CITY COUNCIL MEETING AUGUST 12, 2025 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 12TH DAY OF AUGUST 2025.
- 2) QUORUM CHECK/COUNCIL PRESENT: Mayor Gary Chumley, Mayor Pro-Tem Greg Casey, Councilmembers Kalinda Westbrook, Aaron Smith, Meredith Rainer, John Salter, and Joe Patterson.

CITY STAFF PRESENT: City Manager Brad Hunt, City Secretary Holly Owens, Deputy City Manager/Finance Director Mike Halsema, Shea Harp, Chad Newman, Seth Phillips, Captain Keith Mueller, Fire Chief Billy Vaden, and Patrice Gilbert.

OTHERS: Leo Corona, Steve Dowell, Matt McGowen, Nikki Foster, Krista Mooreland, Gerald Pelkey, Wes Bishop, Kim Hill, and Travis VanBibber.

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 ALLOTED 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.

There were no public comments.

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 2025-069: Discussion and possible action regarding approval of minutes from Regular City Council Meeting held on July22, 2025.
 - b. Resolution 2025-070 & Resolution 2025-071: Discussion and possible action regarding a resolution ratifying entry into the "Purdue Sackler" and "Alvogen et al" Opioid Settlements.

 (Brad Hunt)
 - c. Resolution 2025-072: Consider a resolution calling and ordering a General Election to be held on November 4, 2025, for the purpose of electing Ward 2 Place 5, Ward 1 Place 3, and Ward 1 Place 1 Council Members, all for a two-year term. (Holly Owens)
 - **d. Resolution 2025-073:** Discussion and possible action regarding authorization for City Manager to sign a letter with Coryell Hydro Power on behalf of the City of Gatesville. (Brad Hunt)

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Councilwoman Rainer expressed her concern regarding the letter of intent for a product that has not been proven and realizes that the letter is not a binding agreement, but it is still concerning.

Councilman Casey agreed and does not like long-term agreements.

Councilwoman Westbrook expressed concern about the technique to extract the water and the impact to the area.

Brad Hunt agrees with Council which is why there was a request for legal reviewing the letter to make sure there is no binding language affecting the City.

Councilman Patterson asked if there is a concern about the City's water rights. Mr. Hunt stated there is no immediate concern, however, that can change ten years from now.

Councilman Patterson asked what the benefit is for the City to sign the LOI. Mr. Hunt stated it would give the City of Gatesville first priority.

Mr. Hunt suggested the Council have an executive session to discuss the letter with legal staff at the next Council meeting.

RESOLUTION 2025-073. Item 4d: Motion by Meredith Rainer, seconded by Jon Salter to **TABLE**, **RESOLUTION 2025-073**. All six voting "Aye", motion passed 6-0-0.

Item 5 was moved to the bottom of the agenda.

OTHER BUSINESS:

6) Discussion and possible action regarding Ordinance 2025-13, amending the Comprehensive Zoning Ordinance, Zoning Map, and Comprehensive Plan of the City of Gatesville.
Matt McGowen with Trafalgar Homes came forward to answer any questions.

Councilman Patterson asked what would happen to the land if Phase One does not have the demand necessary for the additional phases. Mr. McGowen stated there are generally years between phases and whether Gatesville grows or not, there is a current need for what Trafalgar offers and Trafalgar is a long-term owner.

Councilman Patterson asked how Trafalgar believes there is a demand for 200 units. Mr. McGowen stated their reports show a need for 24-48 units for Phase One.

Councilman Patterson asked if it typical to rezone the whole property for all three phases. Mr. McGowen stated yes because if the property is not zoned appropriately for the use, it has no value. It is common to build and grow into a property. Finally, city staff have final say over the plans and drainage for the structures.

Councilman Patterson stated city staff can only regulate what is written within the Code of Ordinances and the building code.

Mr. McGowen stated Councilman Patterson had mentioned during the first reading that he should recuse himself from this case. Councilman Patterson disagreed but stated he would recuse himself.

Councilwoman Rainer explained that the Comprehensive Zoning which was voted on five years ago expressly shows this area as Suburban Residential and read aloud the definition. This is not the right area for townhomes and believes it would be better suited if it was located closer to FM 116.

Councilman Patterson added Council was told this area would remain Suburban Residential when the property was annexed into the city.

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property and zoning was not considered. It was recommended to zone the property for the use of Suburban Residential with the ability to rezone at a future date. Currently, the school district has lost some teachers because they could not find housing and believe this is a good development for this property. The location is not that far back on Old Pidcoke Road, and families do not want to be located that close to FM 116.

Councilman Patterson asked if it was ever considered to locate the development closer to FM 116. Ms. Mooreland stated she would like to keep the front portion for commercial use and considered leaving the middle open in case the commercial would like to expand further or have a need for a deeper piece of property. Also, there is not much difference between this and Osage Road.

Councilwoman Rainer stated there is a difference because to get into town from Old Pidcoke Road is to follow the road to Hwy 84 instead of FM 116 to Hwy 84. Ms. Mooreland disagreed and explained that FM 116 would be the path chosen because Old Pidcoke Road is too bumpy while FM 116 is not. Councilman Salter agreed with Ms. Mooreland.

Gerald Pelkey, owner of Studebaker's Pizza, came forward to speak in favor of the development. Mr. Pelkey believes housing is needed for the growth that is happening.

