

NOTICE
THIS NOTICE IS POSTED IN COMPLIANCE WITH THE OPEN MEETING ACT
(TEX. GOV'T CODE CHAPTER 551, SEC. 551.041)

AGENDA
REGULAR CITY COUNCIL MEETING
5:30 P.M
GATESVILLE CITY COUNCIL CHAMBERS
110 NORTH 8TH STREET, GATESVILLE, TEXAS 76528
MARCH 10, 2026

An Open Meeting will be held concerning the following subjects:

1. Call to Order
2. Quorum check
3. Invocation and Pledge of Allegiance

Citizens/Public Comments Forum: Individuals wishing to address the Gatesville City Council may do so during this segment. If you intend to comment on a specific agenda item, please indicate the item(s) on the sign-in sheet before the meeting. Each speaker is allotted a maximum of 3 minutes for their remarks, and speakers are expected to conduct themselves in a respectful manner. In accordance with the Texas Open Meetings Act, the City of Gatesville City Council cannot deliberate or act on items not listed on the meeting agenda.

CONSENT:

4. All consent agenda items are considered routine by the City Council and will be enacted by a single motion. There will be no separate discussion of these items unless a Councilmember requests an item to be removed and considered separately.
 - a. **Resolution 2026-025:** Discussion and possible action regarding approval of minutes from Regular City Council Meeting held on **February 24th, 2026.** (Holly Owens)
 - b. Discussion and possible action regarding the Lightning J Creekside Replat. (Holly Owens)
 - c. **Resolution 2026-027:** Discussion and possible action regarding approving amendment No. 3 to the contract with Walker Partners for the Stillhouse Rehabilitation. (Mike Halsma)

OTHER BUSINESS:

5. Discussion and possible action regarding WSC contract amendments (Brad Hunt)

6. Consideration and approval of a resolution by the City Council of the City of Gatesville, Texas authorizing and approving publication of notice of intention to issue certificates of obligation. (Mike Halsema)
7. Discussion of the Zoning Ordinance Article VIII. (Holly Owens)
8. Discussion and possible action regarding a zoning change request located at 511 Saunders Street, 3rd and final Reading. (Holly Owens)
9. Adjourn Meeting

I hereby attest that the above agenda was posted on this the 4th March, 2026 by 5:00 p.m. on the official City of Gatesville website, www.gatesvilletx.com and the official bulletin boards at the Gatesville City Hall, 803 E. Main Street and Gatesville Council Chambers, 110 N. 8th Street, Gatesville, Texas.

Holly Owens, T.R.M.C.
City Secretary

The City of Gatesville council chambers are wheelchair accessible and accessible parking spaces are available at the back entrance of City Hall. Requests for accommodations or interpretive services must be made 24 hours prior to this meeting. Please contact the city secretary's office at 254-865-8951 or FAX 254-865-8320, or email howens@gatesvilletx.com for further information.

CITY COUNCIL MEETING
FEBRUARY 24, 2026
5:30 P.M.
COUNCIL CHAMBERS, 110 NORTH 8TH STREET,
GATESVILLE, TEXAS 76528

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS:

1. **CALL TO ORDER** THE REGULAR CITY COUNCIL MEETING AT **5:30 P.M. THIS 24TH DAY OF FEBRUARY 2026.**
2. **QUORUM CHECK/COUNCIL PRESENT:** Mayor Gary Chumley, Mayor Pro-Tem Greg Casey, Councilmembers Kalinda Westbrook, Jon Salter, Aaron Smith, Joe Patterson, and Travis VanBibber.

CITY STAFF PRESENT: City Manager Brad Hunt, City Secretary Holly Owens, Deputy City Manager/Finance Director Mike Halsema, Chief Jeff Clark, Chad Newman, Seth Phillips, Lori McLaughlin, and Shea Harp.

OTHERS: Leo Corona, Kaleb Hitt, Allyson, Hinkle, Michael McCloskey, Lisa Robuck, and Justin Smith.

3. **INVOCATION:** Greg Casey and **PLEDGE OF ALLEGIANCE:** Led by Mayor Gary Chumley.

CITIZENS/PUBLIC COMMENTS FORUM: INDIVIDUALS WISHING TO ADDRESS THE GATESVILLE CITY COUNCIL MAY DO SO DURING THIS SEGMENT. IF YOU INTEND TO COMMENT ON A SPECIFIC AGENDA ITEM, PLEASE INDICATE THE ITEM(S) ON THE SIGN IN SHEET BEFORE THE MEETING. EACH SPEAKER IS ALLOTTED A MAXIMUM OF 3 MINUTES FOR THEIR REMARKS, AND SPEAKERS ARE EXPECTED TO CONDUCT THEMSELVES IN A RESPECTFUL MANNER. IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, THE CITY OF GATESVILLE CITY COUNCIL CANNOT DELIBERATE OR ACT ON ITEMS NOT LISTED ON THE MEETING AGENDA.

Mike McCloskey came forward to speak about the Rodeo Ranch Arena and Events Center.

CONSENT:

4. All consent agenda items are considered routine by the City Council and will be enacted by a single motion. There will be no separate discussion of these items unless a Councilmember requests an item to be removed and considered separately.
 - a. **Resolution 2026-018:** Discussion and possible action regarding approval of minutes from Regular City Council Meeting held on **February 10th, 2026.**
 - b. **Resolution 2026-019:** Discussion and possible action regarding the January 2026 Financials.

- c. **Resolution 2026-020:** Discussion and possible action regarding Cruise and Cruisers Special Event.
- d. **Resolution 2026-021:** Discussion and possible action regarding July 4th Special Event.

