility services an individual may want and ultimately obtains and that residents information is accurate; and

WHEREAS, the City Council has reviewed such changes; and

WHEREAS, the City Council has determined that such modifications to the current city utility service application/agreement is necessary to ensure that individuals provide the required documentation to obtain city utilities; and

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

- 1. Findings of Fact:** All of the above premises and recitations are found to be true and correct and are incorporated into the body of this Resolution as findings of fact, as if copied herein in their entirety.
- 2. Application and Agreement Updated.** That the above referenced Application and Agreement for City Utility Services has been reviewed and the City Council hereby approves that moving forward all residents will be required to use such Application and Agreement to obtain services within the City. Further, existing residents will need to update and file Application and Agreement to ensure that all information is accurate.
- 3. Effective Date.** This Resolution shall take effect upon its final passage.
- 4. Open Meetings.** It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public and public notice of the time, place and purpose of the meeting was given, as required by the Open Meetings Act, Chapter 551, Texas Government Code.

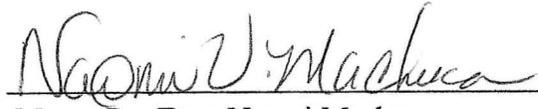
RESOLUTION R2102026

PASSED, APPROVED AND RESOLVED this 10th day of February 2026.

ATTEST:



Mayor, Misty Begay



Mayor Pro Tem, Naomi Machuca

ORDINANCE NO. 2102026A

AN ORDINANCE OF THE CITY OF TOYAH, TEXAS, MODIFYING WATER UTILITY RATES ESTABLISHED UNDER ORDINANCE NO. 2102026A WATER RATES; DELINQUENCY; RETURNED CHECKS, TOYAH CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY, AN OPEN MEETING CLAUSE, AN EFFECTIVE DATE; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, the public health, safety and welfare, require the adoption and enforcement of codes governing the provision of public utilities and services within the City of Toyah, Texas (“City”);

WHEREAS, it is necessary to establish fees and charges for the purpose of recovering the costs and expenses of providing utility services to customers of the City;

WHEREAS, although the City has attempted to keep the water rates the same, a rate study undertaken for the water and discussed at a meeting on February 10, 2026. Such rate study notes that costs to upgrade and improve the system, as well as receiving water from Pecos have been necessary and those costs of upgrade and maintenance and outside water must be factored into the current rates for water;

WHEREAS, the City is not reviewing the trash or sewer rates at this time.

WHEREAS, the City Council held a public hearing at which the public was given an opportunity to comment on this ordinance and the fees adopted herein; and

WHEREAS, the City Council finds that it is appropriate for the costs and expenses for providing utility services to be funded by user fees collected from persons and entities receiving the benefit of such services;

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

Section 1. Findings of Fact. The findings and recitations set out in the preamble of this Ordinance are found to be true and correct, and that they are hereby adopted by the City Council and made a part hereof for all purposes. It is further found that collection of the fees provided herein is necessary to fund water services and provide for the public health and safety.

Section 2. Modifying Utility Rates Established Under Water Rates Ordinance. Water Rates Ordinance provides that the City Council shall establish the rates for water services used by the residents and customers of the water system of the City. Current water rates are set forth in Exhibit A-1. Newly revised and approved water rates are set forth in Exhibit A-2, attached hereto and incorporated herein for all purposes. Sewer and trash rates remain unchanged at this time.

Section 3. Amendment of Conflicting Ordinances. The above-referenced sections of the

Ordinances are hereby amended as provided in this Ordinance. All parts of ordinances in conflict herewith are hereby amended to the extent of such conflict only. To the extent of a conflict between this Ordinance and another ordinance of the City, this Ordinance shall control.

Section 4. Savings Clause. All rights and remedies of the City are expressly saved as to any and all violations of the provisions of any ordinances affecting utilities and utility fees which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

Section 5 Effective Dates. This Ordinance shall be in full force and effect for the new **water rates** with bills due **April 14, 2026** after final passage and publication in the manner required by the Texas Local Government Code.

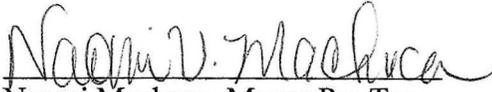
Section 6. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any section, paragraph, sentence, clause or phrase of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining sections, paragraphs, sentences, clauses and phrases of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such invalid section, paragraph, sentence, clause or phrase. If any provision of this Ordinance shall be adjudged by a court of competent jurisdiction to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

Section 7. Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

PASSED AND APPROVED on this 10th day of February, 2026.

ATTEST:

CITY OF TOYAH, TEXAS


Naomi Machuca, Mayor Pro Tem

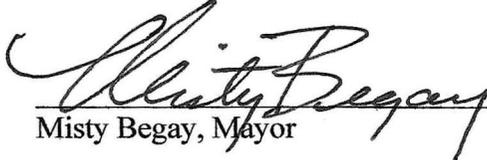

Misty Begay, Mayor

EXHIBIT "A-1"
CURRENT WATER RATES

See accompanying documents

EXHIBIT "A-2"
NEWLY APPROVED WATER RATES

See accompanying documents

City of Toyah Water Rates Overview

Current Rates

The City of Toyah's current residential water rate structure consists of a base rate of \$50, with an additional usage charge starting after 4000 gallons. This residential rate structure generates approximately \$25,998 in annual revenue for the city.

