

**CITY COUNCIL MEETING
JULY 8, 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 8th DAY OF JULY 2025.**

2) QUORUM CHECK/COUNCIL PRESENT: Mayor Pro-Tem Greg Casey, Councilmembers Kalinda Westbrook, Aaron Smith, Jon Salter, and Joe Patterson.

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

OTHERS: Gatesville Messenger Staff Writer Alex Meelbusch, Leo Corona, Wes Bishop, Matt McGowen, Travis VanBibber, and Pete Weston.

3) INVOCATION: Aaron Smith and **PLEDGE OF ALLEGIANCE:** Led by Mayor Pro Tem Greg Casey.

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.

Mayor Pro Tem Casey announced there will be a coordinated community prayer outside the County Court House on July 9th at 6:00 PM.

PROCLAMATION:

4) HEB Contributions to the City of Gatesville.

Mayor Pro Tem Casey read aloud the proclamation.

CONSENT: 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.

- 5) 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 2025-059:** Discussion and possible action regarding approval of minutes from Regular City Council Meeting held on June 4, 2025.

CONSENT AGENDA: Motion by Jon Salter, seconded by Aaron Smith to **APPROVE** the **CONSENT AGENDA** as written. All four voting “Aye”, motion passed, 4-0-0. (Chumley and Rainer absent)

OTHER BUSINESS:

- 6) Discussion and possible action regarding award of a contract for Hughes EST exterior recoating and roof panel repair services.

RESOLUTION 2025-060: Motion by Joe Patterson, seconded by Kalinda Westbrook to **APPROVE RESOLUTION 2025-060**, awarding a contract to Maguire for the Hughes EST exterior recoating and roof panel repair services not to exceed \$217,201 and authorizing the City Manager to execute the contract on behalf of the City. All four voting “Aye”, motion passed 4-0-0. (Chumley and Rainer absent)

- 7) Discussion and possible action regarding a Resolution committing matching funds for the Texas Parks & Wildlife Local Park, Small Community Recreation Grant.

Councilman Patterson requested Staff to follow up to make sure HOT funds can be used for this expenditure.

RESOLUTION 2025-061: Motion by Kalinda Westbrook, seconded by Aaron Smith to **APPROVE RESOLUTION 2025-061**, supporting application for the TPWD Local Parks Grant, and committing matching funds of up to \$150,000 and verify with Legal approving the use of HOT Funds for this project. All four voting “Aye”, motion passed 4-0-0. (Chumley and Rainer absent)

- 8) General Summary of FEMA Process regarding April-May 2024 weather events; Discussion and possible action regarding continued pursuit of FEMA Funding to repair Faunt Le Roy Park.

Mr. Corona asked about a previous study done and if additional money was spent for a new study. Mr. Hunt stated the current study was done by Freese and Nicols and yes it did cost money.

RESOLUTION 2025-062: Motion by Jon Salter, seconded by Aaron Smith to **APPROVE RESOLUTION 2025-062**, supporting continuation of the pursuit of FEMA Funding for repairs to Faunt Le Roy Park, in the amount of \$709,339. All four voting “Aye”, motion passed 4-0-0. (Chumley and Rainer absent)

- 9) Discussion and possible action regarding a Resolution authorizing emergency culvert and sewer line repair.

RESOLUTION 2025-063: Motion by Joe Patterson, seconded by Jon Salter to **APPROVE RESOLUTION 2025-063**, authorizing the City Manager to negotiate and execute a contract with South

Lovers Lane drainage ditch repairs in an amount not to exceed \$59,175 for emergency repair to a box culvert on Lovers Lane in the City of Gatesville; authorizing additional agreements and change orders as may be necessary relating to the repair; and providing an effective date. All four voting “Aye”, motion passed 4-0-0. (Chumley and Rainer absent)

10) Discussion and possible action regarding Ordinance 2025-13, amending the Comprehensive Zoning Ordinance, Zoning Map, and Comprehensive Plan of the City of Gatesville.

Ms. Owens gave the report on the width of the road (18-22 ft.), traffic is minimal in the area with low crash reports according to TxDOT and the City of Gatesville owns the majority of Old Pidcock Road to allow for any future improvements.

Matt McGowen with Trafalgar Homes of Texas came forward to discuss the development and answer any questions. Mr. McGowen believes this development will increase property tax and generate additional sales tax from the residents who choose to live there along with water and sewer revenue.

Mr. Hunt explained the traffic count and crash report that was presented in the council packet.

Councilwoman Westbrook asked what part city is and what part is county. Mr. Hunt showed on the map where the city ends, and the county begins and explained that there are gaps throughout the city.

Councilman Patterson asked about the crash report. Mr. Hunt stated the report from TxDOT is the state report.

Councilman Patterson stated when this property was annexed into the City of Gatesville, there was the idea that the property would be developed as AG Suburban and Business Commercial along FM 116. Councilman Patterson stated he wants to be pro-growth, but it cannot be at the expense of the existing residents. This development will increase traffic to Old Pidcock Road which will affect the existing people who live along Old Pidcock Road. This request is for only 8 acres to be rezoned to multi-family, but it is also the possibility of 192 units being built which may or may not fill up and is a massive change to the area. Councilman Patterson would prefer it was located closer to the edge along FM 116.

Councilman Smith agrees with Councilman Patterson.

Councilwoman Westbrook stated she was on the fence as she explained that there is a great deal of young people who cannot afford a house but can afford an apartment and the housing is very much needed. This also applies to the aging demographics who are looking to downsize.

Councilman Patterson stated the development would make more sense in an already developed area versus along a country road away from any development. This puts a strain on city services such as police and first responders along with road improvements and overall infrastructure without any cost to the developer.

Wes Bishop with Trafalgar Homes of Texas came forward and stated that Trafalgar Homes has not requested any road or infrastructure improvements/costs. The company installs all public works on the property at the company's expense. Trafalgar Homes works with the community and the local

government to improve the area with a market rate product. Trafalgar Homes remains the owner and works to be good neighbors. Typically, a development like this prefers to be away from high density areas.

Councilman Patterson expressed his concern that once these 8 acres is rezoned, the City has no leg to stand on. There is nothing that the City can require once there are several units out there and there are fatalities every other week and traffic concerns.

Mr. Bishop stated if a situation is created by our development, it is important that as a partner with the City, Trafalgar Homes and the City work together to elevate the problems. Development is a balance between rooftops and commercial. One cannot survive without the other.

Councilman Casey asked why Trafalgar Homes chose the spot in the middle of Old Pidcocke Road versus more towards FM 116. Mr. Bishop stated the availability of water and sewer along with the owners of the property played a large part for the choice. The owner prefers to see commercial and retail along FM 116.

Councilman Patterson asked if Trafalgar Homes had considered accessing the development from FM 116 instead of Old Pidcocke Road. Mr. Bishop stated in the future that is a possibility once the area along FM 116 is developed, and an agreement can be made between the commercial development and Trafalgar for a right-of-way access easement.

Councilman Patterson stated what is the point of zoning if it is changed from AG Suburban to Multi-Family.

Kim Hill came forward to speak in favor of this development and stated that affordable housing is needed.

Councilman Patterson asked Staff if this sets the precedence for developers with the mindset that they are creating property and sales tax, so they can build what they want and where they want leaving the City to figure out how to make it work and deal with the future. Mr. Hunt stated from a law enforcement perspective, the traffic is not a concern and drainage and civils will be required for review. Phase 1 will not have an impact on the road, however, if additional phases are considered, it will be addressed as needed.

Ms. Owens added that there have been moments that Staff has spoken to a developer and what they wanted to build or develop did not fit within the zoning and the developer was informed it was something that would not be supported by Staff for a variance or a zoning change.

Councilman Salter explained that he was on the fence too and believes the road is acceptable for phase 1, however, some work would need to be done on the road for additional phases.

Councilman Patterson expressed his concern and stated it is not phase 1 that he is worried about; it is the additional phases that the City will not have any control over. Councilman Smith added, once the property is rezoned it does not matter whether the development is successful or not. Rezoning opens doors for the next developer who may or may not care about the long-term effects of the development.

Mr. Hunt stated the City does maintain control regarding permits and inspections. Each phase will be required to submit for permits that included structural, civils, and drainage.

Councilman Patterson stated if the City had a Planning Director, they would disagree with that statement. Ms. Owens stated phase 1 is a blank slate and as additional phases are introduced, additional information is taken into consideration. Councilman Patterson stated that is more of a commonsense stance but does not believe it can be required. Ms. Owens stated that it can be required under the International Code Council which the City has adopted.

Mr. McGowen explained that anytime our developments have impacted on the infrastructure, Trafalgar helps to improve the infrastructure.

ORDINANCE 2025-13: Motion by Kalinda Westbrook, seconded by Jon Salter to **PASS ORDINANCE 2025-13** approving the zoning change of a portion of 911 Old Pidcock Road located in the William Suggett Survey, Abstract 912 from AG Suburban to Residential Multi-Family, **second reading**, to the next meeting. Three voting “Aye”, One voting “Nay” motion passed 3-1-0 (Smith Against) (Chumley and Rainer absent).

11) Discussion and possible action regarding Ordinance 2025-14, amending Chapter 32, adding Article IX. – Coin Operated Machines and Indoor Amusement Facilities.

ORDINANCE 2025-14: Motion by Aaron Smith seconded by Jon Salter to **PASS ORDINANCE 2025-14** amending Chapter 32, adding Article IX. – Coin Operated Machines and Indoor Amusement Facilities, **second reading**, to the next meeting. All four voting “Aye”, motion passed 4-0-0 (Chumley and Rainer absent).

12) Adjourn Meeting

City Council **adjourned at 7:47 p.m.**

Mayor Pro Tem, Greg Casey

ATTEST:

City Secretary, Holly Owens



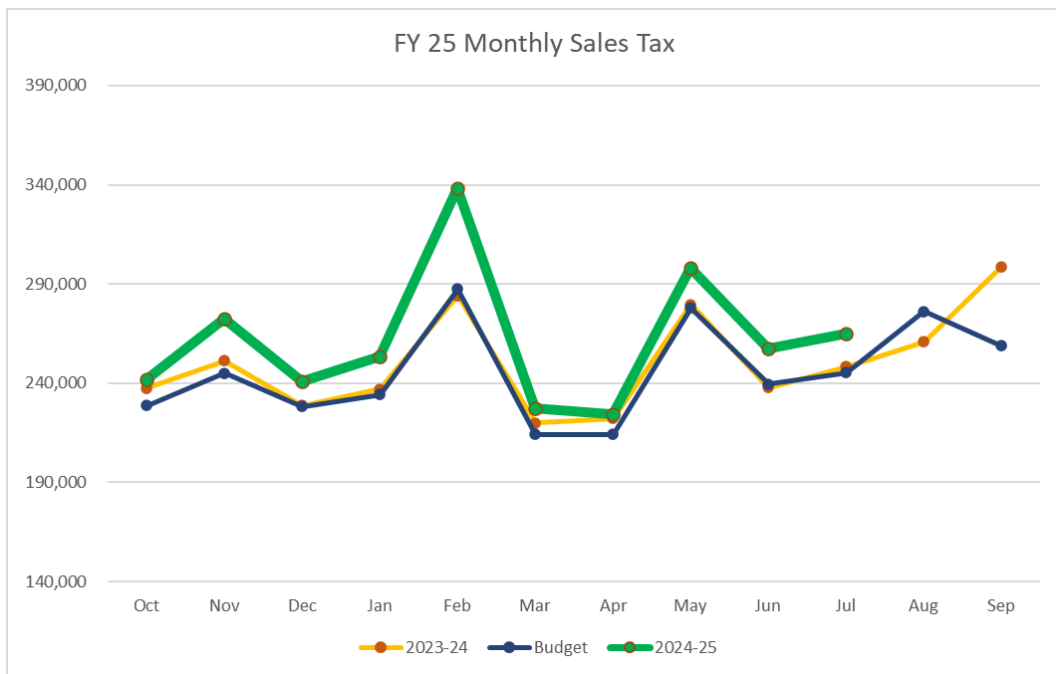
FY 2024-2025 Monthly Financial Report

MAY
2025

General Fund

	MAY	2024-25 Budget	2024-25 YTD	% YTD
Revenues				
AV Taxes	48,445	2,952,906	3,163,048	107.1%
Sales Tax	298,310	2,950,000	2,097,653	71.1%
Franchise Fees	42,340	802,000	625,936	78.0%
Fines & Fees	10,832	152,000	87,087	57.3%
Other taxes	810	15,000	8,029	53.5%
Licenses & Permits	10,105	62,600	138,948	222.0%
Rental Income	5,948	64,000	50,577	79.0%
Parks & Rec	43,545	420,000	288,217	68.6%
Misc. Revenues	24,504	151,500	142,084	93.8%
Intergovernmental	-	371,459	-	0.0%
Inter fund Transfers	47,627	687,503	381,017	55.4%
TOTAL REVENUES	532,466	8,628,968	6,982,595	80.9%

	MAY	2024-25 Budget	2024-25 YTD	% YTD
Expenditures				
LIBRARY	27,840	290,663	190,897	65.7%
ADMINISTRATION	164,274	1,423,950	1,041,307	73.1%
PLANNING	10,859	152,200	66,906	44.0%
POLICE	291,997	2,878,749	1,856,854	64.5%
COURT	20,943	199,062	142,193	71.4%
FIRE	9,331	372,758	282,775	75.9%
STREET	100,774	1,229,677	666,503	54.2%
FLEET SERVICES	21,258	148,370	111,196	74.9%
BUILDING INSPECTIONS	17,060	128,911	104,880	81.4%
PARKS & RECREATION	98,114	859,978	577,494	67.2%
FT HOOD REC MGMT	0	371,459	0	0.0%
FITNESS CENTER	28,301	324,500	221,231	68.2%
SWIMMING POOL	9,956	124,138	32,399	26.1%
CIVIC CENTER	9,925	124,553	74,369	59.7%
TRANSFER EXPENSE	0	0	0	0.0%
TOTAL EXPENDITURES	810,632	8,628,968	5,369,005	62.2%
Gain (Loss)		-	1,613,591	



Expenditures	Budget	YTD	
Salaries	\$4,163,057	\$2,543,510	61.1%
Benefits	\$1,246,073	\$701,557	56.3%
Professional Services & Training	\$796,626	\$454,373	57.0%
Utilities	\$282,945	\$212,151	75.0%
Materials & Supplies	\$291,876	\$304,621	104.4%
Maintenance & Operations	\$1,420,756	\$885,853	62.4%
Lease & Rental	\$280,259	\$133,684	47.7%
Miscellaneous	\$0	\$9,096	0.0%
Grant Expenses	\$0	\$0	0.0%
Debt Service	\$65,154	\$40,674	62.4%
Transfers	\$0	\$0	0.0%
Capital Outlay	\$82,221	\$83,486	101.5%
Total Expenditures:	\$8,628,968	\$5,369,005	62.2%

- Total Year-to-Date (YTD) revenues stand at 81% of the annual budget of \$8,628,968.
- Sales tax collections are exceeding budget, and higher than prior year.
- Property tax collections are as expected for YTD, and have exceeded budget
- Licenses & permits increased due to increased development activity.
- Fire department expenditures are elevated due to 1-time expenditures.
- Building Inspections expenditures are elevated due recording code enforcement salaries in this department
- Capital Outlay is increased due to one-time purchases made at the beginning of the year.