CONSENT AGENDA: Motion by Joe Patterson, seconded by Aaron Smith to **APPROVE** the **CONSENT AGENDA** as presented. All six voting “Aye”, motion passed, 6-0-0.

OTHER BUSINESS:

- 5. Discussion and possible action regarding a resolution designating the City Manager or his designee to apply and participate in the Local Park Grant Program on behalf of the City of Gatesville.

Seth Phillips came forward and explained the Local Park Grant Program.

RESOLUTION 2026-022: Motion by Kalinda Westbrook, seconded by Greg Casey to **APPROVE** a resolution, designating the City Manager or his designee to apply for and participate in the Local Park Grant Program on behalf of the City of Gatesville. All six voting “Aye”, motion passed, 6-0-0.

- 6. Discussion and possible action regarding the disposal of excess assets.

Mike Halsema came forward and listed the surplus items that will be sold at auction.

RESOLUTION 2026-023: Motion by Jon Salter, seconded by Aaron Smith to **APPROVE** the disposal of excess fitness center as listed in this memo and EQ01471652 Case SV207E Single Drum Roller. All six voting “Aye”, motion passed, 6-0-0.

- 7. Discussion and possible action regarding a resolution committing matching funds for the 2026 TXCDBG – Downtown Revitalization Program Application.

Brad Hunt came forward to explain the grant along with the process and what it covers. This is a matching grant. Council gave suggestions for the downtown area and the improvements that each would like to see if the grant is received.

RESOLUTION 2026-024: Motion by Greg Casey, seconded by Jon Salter to **APPROVE RESOLUTION 2026-024** committing matching funds for the 2026 TxCDBG Downtown Revitalization Program. All six voting “Aye”, motion passed, 6-0-0.

- 8. Public Hearing regarding a zoning change request located at 511 Saunders Street.

OPEN PUBLIC HEARING: Mayor Chumley opened the public hearing at **5:55 PM**.

Hear comments on Ordinance 2026-03, regarding a zoning change request located at 511 Saunders Street, Original Town Gatesville, Block 65, Lot 2 from Residential 2-4 Family to Business Commercial.

No one came forward.

CLOSE PUBLIC HEARING: Mayor Chumley closed the public hearing at **5:56 PM**.

9. Discussion and possible action regarding a zoning change request located at 511 Saunders Street, *2nd Reading*.

Holly Owens came forward to discuss the zoning change request. This is the second reading and Council did not have any changes from the first reading.

ORDINANCE 2026-03: Motion by Travis VanBibber, seconded by Aaron Smith to **PASS ORDINANCE 2026-03**, changing the zoning of 511 Saunders Street from Residential 2-4 Family to Business Commercial to the next meeting, second reading. All six voting “Aye”, motion passed, 6-0-0.

10. Discussion of the Zoning Ordinance Article VII.

Holly Owens explained the additions and changes to the districts in Article VII for the Zoning Ordinance.

Councilman Patterson asked what an Overlay District was. Ms. Owens explained that an overlay district is a zoning tool used to apply additional regulations or standards to a specific geographic area without changing the underlying base zoning classification. By creating an overlay district along the high traffic areas such as Highway 84 and Business 36 it will disallow residential living along those areas creating more business to “stop and shop” and preserving the quality of life within residential areas 1 to 2 blocks off the main roads.

Council discussed the placement of assisted living facilities. The majority preferred assisted living facilities be located in the outer region.

Councilman Casey asked about corrugated metal fences. Ms. Owens explained that corrugated metal is considered a decorative metal fence if done correctly. A permit is required for a fence, and it allows some discretionary review regarding material. The current zoning ordinance does not address materials for fences which have come up with citizens wanting to install a fence with chicken wire and staff being required to allow it.

This was discussion only. No action was taken.

11. City Manager Report

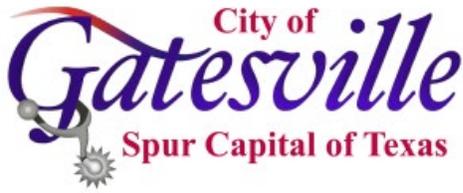
Brad Hunt presented the city manager’s report for the month of January.

12. City Council **adjourned at 6:50 p.m.**

Mayor, Gary Chumley

ATTEST:

City Secretary, Holly Owens



CITY COUNCIL MEMORANDUM

To: Mayor & Council

From: Holly Owens, City Secretary

Agenda Item: Discussion and possible action regarding a replat of Renfro Valley located on Woodhollow Drive.

Applicant and Owner

Roy Johnson

Project Description

The applicant is requesting approval to replat and divide the following properties:

- Renfro Valley, Block 5, Lots 9 and 10 (10.33 acres)
- Renfro Valley, Block 2, Lot 1 (5.03 acres)

The combined acreage of 15.393 acres is proposed to be replatted into seven (7) individual lots intended for single-family residential and agricultural uses.

Property Location

The subject property is located on Woodhollow Drive, between Hidden Valley Drive and Cross Timbers Drive in the Extraterritorial Jurisdiction (ETJ). Water service to the property is provided by Mountain.

