

**CITY COUNCIL MEETING
SEPTEMBER 9, 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 **9TH DAY OF SEPTEMBER 2025.**

2) **QUORUM CHECK/COUNCIL PRESENT:** Mayor Gary Chumley, Mayor Pro-Tem Greg Casey, Councilmembers Kalinda Westbrook, Aaron Smith, Meredith Rainer, John Salter, and Joe Patterson.

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

OTHERS: Leo Corona, Travis VanBibber, Brenon Smith, Gatesville Messenger, and Diane Barnet.

3) **INVOCATION:** Jon Salter and **PLEDGE OF ALLEGIANCE:** Led by Mayor Gary Chumley.

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

There were no public comments.

EXECUTIVE SESSION:

4) Recess Regular Meeting and Call for an Executive Session – Closed Meeting.

The City Council of the City of Gatesville will convene into a closed Executive Session pursuant to Texas Government Code section 551.074 (Personnel Matters) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, dismissal of a public officer or employee AND section 551.071 (Consultation with Attorney).

Council entered Executive Session at 5:32 PM.

Greg Casey arrived at 5:40 PM.

5) End Executive Session and Reconvene the Open Meeting.

Council reconvened the Open Meeting at 6:20 PM.

6) Discussion and possible action regarding authorization for City Manager to sign a Letter of Intent with Coryell Hydro Power on behalf of the City of Gatesville.

EXECUTIVE SESSION (RESOLUTION 2025-073): Motion by Kalinda Westbrook, seconded by Meredith Rainer to **TABLE, RESOLUTION 2025-073**, and to direct the City Manager to revise the Letter of Intent with the information discussed in Executive Session. All six voting “Aye”, motion passed, 6-0-0.

CONSENT:

7) 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 2025-084:** Discussion and possible action regarding approval of minutes from Regular City Council Meeting held on **August 26, 2025**.
- b. Resolution 2025-085:** Discussion and possible action regarding approval of minutes from Special City Council Meeting held on **September 2, 2025**.
- c. Resolution 2025-086:** Consider a resolution nominating a candidate for appointment to the Board of Directors of the Coryell Central Appraisal District.
- d. Resolution 2025-087:** Consider a resolution declaring unopposed candidates in the November 4, 2025 general city election to office and cancelling the election.

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

OTHER BUSINESS:

8) Discussion and possible action to amend Chapter 18 – Fee Schedule.

ORDINANCE 2025-17: Motion by Jon Salter, seconded by Joe Patterson to **APPROVE ORDINANCE 2025-17**, repealing and replacing Chapter 18. “Fees”, Section 18-1. “Fee Schedule” of the Code of Ordinances of the City of Gatesville, third and final reading.

9) Discussion and possible action to repeal Sec. 10-23. “Fees for Buildings”.

ORDINANCE 2025-15: Motion by Aaron Smith, seconded by Meredith Rainer to **PASS ORDINANCE 2025-15** to consider repealing Sec. 10-23. “Fees for Buildings” to the next meeting, second reading. All six voting with one abstaining, motion passed, 5-0-1 (Salter abstained).

10) Discussion and possible action to amend and repeal portions of Chapter 56 – “Utilities”.

ORDINANCE 2025-16: Motion by Kalinda Westbrook, seconded by Aaron Smith to **PASS ORDINANCE 2025-16**, considering repealing and amending portions of Chapter 56 “Utilities”, to the next meeting, second reading. All six voting “Aye”, motion passed, 6-0-0.

11) Discussion and possible action regarding Ordinance 2025-18, adopting the budget for Fiscal Year 2025-2026.

ORDINANCE 2025-18: Motion by Meredith Rainer, seconded by Jon Salter to **APPROVE ORDINANCE 2025-18**, adopting the Fiscal Year 2025 Budget. All six voting “Aye”, motion passed, 6-0-0.