Water & Sewer Fund

	MAY	2024-25 Budget	2024-25 YTD	% YTD
Water				
Revenues				
Water Sales				
Residential	145,647	1,971,963	1,192,949	60.5%
Commercial And Institutional	170,377	2,021,987	1,427,240	70.6%
Wholesale	79,630	1,041,281	656,356	63.0%
Connections & Installs	34,553	31,300	39,374	125.8%
Misc.	7,691	71,000	108,245	152.5%
Subtotal	437,898	5,137,531	3,424,164	66.6%
Expense				
Distribution & Collections				
Personnel	87,234	757,838	510,996	67.4%
O&M	29,879	518,062	409,842	79.1%
Debt Service	-	206,225	181,775	
Capital Outlay	692	1,308,987	9,076	0.7%
Production				
Personnel	55,394	507,570	357,679	70.5%
O&M	122,877	1,705,291	857,491	50.3%
Debt Service	-	928,128	133,596	
Capital Outlay	18,956	30,922	96,957	313.6%
Subtotal	315,033	5,963,023	2,557,412	42.9%
Sewer				
Revenues				
Sewer Fees				
Residential	112,826	944,612	865,490	91.6%
Commercial And Institutional	152,823	2,074,791	1,234,184	59.5%
Connections & Installs	5,808	9,300	12,036	129.4%
Misc.	2,639	29,000	35,235	121.5%
Subtotal	274,097	3,057,703	2,146,945	70.2%
Expense				
Personnel	57,115	519,264	339,534	65.4%
O&M	104,605	1,029,059	758,329	73.7%
Debt Service	-	897,327	45,363	
Capital Outlay	65,347	9,159,200	1,938,072	21.2%
Subtotal	227,066	11,604,850	3,081,298	26.6%
Sanitation				
Revenues	75,756	889,920	597,709	67.2%
Expense	74,117	865,700	438,008	50.6%
Non Departmental				
Revenues				
Grants & reimbursements	-	10,177,182	1,813,858	17.8%
Interest	32,627	153,600	301,472	196.3%
Subtotal	32,627	10,330,782	2,115,329	20.5%
Expense				
Transfers and Franchise fees	83,186	982,363	670,153	68.2%
Grand Total				
Revenues	820,376	19,415,936	8,284,148	42.7%
Expense	699,402	19,415,936	6,746,871	34.7%
Gain (Loss)	120,974	-	1,537,276	

Residential Water Sales: \$1,192,949 year-to-date (YTD), 61% of the annual budget.

Commercial & Institutional Sales: \$1,427,240 YTD, 71% of the budget.

Wholesale Sales: \$656,356 YTD, 63% of the budget.

Total Water Revenues: \$3,424,164 YTD, achieving 67% of the annual budget.

Water expenditures are as anticipated within budget.

Water retail and wholesale rate studies are in progress.

Residential Sewer Fees: \$865,490 YTD 92% of the budget.

Commercial & Institutional Sewer Fees: \$1,234,184 YTD 60% of the budget.

Sewer expenses are driven primarily by the Stillhouse plant renovation project

Planned capital projects are underway, most are still in preliminary stages at this point

Airport Fund

		FY25	YTD	% of
AIRPORT REVENUE		Budget	MAY	Budget
060-4-101-4203	RECEIPTS OF GAS/OIL SAL	\$ 23,000	\$ 5,400	23.5%
060-4-011-4302	RECEIPTS OF HANGAR RENT	\$ 28,500	\$ 26,960	94.6%
060-4-101-4303	RECEIPT OF BUILDING LEASES	\$ -	\$ -	
060-4-101-4550	MISCELLANEOUS	\$ -	\$ 518	
060-4-011-4600	GRANT REIMBURSEMENTS	\$ -	\$ -	
060-4-011-4400	INTEREST		\$ 3,297	
060-4-101-4750	RAMP Grants	\$ 3,000	\$ 1,264	42.1%
TOTAL REVENUE		\$ 54,500	\$ 37,438	68.69%

EXPENDITURES				
060-5-150-10080	CONTRACT SERVICES	\$ 7,200	\$ 1,012	14.1%
060-5-150-20010	UTILITIES	\$ 6,000	\$ 3,701	61.7%
060-5-150-20020	MAT., SUP., & PRINTING	\$ 1,000	\$ 51	5.1%
060-5-150-20045	PROP, LIAB, WC INSURAN	\$ 3,700	\$ 4,746	128.3%
060-5-150-20090	EQUIPMENT PURCHASE	\$ -	\$ -	
060-5-150-20170	CREDIT CARD SERV FEE	\$ 450	\$ 160	35.6%
060-5-150-30010	GAS & OIL	\$ -	\$ -	
060-5-150-30015	FUEL FOR RESALE	\$ 20,000	\$ 4,236	21.2%
060-5-150-30020	MISCELLANEOUS	\$ 600	\$ -	0.0%
060-5-150-30070	MAINTENANCE AGREEMENT	\$ -	\$ -	
060-5-150-40010	CAPITAL OUTLAY	\$ -	\$ -	
060-5-150-50010	REPAIRS & MAINTENANCE	\$ 15,550	\$ 2,599	16.7%
060-5-150-61415	GRANT EXPENDITURES		\$ -	
TOTAL EXPENSES		\$ 54,500	\$ 16,504	30.28%

Gain (Loss) **20,934**

Fuel tank, POS and pump system replacement underway, eligible for RAMP grant 90/10.

Hotel Occupancy Tax (HOT) Fund

		FY25	YTD	% of
HOT FUND REVENUE		Budget	MAY	Budget
040-4-008-4400	INTEREST	8,000	18,830	235.4%
040-4-008-4500	Prior Year Resources	-	0	
040-4-008-4950	HOTEL OCCUPANCY TAX	150,000	286,802	191.2%
TOTAL REVENUE		\$ 158,000	\$ 305,632	193.44%

EXPENDITURES				
040-5-138-60010	TRANSFER TO GENERAL FUND	\$ 29,610	0	0.0%
040-5-138-61000	CVB CENTER EXPENSES	\$ -	0	
040-5-138-61010	ADVERTISING	\$ 18,500	23,765	128.5%
040-5-138-61020	PROMOTION OF THE ARTS	\$ 5,000	0	0.0%
040-5-138-61030	SIGNAGE & WAYFINDING	\$ -	0	
040-5-138-61040	PROMOTION OF SPORTING EVENTS	\$ 102,023	-	0.0%
040-5-138-61050	HISTORICAL PRESERVATION	\$ -	-	
TOTAL EXPENSES		\$ 155,133	\$ 23,765	15.32%

Gain (Loss)

281,867

Includes Chamber payment of \$10k for advertising and reversed contribution for MUSCO lights

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

Greg Casey, Mayor Pro Tem

ATTEST:

Holly Owens, City Secretary

AGENDA INFORMATION SHEET
ITEM NO. CONSENT 4c

**APPLICATION FOR AUTHORITY TO INCREASE RATES
SUBMITTED BY ONCOR ELECTRIC DELIVERY COMPANY LLC ON
ABOUT JUNE 26, 2025**

BACKGROUND

On or about June 26, 2025, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent to increase its revenues by approximately \$833.6 million, which equates to a net increase of approximately 13.0% in Oncor’s overall revenue. Oncor proposes to implement its proposed increase in rates effective July 31, 2025. For a Residential customer using 1,000 kWh per month, their bill would increase by about \$7.00 per month.

The City must take action on Oncor’s application by no later than July 31, 2025. Failure to take action by July 31, 2025, will result in Oncor’s proposed rates being deemed approved by operation of law.

Table 1 below shows the impact Oncor’s proposed increase in revenue would have on a customer-class basis.

TABLE 1

Rate Class	No. of Customers	Present Revenues	Proposed Change	Proposed Revenues	Pct Change
		(a)	(b)	(c)	(d)
Residential	3,462,111	\$2,580,905,272	\$317,904,421	\$2,898,809,693	12.3%
Secondary <= 10 kW	287,174	\$93,725,157	-\$860,323	\$92,864,834	-0.9%
Secondary > 10 kW	234,639	\$1,756,680,019	\$185,355,399	\$1,942,035,417	10.6%
Primary DL <= 10 kW	3,135	\$1,756,235	\$2,765,049	\$4,521,284	157.4%
Primary > 10 kW Dist. Line	7,018	\$381,413,705	\$82,980,877	\$464,394,582	21.8%
Primary > 10 kW Substation	163	\$78,526,823	\$21,136,368	\$99,663,191	26.9%
Transmission	340	\$210,042,143	\$66,414,244	\$276,456,387	31.6%
Lighting	<u>51,221</u>	<u>\$64,581,935</u>	<u>\$32,942,469</u>	<u>\$97,524,404</u>	<u>51.0%</u>
	4,045,801	\$5,167,631,289	\$708,638,504	\$5,876,269,793	13.7%
Wholesale Substation	18	\$1,796,211	\$148,164	\$1,944,375	8.2%

Wholesale DLS	52	\$8,861,401	-\$75,971	\$8,785,429	-0.9%
Other Revenue	-	\$68,238,685	\$12,775,644	\$81,014,329	18.7%
	4,045,871	\$5,246,527,585	\$721,486,341	\$5,968,013,926	13.8%
Network Transmission Revenue		1,737,120,067	\$174,336,145	\$1,911,456,212	10.0%
Transmission Related Other Revenues		\$46,131,717	\$0	\$46,131,717	0.0%
Total Cost of Service		\$7,029,779,369	\$895,822,486	\$7,925,601,855	12.7%
Less Affiliate NTS (in TCRF)		\$619,650,986	\$62,187,740	\$681,838,726	10.0%
Net Total Cost of Service		\$6,410,128,383	\$833,634,746	\$7,243,763,129	13.0%

REPRESENTATION AND PARTICIPATION IN ALLIANCE OF ONCOR CITIES (“AOC”):

The law firm of Herrera Law & Associates, PLLC has previously represented the City and its participation in the coalition of cities named the “Alliance of Oncor Cities” (“AOC”) in rate matters involving Oncor, including Oncor’s most recent general rate case, and the numerous interim rate increases Oncor has submitted. The accompanying Resolution authorizes retention of Herrera Law & Associates as Special Counsel and continued participation in the AOC coalition.

INTERVENTION AT THE PUBLIC UTILITY COMMISSION OF TEXAS

Oncor filed its Statement of Intent to raise rates with the City and with the Public Utility Commission of Texas (“PUCT”) on the same date, June 26, 2025. Oncor’s application poses complex regulatory issues that require time so as to evaluate the merits of Oncor’s proposed increase in rates. It is important to participate in these proceedings because the Commission’s decisions could impact rates within the City. Thus, the accompanying Resolution authorizes intervention in proceedings at the Commission as well as any appeals taken from the Commission’s decision.

RATE CASE EXPENSES

Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. Legal counsel and consultants approved by the City will submit monthly invoices to the City designated by AOC to serve as the “coordinating” city, who will then forward invoices to Oncor for reimbursement; that city historically has been Corsicana. No individual city’s

budget is negatively affected. The accompanying Resolution directs Oncor to reimburse AOC's rate case expenses on a monthly basis based on presentation of invoices from the cities.

SUSPENSION

Oncor's rate-filing package is voluminous, containing over five thousand pages of data, in a 12-volume package of data. To have time to review the rate-filing package, the Council is requested to suspend Oncor's proposed effective date for ninety (90) days. It is a virtual impossibility for the City to set just and reasonable rates without suspending the rate request for ninety days; suspension of Oncor's proposed effective date would permit its special regulatory counsel and experts an opportunity to perform a better review of Oncor's application and request additional information as necessary to fully evaluate the proposal and determine the most appropriate response. During the suspension period, the City will retain its right to dismiss Oncor's Statement of Intent if the City determines that Oncor failed to properly invoke the City's jurisdiction or if Oncor failed to provide adequate notice. The suspension period also allows time to attempt to resolve matters by agreement with Oncor, or to determine whether to deny Oncor's request and either adopt an increase different than that requested by Oncor, or deny it outright without adopting an alternative increase.

Note that action to suspend Oncor's proposed effective date by the statutorily allowed period of 90 days is not final action on Oncor's application to increase rates. The City will need to take final action on the merits of Oncor's request no later than October 29, 2025, which is the end of the suspension period.

RECOMMENDATION

It is recommended that the City suspend Oncor's proposed effective date for 90 days from July 31, 2025, Oncor's proposed effective date for its requested increase in rates. Absent an extension agreed to by Oncor and the City, the suspension period runs through October 29, 2025.

It is also recommended that the City continue its participation in AOC, intervene in proceedings at the PUCT and any related proceedings and/or appeals, and to retain the law firm of Herrera Law & Associates, PLLC to represent the City's interest in matters related to Oncor's rate case and to advise the City with regard to Oncor's application, and to retain consultants subject to approval by the AOC executive committee to assist Special Counsel in its review of Oncor's application to increase rates.

The City must take action no later than July 31, 2025. If the City does not take action by July 31, 2025, Oncor's proposed rates will be deemed approved by operation of law, subject to the City's right to hold a hearing to address Oncor's rate application.

RESOLUTION NO. 2025-066

RESOLUTION BY THE CITY OF GATESVILLE (“CITY”) SUSPENDING ONCOR ELECTRIC DELIVERY COMPANY LLC’S PROPOSED EFFECTIVE DATE OF JULY 31, 2025, FOR NINETY DAYS IN CONNECTION WITH ONCOR’S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT JUNE 26, 2025; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING PARTICIPATION IN THE COALITION OF SIMILARLY SITUATED CITIES; AUTHORIZING INTERVENTION AND PARTICIPATION IN RELATED RATE PROCEEDINGS; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent with the City on or about June 26, 2025, to increase its revenues; and

WHEREAS, Oncor proposes to implement its proposed increase in rates on or about July 31, 2025; and

WHEREAS, Oncor’s proposed increase in rates would result in an increase of approximately \$833.6 million in its annual revenue, which equates to an overall increase in revenue of approximately 13.0%; and

WHEREAS, Oncor asserts that the need for its increase in rates is driven in part by its investments of approximately \$11.6 billion since December 31, 2021, the end of the test year in its most recent rate case; and

WHEREAS, an evaluation of Oncor’s cost to provide electric service presents a complex series of regulatory issues; and

WHEREAS, for the Residential customer class, Oncor’s proposed increase in rates if approved would result in an increase of approximately 12.3% to that class; and a decrease of about 1% to small commercial ratepayers; and

WHEREAS, the Company seeks a Return on Equity (ROE) of 10.55%, and an overall Rate of Return (ROR) of 7.47%; and

WHEREAS, Oncor's rate request consists of a voluminous amount of information including Oncor's rate-filing package, exhibits, schedules, and workpapers; and

WHEREAS, it is not possible for the City to complete its review of Oncor's filing by July 31, 2025; and

WHEREAS, the City will need an adequate amount of time to investigate and determine whether Oncor has properly invoked the City's rate-setting jurisdiction, and if so, ultimately to review and evaluate Oncor's rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Oncor's requested rate increase; and

WHEREAS, the City will require the assistance of specialized legal counsel and rate experts to review the merits of Oncor's application to increase rates; and

WHEREAS, to the extent Oncor seeks review at the Public Utility Commission of Texas of the City's final decision regarding Oncor's statement of intent to change rates, and because Oncor has submitted a statement of intent to the Public Utility Commission of Texas to increase rates in the environs of the City on the same date it submitted its request to the City, the decision of the Public Utility Commission of Texas could have an impact on the rates paid by the City and its citizens, and in order for the City's participation to be meaningful it is important that the City promptly intervene in such proceeding at the Public Utility Commission of Texas.