Applicable Law

The proposed replat is subject to the provisions of the Texas Local Government Code (TLGC) and the City's Code of Ordinances, including but not limited to the following sections:

- **Sec. 212.001 – Extraterritorial Jurisdiction (ETJ):** Defines ETJ as the unincorporated area contiguous to the corporate boundaries of a municipality and located within five miles of those boundaries.
- **Sec. 212.004 – Plat Required:** Requires that the owner of a tract of land located within the municipal limits or ETJ who divides the tract into two or more parts for the purpose of laying out a subdivision, including suburban, building, or other lots, or to dedicate streets, alleys, parks, or other areas to public use, must have a plat prepared.
- **Sec. 212.009 – Approval Procedure:**
 - (a) The municipal authority responsible for approving plats shall approve, approve with conditions, or disapprove a plat within 30 days after the date the plat is filed.
 - (b) If an ordinance requires approval by the governing body in addition to the planning commission, the governing body shall approve, approve with conditions, or disapprove the plat within 30 days after approval by the planning commission (PZC) or by inaction of the commission. The PZC met on March 2nd, but a quorum was not established and no action was taken. TLGC 212.009 states a plat is automatically approved if the authority fails to act within that period.

Summary

The applicant seeks approval to replat 15.393 acres into seven lots for residential and agricultural purposes. The request is subject to the statutory requirements outlined above and must be acted upon within the timelines established by the Texas Local Government Code.

If approved, the replat will be called Lightning J Creekside Estate West Subdivision; Block 1, Lots 1-7.

Staff Recommendation:

Staff recommends the approval of the replat.

Motion:

Motion to approve the replat of Renfro Valley to Lightning J Creekside Estate West Subdivision, Block 1, Lots 1-7 located on Woodhollow Drive.

Attachments:

- Survey

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE:

That the above stated recommendation is hereby approved and authorized.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Gatesville, Texas, this the ____ day of _____, _____, at which meeting a quorum was present, held in accordance with provisions of V.T.C.A, Government Code, § 551.001 *et seq.*

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Date: 3/10/2026
Agenda Item: 4c
Resolution: 2026-027

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Mike Halsema, Interim Deputy City Manager

Agenda Item: Discussion and possible action regarding amending the engineering services agreement for the Stillhouse renovation project.

Information:

Tonight, the City Council will consider approving amendment No. 3 to the contract with Walker Partners for the Stillhouse rehabilitation. Amendment 1 was approved in June of 2023, for an additional \$222,216. Amendment #2 is for an additional \$17,880, bringing the new agreement to \$2,000,486. Amendment #3 does not change the total amount of the contract. The proposed amendment reallocates the existing budget to satisfy the Texas Water Development Board (TWDB) for escrow release related to engineering services.

Staff Recommendation:

The staff recommends that the City Council accept amendment No. 3 for the Stillhouse WWTP engineering services contract.

Motion:

I move to accept amendment No. 3 for the Stillhouse WWTP improvements engineering contract with Walker Partners.

Attachments:

Amendment #3

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE:

That the above stated recommendation is hereby approved and authorized.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Gatesville, Texas, this the ____ day of _____, _____, at which meeting a quorum was present, held in accordance with provisions of V.T.C.A, Government Code, § 551.001 *et seq.*

APPROVED

Date: 3/10/2026
Agenda Item: 4c
Resolution: 2026-027

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Bradford Hunt, City Manager

Agenda Item: Discuss, consider, and take action to authorize the City Manager to notify City wholesale water customers of rate change approved on October 28th, 2025.

Information:

On October 28, 2025, Council approved the third and final reading of the revised retail water rates. This decision was based on staff's presentation of its findings regarding known CIP concerns outlined by Freese & Nichols (City-contracted engineers), and an in-depth rate study conducted by NewGen Solutions (also City-contracted). The attached September 23, 2025 presentation to Council fully outlines the issues and process considered in setting new water rates.

On November 18, 2025, Council approved a resolution to amend all contracts with Water Supply Corporations (WSCs), in order to set revised Wholesale Water rates. Specifically, the amended contracts set the Debt Service and Operating and Maintenance Combined Charge component of the Total Wholesale Water Rate at \$3.02 per 1,000 gallons, and the Excess Water Rate (charged when a WSC exceeds its agreed-upon usage per month) at \$4.43 per 1,000 gallons. The full study, CIP, and proposed new rates were previously presented to the WSCs at a group meeting on August 6, 2025, during which the representatives in attendance verbally agreed that \$3.02 per 1,000 for the Operating and Maintenance Charge component was acceptable.

From late November 2025 to present, all WSC representatives have refused to sign the amended contracts, and are not paying the approved new rates. In general, this is because two WSCs disagree with certain aspects of the contracts unrelated to the rates themselves, and the other WSCs seem willing to hold off on signing until those two WSCs agree to do so. Meanwhile, staff is unable to ensure a funding schedule for water intake and treatment plant CIPs until the WSCs begin paying the agreed-upon revised rates.

Contract negotiations with the two WSCs in question could take many more months to resolve. In the interim, staff notes that the original and all amended contracts with all WSCs contain the same provision which grants the City of Gatesville the right to set rates each January. Specifically, in each contract, Section IX. "Price of Water," states:

"(a) . . . Adjustment to the Raw Water Charge (Water Rights) will be made as the Brazos River Authority
Makes changes to the rate. . . ."

[and]

“The portion of the monthly charge to the Purchaser for the price of water delivered hereunder related to the (i) Project Construction Costs and (ii) Operating and Maintenance charge will be adjusted annually in the month of January by City, provided, however, such adjustment shall be based on the actual and anticipated Project Construction Costs and Operating and Maintenance Charges for the ensuing twelve month period.”

As reviewed by City Attorney Thomas and contract attorneys with the Lloyd Gosselink firm specializing in utilities law matters, the City possesses a contractual right to set rates once per year, without a formal amendment of the contracts.

Financial Impact:

Staff is unable to ensure a funding schedule for water intake and treatment plant CIPs until the WSCs begin paying the agreed-upon revised rates. Therefore, the CIPs may be detrimentally delayed by months or even years.