ROLL CALL VOTE:

Jon Salter	Aye
Kalinda Westbrook	Aye
Greg Casey	Aye
Meredith Rainer	Aye
Aaron Smith	Aye
Joe Patterson	Aye

12) Recess Regular Meeting and call a Public Hearing.

Hear comments on Ordinance 2025-19, levying a tax rate for Fiscal Year 2025-2026.

Mayor Chumley opened the public hearing at 6:28 PM.

There were no public comments.

Mayor Chumley closed the public hearing at 6:29 PM.

13) Discussion and possible action regarding approval of Ordinance 2025-19 levying a tax rate for Fiscal Year 2025-2026.

ORDINANCE 2025-19: Motion by Joe Patterson, second by Meredith Rainer “I move that the property tax rate be increased by the adoption of a tax rate of \$0.56000, which is effectively a 2.76 percent increase in the tax rate” and that we **APPROVE ORDINANCE 2025-19** adopting and levying a tax rate of \$0.56000 per \$100 of taxable assessed value for Fiscal Year 2025-2026. All six voting “Aye”, motion passed, 6-0-0.

ROLL CALL VOTE:

Jon Salter	Aye
Kalinda Westbrook	Aye
Greg Casey	Aye
Meredith Rainer	Aye
Aaron Smith	Aye
Joe Patterson	Aye

- 14) Discussion and possible action regarding Resolution 2025-088 which ratifies the property tax increase reflected in the adopted budget for Fiscal Year 2025-2026.

RESOLUTION 2025-088: Motion by Greg Casey, seconded by Aaron Smith to **APPROVE RESOLUTION 2025-088** which ratifies the property tax increase reflected in the City's adopted Fiscal Year 2025-2026 budget, which is a budget that raises more property tax revenue than was generated the previous year. All six voting "Aye", motion passed, 6-0-0.

ROLL CALL VOTE:

Jon Salter	Aye
Kalinda Westbrook	Aye
Greg Casey	Aye
Meredith Rainer	Aye
Aaron Smith	Aye
Joe Patterson	Aye

City Council **adjourned at 6:33 p.m.**

Mayor, Gary Chumley

ATTEST:

City Secretary, Holly Owens

**CITY COUNCIL MEETING
SEPTEMBER 15, 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 15TH DAY OF SEPTEMBER 2025.**
- 2) **QUORUM CHECK/COUNCIL PRESENT:** Mayor Gary Chumley, Mayor Pro-Tem Greg Casey, Councilmembers Aaron Smith, and Meredith Rainer.

CITY STAFF PRESENT: City Manager Brad Hunt, City Secretary Holly Owens, Deputy City Manager/Finance Director Mike Halsema, Chad Newman, Chief Jeff Clark, Zeb Veazey, and Bobby Buster.

OTHERS: Travis VanBibber and Gatesville Messenger.

- 3) **INVOCATION:** Mayor Gary Chumley and **PLEDGE OF ALLEGIANCE:** Led by Mayor Gary Chumley.

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

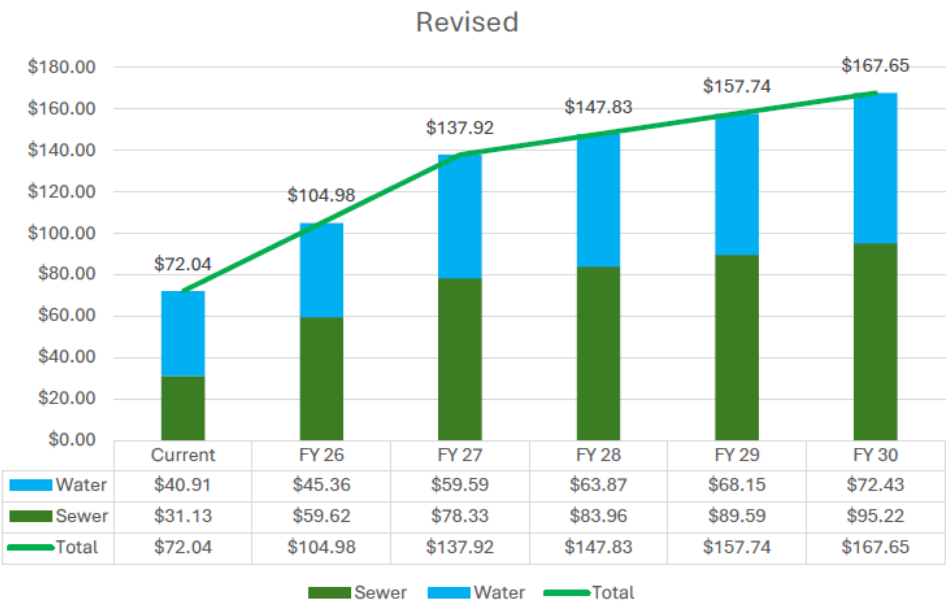
There were no public comments.