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

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. Oncor's proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond Oncor's proposed effective date or as may be amended by agreement or otherwise.

Section 3. The statutory suspension period may be further extended or its Statement of Intent dismissed if Oncor does not provide adequate data from which the City may make a reasonable determination of the Company's rate base, expenses, investment, and rate of

return in the City, or if Oncor does not provide timely, meaningful, and proper public notice of its request to increase rates and revenue, or if its rate-filing package is otherwise materially deficient.

Section 4. The City authorizes intervention and full participation, including settlement negotiations, in proceedings related to Oncor's Statement of Intent before the Public Utility Commission of Texas and related proceedings in courts of law and participation in the coalition of cities known as the Alliance of Oncor Cities.

Section 5. The City hereby orders Oncor to reimburse the Alliance of Oncor Cities' rate case expenses as provided in the Public Utility Regulatory Act and that Oncor shall do so on a monthly basis and within 30 days after submission of such invoices for reasonable costs associated with activities related to this rate review or related to proceedings involving Oncor before the City, the Public Utility Commission of Texas, or any court of law.

Section 6. Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving Oncor before the City, the Public Utility Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of Oncor's rate application subject to approval by the City.

Section 7. The City, through its participation in the Alliance of Oncor Cities, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Oncor for reimbursement.

Section 8. A copy of this resolution shall be sent to Mr. Matt Henry, Vice President, General Counsel, Oncor, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, P.O. Box 302799, Austin, Texas 78703.

Section 9. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 10. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this _____ day of _____, 2025.

Mayor Pro-Tem, Greg Casey

ATTEST:

City Secretary, Holly Owens



Date 7/22/2025

Agenda Item 5

Ordinance 2025-14

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Holly Owens, City Secretary

**Agenda Item: Discussion and possible action amending Chapter 32, adding Article IX. – Coin—
Operated Machines and Indoor Amusement Facilities.**

Information:

City staff have recently received multiple inquiries from concerned citizens regarding the presence and regulation of gambling machines—commonly referred to as "8-Liners"—within Gatesville city limits. At this time, the City of Gatesville does not have ordinances regulating gaming machines, coin-operated devices, indoor amusements, or gambling machines.

Background:

It is important to note that not all machines are considered gambling devices. Machines that dispense prizes directly—such as claw or crane games—or that rely on a player's physical skill (e.g., tossing, flipping, or rolling a ball) are not classified as gambling devices. In contrast, any machine that pays out cash, gift cards, or other items of value based on chance rather than skill is considered a gambling device. This includes machines resembling bingo, keno, blackjack, lottery, roulette, slot machines, or video poker.

Other coin-operated machines such as pool tables, jukeboxes, and pinball machines are not affected by these gambling-related restrictions.

The ordinance under consideration acknowledges the Texas Supreme Court's decision which effectively deferred to and left in place the Second Court of Appeals' decision that 8-Liners are unconstitutional lotteries; the ordinance follows the precedent of the Second Court of Appeals and takes the position that "8-Liners" are illegal gambling devices under state law.

This draft ordinance will define key terms, establish regulations on the placement of coin-operated machines, outline licensing requirements and the review process, and detail potential criminal penalties. If approved, the effective date will be October 1, 2025, to allow an adjustment and educational period for the businesses that have illegal machines that will need to be removed and an opportunity to be prepared to pay the license fee and occupation tax for the legal machines.

The first reading was held on June 24, 2025, and the second reading was held on July 8, 2025, with no additions or changes requested by Council. Legal reviewed the ordinance and made the following minor changes.

Sec. 32-262 (c) was added:

“(c) It is a defense to prosecution under this section that the person:

- is operating an indoor amusement facility at a place owned by the federal, state, or local government;*
- is a non-profit organization that operates the indoor amusement facility for the organization's exclusive use and to further the purposes of the organization; or*
- is operating an indoor amusement facility at a place licensed by the Texas State Lottery Commission.”*

Sec. 32-271 changed the appeal process:

“(a) Appeal of denial. suspension or revocation of permit.

(1) The initial decision and notice by an inspector to suspend or revoke a permit may be appealed to the supervisor over the inspector by giving written notice to the supervisor no later than the fifth calendar day after receipt of the written notice of the decision. The supervisor may uphold, reverse, or modify the decision of the inspector. If an appeal is not filed as provided herein, the decision of the inspector is final, and no further appeal will be considered.

(2) The initial denial of a permit, or the decision of the supervisor over the inspector following a timely appeal of the inspector's decision to suspend or revoke a permit as provided in subsection (1) above, may be appealed to the city manager by filing a written notice of appeal with the director no later than the fifth day after receipt of written notice of the initial or appeal decision. The city manager may uphold, reverse, or modify the decision to deny, suspend or revoke the permit. If an appeal is not filed as provided herein, the initial or appeal decision is final, and no further appeal will be considered.

(3) The decision of the city manager is final.”

Application for Annual City Gameroom License:

All applicants must pass a background check and submit a copy of their Comptroller registration or license, along with a valid sales tax certificate. The business where the machines are located must have a Certificate of Occupancy and display all required licenses, including the City License.

Financial Impact:

An annual license application fee and an occupation tax will be added to the fee schedule to accommodate these regulations.

- ¼ of the State Occupation Tax per Texas Tax Code 2153.451(b) per machine and,
- License fee for an annual license registering all machines as defined within the ordinance.

Staff Recommendation:

Staff recommends approving **Ordinance 2025-14**.

Date 7/22/2025

Agenda Item 5

Ordinance 2025-14

Motion:

Motion to approve **Ordinance 2025-14**, amending Chapter 32, adding Article IX. – Coin-Operated Machines and Indoor Amusement Facilities, **third and final reading**.

Attachments:

- Draft Ordinance

**CITY OF GATESVILLE, TEXAS
ORDINANCE 2025-14**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GATESVILLE, TEXAS AMENDING THE CODE OF ORDINANCES, AS PREVIOUSLY AMENDED, BY ADDING A NEW ARTICLE IX “COIN-OPERATED MACHINES AND INDOOR AMUSEMENT FACILITIES;” PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF \$500.00 FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City receives frequent complaints from citizens regarding lack of regulation of coin-operated machines, including but not limited to gambling devices within the City; and

WHEREAS, the City Council has determined that it serves the public health, safety and general welfare to adopt an ordinance prohibiting gambling devices and regulating coin-operated machines and indoor amusement facilities within the City;

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

SECTION 1. The City of Gatesville Code of Ordinances is hereby amended by amending Chapter 32 “Licenses, Permits, and Miscellaneous Regulations” by adding a new Article IX “Coin-Operated Machines and Indoor Amusement Facilities” to read in its entirety as follows:

“CHAPTER 32 – LICENSES, PERMITS, AND MISCELLANEOUS REGULATIONS

...

**ARTICLE IX. – COIN-OPERATED MACHINES AND INDOOR AMUSEMENT
FACILITIES**

Sec. 32-260. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Amusement Redemption Machine means any electronic, electromechanical, or mechanical contrivance, including sweepstake machines, designed, made, and adapted solely for bona fide amusement purposes, and that by operation skill or a combination of skills affords the user, in addition to any right of replay, an opportunity to receive exclusively non cash merchandise prizes, toys, or novelties, or a representation of a value redeemable for those items that have a wholesale value available from a single play of the game or device of not more than 10 times the amount charged to play the game or device once or \$5, whichever is less. Amusement Redemption Machine includes the following skill or pleasure machines:

1. A machine that awards the user noncash merchandise prizes, toys, or novelties solely and directly from the machine, including claw, crane, or similar machines; and

2. A machine from which the opportunity to receive noncash merchandise prizes, toys, or novelties, or a representation of value redeemable for those items, varies depending upon the user's ability to throw, roll, flip, toss, hit, or drop a ball or other physical objects into the machine or a part thereof, including basketball, golf, bowling, or similar machines. A representation of value means cash paid under authority of sweepstakes contestants as provided by the Texas Business and Commerce Code, Section 43, or a gift certificate or gift card that is presented to a merchant in exchange for merchandise.

Building Official means the representative of the City of Gatesville or other person designated by the city manager.

Coin-operated machine means any kind of machine or device operated by or with a coin or other United States currency, metal slug, token, electronic card, or check, including a music or skill or pleasure coin-operated machine.

Facility supervisor means a natural person who manages, controls or operates an indoor amusement facility on behalf of the owner or operator.

Gambling device means any electronic, electromechanical, or mechanical contrivance that for a consideration affords the player an opportunity to obtain anything of value, the award of which is determined solely or partially by chance, even though accompanied by some skill, whether or not the prize is automatically paid by the contrivance. The term includes, but is not limited to, gambling device versions of bingo, keno, slot machines, blackjack, lottery, roulette, video poker, or facsimiles thereof, that operate by chance or partially so, that as a result of the play or operation of the game award credits or free games, and that record the number of free games or credits so awarded and the cancellation or removal of the free games or credits.

Indoor amusement facility means an amusement enterprise wholly enclosed in a building offering entertainment or games to the general public, for a fee, including, but not limited to a bowling alley, billiard parlor/pool hall, and a facility with video games, computer games, skill or pleasure coin-operated machines, and/or amusement redemption machines. Indoor amusement facility does not include a business that exhibits less than five (5) video games, computer games, skill or pleasure coin-operated machines, or amusement redemption machines as a secondary use of the property, if the business does not otherwise fall into the definition of an indoor amusement facility.

Licensing officer means the Building Official.

Music coin-operated machine means any kind of coin-operated machine, including a phonograph, piano, or graphophone that dispenses music or is used to dispense music; is operated by inserting a coin, metal slug, token, or check; and is not an amusement machine designed exclusively for a child.

Operator means a person who exhibits or displays, or permits to be displayed, a coin-operated machine in this city in a place of business that is not owned by the person.

Owner means any person owning any "coin-operated machine" or indoor amusement facility in this city.

Person includes an individual, association, trustee, receiver, partnership, corporation, company, organization, or other business entity or a manager, officer, owner, agent, servant, or employee of the same.

Service coin-operated machines means every pay toilet, pay telephone and all other machines or devices which dispense service only and not merchandise, music, skill or pleasure.

Skill or pleasure coin-operated machine means any kind of coin-operated machine that dispenses or is used or is capable of being used to dispense or afford, amusement, skill, or pleasure or is operated for any purpose, other than for dispensing merchandise, music, or service and that is not a gambling device. The term includes marble machines, marble table machines, marble shooting machines, miniature race track machines, miniature football machines, miniature golf machines, miniature bowling machines, billiard or pool games, or machines or devices that dispense merchandise or commodities or plays music in connection with or in addition to dispensing skill or pleasure; and does not include an amusement machine designed exclusively for a child.

Sec. 32-261. Prohibited locations.

- (a) No indoor amusement facility shall be permitted within three hundred (300) feet, measured from front door to front door, of any school building, church or hospital in this city.
- (b) No indoor amusement facility can be located within one thousand (1,000) feet of another indoor amusement facility which has been properly licensed in accordance with the City's Code of Ordinances.
- (c) A person, business or facility that exhibits less than five (5) skill or pleasure coin-operated machines or amusement redemption machines as a secondary use of the property may not be located in the same building with another business or facility exhibiting less than five (5) skill or pleasure coin-operated machines or amusement redemption machines as a secondary use of the property.
- (d) A person, business or facility that exhibits less than five (5) skill or pleasure coin-operated machines or amusement redemption machines as a secondary use of the property may not be located within one thousand (1,000) feet of a licensed indoor amusement facility.

Sec. 32-262. License required and exceptions.

- (a) Ownership and/or operation of an indoor amusement facility within the City requires an annual indoor amusement facility license issued by the City in accordance with the provisions of article.
- (b) A person commits an offense if the person:
 - Recklessly or with criminal negligence owns or operates an indoor amusement facility without an indoor amusement facility license; or
 - Recklessly or with criminal negligence owns or operates a gambling device within the city limits of the City of Gatesville; or
 - Knowingly allows operation of a gambling device in a building or other facility in which the person holds an ownership interest; or

- Knowingly allows operation of an indoor amusement facility without a valid indoor amusement facility license issued by the City.
- (b) Acquisition of a license under this article is a separate and distinct requirement from any other licensing requirement required by the state or any other entity. Possession of some other license shall not relieve a person of the requirement to obtain a license pursuant to this article.
- (c) It is a defense to prosecution under this section that the person:
- is operating an indoor amusement facility at a place owned by the federal, state, or local government;
 - is a non-profit organization that operates the indoor amusement facility for the organization's exclusive use and to further the purposes of the organization; or
 - is operating an indoor amusement facility at a place licensed by the Texas State Lottery Commission.

Sec. 32-263. Injunction and prosecution.

- (a) A person who owns or operates or causes to be operated an indoor amusement facility without the license required under this article is subject to civil penalty, suit for injunction, as well as prosecution for criminal violations.
- (b) A person who owns or operates or causes to be operated a Gambling device as defined in this article is subject to civil penalty, a suit for injunction, as well as prosecution for criminal violations.

Sec. 32-264. License application.

- (a) An annual application for a license to operate an indoor amusement facility must be made to the licensing officer on the form prescribed by that official. The application must be accompanied by a sketch or diagram showing the configuration of the premises as well as the location of all coin-operated machines, pool tables, and exits. The sketch need not be professionally prepared but must clearly exhibit the configuration in a manner acceptable to the licensing officer.
- (b) If a person who wishes to operate an indoor amusement facility is an individual, he must sign the application for a license as the applicant. If the person who wishes to operate an indoor amusement facility is other than an individual, each individual who has a twenty (20%) per cent or greater interest in the proposed operator must sign the application for a license.
- (c) All applications must be accompanied by a non-refundable annual application fee in an amount determined as a part of the city's annual budget and published in the City's fee schedule, as may from time to time be amended or updated. An application shall not be considered to have been filed until the application fee is paid and all information required by the application form is submitted.
- (d) All applications must be accompanied by a statement signed by the person(s) identified in subsection (b) of this section and stating that the entertainment or games offered at the indoor amusement facility, including but not necessarily limited to all coin-operated machines and

pool tables, will not be used as gambling devices and that all facts contained in the application are true and correct.

Sec. 32-265. Application review.