Staff Recommendation:

Staff recommends that Council authorize City Manager Hunt to send a notice letter to all WSCs, advising them of City’s intent to begin charging the new water rates as of April 1, 2026. Staff further recommends that Council authorize and empower staff to begin charging the new Wholesale Water rates as of April 1, 2026, per the rights outlined in the Wholesale Water contracts.

Motion:

I move to authorize the City Manager to notify the wholesale water customers of the City of the revised rates approved on October 28th, 2025, with the discretion to offset the rates charged on the invoices for water services provided between January 1 and March 31, 2026, to the rates in place prior to such revised rates.

Attachments:

- City Council Presentation – Water Rates – 9-23-25

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE:

That the above stated recommendation is hereby approved and authorized.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Gatesville, Texas, this the ____ day of _____, _____, at which meeting a quorum was present, held in accordance with provisions of V.T.C.A, Government Code, § 551.001 *et seq.*

APPROVED

Date 3/10/2026
Agenda Item 5
Resolution 2026-026

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Date 3/10/2026

Agenda Item 6

Resolution 2026-028

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Mike Halsema, Deputy City Manager

Agenda Item: Discussion and possible action regarding a resolution by the City Council of the City of Gatesville, Texas authorizing and approving publication of Notice Of Intention to issue Certificates of Obligation.

Information:

As part of the FY2025-26 Water and Sewer budget, a rate study was conducted by NewGen Strategies & Solutions. The rate study was for Gatesville customers and wholesale Water Supply Corporations (WSC's) that receive drinking water from the City's production system. Water production system repairs and improvements were identified by Freese and Nichols Engineering (FNI). Staff worked with FNI and identified critical urgent repairs needed for the water production system. Rates were developed to cover a bond sale to fund these improvements. In order to have a bond sale, the City must publish a Notice Of Intention (NOI) to issue Certificates of Obligation. The Resolution for Council's consideration establishes a \$25 million maximum for the issuance. The final issuance recommended by staff will likely be less than \$25M, and in the \$20-23M range.

Financial Impact:

The NOI, if approved, only provides for notification of a pending sale. A separate action for the issuance of CO's will be required to set the terms and complete the sale.

Staff Recommendation:

The staff recommends that the City Council approve the NOI Resolution.

Motion:

I move that City Council adopt a Notice Of Intention Resolution.

Attachments:

Notice Of Intention Resolution

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE:

That the above stated recommendation is hereby approved and authorized.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Gatesville, Texas, this the ____ day of _____, _____, at which meeting a quorum was present, held in accordance with provisions of V.T.C.A, Government Code, § 551.001 *et seq.*

Date 3/10/2026

Agenda Item 6

Resolution 2026-028

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary

RESOLUTION

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF GATESVILLE, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; COMPLYING WITH THE REQUIREMENTS CONTAINED IN SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council (the *City Council*) of the City of Gatesville, Texas (the *City*) has determined that it is advisable and necessary to issue and sell one or more series of certificates of obligation (the *Certificates*) in an amount not to exceed \$25,000,000, as provided pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through Section 271.064, for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, constructing, acquiring, purchasing, renovating, enlarging, and improving the City's combined utility system, including improvements to the City's water utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. The Certificates will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and from a lien on and pledge of certain of the net revenues derived from the operation of the City's combined utility system. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.064, and Chapter 1502, as amended, Texas Government Code; and

WHEREAS, prior to the offering, sale, and issuance of the Certificates, the appropriate officials of the City must review and approve the distribution of a "deemed final" preliminary official statement (the *Official Statement*) in order to comply with the requirements contained in 17 C.F.R. §240.15c2-12 (the *Securities and Exchange Commission Rule*); and

WHEREAS, based upon their review of the Official Statement, the appropriate officials of the City must find to the best of their knowledge and belief, after reasonable investigation, that the representations of facts pertaining to the City contained in the Official Statement are true and correct and that, except as disclosed in the Official Statement, there are no facts pertaining to the City that would adversely affect the issuance of the Certificates or the City's ability to pay the debt service requirements on the Certificates when due; and

WHEREAS, the City Council will comply with the requirements contained in the Securities and Exchange Commission Rule concerning the creation of a contractual obligation between the City and the proposed purchaser(s) of the Certificates (the *Purchasers*) to provide the Purchasers with an Official Statement in a time and manner that will enable the Purchasers to comply with the distribution requirements and continuing disclosure requirements contained in the Securities and Exchange Commission Rule; and

WHEREAS, the City Council authorizes the Mayor, City Manager, City Secretary, and the City Attorney, as appropriate, or their designees, to review, approve, and execute any document or certificate in order to allow the City to comply with the requirements contained in the Securities and Exchange Commission Rule; and

WHEREAS, prior to the issuance of the Certificates, the City Council is required to publish notice of its intention to issue the Certificates in a newspaper of general circulation in the City, and if the City maintains an internet website, publish such notice of intent on the City's internet website, such notice stating (i) the time and place the City Council tentatively proposes to pass the ordinance authorizing the issuance of the Certificates, (ii) the purposes for which the Certificates are to be issued, (iii) the manner in which the City Council proposes to pay the Certificates; (iv) the then-current principal amount of all outstanding ad valorem debt obligations of the City; (v) the then-current combined principal and interest required to pay all outstanding ad valorem debt obligations of the City on time and in full, which may be based on the City's expectations relative to the interest due on any variable rate ad valorem debt obligations; (vi) the maximum principal amount of the Certificates to be authorized; (vii) the estimated interest rate for the Certificates to be authorized or that the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (viii) the maximum maturity date of the Certificates to be authorized; and

