

NOTICE

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

AGENDA

GATESVILLE CITY COUNCIL  
REGULAR CITY COUNCIL MEETING AND WORKSHOP

JANUARY 9, 2018

5:30 P.M.

GATESVILLE COUNCIL CHAMBER,  
110 NORTH 8TH STREET  
GATESVILLE, TEXAS 76528

An Open Meeting will be held concerning the following subjects:

1. Call to Order at \_\_\_\_\_ p.m., this 9th day of January, 2018
2. Hear Visitors/Citizens Forum: At this time, any person with business before the Council not scheduled on the agenda may speak to the Council for a maximum of three (3) minutes. No formal action can be taken on these items at this meeting.
3. Consent Agenda (all consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)

2018-01

Consider approval of minutes from regular City Council meeting December 12, 2017

2018-02

Consider approval of second reading of Ordinance 2017-08 amending the Zoning Ordinance of the City of Gatesville, Texas being Ordinance Number 95-17, changing the zoning of two parcels of land located at 307 & 309 State School Road, legally known as part of Block 5 Northern Annex from Agricultural Suburban Homesites Zoning District to Residential 2-4 Family Zoning District

2018-03

Consider approval of second reading of Ordinance 2017-10 amending Chapter 16, Article I, Planning, of the Code of Ordinances for the City of Gatesville and repealing Section 4 in the 1995 Zoning Ordinance as it now exists and repealing all Ordinances or parts of Ordinances herewith

4. Consider second reading of Ordinance Number 2017-09 removing and amending Section 12-Uniform Sign Regulations from the 1995 Zoning Ordinance and move to reserved Chapter 12 in the City of Gatesville's Code of Ordinances
5. City Manager's Report
6. Recess Regular Meeting and call an Executive Session -----

Closed Meeting:

Section 551.074- Personnel- Discussion: Employment of the City Attorney

Discussion: Arrangements for agreement with a law firm regarding municipal legal services

7. End closed session and reconvene regular Meeting
8. Consider action required from Executive Session concerning Personnel- Employment of the City Attorney
9. Consider action required from Executive Session concerning Personnel- Arrangements for agreement with a law firm regarding municipal legal services
10. Recess Regular Meeting and call a workshop-----

Briefing/discussion of a Fund Balance Policy

11. Adjourn meeting and workshop at \_\_\_\_\_ p.m., this 9th day of January, 2018

I hereby attest that the above agenda was posted on this the 5th day of January 2018, by 5:00 p.m. on the official City of Gatesville website, [www.ci.gatesville.tx.us](http://www.ci.gatesville.tx.us) and the official bulletin boards at the Gatesville City Hall, 110 N. 8<sup>th</sup> Street, Gatesville, Texas.

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Wendy Cole  
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 [wendy.cole@ci.gatesville.tx.us](mailto:wendy.cole@ci.gatesville.tx.us) for further information.

REGULAR CITY COUNCIL MEETING AND WORKSHOP

JANUARY 9, 2018 AT 5:30 P.M.

COUNCIL CHAMBER, 110 NORTH 8TH STREET

GATESVILLE, TEXAS 76528

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS:

1) CALL TO ORDER REGULAR CITY COUNCIL MEETING AT 5:31 P.M., THIS 9TH DAY OF JANUARY, 2018

PRESENT: Mayor Chumley, Council Members, Viss, Mitchell, Suson, Doyle, Hitt and Rainer

ABSENT: City Attorney Sandy Gately

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, Brenda Kiphen, David Bullard & daughter and Kaley Branch

2) HEAR VISITORS/CITIZENS FORUM: AT THIS TIME, ANY PERSON WITH BUSINESS BEFORE THE COUNCIL NOT SCHEDULED ON THE AGENDA MAY SPEAK TO THE COUNCIL FOR A MAXIMUM OF THREE (3) MINUTES. NO FORMAL ACTION CAN BE TAKEN ON THESE ITEMS AT THIS MEETING.

David Bullard and his young daughter of 614 Golf Course Road addressed the council. Mr. Bullard said that he is still experiencing the same issues that he complained about last time he came before the council:

1. Water draining into his yard from all the properties above him and thinks it will be worse when Ms. Day builds her new house. An 800 year old Oak tree has died, he believes because of the excess water.
2. Issues with the grinder pump that the City put in for him.
3. Neighbor dogs barking constantly and wakes daughter up every day.