- (a) *Preliminary inspection.* The licensing officer shall forward a copy of all indoor amusement facility applications to the police department, planning department, inspection department and any other city department involved in the review process. Upon receipt of the copy of the application, each department shall make such inspection and/or investigation of the applicant, premises, and equipment as is necessary for the enforcement of ordinances and laws for which the department has responsibility. Upon completion of the review, the reviewing department shall forward to the licensing officer its recommendation for approval or disapproval of the application. If the recommendation is for disapproval, the reviewing department shall clearly set forth its reason for the recommendation. If all departments recommend approval, then a final inspection shall be conducted.
- (b) *Final inspection.* The city shall make a final inspection of the facility after all equipment and furnishings are in place to ensure the facility complies with all applicable codes and ordinances. If after final inspection, the recommendation is for disapproval, the city shall clearly set forth its reason for the recommendation. If the recommendation is for approval, a license shall be issued in accordance with section 32-266.

Sec. 32-266. License issuance or denial; term; time limitation for compliance with division.

- (a) *Issuance.* Following successful final inspection and a recommendation for approval, the licensing officer shall issue an indoor amusement facility license, upon payment of the license fee, to an applicant within thirty (30) days, unless the licensing officer finds one (1) or more of the following is true:
 - (1) An applicant is under eighteen (18) years of age;
 - (2) An applicant has falsely answered a question or request for information on the application form;
 - (3) The indoor amusement facility is not in compliance with applicable laws and ordinances;
 - (4) The applicant has been denied a license or the renewal of a license under this article within the preceding twelve (12) months or has had a license issued under this article revoked within the preceding twenty four (24) months and the denial or revocation has not been successfully appealed; or
 - (5) An applicant has been convicted of a crime involving gambling, gambling promotion, keeping a gambling place, or possession of a gambling device, equipment or paraphernalia; the sale of an alcoholic beverage without a permit or license from the state; prostitution or promotion of prostitution; manifesting the purpose of engaging in prostitution; or unlawfully carrying a weapon, provided;
 - a. If the conviction was for a misdemeanor offense, less than two (2) years have elapsed since the date of the conviction or the date of release from confinement for the conviction, whichever is the later date; or

- b. If the conviction is for a felony offense, less than five (5) years have elapsed since the date of conviction or the date of release from confinement for the conviction, whichever is the later date; or
 - c. If the conviction is for two (2) or more misdemeanor offenses or a combination of misdemeanor offenses occurring within any twenty-four (24) month period, less than five (5) years have elapsed since the date of the last conviction or the date of release from confinement for the last conviction.
 - d. The fact that a conviction is being appealed shall have no effect on the disqualification of the applicant.
 - e. **Transitional Compliance for Existing Facilities and Coin-Operated Machines.** Any indoor amusement facility or business operating coin-operated machines within the City of Gatesville on the effective date of this ordinance that is in possession of a valid permit may continue to operate under the terms of that permit until its expiration. Upon expiration, no license or permit shall be renewed or reissued unless the facility or business is in full compliance with all provisions of the Gatesville Code of Ordinances, including but not limited to the prohibition of gambling devices as defined herein. This transitional period does not constitute an exemption or grandfathering. All facilities and businesses shall be required to meet the current regulatory standards upon permit renewal.
- (b) *Extension of review period.* If the applicant is in the process of correcting conditions on the premises so that the premises will comply with applicable ordinances and laws, the applicant may be granted thirty (30) days from date of notice to bring the premises into compliance, or a new application shall be required.
- (c) *Term.* No license shall be effective until it has been issued. All licenses for indoor amusement facilities issued under the provisions of this article shall be valid for a period of one (1) year from the date of issuance. The date of issuance shall be stated on the license.

Sec. 32-267. Contents; posting of license; notice of change in ownership.

- (a) An indoor amusement facility license issued under this article shall state on its face to whom it is issued, the date of issuance, the date of expiration, the address and location of such indoor amusement facility and shall be signed by the licensing officer.
- (b) The license shall be posted by the licensee in a conspicuous place and in such a manner and position that it may be easily read at any time of day or night.
- (c) A replacement license may be issued for a lost, destroyed or mutilated license upon application. A replacement license shall have the word "REPLACEMENT" stamped across its face and shall bear the same number as the one it replaces.
- (d) A licensee shall notify the licensing officer within ten (10) days of a change or partial change of ownership or change of address or trade name.

Sec. 32-268. License transfer.

A licensee under this article shall not transfer his license to another, nor shall a licensee operate an indoor amusement facility under the authority of a license at any place other than the address designated on the license.

Sec. 32-269. Suspension and revocation of license.

- (a) The City of Gatesville, through an official designated by the City Manager, may suspend or revoke a license if it determines that:
 - (1) The owner, operator, or facility supervisor has refused to allow an inspection of the premises, as authorized by this article;
 - (2) The owner, operator, or facility supervisor has demonstrated an inability to operate or manage an indoor amusement facility in a peaceful and law abiding manner;
 - (3) A cause of suspension occurs and the license has already been suspended within the preceding twelve (12) months;
 - (4) An owner or operator gave false or misleading information in the material included on or with his original application or a renewal application or in response to an inquiry by the city;
 - (5) An owner, operator, or facility supervisor has been convicted of a violation set forth in subsection 32-266(a)(5);
 - (6) The indoor amusement facility has been operated without a facility supervisor being physically present; or
 - (7) The indoor amusement facility is being operated in violation of the building codes or city ordinances, or state law including owning and operating gambling devices, as defined in this Code of Ordinance.
- (b) The fact that a conviction is being appealed shall have no effect on the suspension or revocation of the license.
- (c) Notice of suspension shall be served either in person or by certified mail to the owner or operator of the indoor amusement facility and the owner of the building in which the indoor amusement facility is located.

Sec. 32-270. License renewal.

- (a) A renewal application on the form prescribed by the licensing officer may be submitted no earlier than sixty (60) days before the expiration of the license. The renewal application must be accompanied by a renewal fee set by the city council as a part of the city's annual budget. When an application for renewal is submitted less than thirty (30) days before the expiration date of the license, the expiration date of the license will not be affected.
- (b) When the renewal application has been filed as required above, the licensing officer shall have seven (7) days to determine whether to issue a renewal license, or to reject the renewal application and require the applicant to file an original application and review the renewal

request under the same standards as the original license application. If the licensing officer requires that the renewal be handled as though it were a new application, the review period set out in section 32-266 shall commence upon the filing of the completed original application form, not upon the filing of the renewal application form. The following shall constitute grounds for rejecting the renewal application and requiring the filing of an original application form:

- (1) The receipt by any department of the city of confirmed complaints about the operation of the indoor amusement facility during the period that the license for which renewal is sought has been in force;
 - (2) The discovery by any official of the city of a violation of any ordinance or law during the preceding year on the premises which was related to the operation of the indoor amusement facility; or
 - (3) An increase in police calls to the indoor amusement facility or the area immediately adjacent to the premises that are related to the operation of the indoor amusement facility.
- (c) If a license expires during an extension of the review period, provided for in section 32-266, the licensee may continue to operate the indoor amusement facility until a decision on the renewal is rendered. If the renewal is denied, the licensee must cease operation of the indoor amusement facility immediately upon notification. Notice of the denial shall be sufficient if personally given to the owner, operator, or facility supervisor provided for in section 32-273, or if delivered to the owner, operator, or facility supervisor at the address shown on the renewal application by mail, return receipt requested.
- (d) When an application for renewal is ultimately denied, the applicant shall not be issued a license for one (1) year from the date of the denial. If, subsequent to denial, the licensing officer finds that the basis for denial of the renewal license has been corrected or abated, the applicant may be granted a license if at least ninety (90) days has elapsed since the date the denial of the renewal application was final.
- (e) The rejection of a renewal application and requirement that the renewal be handled as though it were an original application may not be appealed; however, the final denial of a license renewal by the licensing officer may be appealed in accordance with section 32-271.

Sec. 32-271. Appeal.

- (a) Appeal of denial. suspension or revocation of permit.
- (1) The initial decision and notice by an inspector to suspend or revoke a permit may be appealed to the supervisor over the inspector by giving written notice to the supervisor no later than the fifth calendar day after receipt of the written notice of the decision. The supervisor may uphold, reverse, or modify the decision of the inspector. If an appeal is not filed as provided herein, the decision of the inspector is final, and no further appeal will be considered.
 - (2) The initial denial of a permit, or the decision of the supervisor over the inspector following a timely appeal of the inspector's decision to suspend or revoke a permit as provided in subsection (1) above, may be appealed to the city manager by filing a written notice of appeal with the director no later than the fifth day after receipt of written notice of the initial or appeal

decision. The city manager may uphold, reverse, or modify the decision to deny, suspend or revoke the permit. If an appeal is not filed as provided herein, the initial or appeal decision is final, and no further appeal will be considered.

(3) The decision of the city manager is final.

Sec. 32-272. License fees.

Before any license for an indoor amusement facility shall be issued by the city, the person applying for the license shall pay to the city the fees that are established by the city council as part of the city's annual budget. These fees may include an application fee to cover the costs associated with processing the application in addition to an annual license fee.

Sec. 32-273. Operation of indoor amusement facilities.

- (a) *Indoor amusement facility supervisor.* A person who owns or operates an indoor amusement facility must designate one (1) or more persons as facility supervisors. The names of the facility supervisors must be included in a license application or renewal application. Whenever a change in the facility supervisors occurs, notice of that change shall be given to the licensing officer. A facility supervisor must remain on the premises of the indoor amusement facility during operating hours.
- (b) *Authority to vacate premises.* The chief of police, fire marshal or building official or their designees shall have the power to cause an indoor amusement facility to be vacated whenever any provision of this article is being violated or when a situation that poses an immediate threat to safety exists. In addition, where a violation of any ordinance of the city or state law is discovered, the chief of police, fire marshal or building official may order that an indoor amusement facility be vacated and remain closed for up to twenty-four (24) hours after it is determined that the violation that resulted in the order to close has been corrected.
- (c) *Hours of operation.* The indoor amusement facility shall not be operated between 12:00 a.m. and 8:00 a.m.
- (d) *Layout.* All skill or pleasure coin-operated machines, pool tables, and bowling lanes shall be in full and open public view. No skill or pleasure coin-operated machine, pool table, or bowling lane shall be in a room that is closed off from the main area of the facility.

Sec. 32-274. Criminal penalties.

- (a) A violation of this article shall be a Class C misdemeanor and the penalty for violating this article shall be a fine of not more than five hundred dollars (\$500.00) and each day a violation exists shall be a separate offense. It is also a criminal violation of this article and a Class C misdemeanor punishable by a fine of not more than five hundred dollars (\$500.00) and not less than fifty dollars (\$50.00) to intentionally, knowingly, recklessly or with criminal negligence provide false answers or information to the City of Gatesville on or in connection with the application for or application for renewal of an indoor amusement facility license.
- (b) Possession and/or operation of Gambling device. Any person or persons in possession of a gambling device as defined shall be subject to criminal penalties provided in (a) above.

Machines identified as being in violation of the provisions of this ordinance will be confiscated and any funds deposited in said machine(s) shall be subject to the forfeiture and seizure policy of the Gatesville Police Department.

Secs. 32-275—32-280. Reserved.”

SECTION 2. . Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance, or the Gatesville Code of Ordinances, as amended hereby, which shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this Ordinance is governed by prior law and the provisions of the Gatesville Code of Ordinances, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 4. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Gatesville Code of Ordinances, as amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Hundred Dollars (\$200) for each offense, and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 5. This ordinance shall take effect October 1, 2025.

Ordinance No. 2025-14 was read the first time and passed to the second reading this **24th day of June, 2025.**

Ordinance No. 2025-14 was read the second time and passed to the third reading this **8th day of July, 2025.**

Ordinance No. 2025-14 was read the third time and duly approved, passed and adopted this the **22nd day of July 2025.**

APPROVED:

GREG CASEY, MAYOR PRO TEM

APPROVED AS TO FORM:

ATTEST

Victoria W. Thomas, Special Counsel
4862-2897-4219, v. 1

Holly Owens City Secretary



Date 7/22/2025

Agenda Item 6

Resolution 2025-068

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Brad Hunt, City Manager and Mike Halsema, Deputy City Manager

Agenda Item: Discussion and possible action to set date/time/place for Budget Public Hearing and call Special Council Meeting.

Information:

Chapter 102, Local Government Code (Sec. 102.006), mandates that the City Council must conduct a public hearing on the budget and set a specific date for that hearing after 15 days from the date the proposed budget is posted, but before the Council finalizes its tax levy. Additionally, it is essential to publish notice of this public hearing in the newspaper at least 10 days before the scheduled hearing date.

To adhere to these statutory timelines, it will be necessary to convene a Special Meeting to conduct the mandatory Budget Public Hearing. This meeting should be scheduled in advance to allow sufficient time for the publication of the required notice.

Financial Impact:

N/A

Motion:

Motion to approve **Resolution No. 2025-068**, calling for a Special Meeting on September 2, 2025, at 5:30 pm at City Hall, 110 North 8th Street, Gatesville, Texas to conduct the Budget Public Hearing.