WHEREAS, the City Council hereby finds and determines that such documents pertaining to the sale of the Certificates should be approved, and the City should proceed with the giving of notice of intention to issue the Certificates in the time, form, and manner provided by law; and

WHEREAS, the City Council hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE, TEXAS THAT:

SECTION 1. The City Secretary is hereby authorized and directed to cause notice to be published of the City Council's intention to issue the Certificates in an amount not to exceed \$25,000,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, constructing, acquiring, purchasing, renovating, enlarging, and improving the City's combined utility system, including improvements to the City's water utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned capital improvements. The Certificates will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and additionally from a pledge of and lien on certain revenues derived from the operation of the City's combined utility system. The notice hereby approved and authorized to be published shall read substantially in the form and content of Exhibit A attached hereto, which notice is incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2. The City Secretary shall cause the notice described in Section 1 to be published in a newspaper of general circulation in the City, once a week for two consecutive weeks,

the date of the first publication shall be at least forty-six (46) days prior to the date stated therein for passage of the ordinance authorizing the issuance of the Certificates. Additionally, the City Secretary shall cause the notice described in Section 1 to be posted continuously on the City's website for at least forty-five (45) days prior to the date stated therein for passage of the ordinance authorizing the issuance of the Certificates.

SECTION 3. The Mayor, City Manager, Chief Financial Officer, City Secretary, and the City Attorney, as appropriate, or their designees, are authorized to review and approve the Official Statement pertaining to the offering, sale, and issuance of the Certificates and to execute any document or certificate in order to comply with the requirements contained in the Securities and Exchange Commission Rule.

SECTION 4. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 5. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 8. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 9. This Resolution shall be in force and effect from and after the date of its adoption, and it is so resolved.

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PASSED AND APPROVED, this the 10th day of March, 2026.

CITY OF GATESVILLE, TEXAS

Mayor

ATTEST:

City Secretary

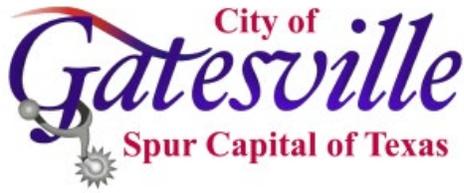
(CITY SEAL)

Exhibit A

NOTICE OF INTENTION TO ISSUE
CITY OF GATESVILLE, TEXAS
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Gatesville, Texas will convene at its regular meeting place in the City Hall in Gatesville, Texas, at 5:30 o'clock P.M., Gatesville, Texas time on June 9, 2026, and, during such meeting, the City Council will consider the passage of an ordinance or ordinances and take such other actions as may be deemed necessary to authorize the issuance of one or more series of certificates of obligation in an aggregate principal amount not to exceed \$25,000,000 for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, constructing, acquiring, purchasing, renovating, enlarging, and improving the City's combined utility system, including improvements to the City's water utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. The certificates of obligation (the *Certificates*) will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and from a lien on and pledge of certain revenues derived by the City from the operation of the City's combined utility system. In accordance with Section 271.049, as amended, Texas Local Government Code, (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is \$185,000.00; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is \$194,505.00; (iii) the estimated combined principal and interest required to pay the Certificates to be authorized on time and in full is \$39,828,750.00; (iv) the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the Certificates to be authorized is September 1, 2046. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.064, Chapter 1502, as amended, Texas Government Code, and the City's Home Rule Charter.

/s/ Holly Owens
City Secretary,
City of Gatesville, Texas



CITY COUNCIL MEMORANDUM

To: Mayor & Council

From: Holly Owens, City Secretary

Agenda Item: Discussion regarding the Zoning Ordinance Amendments; Article VIII.

Information:

The current zoning ordinance was adopted in 1995. Staff recommends repealing the ordinance in its entirety due to numerous changes in the Texas Local Government Code and the Texas Constitution that are inconsistent with the 1995 ordinance. In addition, the City's Code of Ordinances has been amended repeatedly over the past 30 years, resulting in further conflicts and outdated provisions within the existing zoning regulations.

For review and discussion purposes, staff will present the proposed ordinance in segments.

The most notable additions:

1. ADA and Handicap parking specifications (Sec. 8-3.1) and (SEC. 8-7).
2. Number of Off-Street Parking Spaces required was added (SEC. 8-6) with specifics based on the use.

ARTICLE VIII. – OFF-STREET PARKING REGULATIONS

SEC. 8-1. Purpose and Intent

The purpose and intent of these regulations are to ensure safety from fire, panic and other dangers; to lessen congestion in the streets and alleys; to facilitate the adequate provision of transportation and circulation; to conserve the value of building and land uses; and to encourage the most appropriate use of land. **To this end in all zoned districts, there shall be provided at the time any use is established or expanded, or any building or structure is erected or structurally altered (except as otherwise provided elsewhere in this section), minimum off-street parking in conformance with the requirements established herein.**

SEC. 8-2. Location of Parking Spaces

All parking spaces required herein shall be located on the same lot with the building or use served, except that where an increase in the number of spaces is required by a change or enlargement of use or where such spaces are provided collectively or used jointly by two or more buildings or establishments, the required spaces may be located and maintained within three hundred (300) feet of an institutional or other non-residential building served.