Current Rates (Residential)						
Categories	Customer Count	Base Rate	per 1000 gal		Usage Rate	Usage Rate Revenue
			Average Usage	Usage Rate		
0-4000	18	\$ 50.00	2	\$ -	\$ -	-
4001-8000	11	\$ 50.00	6	\$ 1.50	\$ 1,188.00	
8001-12000	2	\$ 50.00	10	\$ 2.00	\$ 480.00	
12001-20000	2	\$ 50.00	16	\$ 2.50	\$ 960.00	
20001-30000	1	\$ 50.00	25	\$ 3.00	\$ 900.00	
30001-40000	1	\$ 50.00	35	\$ 3.50	\$ 1,470.00	
40001-50000	0	\$ 50.00	45	\$ 4.00	\$ -	
50001 +	0	\$ 50.00	55	\$ 5.00	\$ -	
Connections	35					
		Total Base Rate Revenue	\$	21,000.00	*Customer Usage is Estimated	
		Total Usage Rate Revenue	\$	4,998.00		
		Total Combined	\$	25,998.00		

The City of Toyah's current commercial water rate structure includes a base rate of \$75, and an increasing usage fee. The commercial water revenue accounts for an estimated amount of \$7,800 yearly.

Current (Commercial)						
Categories	Customer Count	Base Rate	per 1000 gal		Usage Rate	Usage Rate Revenue
			Average Usage	Usage Rate		
0-4000	3	\$ 75.00	2	\$ 2.00	\$ 144.00	
4001-8000	0	\$ 75.00	6	\$ 2.25	\$ -	
8001-12000	0	\$ 75.00	10	\$ 2.50	\$ -	
12001-20000	2	\$ 75.00	16	\$ 3.00	\$ 1,152.00	
20001-30000	1	\$ 75.00	25	\$ 3.50	\$ 1,050.00	
30001-40000	0	\$ 75.00	35	\$ 4.00	\$ -	
40001-+	0	\$ 75.00	45	\$ 5.00	\$ -	
Connections	6					
		Total Base Rate Revenue	\$	5,400.00	*Customer Usage is Estimated	
		Total Usage Rate Revenue	\$	2,346.00		
		Total Combined	\$	7,746.00		

Option 11 - Base Rate and Usage Rate Increase (Residential)						
per 1000 gal						
Categories	Customer Count	Base Rate	Average Usage	Usage Rate	Usage Rate Revenue	
0-4000	18	↑ \$ 65.00	2	\$ -	\$ -	
4001-8000	11	↑ \$ 65.00	6	\$ 3.00	\$ 2,376.00	
8001-12000	2	↑ \$ 65.00	10	\$ 3.50	\$ 840.00	
12001-20000	2	↑ \$ 65.00	16	\$ 4.00	\$ 1,536.00	
20001-30000	1	↑ \$ 65.00	25	\$ 4.50	\$ 1,350.00	
30001-40000	1	↑ \$ 65.00	35	\$ 5.00	\$ 2,100.00	
40001-50000	0	↑ \$ 65.00	45	\$ 5.50	\$ -	
50001+	0	↑ \$ 65.00	55	\$ 6.50	\$ -	
Connections	35					
Total Base Rate Revenue			\$ 27,300.00	*Customer Usage is Estimated		
Total Usage Rate Revenue			\$ 8,202.00			
Total Combined			\$ 35,502.00			
New Revenue			\$ 9,504.00			

Option 4 - Base Rate Increase to \$100. (Commercial)						
per 1000 gal						
Categories	Customer Count	Base Rate	Average Usage	Usage Rate	Usage Rate Revenue	
0-4000	3	↑ \$ 100.00	2	\$ 2.00	\$ 144.00	
4001-8000	0	↑ \$ 100.00	6	\$ 2.25	\$ -	
8001-12000	0	↑ \$ 100.00	10	\$ 2.50	\$ -	
12001-20000	2	↑ \$ 100.00	16	\$ 3.00	\$ 1,152.00	
20001-30000	1	↑ \$ 100.00	25	\$ 3.50	\$ 1,050.00	
30001-40000	0	↑ \$ 100.00	35	\$ 4.00	\$ -	
40001-+	0	↑ \$ 100.00	45	\$ 5.00	\$ -	
Connections	6					
Total Base Rate Revenue			\$ 7,200.00	*Customer Usage is Estimated		
Total Usage Rate Revenue			\$ 2,346.00			
Total Combined			\$ 9,546.00			
New Revenue			\$ 1,800.00			

Option 3 - \$1.00 increase (Bulk)				
Monthly Sales				
Categories	Barrels	Rate	Annual Revenue	
Raw Water	825	↑ \$ 2.00	\$ 19,800.00	
Treated Water	825	↑ \$ 3.25	\$ 32,175.00	
Total Monthly Sales	1650			
Bulk Revenue		\$ 51,975.00	*Customer Usage is Estimated	
New Revenue		\$ 19,800.00		