Mr. Bullard asked the Council for help because he said that when he reports any issues nothing gets done.

Mayor Chumley informed Mr. Bullard that these issues will be looked into and will be reported back to the City Council.

3) CONSENT AGENDA (ALL CONSENT AGENDA ITEMS ARE CONSIDERED ROUTINE BY CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS COUNCILMEMBER REQUESTS AN ITEM BE REMOVED AND CONSIDERED SEPARATELY.)

2018-01

Consider Approval of Minutes from Regular Council Meeting December 12, 2017

2018-02

Consider approval of second reading of Ordinance 2017-08 amending the Zoning Ordinance of the City of Gatesville, Texas being Ordinance Number 95-17, changing the zoning of two parcels of land located at 307 & 309 State School Road, legally known as part of Block 5 Northern Annex from Agricultural Suburban Homesites Zoning District to Residential 2-4 Family Zoning District

2018-03

Consider approval of second reading of Ordinance 2017-10 amending Chapter 16, Article I, Planning, of the Code of Ordinances for the City of Gatesville and repealing Section 4 in the 1995 Zoning Ordinance as it now exists and repealing all Ordinances or parts of Ordinances herewith

Mayor Chumley asked if anyone would like to remove any items from the consent agenda for discussion. No one objected and Mayor Chumley asked for a motion to approve all the items on the consent agenda.

Motion by Rainer, seconded by Viss all voting “Aye” to approve:

RESOLUTION NUMBER 2018-01: Approve Minutes from Regular City Council Meeting December 12, 2017

RESOLUTION NUMBER 2018-02: Approve second reading of Ordinance 2017-08 amending the Zoning Ordinance of the City of Gatesville, Texas being Ordinance Number 95-17, changing the zoning of two parcels of land located at 307 & 309 State School Road, legally known as part of Block 5 Northern Annex from Agricultural Suburban Homesites Zoning District to Residential 2-4 Family Zoning District

RESOLUTION NUMBER 2018-03: Approve second reading of Ordinance 2017-10 amending Chapter 16, Article I, Planning, of the Code of Ordinances for the City of Gatesville and repealing Section 4 in the 1995 Zoning Ordinance as it now exists and repealing all Ordinances or parts of Ordinances herewith

4) CONSIDER SECOND READING OF ORDINANCE NUMBER 2017-09 REMOVING AND AMENDING SECTION 12-UNIFORM SIGN REGULATIONS FROM THE 1995 ZONING ORDINANCE AND MOVE TO RESERVED CHAPTER 12 IN THE CITY OF GATESVILLE’S CODE OF ORDINANCES

City Manager Parry explained that this Ordinance was pulled from the consent agenda since the last meeting because City staff has made a few minor changes to the Ordinance. As discussed at previous meetings, the Planning and Zoning Commission and City staff recommended to the City Council to move the Sign regulations from Section 12 of the 1995 Zoning Ordinance to the Code of Ordinances as a stand-alone chapter. City staff has discovered a few discrepancies and recommends Council approval at this second reading:

- Inserted an additional sentence under A. Scope, Zone A: “*See Chapter 14, Section 14-62 for signage regulations in reference to Sexually Oriented Businesses.*” This will alert anyone researching sign regulations that any signage regarding Sexually Oriented Businesses would need to look in Chapter 14, Section 14-62. A previous City Council designated a certain area in Gatesville for Sexually Oriented Businesses with different sign requirements than the Uniform Sign Regulations found in Section 12 of the Zoning Ordinance.
- Inserted an additional sentence under C. Prohibited Signs: “*It shall be unlawful for any person to attach or affix any advertising or other sign to any utility pole, traffic pole, street lighting standard or right-of-way within the city.*” This has been a long existing policy within the city and adding this will also reinforce the garage sale regulations.
- Strike the third paragraph in the preamble since it indicated that Section 12 would be moved with no changes and now changes have been made.

Following a brief discussion, Mayor Chumley asked for a motion.

Motion by Suson, seconded by Doyle, all voting “Aye” to approve:

RESOLUTION NUMBER 2018-04: Approve the second reading of Ordinance Number 2017-09 removing and amending section 12-Uniform Sign Regulations from the 1995 Zoning Ordinance and move to reserved Chapter 12 in the City of Gatesville’s Code of Ordinances.