SEC. 8-3. Computation of Parking Space Sizes and Parking Areas

In computing the minimum size and area of parking spaces and parking areas, the following rules shall govern:

8-3.1 Parking Space Size

- a. Perpendicular: No parking space shall be less than 9 feet in width by 18 feet in length.
- b. Parallel: No parking space shall be less than 8 feet by 22 feet.
- c. Angled: No parking spaces shall be less than 8 feet by 20 feet with a minimum 60-degree angle.
- d. Compact: No parking spaces shall be less than 8 feet by 16 feet.
- e. **ADA: No parking spaces shall be less than 8 feet wide with adjacent 5-foot access; Van-Accessible shall be a minimum of 11 feet wide.**

SEC. 8-4. Type of Parking Surface Required

All parking and vehicle use areas shall be of all-weather surface material and constructed in accordance with applicable codes. Permeable pavements such as permeable asphalt, concrete or equivalent shall be considered an all-weather surface if it is designed by a licensed engineer experienced in the design of permeable pavement and is installed to industry standards.

SEC. 8-5. Rules for the Computation of the Number of Parking Spaces

8-5.1 Whenever a building or use constructed or established after the effective date of this ordinance is changed or enlarged in floor area, number of employees, number of dwelling units,

seating capacity, or otherwise, to create a need for an increase of 10 percent or more in the number of existing parking spaces, such spaces shall be provided on the basis of the enlargement of new total. Whenever a building or use existing prior to the effective date of this ordinance is enlarged to the extent of 25 percent or more in floor area or in the area used, said building or use shall then and thereafter comply with the parking requirements set forth herein.

8-5.2 In the case of mixed or joint uses, the parking spaces required shall equal the sum of the requirements of the various uses computed separately.

SEC. 8-6. Number of Off-Street Parking Spaces Required

8-6.1 Residential Uses

- a. Single-Family Detached Dwelling: two (2) spaces per dwelling unit exclusive of “in-garage” parking.
- b. Boarding House: One (1) space per bed or individual sleeping room.
- c. Fraternity or Sorority House: One (1) space per bed.
- d. Nursing, Rest or Convalescent Home, Home for the Aged, Senior Citizens Apartment Dwelling, or Other Similar Dwelling or Institution: One (1) space per each three (3) beds or One (1) space per individual sleeping unit, whichever is greater.
- e. Duplex/Tri-plex/Quad-plex: Two spaces per dwelling unit.
- f. Mobile Home Park, Subdivision or Campground: One (1) to five (5) spaces for each transient stand for a mobile home park or campground and for each lot in a mobile home subdivision.
- g. Multi-Family: One (1) space for each 500 square feet of dwelling unit floor area within the building site. Only floor space within a dwelling unit is included for calculation of required off-street parking.

8-6.2 Non-Residential Uses

- a. Schools:
 - i. Elementary: One (1) space for each classroom or teaching station, plus One (1) additional space for each four (4) seats in any auditorium, gymnasium, or other assembly place, whichever is greater.
 - ii. Junior High/Middle School: Same requirements as for elementary schools.
 - iii. High School: One (1) space for each classroom or teaching station, plus One (1) additional space for each three (3) students accommodated in the school.
 - iv. College or University: Same requirements as for high schools.
 - v. Day Care Centers or Kindergarten: One (1) space per each five (5) pupils accommodated, plus sufficient space to accommodate off-street circulation for pickup and delivery of children by auto.
- b. Churches and Places of Worship: One (1) space for each three (3) seats in the main sanctuary or auditorium.
- c. Other Institutions:
 - i. Hospital, General Acute Care: One (1) space per bed, plus 1 space for each four (4) persons employed.
 - ii. Hospital, Chronic Care: One (1) space per each three (3) beds, plus one (1) space for each four (4) persons employed.

- iii. Foster Home: One (1) space per each ten (10) pupils or residents.
- iv. Institutions of Philanthropic Nature: ten (10) spaces plus one (1) space for each employee.
- d. Community Facilities:
 - i. Art Gallery or Museum: One (1) space per each 1,000 square feet of floor area.
 - ii. Library: One (1) space per each 150 square feet of floor area.
 - iii. Community Center (public or private): One (1) space per each 100 square feet of floor area.
 - iv. Meeting Rooms and Places of Public Assembly: One (1) space per each three (3) seats.
 - v. Lodge or Fraternal Organization: One (1) space per each 200 square feet of floor area.
- e. Personal Service and Retail Uses:
 - i. Personal Service Shop or Establishment: One (1) space per each 200 square feet of floor area.
 - ii. Mortuary/Funeral Home: One (1) space per each 50 square feet of floor area in "slumber rooms," parlors, and individual service rooms, or One (1) space per each two (2) seats accommodated in a chapel area, whichever is greater.
 - iii. Furniture Stores and Appliance Stores: One (1) space per each 400 square feet of floor area.
 - iv. Gasoline Service Stations:
 - without a convenience store: Minimum of six (6) spaces;
 - with a convenience store: Minimum of one (1) space for each 200 square feet of floor area;
 - with convenience store and sit down dining area: Minimum of one (1) space for each 200 square feet of retail floor area + the greater of one (1) space per each three (3) seats under the maximum seating arrangement or one (1) space per each 100 square feet of floor area devoted to dining;
 - with convenience store and drive-through restaurant (or other service window): Minimum of one (1) space for each 200 square feet floor area + three (3) stacking spaces per service window.
 - with a self-service car wash added to any of the above combinations, a minimum of three (3) stacking spaces shall be provided. Each stacking space on the site shall be nine feet by twenty-two feet (9' x 22'), shall be located in a sequential arrangement to the service area, and shall not be on any street rights-of-way or common access easement, any necessary maneuvering area for parking spaces, within the general traffic circulation pattern of a parking lot, or in a designated fire lane.
 - v. Retail Stores or Shops: One (1) space per each 200 square feet of floor area.
 - vi. Open (Outdoor) Retail Sales: One (1) space per each 600 square feet of open-site area utilized, exclusive of buildings.
- f. Office, Professional or Financial Uses: For all categories listed under this heading, a minimum of eight (8) spaces shall be provided for the first 1,000 square feet. The following requirements pertain to the remaining square footage:
 - i. Banks, Savings and Loan, or Other Similar Financial Establishments: One (1) space per each 300 square feet of floor area.