WORKSHOP:

- 4) Discussion on the Rate Study for Water and Sewer Rates.

Brad Hunt gave a presentation regarding the water and sewer rates. This presentation is available online and is part of the permanent record.

Zeb Veazey, Chad Newman, and Bobby Buster came forward to answer questions.



No action was taken.

City Council **adjourned** at **6:40 p.m.**

Mayor, Gary Chumley

ATTEST:

City Secretary, Holly Owens



Date 9/23/2025

Agenda Item 7c

Resolution 2025-091

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Bradford Hunt, City Manager

Agenda Item: Discussion and Possible Action Regarding Authorization for City Manager to Sign a Municipal Maintenance Agreement with TXDOT on Behalf of the City of Gatesville.

Information:

The local Texas Department of Transportation (TXDOT) Area Engineer, Jeff Jackson, sent an updated Municipal Maintenance Agreement (MMA) for consideration. The MMA requires a City Council resolution of support prior to the City representative's signature.

Financial Impact: none currently

Staff Recommendation: Staff recommends Council authorize City Manager Hunt to sign the MMA, as presented.

Motion: I move to approve Resolution 2025-091, authorizing City Manager Brad Hunt to sign the TXDOT Municipal Maintenance Agreement, as presented.

Attachments: TXDOT MMA

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

That the above stated recommendation is hereby approved and authorized.

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary

2024 MMA Agreement Update

To Whom It May Concern:

Please see enclosed the 2024 Municipal Maintenance Agreement (MMA) with 2020 census data.

Included, you will find an overview of changes for the new MMA.

Please review and should you have any questions or concerns you may reach out directly to Coryell County Area Engineer, Jeff Jackson, to discuss.

Email: Jeff.Jackson@txdot.gov

Phone: 254-424-1713

If there are no concerns on behalf of the city, you may proceed with the ordinance/resolution.

Once passed, see next steps below:

1. City completes top portion of Page 1
2. City executes on Page 9
3. Return Exhibit C (Resolution) & MMA to TxDOT for final execution

Once signed by TxDOT a fully executed agreement will be sent via email to the city for their records.

Thank you for your help in facilitating review and response.

We look forward to continued cooperation between Gatesville and Texas Department of Transportation.