5) CITY MANAGER'S REPORT:

1. INITIATIVES:

City of Gatesville Comprehensive Plan Update:

- During the 2018 budget process the Council approved funding to hire a Director of Planning. City Manager Parry said that he has engaged a former City Manager to be the Interim Director of Planning for the City of Gatesville. He has been a past City Manager of Marble Falls, Angleton and Lampasas. He has also been the Community Planner for the City of Copperas Cove. His name is Michael Stoldt and a letter of engagement was signed yesterday. Mr. Stoldt has agreed to assist the City on a part time basis (about 20 hours per week) and would work with the Planning and Zoning Commission and the City Council to reconcile the differences between our versions of the Subdivision Ordinance. He will also make contact with local colleges and universities to establish a Planning Internship where the City could get an internship(s) from a college with the goal to transition a college student into a permanent Director of Planning with the City of Gatesville. And lastly, would also assist as needed with the Comprehensive Plan.

-CAPITAL PROJECTS:

- Stillhouse Wastewater Treatment Plant (WWTP) Expansion:  
Wastewater Supervisor, Bobby Buster and Mr. Parry met with Walker Partners Engineers today and discussed what capacity the City would like to expand the WWTP. Walker Partners recommended that the City permit for 2.73 million gallons per day which would buy an 18 year solution to the Stillhouse WWTP.
- CDBG- Community Enhancement Fund Grant for Leon WWTP Solar Array:  
The City will likely request an extension of the grant due to engineering challenges. Have been in discussions with Hansen Engineering on the feasibility of a design-build project.

Other Activities/Dates of Note:

- March 3rd: City –wide garage sale- “Junk & Disorderly”. CVB Cheri Shepard has been getting positive responses.
- March 10: City –wide cleanup and Household Hazardous Waste event.

2. Budget/Financial Report. Property taxes are about to start coming in.

3. Leon River Bridge: TTG Utilities began mobilizing at the old Leon River Bridge to the slope protection project yesterday with the project substantially completed within 30 days.

4. Future Council Meeting Agenda Topics:

- The next Council meeting on January 23rd will include 3rd readings on the 3 ordinances and also more discussion on adopting a Fund Balance Policy and two P&Z actions.
- The next regularly scheduled Council meeting is set for February 13<sup>th</sup> but Mr. Parry said that he would be out of town at an Association of Defense Communities Conference. Parry proposed that the next Council meeting be moved to February 6th. He asked everyone to check their calendars to see if that would work.

5. Black Vulture Management:

Mr. Parry explained that the City was approached by a Wildlife Damage Management Technician from Coryell County Texas AgriLife Extension Services regarding a large number of black vultures nesting on buildings and dead trees on West Main Street. The City has signed a no-cost agreement for them to work to move or eradicate these birds before they begin roosting in residents' eaves. No intent to use firearms – preference is to relocate into the Leon River bottoms; everything will be coordinated with the Gatesville PD.

Councilmember Comments:

Mayor: Mayor Chumley commented in regards to the visitor in the citizen's forum earlier in this meeting, that if his grinder pump is putting sewer on the ground it is not working correctly and it

is his responsibility to get it repaired. Mayor Chumley said that he also has a grinder pump and they must be regularly maintained. City Manager Parry said that workers from the water department and also the City Inspector have gone out several times to look at the pump and that there are always rags and various items that have been pulled out. He has been told numerous times that those things cannot be flushed. Also the cover has not always been on the pump.

Mr. Parry said that there may be drainage problems in this area. It is an old subdivision with everyone in the area on septic tanks except for Mr. Bullard.

The dog issues with his neighbor are pending in court.

Councilmember Mitchell: Thanked Water Superintendent, Rodney Murry, and the Water Distribution Department for the sewer work that was completed between his building on Hwy 36 and the Stripes convenient store.

6) RECESS REGULAR MEETING AT 6:00 P.M. AND CALL AN EXECUTIVE SESSION -----

CLOSED MEETING:

Section 551.074- Personnel- Discussion: Employment of the City Attorney

Discussion: Arrangements for agreement with a law firm regarding  
municipal legal services

7) END CLOSED SESSION AND RECONVENE REGULAR MEETING AT 6:43 P.M.

8) CONSIDER ANY ACTION REQUIRED FROM EXECUTIVE SESSION CONCERNING  
PERSONNEL- EMPLOYMENT OF THE CITY ATTORNEY

Mayor Chumley asked for a motion regarding the Closed Session.