- ii. Doctor's Offices and Medical Clinics: One (1) space per each 150 square feet of floor area.
- iii. Veterinarian Offices or Clinics: One (1) space per each 300 square feet of floor area.
- iv. Offices, General: One (1) space per each 300 square feet of floor area.
- v. Dance, Music, Display or Drama Studios: One (1) space per each 200 square feet of floor area.
- vi. Business, Trade or Craft School: One (1) space per each 3 students in attendance at peak time of day.
- vii. For mixed retail and office uses, the parking requirements shall be based on the space allocated for the various uses; and shall use the parking requirements for those uses.
- g. Transient Lodging Uses:
 - i. Hotel, Motel, or Dude Ranch: One (1) space per each room, unit or guest accommodation plus specific requirements for restaurants, cocktail lounges, and related facilities prescribed elsewhere in this section.
 - ii. Seasonal Camp or Cabin: One (1) space per each sleeping unit or cabin.
- h. Eating and Drinking Establishments:
 - i. Restaurant, Cafeteria or Cafe: One (1) space per each three (3) seats under maximum seating arrangement, or One (1) space per each 100 square feet of floor area, whichever is greater.
 - ii. Drive-in Eating and Drinking Establishments: twelve (12) spaces plus one (1) space per each 50 square feet of floor area.
 - iii. Cocktail Lounges, Taverns and Similar Establishments: One (1) space per each 100 square feet of floor area.
- i. Social, Recreation and Entertainment Uses:
 - i. Commercial Amusement Establishments: One (1) space per each 100 square feet of floor area.
 - ii. Bowling Alley: Six (6) spaces per each bowling lane.
 - iii. Private Club or Night Club: One (1) space per each 100 square feet of floor area.
 - iv. Theater: One (1) space per each three (3) seats.
 - v. Country Club: One (1) space per each 100 square feet of floor area, exclusive of locker rooms and bathhouses.
 - vi. Recreation Club or Area, Private: One (1) space per each 100 square feet of floor area.
 - vii. Golf Course: Five (5) spaces per each green.
 - viii. Sports Arena, Stadium or Gymnasium: One (1) space per each three (3) seats or bench seating spaces.
- j. Industrial Uses: One (1) off-street parking space required per 1,000 square feet of under-roof industrial area and one (1) space per each 300 square feet of under-roof office area.

SEC. 8-7. Parking for the Handicapped

All parking shall meet state, federal, and other applicable requirements with respect to parking for the handicapped and reference to Section 1106 of the International Building Code (IBC). Wherever handicapped parking spaces are required, appropriate curb ramps shall be installed.

SEC. 8-8. Parking and Storage of Vehicles

- a. In order to avoid the unsightly visual impact and clutter of indiscriminately parked or stored junked and/or abandoned vehicles so as to promote and maintain a desirable aesthetic appearance of the City, no motor vehicles or trailers of any kind or type without current state license plates, where required, shall be parked or stored on any lot or premises unless compliance with at least one of the following provisions is met:
 - i. Such vehicle(s) or equipment is contained within an enclosed garage or other accessory building.
 - ii. Such vehicle(s) or equipment is adequately screened or separated by substantial distance from view from any adjacent public street, highway or adjacent property, provided such screens, parking or storage area is behind the nearest portion of a principal building to a street or highway.
 - iii. Farm and ranch vehicles and equipment, when used in conjunction with farm and ranch activities conducted on the premises, are not considered applicable to the provisions of this paragraph
- b. Off-street vehicle parking spaces may be located within the required front yard of any retail, office or industrial district; however, such off-street parking spaces shall be on a hard surfaced drive or parking area.

SEC. 8-9. Off-Street Loading

8-9.1. Location of Loading Spaces

Off-street loading spaces shall be provided and maintained for all commercial, office, and industrial uses and structures for receiving and loading merchandise, supplies, and materials within a building or on the lot or tract adjacent thereto. Such spaces may be adjacent to a public alley or private service drive.

8-9.2. Type of Parking Surface Required for Loading Spaces

All parking vehicle use areas used for loading and unloading operations shall be of an all-weather surface material and constructed in accordance with applicable codes.

8-9.3. Spaces Required

At least the following amounts of off-street loading space shall be provided, plus an area or means adequate for ingress and egress. The number of spaces required, except as modified hereafter, shall be not less than the following which shall be deemed to include and apply to all structures:

Gross Floor Area (square feet)	Spaces Required
--------------------------------	-----------------

10,001	up to and including 25,000	1
25,001	up to and including 40,000	2
40,001	up to and including 100,000	3
100,001	up to and including 160,000	4
160,001	up to and including 240,000	5
240,001	up to and including 320,000	6
320,001	up to and including 400,000	7
For each additional 90,000	over 400,000	+1

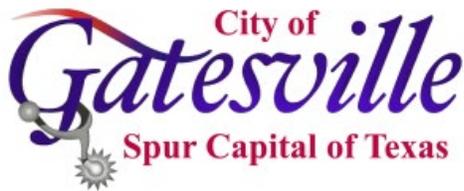
8-9.4. Special Standards

The following amounts of off-street loading spaces shall be required for the following enumerated use classes in lieu of the above:

- a. Pre-School, Kindergarten or Day Care Center: Two (2) each ten (10) feet by twenty (20) feet.
- b. Tourist Facilities:
- c. One-fourth the number of spaces required above.
- d. Places of Public Assembly:
- e. One-fourth the number of spaces required above.
- f. Office Areas:
- g. One-fourth the number of spaces required above.