Attachments:

Preliminary Budget Presentation

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

ATTEST:

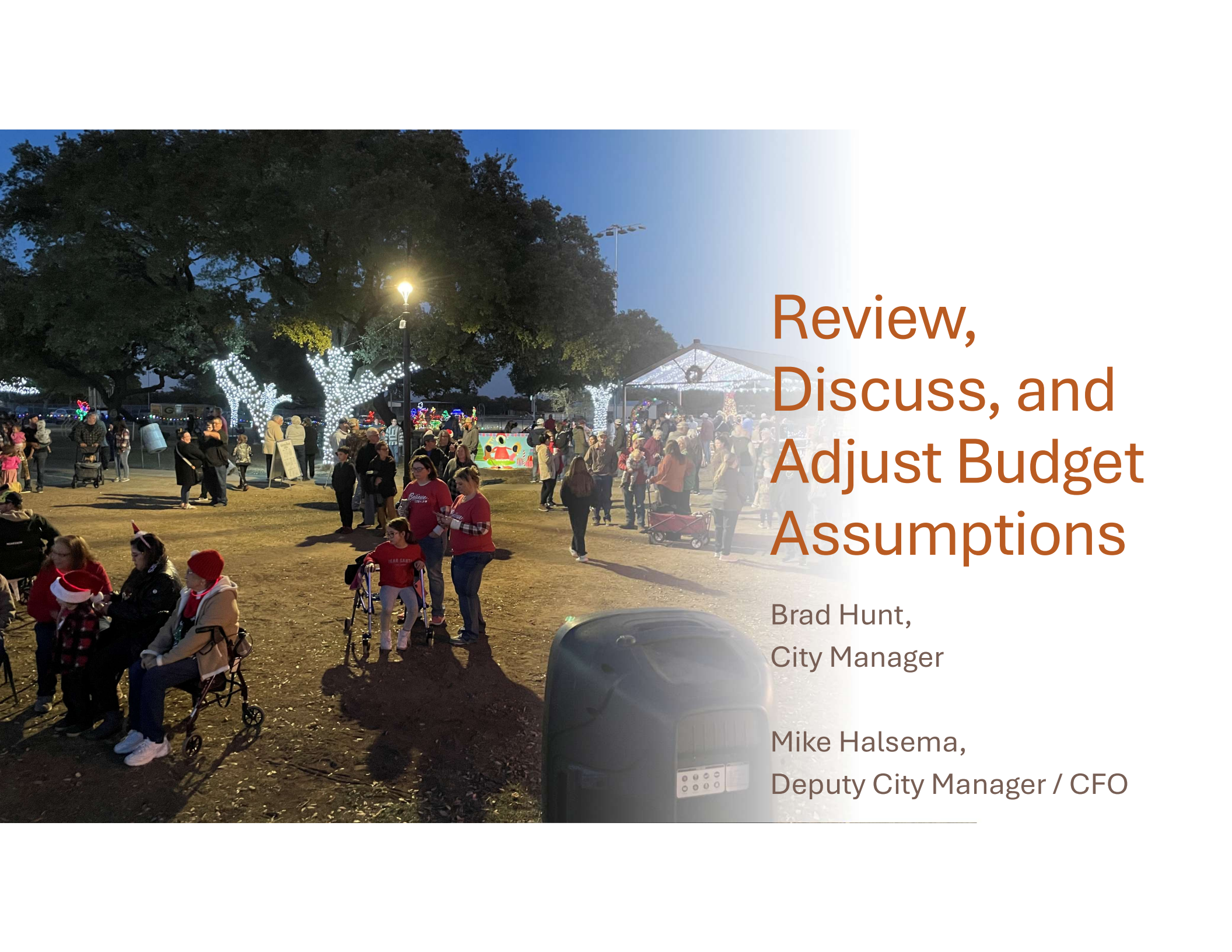
Greg Casey, Mayor Pro Tem

Holly Owens, City Secretary



Budget Discussion for Council, July 22, 2025

- Review, Discuss, and Adjust Budget Assumptions
- Discuss Department Decision Packages
- Set date/time/place for Budget Public Hearing
- Call Special Council Meetings



Review, Discuss, and Adjust Budget Assumptions

Brad Hunt,
City Manager

Mike Halsema,
Deputy City Manager / CFO

Introduction & Economic Outlook for FY 2025-2026

The continued city-wide installation of fiber internet, along many other factors including comparatively low real estate costs in Coryell County, have proven to spur somewhat [historic growth opportunities in the past year](#). We have seen notable retail and residential development inquiries, and we expect these to continue. We are focusing on [sustaining existing business while attracting new business-commercial development](#) to Gatesville.

While potential growth is considered beneficial to the overall quantity and quality of services that we can provide, we must [continue to focus on infrastructure maintenance and upgrades](#) that are, in some cases, long overdue. Infrastructure improvement [challenges will require creative solutions](#) in long-term planning, assessment of fees, and diverse grant funding opportunities.

Crucially, [staffing of key positions must maintain a level ahead of current and sustained growth](#). To that end, this year's [budget focuses on position assessments and additions](#), while keeping a secondary focus on pay scales, certification compensation, and overall wages.

Budgetary Standing & Financial Outlook

- General Fund May 2025:

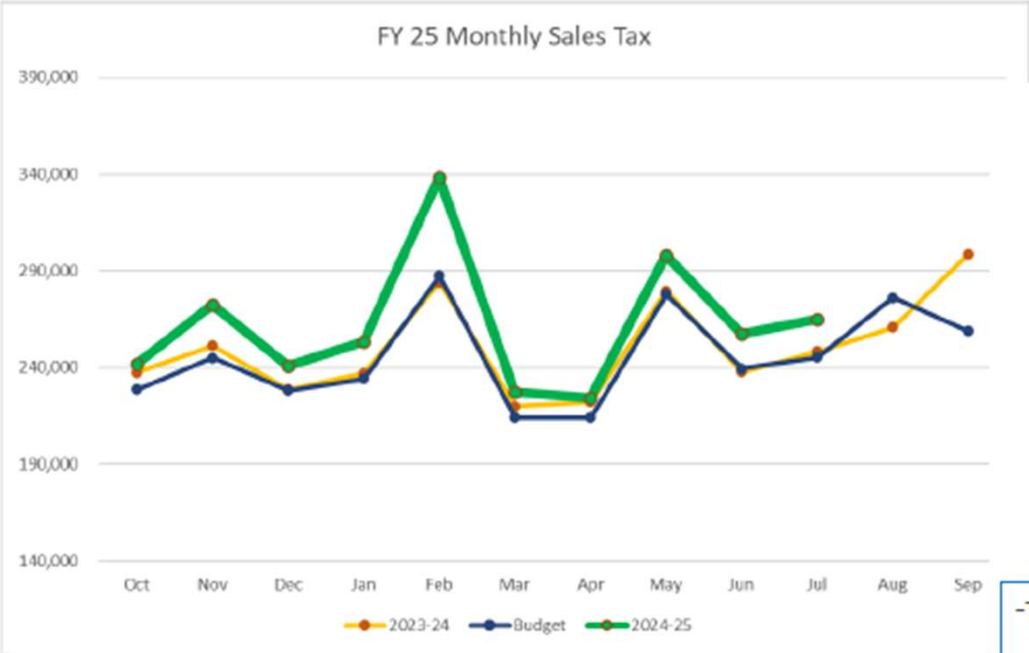
	MAY	2024-25 Budget	2024-25 YTD
Revenues			
AV Taxes	48,445	2,952,906	3,163,048
Sales Tax	298,310	2,950,000	2,097,653
Franchise Fees	42,340	802,000	625,936
Fines & Fees	10,832	152,000	87,087
Other taxes	810	15,000	8,029
Licenses & Permits	10,105	62,600	138,948
Rental Income	5,948	64,000	50,577
Parks & Rec	43,545	420,000	288,217
Misc. Revenues	24,504	151,500	142,084
Intergovernmental	-	371,459	-
Inter fund Transfers	47,627	687,503	381,017
TOTAL REVENUES	532,466	8,628,968	6,982,595

	MAY	2024-25 Budget	2024-25 YTD
Expenditures			
LIBRARY	27,840	290,663	190,897
ADMINISTRATION	164,274	1,423,950	1,041,307
PLANNING	10,859	152,200	66,906
POLICE	291,997	2,878,749	1,856,854
COURT	20,943	199,062	142,193
FIRE	9,331	372,758	282,775
STREET	100,774	1,229,677	666,503
FLEET SERVICES	21,258	148,370	111,196
BUILDING INSPECTIONS	17,060	128,911	104,880
PARKS & RECREATION	98,114	859,978	577,494
FT HOOD REC MGMT	0	371,459	0
FITNESS CENTER	28,301	324,500	221,231
SWIMMING POOL	9,956	124,138	32,399
CIVIC CENTER	9,925	124,553	74,369
TRANSFER EXPENSE	0	0	0
TOTAL EXPENDITURES	810,632	8,628,968	5,369,005
Gain (Loss)		-	1,613,591

- Water and Sewer Fund May 2025:

	MAY	2024-25 Budget	2024-25 YTD
Water			
Revenues			
Water Sales			
Residential	145,647	1,971,963	1,192,949
Commercial And Institutional	170,377	2,021,987	1,427,240
Wholesale	79,630	1,041,281	656,356
Connections & Installs	34,553	31,300	39,374
Misc.	7,691	71,000	108,245
Subtotal	437,898	5,137,531	3,424,164
Expense			
Distribution & Collections			
Personnel	87,234	757,838	510,996
O&M	29,879	518,062	409,842
Debt Service	-	206,225	181,775
Capital Outlay	692	1,308,987	9,076
Production			
Personnel	55,394	507,570	357,679
O&M	122,877	1,705,291	857,491
Debt Service	-	928,128	133,596
Capital Outlay	18,956	30,922	96,957
Subtotal	315,033	5,963,023	2,557,412
Sewer			
Revenues			
Sewer Fees			
Residential	112,826	944,612	865,490
Commercial And Institutional	152,823	2,074,791	1,234,184
Connections & Installs	5,808	9,300	12,036
Misc.	2,639	29,000	35,235
Subtotal	274,097	3,057,703	2,146,945
Expense			
Personnel	57,115	519,264	339,534
O&M	104,605	1,029,059	758,329
Debt Service	-	897,327	45,363
Capital Outlay	65,347	9,159,200	1,938,072
Subtotal	227,066	11,604,850	3,081,298
Sanitation			
Revenues	75,756	889,920	597,709
Expense	74,117	865,700	438,008
Non Departmental			
Revenues			
Grants & reimbursements	-	10,177,182	1,813,858
Interest	32,627	153,600	301,472
Subtotal	32,627	10,330,782	2,115,329
Expense			
Transfers and Franchise fees	83,186	982,363	670,153
Grand Total			
Revenues	820,376	19,415,936	8,284,148
Expense	699,402	19,415,936	6,746,871
Gain (Loss)	120,974	-	1,537,276

Budgetary Standing & Financial Outlook



Expenditures	Budget	YTD	
Salaries	\$4,163,057	\$2,543,510	61.1%
Benefits	\$1,246,073	\$701,557	56.3%
Professional Services & Training	\$796,626	\$454,373	57.0%
Utilities	\$282,945	\$212,151	75.0%
Materials & Supplies	\$291,876	\$304,621	104.4%
Maintenance & Operations	\$1,420,756	\$885,853	62.4%
Lease & Rental	\$280,259	\$133,684	47.7%
Miscellaneous	\$0	\$9,096	0.0%
Grant Expenses	\$0	\$0	0.0%
Debt Service	\$65,154	\$40,674	62.4%
Transfers	\$0	\$0	0.0%
Capital Outlay	\$82,221	\$83,486	101.5%
Total Expenditures:	\$8,628,968	\$5,369,005	62.2%

- Total Year-to-Date (YTD) revenues stand at 81% of the annual budget of \$8,628,968.
- Sales tax collections are exceeding budget, and higher than prior year.
- Property tax collections are as expected for YTD, and have exceeded budget
- Licenses & permits increased due to increased development activity.
- Fire department expenditures are elevated due to 1-time expenditures.
- Building Inspections expenditures are elevated due recording code enforcement salaries in this department
- Capital Outlay is increased due to one-time purchases made at the beginning of the year.

Budgetary Standing & Financial Outlook

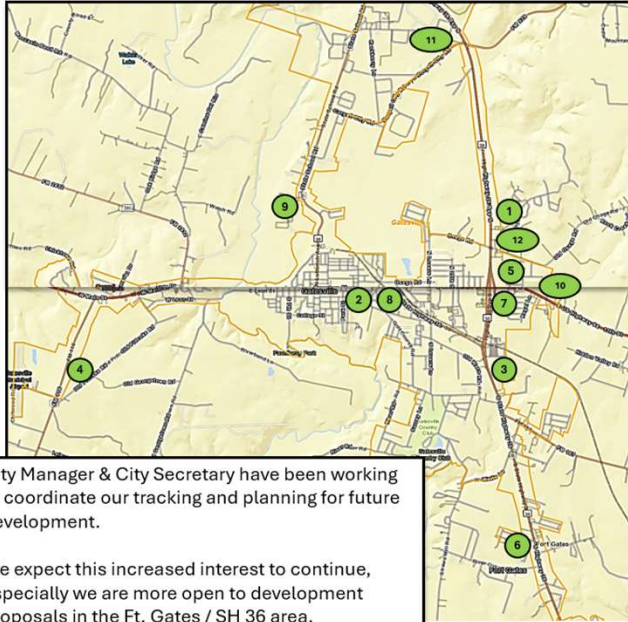
FY2025-26 Preliminary Assumptions

- Sales Tax \$3.2M
 - 9% above FY25 budget
 - YTD 8.5% over FY25 budget
 - Certified AV values \$593,621,369
 - 3.74% over last year
 - Proposed Tax rate of 0.557544
 - 0.002456 reduction
 - O&M tax budgeted at \$3.1M
- Debt Service Fund
 - 2023 Tax Anticipation Note TAN only outstanding debt
 - 2nd early defeasance for FY26 and consider issuing CO for PD building in FY26

					Voter	
Fiscal				No-New-	Approval Tax	De Minimis
Year	Total Tax Rate	M&O Rate	Debt Rate	Revenue Rate	Rate	Rate
2025-26	0.557544	0.505839	0.051705	0.535340	0.557544	0.619935
2024-25	0.560000	0.506954	0.053046	0.539678	0.563779	0.634188

Development Interest, Last 5 Months

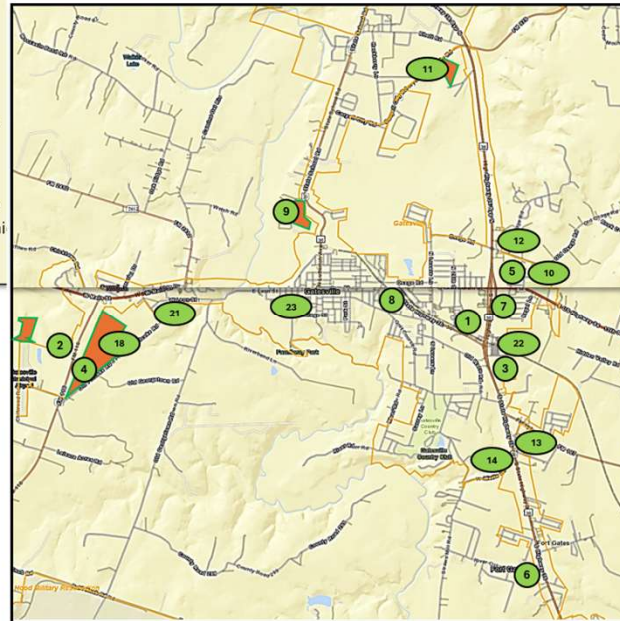
Tracking 11 in January 2025



City of Gatesville Development Update January 2025

1. Cedar Ridge subdivision
 - platting phase
2. Green Rooster coffee shop
 - open for business
3. Gatesville Crossing condos
 - approval phase
4. TBD subdivision
 - pre-planning phase
5. Oso Clean Car Wash
 - construction phase
6. 4-suite shopping w/laundromat
 - construction phase
7. Starbucks coffee shop
 - construction phase
8. TBD coffee shop
 - platting phase
9. Washburn duplexes
 - Annex/approval phase
10. Parkview duplexes
 - approval phase
11. RV park
 - Annex/approval phase
12. TBD 52-unit apartments, seni
 - planning phase

Tracking 23+ in May 2025



City of Gatesville Development Update May 2025

1. "Heaven's" coffee shop – construction phase
2. Laerdal warehouse expansion – complete
3. Gatesville Crossing condos – sewer easement pending
4. TBD subdivision – pre-planning phase
5. Oso Clean Car Wash – construction phase
6. 5-suite office/retail center – construction phase
7. Starbucks coffee shop – construction phase
8. TBD coffee shop – platting phase
9. Washburn duplexes – permits pending
10. Parkview duplexes – permits pending
11. RV park –pre-con & permits pending
12. TBD 26-unit apartments, seniors 60+ – planning phase
13. TBD small warehouse – pre-planning phase
14. Motel re-open/remodel – permits pending
15. TBD urgent care clinic – inquiry
16. TBD fast food – inquiry
17. TBD fast food (pizza) – inquiry
18. TBD townhomes – pre-platting
19. TBD national chain hotel – inquiry
20. TBD 100 mid-high range homes ¼ acre lots – inquiry
21. TBD SF homes x8 – pre-platting
22. TBD fast food inside Walmart – pre-permitting
23. Boutique(s) downtown – permitting

15 16 17 19 20
 = Property annexations since 2024

City Manager & City Secretary have been working to coordinate our tracking and planning for future development.