Councilmember Viss made the motion to for the City of Gatesville to cease employment with the current Gatesville City Attorney, Sandy Gately.

Motion by Viss, seconded by Hitt, all voting "Aye" to approve:

RESOLUTION NUMBER 2018-05: Terminate employment with current Attorney for the City of Gatesville, Sandy Gately, effective immediately.

9) CONSIDER ANY ACTION REQUIRED FROM EXECUTIVE SESSION CONCERNING  
PERSONNEL- ARRANGEMENTS FOR AGREEMENT WITH A LAW FIRM REGARDING  
MUNICIPAL LEGAL SERVICES

Mayor Chumley asked for a motion regarding the Closed Session.

Councilmember Viss made the motion that the Council approve the employment of the firm, Haley & Olson as the City Attorney and Buenger and Associates as the Municipal Attorney, effective immediately.

Motion by Viss, seconded by Suson, all voting "Aye" to approve:

RESOLUTION NUMBER 2018-06: Approve employment of Haley & Olson, Attorneys at Law as the City of Gatesville Attorney and Buenger & Associates as the Municipal Attorney, both effective immediately.

10) RECESS REGULAR MEETING AND CALL A WORKSHOP-----

BRIEFING/DISCUSSION OF A FUND BALANCE POLICY

City Manager Parry explained that this workshop was to discuss the possibility of the City of Gatesville adopting a Fund Balance Policy at a future meeting. The City of Gatesville does not have a Fund Balance Policy and the Reserve is technically not the Fund Balance- but can be included in it.

The realization that the City should possibly have a Fund Balance Policy surfaced during credit rating analyses last summer; first with Moody’s, and then Standard & Poor’s. City Manager Parry noted that there is no statutory requirement for a Fund Balance Policy, although most other cities have one and it is also considered a “best practice” by the Government Finance Officers Association. A Fund Balance Policy will give a city predictability to the “rainy day fund” and predictability for cities tax rates. Because the City of Gatesville has debt, it is required that a copy of the City’s annual audited financial statements be provided to the bonding agencies for review. The current rating from Standard & Poor’s for the City of Gatesville is A+ which is the fifth tier down and the current rating from Moody’s for the City of Gatesville is A2 which is the sixth tier down. Moody’s median rating for all cities nationwide is Aa3 which is the fourth level down. A Fund Balance Policy will provide predictability to the City to mitigate current & future risks, specifically revenue shortfalls or unbudgeted expenses, as well as ensure stable tax and water/sewer rates. Should the Council decide to go forward with a Fund Balance Policy, it would need to be determined how to fund it and how long to do it. Parry discussed several different cities and their percentages of operating expenses in the general and enterprise funds. How many months and levels of operating expenses are needed, varies, depending on the circumstances of each city.

Factors bearing on determining the level of unrestricted fund balance are:

- Predictability of revenues/volatility of expenditures
- Perceived exposure to one-time outlays (disasters or immediate capital needs)
- Potential impact on the City’s bond ratings and increased costs of borrowed funds
- Commitments and assignments

Credit rating agencies carefully monitor levels of fund balance and unreserved fund balance in a government’s general fund to evaluate a government’s credit worthiness, therefore, rating agencies favor higher levels of fund balance.

Mr. Parry discussed the City of Gatesville’s Audit report, Governmental Accounting Standards Board (GASB54) and noted that auditors look at procedures only, not practices.

Parry said that he has sent a note to the City’s analysts at Standard & Poor’s for their determination of what a good fund percent would be to upgrade the City of Gatesville’s credit rating.

Following a lengthy discussion regarding fund balance classifications and components of a fund balance policy it was decided that the Council wanted to look into the possibility of adopting a Fund Balance Policy which would hopefully gain more favorable rates for the City. Parry said that staff will present a draft policy and resolution at the January 23<sup>rd</sup> Council meeting, which will determine the percentage of revenues (or expenses) for the fund balance, and determine the time horizon to achieve that goal.

11) ADJOURN MEETING AND WORKSHOP AT 7:18 P.M., THIS 9TH DAY OF JANUARY, 2018

ATTEST:

\_\_\_\_\_  
Wendy Cole, City Secretary

APPROVED:

\_\_\_\_\_  
Gary M. Chumley, Mayor