8-9.5. Development Standards

- a. No off-street loading facility may be used for sales, repair work, storage, dismantling, or servicing of any vehicles, equipment, materials, or supplies.
- b. No loading space will be located closer than fifty (50) feet to any lot in any residential district.
- c. No parking or loading spaces or vehicle sales areas on private property shall be located in any required landscape or bufferyard areas.



Date 3/10/2026

Agenda Item 8

Ordinance 2026-03

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Holly Owens, City Secretary

Agenda Item: Discussion and possible action regarding a zoning change request for 511 Saunders Street. (3rd and Final Reading)

Information:

Staff has received an application requesting the rezoning of the property located at 511 Saunders Street, identified as Original Town of Gatesville, Block 65, Lot 2, consisting of approximately 0.808 acres. The subject property is currently zoned Residential Two- to Four-Family (R 2-4), and the owner/applicant, Kaleb Hitt is requesting a zoning change to Business Commercial (BC).

The City's Future Land Use Map within the newly adopted Comprehensive Plan designates this area as Business Commercial, making the request consistent with long-range planning goals. Approval of this rezoning would support the introduction of low-intensity neighborhood-oriented commercial uses designed to be compatible with surrounding development. Mr. Hitt has indicated an intent to establish a business that complements the existing neighborhood character and contributes positively to the revitalization and enhancement of the area.

The Planning and Zoning Commission discussed this case on February 2, 2026, and recommends the zoning change as requested. The first and second reading was heard in February, with no changes and passed to the next meeting. A letter was mailed out to all property owners within 200-ft. on February 11, 2026, and a public notice was published in the Gatesville Messenger on February 14, 2026, along with the city website. The public hearing was held on February 24, 2026, in accordance with TLGC 211. Staff has not received any responses to the mail out or the public notice.

Financial Impact:

There is no financial impact.

Staff Recommendation:

Staff recommends approval for the zoning change request.

Motion:

Motion to approve **Ordinance 2026-03** changing the zoning of 511 Saunders Street from Residential 2-4 Family to Business Commercial, third and final reading.

Date 3/10/2026

Agenda Item 8

Ordinance 2026-03

Attachments:

- Application
- Zoning Map
- Survey
- Copy of letter to adjacent property
- Mailing list
- Public Notice

Surveyor:

Maples & Associates

420 S. Liveoak, Ste 200
P.O. Box 893
Lampasas, Texas 76650
Firm No. 10097700
Tel (512) 556-2078
Fax (512) 556-0500



Basis of Bearings:
Texas State Plane Coordinate System
NAD83 Texas Central Zone.

Controlling monumentation: Pins and a building corner found for corners on Lot 2A of the Re-Plat of Lot 2, Block 66 of the Original Town of Gatesville, recorded as Doc. No. 300351 of the Official Public Records of Coryell County, Texas; and a one inch O.D. pipe found for a witness to the southeast corner of a 0.567 acre tract of land described in a deed to Cynthia Rae Waxman, recorded as Doc. No. 348731 of said official public records.

LINE	BEARING	DISTANCE
L1	N40°56'26"E	14.03'
L2	N26°52'29"E	23.63'
L3	N0°30'08"W	32.15'
L4	N2°51'34"W	10.06'
L5	N46°59'59"E	17.82'
L6	N52°19'22"E	34.48'
L7	N62°49'53"E	29.50'

LEGEND

	1/2" Iron Pin Set with cap marked "MAPLES RPLS 5043"
	Calculated Point
	Retaining Wall
	Back of Curb
	Overhead Electric
	Power Pole
	A/C Unit
	Water Meter
	Gas Meter
	Fiberoptic Hand Hole
	Record Calls

Texan Title Insurance Co.
Commitment No. 25001715

LAND TITLE SURVEY

Being 0.808 acres comprised of all of Lot 2, Block 65 of the Original Town of Gatesville, Texas, and being the same tract of land described in a deed to John Peter Doyle, et al, dated June 28, 2024, recorded as Doc. No. 374504 of the Official Public Records of Coryell County, Texas.

A legal description of even survey date herewith of the tract shown hereon accompanies this plat.
Surveyed on the ground on December 24, 2025.

This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition III Survey.

Paul W. Maples, RPLS
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Job No. 251211



Carol Dian Mills Trust, et al
(111.228 acres)
Doc. No. 334424

approx. centerline of
Stillhouse Branch

2
0.808 Acres

John Peter Doyle, et al
(Lot 2, Block 65)
Doc. No. 374504

Block 65
Original Town of Gatesville

511 Saunders Street
Gatesville, Texas 76528

frame garage

Single Story
Rock Masonry
& Frame Res.

(West 88')
S88°30'43"W 88.00'

Saunders Street

Leaird's Furniture, Inc.
(Part of Block 65)
Doc. No. 165964

(South 475 links)
S01°07'02"E 439.36'
426.21'

Casas for All, LLC
(part of Lot 1, Block 65)
Doc. No. 374415
Vol. 145 Page 501

N01°07'02"W 321.05'
(North 475 links)

298.60'

22.45'

13.15'

3

1