We expect this increased interest to continue, especially we are more open to development proposals in the Ft. Gates / SH 36 area.

Update on Goals for FY 24-25

Goal	Status
1 Revise the 2020 Comprehensive Plan and Update for 2025, including:	
• Parks Master Plan	IN PROGRESS
• Schedule for addressing issues identified in FNI's "Mini CIP" Water Plan	IN PROGRESS
• Schedule for addressing issues with Wastewater capacity, especially on south side	DONE
• Schedule for addressing drainage issues, based on FNI's study and known issues (institutional knowledge of problem areas).	PENDING
2 Conduct a Salary and Classification Study for all funded positions.	IN PROGRESS, INTERNAL
3 Propose next FY Debt Services based on assessments of PD building feasibility and street repair needs.	IN PROGRESS
4 Monitor Street Maintenance budget and adjust accordingly, as street repairs continue to be a higher priority.	IN PROGRESS
5 Ensure we meet the guidelines for FEMA grant and begin work on recovery / mitigation from 2024 flood.	IN PROGRESS
6 Ensure the city planning, permitting, and zoning functions align with potential growth opportunities, both short- and long-term.	DONE
7 Work to revise regional water rates to ensure we are doing better at recovering operation, maintenance, and capital costs.	IN PROGRESS
8 Negotiate with regional wholesale water partners to revise new water contracts.	PENDING
9 Establish a Building & Standards Commission and/or other means to address condemned structures.	DONE
10 Ensure progress on the downtown historical district designation, Old Leon River Bridge assessment, and auditorium revitalization funding opportunities.	IN PROGRESS
11 Work with city staff, community & council to re-brand and unify use of the City of Gatesville logo.	PENDING

Goals for FY 25-26

1. Maintain accountability and improve service levels as funding allows within a balanced budget; adopt an ad valorem tax rate sufficient to fund service-level requirements set forth by Council.
2. Ensure each department has the number of employees with correct job task classifications
 - a. Ensure adequate staffing and resources for all departments, as related to the city's potential growth opportunities, both short- and long-term.
 - b. Add personnel where the direst needs exist, and where feasible within the balanced General Fund and Enterprise Fund budgets.
3. Ensure employees are adequately compensated via COLA adjustments, in addition to several market-adjusted positions, to ensure retention and recruitment goals are met.
4. Execute the council-approved Capital Improvement Plan (CIP).
5. Continue to improve security, safety, and visitor experiences at all City of Gatesville facilities.
6. Maximize grant funding to improve city infrastructure and community resources:
 - a. Parks (TPWD)
 - b. Police Station (USDA)
 - c. Water and Wastewater improvement projects (CDBG, TWDB, others)
 - d. Street Maintenance
7. Continue to evaluate and organize mission goals based on the '25 update of the '20 Comprehensive Plan.

General Statements

- Personnel additions will be considered in the areas of the police department, code enforcement, wastewater, parks, administration, and the fire department.
- COLA adjustments will occur for all positions, while wage adjustments will occur for a few positions in FY 25-26 to reach better alignment with market.
- Costs of materials, fuel, and services will likely continue to increase in FY 25-26, and a general assumption of 10%+ on most items is assumed (related to tariffs and inflation).
- Fiber internet, along with lower general real estate costs as compared to Bell and McLennan counties, have proven to spur unprecedented growth opportunities in FY 24-25; this is expected to continue for at least the next several fiscal years.
- Infrastructure improvement challenges will require creative solutions in long-term planning, assessment of fees, and diverse grant funding opportunities.
- Expectations:
 1. Reduce the property tax rate to 0.557544
 2. Continue progress on retail and development opportunities.
 3. Develop an approach to recover costs of delivering treated water to regional customers.
 4. Initiate/implement multiple capital improvement projects.
 5. Explore options for a new police department facility.
 6. Continue Parks Master Plan development and consideration of projects, funding, POSSIBLE BOND ELECTION IN 2026.

Personnel Additions

As we look toward pending growth and accurately assess the workloads of all current positions, City staff will propose adding personnel to ensure services and efficiency remain a top priority. Positions under consideration are:

- Enterprise Fund:
 - Wastewater Operator 1 – two (2) FTEs
- General Fund:
 - Police Officer – one (1) FTE
 - (Admin. Dept.) Code Enforcement Official – one (1) FTE
 - Street Department Operator 1 – one (1) FTE
 - Parks Department Maintenance Worker – one (1) Part-Time
 - (Admin Dept.) Building Maintenance Tech – one (1) Part-Time

Enterprise Fund

Position	Non-Adjusted Annual Rate
Wastewater Operator 1	\$41,600
Wastewater Operator 1	\$41,600
Total	\$83,200

General Fund

Position	Non-Adjusted Annual Rate
Police Officer	\$56,472
Code Enforcement	\$48,834
Street Equip. Op. 1	\$37,400
Parks Maintenance (PT)	\$17,387
Building Maintenance (PT)	\$17,387
Total	\$177,480

Wage Adjustments

- General Fund
 - 5% COLAs are recommended for most positions. A select few positions do not match the market, so several will be recommended for Market Adjustments of 7% to 10%.
- Water/Wastewater Fund
 - 5% COLAs are recommended for most positions. A select few positions do not match the market, so several will be recommended for Market Adjustments of 7% to 10%.
- Note: health insurance rates are not yet known but are budgeted at a 6% increase.
- Certification compensation will also be considered in FY 25-26 budget.
- We will also consider adjusting the Christmas Bonus from \$100 to \$500 per FTE, at an additional cost of approximately \$50,000. The last time this bonus was adjusted was sometime around 2006.



Discuss Department Decision Packages

City of Gatesville
Department Heads

City Manager's Office

- **Goals for FY 2025-2026:**

- Department-level goals listed herein
- Auditorium and 1904 Leon River Bridge projects
- Re-branding
- “Leadership Gatesville”
- Continue airport planning
- Complete 75% of FEMA projects
- Parks, Streets, PD Building, and Enterprise Fund CIPs
- Random drug screens
- Vision & Mission Statement
- Continue policy, employee handbook, and city ordinance additions/revisions

- **Anticipated Major O&M Costs**

- Airport upgrades, maintenance
- Downtown Historic District – meetings, 380 agreements, abatements, & general support
- Building or facility needs:
 - City Hall remodel interior, landscaping & signage exterior

Finance, HR & Library

- **Goals for FY 2025-2026:**
 - GFOA ACFR Program
 - Implement Tocker grant improvements at Library
- **Anticipated Major O&M Costs**
 - Maintenance / subscription costs, new or increased:
 - Cemetery software
 - Library vehicle wrap
 - Building or facility needs
 - Civic Center- Tables & chairs, Large room flooring, projector replacement, door replacements and barn electrical work
 - Library - Tocker grant funded furnishing upgrades, computer replacement
- **Fleet Plan**
 - Library is only vehicle for department, repurposed PD vehicle no plans to replace
- **Anticipated Capital Outlay Requests**
 - Some building needs will qualify as capital improvement

CSO/Planning Department

- **Goals for FY 2025-2026:**
 - Introduce regulations and licensing
 - Mobile Home Parks
 - RV Parks
 - Short-Term Rentals (Airbnb)
 - Food Trucks
 - Game rooms
- Update Ordinances:
 - Animal Control/Livestock
 - Solicitor/Peddler
- Update website:
 - Link social media with calendar and news alerts.
 - “Notify Me” feature
 - Form/Document Center
 - Full Staff Directory
 - Slide show of pictures from Events
 - Opinion Pole/Survey feature
 - Municipal Bid feature
 - Department Pages with resources and links
 - Agenda Management feature

Police Department

- **Goals for FY 2025-2026:**
 - Update complete policy manual
 - Initiate Texas Police Chief Association Accreditation
 - Flock Safety Camera Deployment
- **Anticipated Major O&M Costs**
 - Maintenance / subscription costs, new or increased:
 - Flock Safety Cameras (New) \$24,000.00
 - Overall software maintenance was under budgeted in FY25 and will reflect adjustment for FY 26
 - Building or facility needs (if proposed PD building deferred more than one additional FY)
 - Roof, secure fencing, firewall for evidence room, paint, flooring, bathroom/breakroom remodel, window replacement, bay climate controlled for evidence overflow, secure armory, new security door system, added office space, conference room, new Furniture
 - Other
 - Slight increase in miscellaneous account for enhanced Community Policing efforts
 - TNR program
- **Fleet Plan**
 - We will request to add:
 - 2026 Dodge Durango marked police unit for additional officer (\$87,000.00)
- **Anticipated Capital Outlay Requests**
 - Proposed new building at \$6.9 million

Fire Department

- **Personnel**
 - 34 Volunteer Fire Fighters
 - **Requested personnel additions for FY 25-26**
 - FTE: 1 Fire Chief
- **Fleet Plan**
 - **We will request to replace:**
 - Engine 3
 - Rescue 1
- **Anticipated Capital Outlay Requests**
 - Engine 3
 - \$1.1 Million (½ City and ½ County)
 - Rescue 1
 - \$75,000

Parks & Recreation Department

- **Anticipated Major O&M Costs**
 - Building or facility needs
 - Fitness Center- Swimming pool room insulation replacement (\$)
 - Sports Complex Irrigation- HEB/Jaycee Field irrigation (\$37,500)
 - Sports Complex Accessibility- Jaycee Field additional sidewalk and concrete pad (\$5,000)
 - Swimming Pool- Sundeck flooring replacement (\$4,300)
 - Swimming Pool- Pump room filtration maintenance (\$8,100)
 - Parks Maintenance Building- add electricity/lighting (\$), roll-up door/walk-through door, and gutters (\$7,400)
 - Raby Park- Playground fall surface replacement (\$4,000)
 - Other
 - T-Shirts & Awards- We are asking to increase this line item to incentivize select baseball / softball teams to play their tournaments in Gatesville (e.g., custom glove and bat tournaments).
 - Security Cameras- we're asking to install security cameras in parks and facilities.
- **Anticipated Capital Outlay Requests**
 - Park Maintenance Mower- \$11,500
 - Fitness Center- HVAC/swimming pool room dehumidification (\$175,000)
 - Fitness Center- Swimming pool roof replacement (\$88,000)
 - Park Maintenance Power Rake- \$10,100
 - Fitness Center Weight Equipment Replacement (Year 4 of continuing plan)- \$26,000

Public Works Department

- **Goals for FY 2025-2026:**

- Start the mini-CIP FNI put together.
- Start a Water & Wastewater Master plan with FNI.
- Start phase II of Stillhouse Wastewater Treatment Plant.
- Continue Main street feeder road overlays and connecting streets.

- **Anticipated Major O&M Costs**

- Street repair fund – expected to fully deplete this FY (unlike previous years) and request increase for next FY
- Maintenance / subscription costs, new or increased:
 - Increase of 10-20% in most budget lines.
- Increased funding for higher costs of chemicals and materials.
- Building or facility needs
 - We have a mini-CIP that will address getting public works facilities back up to today's codes and standards.

- **Fleet Plan**

- We will request to replace:
 - Major equipment pieces
- We will request to add:
 - 1 mini loader (Wastewater Treatment)

Conclusion

We will work through the budget plan diligently and with a [high level of input from all Department Heads](#). After the submission of the initial operating requests and new capital spending requests, we will work with the departments to develop a proposed [budget that fits within the revenue expectations and key department goals](#).

As a team, your City of Gatesville leadership staff considers the budget to be not only an accounting tool for the year ahead, but also a [guide for leadership and planning for the coming several years](#).

As required by the City's Charter and Local Government Code Section 102, the City Manager submits the proposed budget to the City Council at least 30 days before the governing body adopts an ad valorem tax rate. The budget is filed with the City Secretary in accordance with State Law and copies of the proposed budget will be made available at the City's public library and on the City's website.

The City Council considers the proposed budget during budget workshops (first one May 30, 2025), which also provides an opportunity for public input as required by state law. The [budget is formally adopted by the City Council no later than September 30th](#) at a regularly-scheduled Council Meeting. Once adopted, the budget goes into effect on October 1.

[Our proposed tax rate does not exceed the Voter Approval Rate](#) for the coming Fiscal Year. Taxing entities that adopt a tax rate that exceeds the Voter Approval rate must do so not later than the 71st day before the November 2021 uniform election date, but we are proposing a rate that will not require an accelerated budget and tax rate adoption calendar.



Set date/time/place for Budget Public Hearing & Call Special Council Meetings

Brad Hunt,
City Manager

Mike Halsema,
Deputy City Manager / CFO

- Regular City Council Meeting August 26
 - 1st reading of Ordinances to approve Budget, Tax Rates, and Rates & Fees

- Special Called City Council Meeting Sept 2, 2025
 - 2nd reading of Ordinances to approve Budget, Tax Rates, and Rates & Fees
 - Hold Public Hearing on Budget and take action to set date for consideration of adoption of budget

- Regular City Council Meeting September 9
 - 1) Adopt FY 2024-25 Budget by Ordinance (3rd reading)
 - 2) Public Hearing on Tax rate
 - 3) Vote on Tax Levy and Rate, Adopt by Ordinance(3rd reading) Vote
 - 4) Ratify Budget that will raise total property tax revenue by resolution
 - 5) 3rd reading of Ordinances to approve Rate and Fees



Date 7/22/2025

Agenda Item 7

Resolution 2025-067

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 providing for the defeasance and calling for redemption of certain currently outstanding obligations; directing that the City Secretary, or designee effectuate the redemption of these obligations; and other matters in connection therewith.

Information:

In February of 2023 the City Council approved the issuance of a Tax Anticipation Note (TAN) in the amount of \$675,000 for the purchase of two properties: 803 and 805 E Main Street. Debt service payments are made through the Interest & Sinking (I&S) portion of the Ad Valorem tax rate (property tax). For FY 2026, staff is recommending a defeasance (extra payment) for the 2023 TAN to maintain the I&S at a level rate until funding for the police station is secured. The defeasance will retire all of the remaining principal of the TAN. An application to USDA for funding assistance has been made for the police station project.

Financial Impact:

The defeasance, if approved, would retire \$185,000 of the TAN early. The proposed overall AV tax is \$00.5600 / \$100 valuation for FY 2026, including the defeasance.

Staff Recommendation:

The staff recommends that the City Council approve the defeasance by approving a Redemption Resolution.

Motion:

Motion to approve **Resolution 2025-067**, providing for the defeasance and calling for redemption of certain outstanding obligations; directing that the City Secretary, or designee effectuate the redemption of these obligations; and other matters in connection therewith.