Wes Bishop, Trafalgar Homes came forward to answer any questions. Mr. Bishop stated that Trafalgar Homes are long term owners who become neighbors within the community. The response from the local business owners has been very positive and is surprising the reactions that have been received from Council.

Councilman Patterson stated it is the responsibility of the Council to balance the budget and work to look ahead at the needed infrastructure. If this development is successful, the road will need to be widened and improved, and it is up to Council to figure out how to make that happen.

Mr. Bishop acknowledges the struggles that Council must work through to maintain the municipality. It takes years of growth to bring in a balance of revenue to maintain that growth.

Councilwoman Rainer asked Mr. Hunt if FNI has reviewed this development. Mr. Hunt stated FNI has not reviewed this development yet because it is too early in the process.

Kim Hill came forward to speak in favor of this development. Middle income type housing is needed in Gatesville. Ms. Hill read aloud 2 letters (Dr. Pollard of GISD and Clay McCullen) both in favor of development.

Councilwoman Rainer explained that everyone agrees that Gatesville needs to grow but it needs to be in the right area and believes that Old Pidcoke Road is not the ideal location for this development.

Councilwoman Rainer asked why FNI cannot give the City an estimate about widening the road, water, and sewer for the development. Mr. Hunt stated that is not required for a rezoning and would be additional cost to the City.

Councilman Patterson stated this property has been zoned AG for decades and now the owner is requesting to rezone eight acres for multi-family. If the development is successful, the City will have to pay to upgrade the infrastructure and if it is not successful, there is eight acres of property zoned multi-family that will be sold to someone who does not care about the community.

Councilman Smith stated he was the only one that voted no for this development during the last meeting. However, since then, Councilman Smith stated he has changed his mind because he went out and spoke to people about this development. This development will allow people who work here to be able to live here.

Councilwoman Westbrook stated that people cannot afford large lots and large homes right now. This

reading. All six voting: four "Aye", one "Nay" (Rainer), one "Abstain" (Patterson), Motion passes 4-1-1.

7) Discussion and possible action regarding a final plat located on 8.00 acres in the William Suggett Survey, Abstract No. 912, Coryell County, Texas.

<u>FINAL PLAT – WILLIAM SUGGETT SURVEY:</u> Motion to by Joe Patterson, seconded by Greg Casey to **TABLE** the final plat for Crescent Townhomes Addition. All six voting "Aye", motion passed 6-0-0.

8) Discussion and possible action regarding procedure for disbursement of Hotel Occupancy Tax (HOT) funds to local non-profit organizations.

Leo Corona came forward to request to serve on the HOT Funds Committee.

RESOLUTION 2025-075: Motion by Greg Casey, seconded by Meredith Rainer to **APPROVE RESOLUTION 2025-075**, establishing a formal procedure by which Hotel Occupancy Tax funds are disbursed, tracked, and accounted for. All six voting "Aye", motion passed 6-0-0.

9) Discussion and possible action regarding necessary repairs to City Hall.

RESOLUTION 2025-076: Motion by Jon Salter, seconded by Kalinda Westbrook to **APPROVE RESOLUTION 2025-076**, authorizing the city manager to negotiate and execute a contract with G2 General Contractors to conduct necessary repairs to the City Hall building, in an amount not to exceed \$63,954.69 and any additional payment or performance bond requirement; authorizing additional agreements and change orders as may be necessary relating to the repair; and providing an effective date. All six voting "Aye", motion passed 6-0-0.

Council requested a 5-minute break at 7:00 pm.

Council restarted at 7:08 pm.

10) Discussion and possible action to approve the proposed Fiscal Year 26 Property tax rate and set date/time/place for a tax rate Hearing.

RESOLUTION 2025-077: Motion by Kalinda Westbrook, seconded by Aaron Smith to **APPROVE** the rate of \$0.5600 per \$100 valuation as the City's proposed property tax rate for Fiscal Year 2026; and schedule a public hearing for September 9, 2025, at 5:30 p.m. to consider adoption of the fiscal year 2026 property tax rate. Roll Call vote, all six voting "Aye", motion passed 6-0-0.

11) Discussion and possible action regarding amending the FY 2024-2025 Budget.

ORDINANCE 2025-06: Motion by Meredith Rainer, seconded by Jon Salter to **PASS ORDINANCE 2025-06**, amending the FY 2025-2025 Budget, to a future Council meeting, **second reading**.

12) Budget Presentation.

Discussion only, no action was taken. Councilwoman Rainer left at 8:13 p.m.

13) Discussion and possible action regarding Intergovernmental Support Agreement between the City of Gatesville and North Fort Hood re: Management of North Fort Hood Recreation Center.

RESOLUTION 2025-078: Motion by Greg Casey, seconded by Jon Salter to **APPROVE RESOLUTION 2025-078**, authorizing City Manager Hunt to execute the IGSA on behalf of the City of Gatesville, with North Fort Hood. All five voting "Aye", motion passed 5-0-0 (Rainer).

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and file a lien on the property located at 108 N 14th Street. All five voting "Aye", motion passed 5-0-0 (Rainer).

City Council adjourned at 8:34 p.m.

Mayor, Gary Chumley

ATTEST:

City Secretary, Holly Owens