Attachments:

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 7/22/2025

Agenda Item 7

Resolution 2025-067

APPROVED

Greg Casey, Mayor Pro-Tem

ATTEST:

Holly Owens, City Secretary



JULY 22, 2025

CITY MANAGER REPORT TO CITY COUNCIL

WELCOME

This document is intended as an overall look at City of Gatesville operations from the City Manager's perspective. It is intended to concisely summarize the operations of each department within the city government and provide updates on current and future projects being undertaken by your city government. Its intended audience includes the City Council as well as all community members and stakeholders in Gatesville.

Please call me at 254.220.4628, or email me at bhunt@gatesvilletx.com, if you have any questions about any of the information provided herein.

Thank you,
Bradford Hunt
City Manager



TABLE OF CONTENTS

- City Manager Update
 - City-Wide Staffing Report
 - Current Projects
 - Development
- Department Updates
 - Public Works
 - Police Department
 - Fire Department
 - Parks and Recreation
 - Library, Civic Center, Auditorium, Airport
 - City Hall
 - City Secretary, Permits & Code Compliance
- Upcoming Community Events

CITY MANAGER UPDATE: CITY-WIDE STAFFING REPORT

- Employment Rate: 97.7%
- Open positions: 3 FTEs, 0 PTs, 0 Seasonal
- Police Department:
 - 1 Dispatcher (FTE) – 1-2 candidates identified
 - 1 Police Officer (FTE) – candidate to attend police academy in August
- Library:
 - 1 Library Assistant (FTE)

CITY MANAGER UPDATE:

CURRENT PROJECTS

- TDEM/FEMA process – debris project complete, others are in-progress
- Development inquiries / meetings (slides 8 & 9)
- Spur Magazine – digital version forthcoming in next few months
- Parks Master Plan finalized, UPDATE ON TPWD GRANT (next slide)
- Flooding events June 11-12, July 4-7;; July 13-15 (slide 7)
- July drainage issues
- Budget prep & individual meetings
- CIP for Hughes Unit EST work will begin in August to comply with TCEQ & we will seek reimbursement
- Met with County Commissioners July 8 re: Gatesville VFD budget considerations
- Kalyn drainage – planning continues
- Working on HOT funds application process & procedure to disburse funds only semi-annually.
- Pulled Rise Broadband's boring/installation permit for 30 days, July 1-31.
- Travelled to Kerr County Texas to assist Ingram VFD with recovery efforts July 9 to 11 and July __ to __.

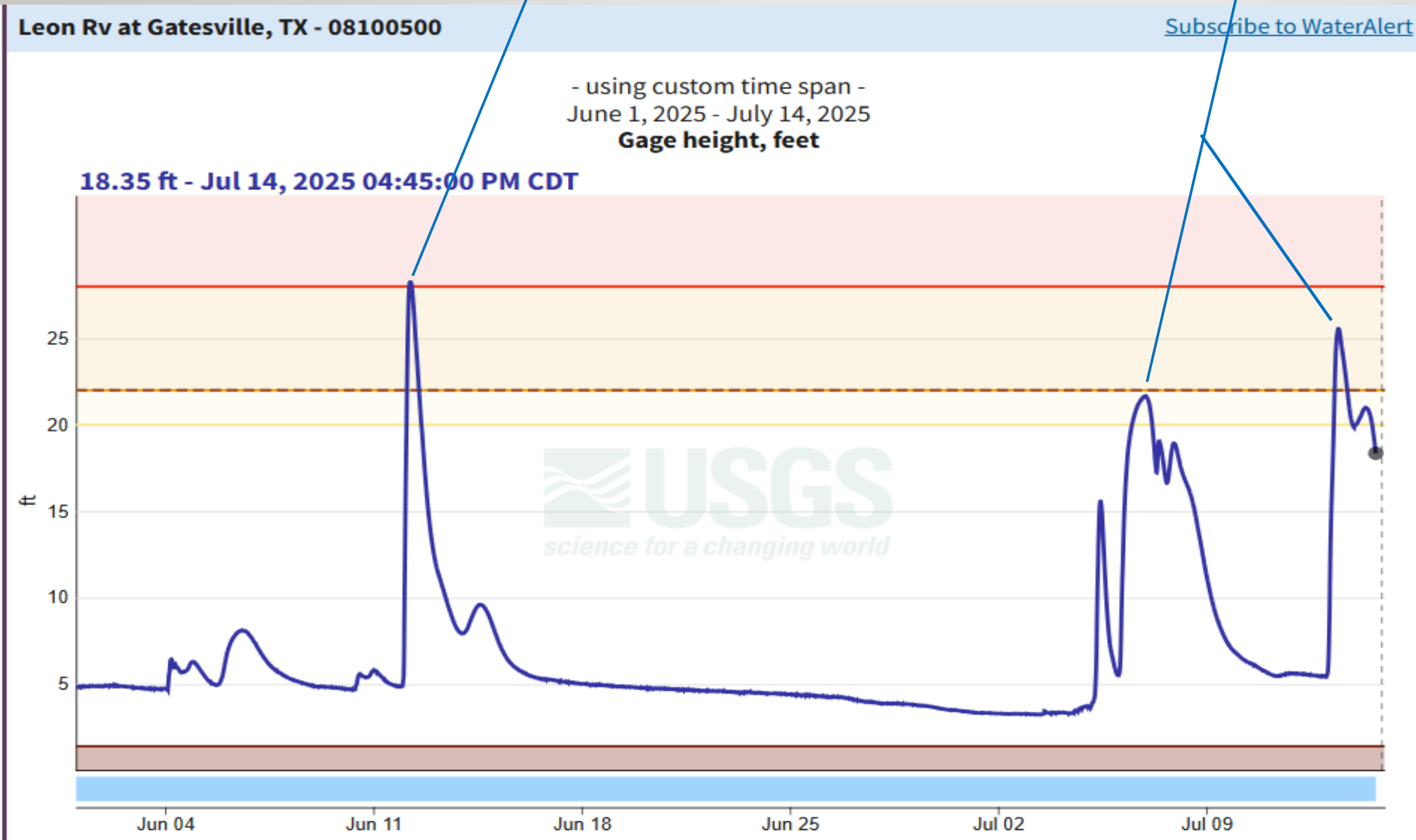
CITY MANAGER UPDATE:

UPDATE ON T.P.W.D. PARKS GRANT

- Reviewed by legal counsel for HOT fund usage.
- Counsel reviewed all aspects and recommended we avoid usage of HOT funds for this expenditure.
- Other planned General Fund expenditures would qualify for HOT funds, so we are calculating the offset to determine what matching funds would fit within the General Fund CIP.
- We will return on Aug. 12 with a final update on obligating matching funds for TPWD grant.

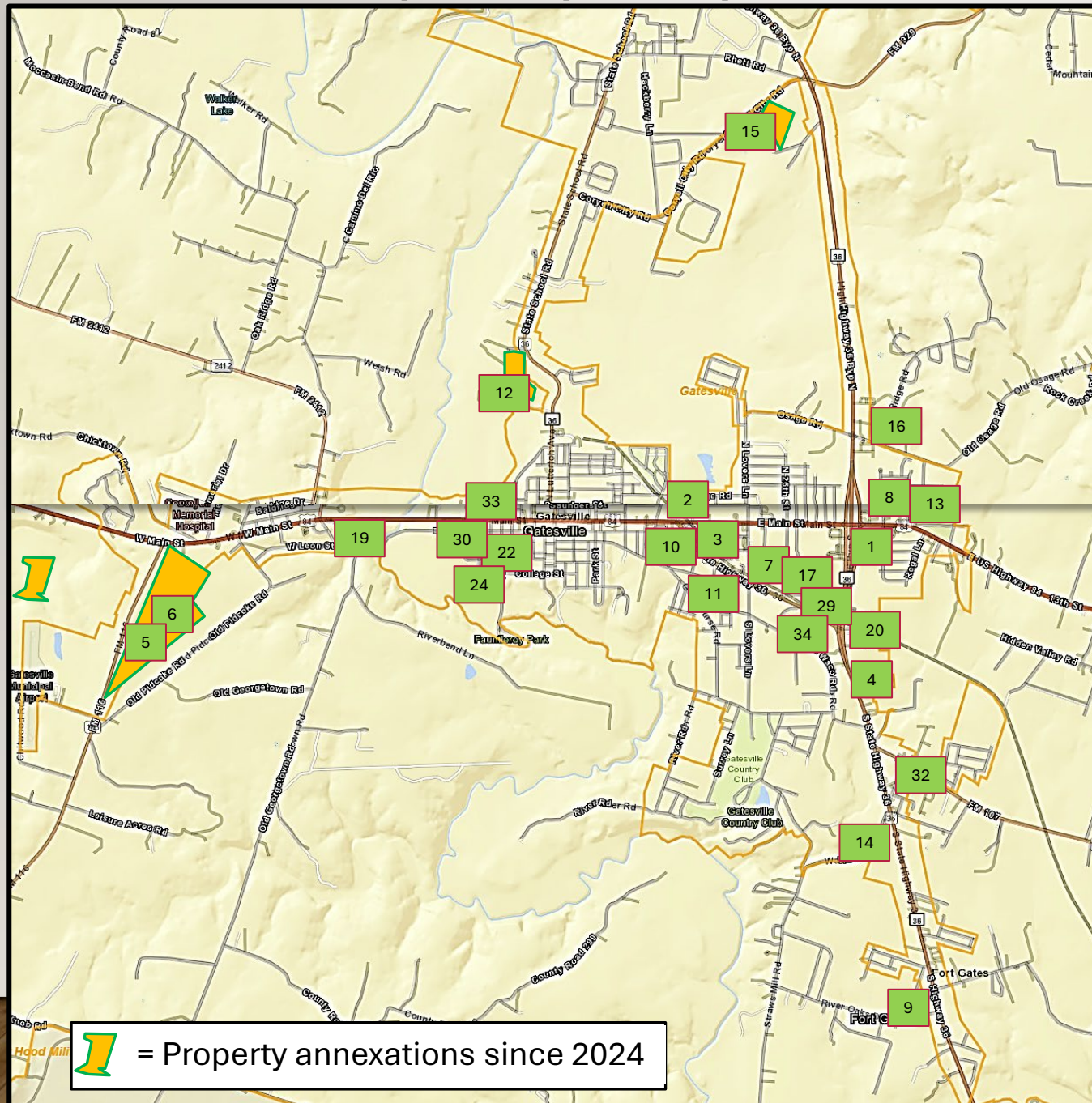
FLR flooded to walking trail and lower portion to just 6" below power boxes, 1-2' below bathrooms

FLR Flooded to walking trail only, required debris removal & material replacement



- UNUSUAL FREQUENCY OF FLOODING EVENTS ON LEON RIVER, JUNE 1 TO JULY 14

Development Update July 2025



1. Starbucks
2. Main/Business 36 commercial dev.
3. Laundromat by Beall's
4. Gatesville Crossing
5. Project TBD, commercial/residential
6. Subdivision of #5, 8 acres for townhomes
7. TBD Urgent Care Clinic
8. Oso Clean Car Wash
9. 5-suite offices/retail
10. 7-Brew Coffee
11. Domino's Pizza
12. Washburn duplexes
13. Parkview duplexes
14. ____ Motel remodel - by Watts Lane
15. Summers' RV Park
16. Trinity - 26 apts. for age 60+
17. Wild Flour Cafe
18. TBD national chain hotel North SH 36
19. SF Homes x8 W. Main St.
20. TBD food service - inside Walmart
21. TBD national chain hotel South SH 36
22. Downtown boutiques x 2
23. TBD housing addition near FM 107
24. Public service office downtown
25. TBD Self storage
26. ¼ acre lots, 100 homes – interest , area TBD
27. SF Homes SE of airport,
28. TBD equipment lease company
29. Former proposed car wash location, now up for sale
30. Knife & Cork renovations
31. TBD chain restaurant – inquiry, near HEB
32. Small warehouse near Fincher's
33. ____ Graves florist building – open
34. TBD chain restaurant inquiry – old BK building
35. SF Homes , subdivision

NOT MAPPED

18

21

23

25

26

27

28

31

35

[illegible][illegible]

DEPARTMENT UPDATE:

PUBLIC WORKS, OVERALL

- PW Director:
 - Chad Newman
- Water Distribution & Street Maintenance:
 - Dale Allen
- Water Production:
 - Zeb Veazey
- Wastewater:
 - Bobby Buster
- Fleet Maintenance:
 - Derek Lawrence
- Projects
 - Stillhouse WWTP
 - Lakewood Force main reroute
 - FEMA Projects at Stillhouse, Leon WWTPs
 - Fort Gates area sewer expansion
- Current Activity:
 - Drainage issues, box culvert inspections across town
 - Downtwon feeder road overlays
- 3-Month Look-Ahead:
 - Lakewood reroute project
 - Lover Lane box culvert repair
 - FEMA projects
- Long-Term:
 - 5-year CIP for public works + Master Plans
 - Water & Wastewater Master Plans

DEPARTMENT UPDATE:

PUBLIC WORKS, STREET DEPARTMENT

- Projects:
 - Mowing, street sweeping, open hole repairs from recent flooding event.
 - HMAC overlay continuing on city streets
 - Repairing Culvert and street on Cottonwood.
 - Drainage issues with continued rain through June-July
- Monthly Report:
 - Open hole pavement repairs across town.
 - Mowing when possible.

DEPARTMENT UPDATE:

PUBLIC WORKS, WATER DISTRIBUTION / SEWER COLLECTIONS

- 1-3 Month Look-Ahead:
 - Start replacing the city owned galvanized service lines from our required Lead service line inventory report mandated through TCEQ.
 - Lakewood force main reroute project.
 - Sewer line repair & reinforcement by Lovers Lane box culvert.

DEPARTMENT UPDATE:

PUBLIC WORKS, WATER PRODUCTION

- Production Plant:
 - Daily pump totals are lower than normal due to rainfall.
 - Clarifier #1 complete.
 - Clearing chemical lines, vacuuming bulk tanks, replacing sump pumps, cutting brush and touchup painting.
 - Total Treated Water sent to the system for the month of June: 149.302M gallons/day
- 3-Month Look-Ahead:
 - The Chlorine Dioxide Carrier Line has been repaired.
 - We moved all old equipment and unused materials from the Raw Water Intake Pump Station by boat back to the plant to be scrapped or disposed of.
 - Night shift operator will attend the TWUA Regional School June 2nd through 5th, and test for his Class D Operator license after completing the Basic Water class.

DEPARTMENT UPDATE:

PUBLIC WORKS, WASTEWATER TREATMENT

- Stillhouse WWTP:
 - Expansion project
 - Daily tests & Bio-Chem samples.
 - Belt Press and Bar Screen ran and cleaned daily.
- Future Plans:
 - Repair conveyer for biosolids
 - Work on lowering blankets in clarifiers
- Sewer Collections
 - Mow all lift stations weekly.
 - Cleaned, degreased & vacuumed sewer lines
 - Leon WWTP:
 - Daily test of PH, CL2.
 - Run the belt press & clean daily.
 - Checked all pumps and motors daily.

DEPARTMENT UPDATE: POLICE DEPARTMENT

Administrative Bureau

Personnel Summary	Budgeted	*Actual	Lmt/FMLA
Sworn Law Enforcement	19	18	0
Non-Sworn	12	11	0
Total	31	29	0

Property & Evidence	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Items Disposed	7		122		
Items Received	11		88		
Total # of Items	2001		2001		

Records Unit	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Open Records Requests	106		618		

False Alarm Program	June 2025	June 2026
Total number of alarms	20	
Total number of FALSE alarms	16	
Total balance of delinquent accounts (Past 30 Days)	2125	

Community Events Sponsored	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Community Events	1		3		

DEPARTMENT UPDATE:

POLICE DEPARTMENT

Patrol Bureau

Use of Force Report	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Total # of Use of Force Incidents	0		3		
Computer Aided Dispatch	June 2025	June 2026	2025 YTD	2026 YTD	YTD % Changed
Calls for Service	536		2928		
Self-Initiated Activity	1628		9965		
Total Events	2164		12,893		
Activities	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Total Arrests (# of Offenders)	16		166		
Misdemeanor	7		133		
Felony	8		71		
Class C	1		28		
Federal	0		0		
Total Offense Charges	22		238		
Department Traffic Enforcement	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Citation (Tickets)	78		465		
Citation Charges	119		623		
Citation Warnings	259		1484		
Traffic Stops (CAD data)	322		1796		
DWI Arrests	1		11		
Accidents Reported by Officers (CRIS)	7		52		
Accident Exchange Information	10		68		
Fatality Accident	0		0		

DEPARTMENT UPDATE:

POLICE DEPARTMENT

Animal Services

Administrative Activities	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Calls for Service	170		735		
Warnings	0		6		
Citations	1		11		
Criminal Investigations	0		1		

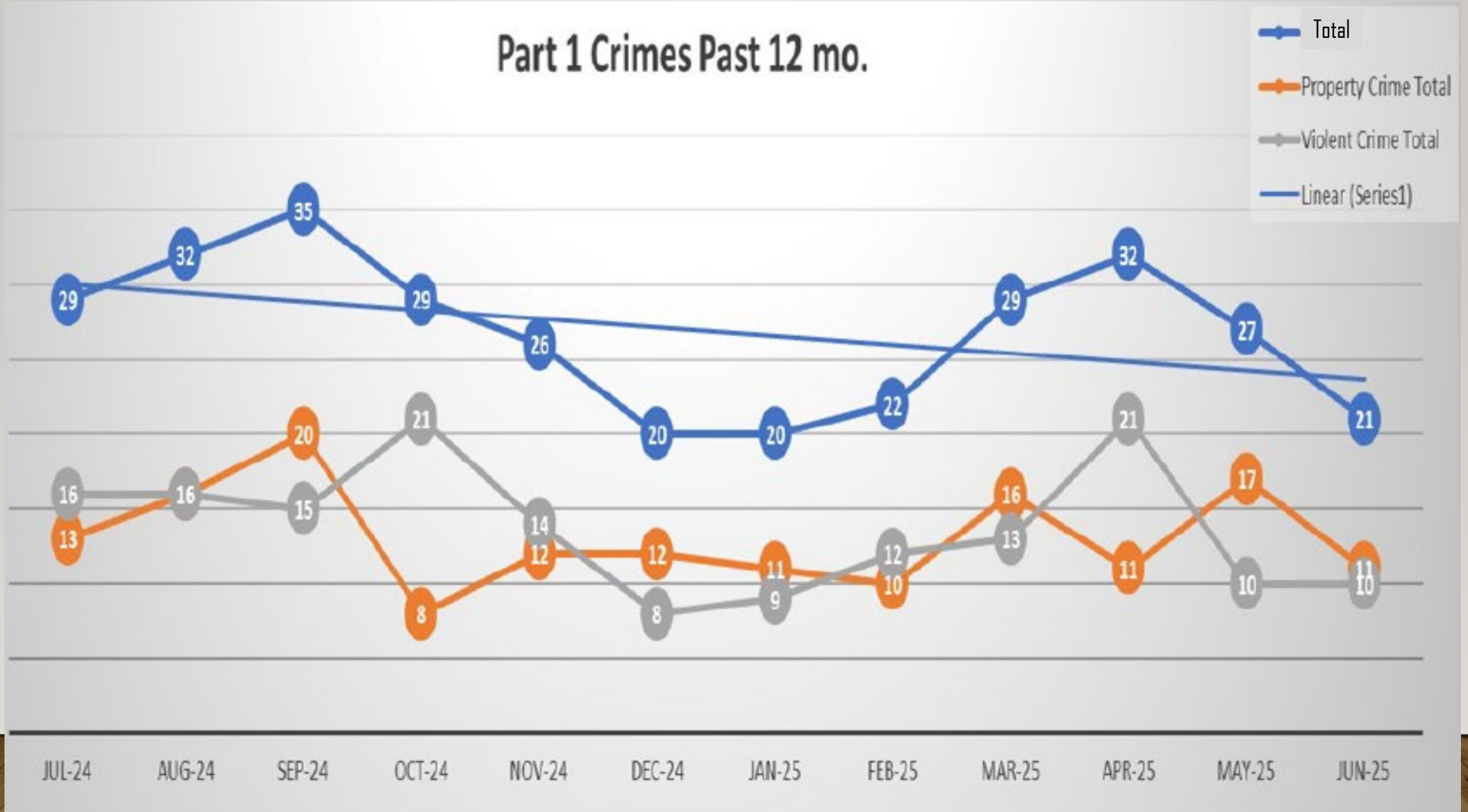
Dogs	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Field Intake	10		82		
Total Dogs Received	10		82		
Reclaimed	1		40		
Adopted	2		45		
Transferred Out	3		14		
Total Live Outcomes	6		78		
Euthanized	0		2		
Died in Shelter	0		0		
Total Dogs Euthanized	0		2		

Cats	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Field Intake	16		118		
Total Cats Received	16		125		
Reclaimed	0		1		
Adopted	11		40		
TNR	9		71		
Transferred Out	0		6		
Total Live Outcomes	20		131		
Euthanized	1		2		
Died in Shelter	2		4		

Other (Wildlife/Livestock)	June 2025	June 2026	2025 YTD	2026 YTD	% Changed
Intake	0		0		
Released to Owner (Livestock)	0		0		
Released (Wildlife)	0		11		
Euthanized	0		2		

DEPARTMENT UPDATE: POLICE DEPARTMENT

Part 1 Crimes Past 12 mo.



DEPARTMENT UPDATE:

FIRE DEPARTMENT

- Chief Vaden retiring at end of 2025; CM attended VFD regular meeting July 15
- Engine 3, personnel, & other budget items discussed at July 8 County Commissioners Court meeting, with CM input
- Call load = about 3 calls per day, busy time of year

DEPARTMENT UPDATE:

PARKS & RECREATION

Seth Phillips

Parks & Recreation Director

Marte Bailey

Athletics/Aquatics

Patrice Gilbert

Fitness

Levi Cole

Maintenance Supervisor

Overview

ONGOING PROJECTS

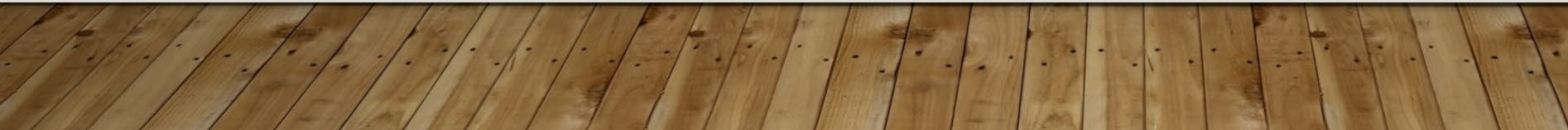
- FEMA Damaged Park Sites (Faunt Le Roy, Raby, Brown)
- Parks Master Plan
- Sports Complex field maintenance and repairs
- ☐The Gatesville Lions Club is donating \$15,000 towards making the Sports Complex more accessible. This project will be completed in July after the spring/summer tournament season has concluded.
- Ronnie Viss Gazebo
- NFC Recreation Center Agreement

UPCOMING EVENTS

- Summer Sounds (July 26, August 30, September 27)

Department
Update:

Parks &
Recreation



Athletics

- Youth Baseball/Softball
 - League season is complete
- Adult Slow Pitch Summer League starting in August
- Youth volleyball and flag football registration will open on July 25
- Youth Baseball/Softball Tournaments
 - Fall select tournament schedule is full (13-15 tournaments)

Department
Update:

Parks &



Aquatics

Staffing Update

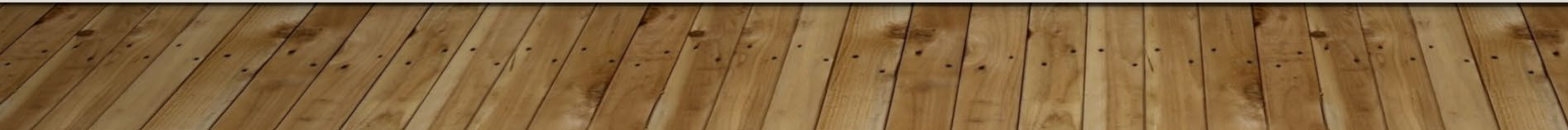
- We have 24 fully certified Lifeguards and 3 Front Desk Associates.

Facility Operations

- The City Pool officially opened on May 24
 - Season End Date: August 2, 2025 (we will continue to offer pool parties through August 8).
 - Boys & Girls Club: Tuesdays and Thursdays (9:30am-10:30am)
 - Swim Lessons: Tuesday-Friday (11am-11:50am) (50% of available sessions have been booked)
- The Splash Pad opened on May 1
 - Open: Monday-Sunday (9am-9pm)
 - Season End Date: August 31, 2025

Department
Update:

Parks &
Recreation



Fitness Center

Membership

- 1,013 Memberships
- 4,822 Member visits (12.5% increase from previous year)

Group Exercise

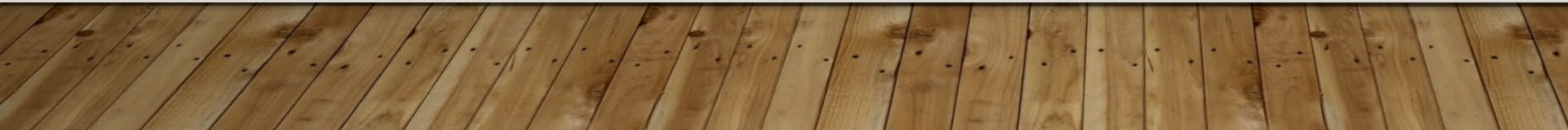
- 92 Classes
- 833 Participants

Sales - \$25,718.79

- Memberships, Passes, Etc.- \$22,314.54
- Retail- \$1,626.75
- Insurance Reimbursement- \$1,777.50

Department
Update:

Parks &
Recreation

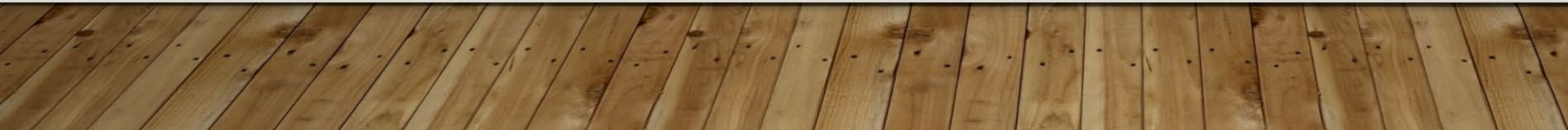


Maintenance

- Mowing of City parks and facilities
- Faunt Le Roy Park - sustained no major damage with recent Leon River crests.
 - The road around the peninsula and culvert was flooded, restrooms and electrical were not affected.
 - We'll need to remove flood debris and mud from the park roads.
 - The Walking Trail will need to be leveled before reopening.

Department
Update:

Parks &
Recreation



DEPARTMENT UPDATE:

LIBRARY, CIVIC CENTER, AUDITORIUM, AIRPORT

- Library – Shea Harp, Director:
 - Continuing with HVAC assessment & final project completion
 - Assisting with new city website launch, with city calendar
- Civic Center & Auditorium – Morgan Smart:
 - Civic Center booked through Summer
 - Auditorium building / Old City Hall – assessment of final FEMA-related costs by end of month
- Airport – Miguel Gamez, Brad Hunt, Mike Halsema:
 - RAMP grant – contractor identified and will begin work soon
 - Updated contact info with FAA for NOTAM alerts

DEPARTMENT UPDATE:

CITY HALL

- Finance – Mike Halsema, Deputy CM / CFO:
 - FY 26 budget preparations
 - City Hall water damage – quotes received & will be presented to Council for funding consideration Aug. 12, re: leaking windows + subsequent wall and floor damage
- Human Resources – Lori McLaughlin:
 - Comp & classification study RFP selection in progress; changed from internal study to gain more insight for future consideration
 - Working on handbook amendments – drug testing policy and others
- Court, Water, Cemeteries – Mike Halsema, Lori McLaughlin
 - Cemetery management software in use and new ordinance in effect

Development Services & CSO Planning, Building, Code Enforcement

City Secretary
Holly Owens
Building Official
Miguel Gamez
Permit Technician
Nicole Clark
Code Enforcement
Brooklyn Meza

June 2025

Planning

Zoning/Development Ordinance(s):

Plat(s) Processed:

Annexation Application(s): A Wood Survey (city property north of Airport)

Other: Mesquite Street Abandonment

*All minor plats listed were reviewed and processed in-house.

Permits & Inspections: Permits - \$1,709,008.60 / \$4,509.14

Permits (Review/Issued)

Parkview (3701 Park Ln)

Dominoes (2330 S Hwy 36)

3 New SF homes

Gatesville Crossing Civil (FNI)

Structural (BV)

Integrity Urgent Care Civil (FNI)

Structural (in-house)

Miscellaneous

59 Total (issued)

Inspections

Duplexes on Stillhouse

New SF homes

Starbucks

7 Brew

Gatesville Crossing Easement

Wild Flour Bakery & Café

Office Spaces (River Oaks)

Miscellaneous

Certificate of Occupancies

Vape Shop (1210 E Main St.)

Madpro Kustoms & Collision

(248 FM 116)

L&M Boutique (119 S 7th)

Dirt/Diamonds Grooming

(1111 W Main)

Code Enforcement

50 Cases opened

0 Abatement lien filed

1 Lien(s) paid

2 Citations issued

Licenses \$1,420.00

0 Livestock

1 Food Truck

2 Alarm

0 Solicitor

5 TABC

Open Records Requests

0 Zoning Verification Letters

11 Other

UPCOMING EVENTS

- September 20 – Spur Fest
- October 7 – National Night Out
- October 25 – Boozaar

WATCH OUR FACEBOOK PAGE FOR UPCOMING EVENTS, DEPARTMENT NEWS, LOCAL BUSINESS PROFILES, PERSONNEL PROFILES, AND MORE!