MMA UPDATES	
Original	New
Only states that both parties need to agree to changes	In addition to change agreements, parties shall periodically update any exhibits to reflect changes to the State Highway System. Paragraph 4 applies whether or not the the exhibit is changed, however.
General Conditions	
	Updated code to traffic regulations section: "as applicable and in accordance with 43 Tex. Admin. Code Ch. 25, Such. B, and approved by the State"
	Sorts information in the general conditions more clearly, and breaks signage, lighting, and other special conditions into distinct sections. Much easier to follow
	Adds some additional information to lighting: For all highway lighting system projects, including those covered by separate agreements unless provided otherwise therein, (1) costs shall include the electricity required to construct and operate the lighting system, (2) the State shall not begin the trial phase of a newly installed lighting system until the applicable utility account is established by the City
Doesn't mention permitted landscaping	Includes that permitted landscaping and public art installations shall be handled through separate agreements
	Updated code to signs, traffic signals, and pavement markings: This Agreement satisfies the agreement requirements of 43 Tex. Admin. Code § 25.5 concerning traffic signal installation, unless the parties determine a separate agreement is necessary to address project-specific issues that are not otherwise addressed by this Agreement.
States that city must maintain ADA items	The city is responsible for the maintenance of sidewalks and other accessibility-related items. This means keeping sidewalks clear of debris and vegetation. If pavement work is required, it is the responsibility of whoever is causing this pavement work to be done. For example, if a Party's highway project is considered an "alteration" under ADA that triggers the requirement to construct or upgrade items, it is that Party's responsibility to perform these upgrades
When discussing driveways, cites "Regulations for Access Driveways to State Highways" and the State's Access Management Manual	Just cites State's Access Management Manual
No specific provisions on mailboxes, barriers, and bridge culverts and drainage pipes or whose responsibility they are	Includes new sections on mailbox supports and markings, roadside barriers (guardrails, concrete barriers, etc.), and structural support at bridges culverts, drainage pipes, embankments, and retaining walls. All of which are State responsibility.
Non-Controlled Access Highways	
Restates general conditions for cities above 50,000 (redundant)	Rewords how cities of under 50,000 people are handled. Doesn't restate what is in the general conditions, just adds relevant new information
	Gives clarity on how and when cities should maintain drainage facilities. Cities should maintain drainage outside of the right of way, but inside their city limits
	City is responsible for cleanup and litter control to ensure that drainage facilities are clear
	Gives examples on when to clean pavement: cleaning and removing litter, trash, discarded personal property, unauthorized temporary shelters, or any other unauthorized item from all areas within the right of way, including underneath a grade separation structure

Controlled Access Highways	
Mowing and litter cleanup is the State's responsibility on Controlled Access Roads	New verbiage: "on the City's request and if State resources are available".
Snow and Ice control is the State's responsibility	Once again, "on the City's request and if State resources are available"
State's responsibility for controlled access roadways to mow and clean up litter, sweep and otherwise clean through lanes, remove snow and ice, and install and operate traffic signals and ramps	In controlled access, it is the City's responsibility to sweep and clean everything but the traveled surface and shoulder, mow and clean up litter, and provide signage and markings for intersecting city streets to State Highways.



MUNICIPAL MAINTENANCE AGREEMENT

This Municipal Maintenance Agreement ("Agreement") is made this _____ day of _____, 2024, by and between the State of Texas through the Texas Department of Transportation ("State"), and the City of _____ Gatesville _____ (population _____ 16,135 _____, 2020, latest Federal Census) acting by and through its duly authorized officers ("City").

RECITALS

A. Chapter 311 of the Transportation Code gives the City exclusive dominion, control, and jurisdiction over and under the public streets within its corporate limits and authorizes the City to enter agreements with the State to fix responsibilities for maintenance, control, supervision, and regulation of State highways within and through its corporate limits; and

B. Section 221.002 of the Transportation Code authorizes the State, at its discretion, to enter agreements with cities to fix responsibilities for maintenance, control, supervision, and regulation of State highways within and through the corporate limits of such cities; and

C. The Executive Director, acting for and on behalf of the Texas Transportation Commission, has made it known to the City that the State will assist the City in the maintenance and operation of State highways within the City, conditioned that the City will enter into agreements with the State for the purpose of determining the respective responsibilities of the parties; and

D. The City has requested the State to assist in the maintenance and operation of State highways within the City as described herein. The Municipal Ordinance or Resolution authorizing the undersigned City Official to execute this Agreement on behalf of the City is attached as **Exhibit C**.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, it is agreed as follows:

ARTICLE I. COVERAGE

1. State assumption of maintenance and operations described in this Agreement shall be effective on the date of execution of this agreement by the Texas Department of Transportation.
2. In this Agreement, the use of the words "State Highway" shall be construed to mean all numbered highways that are part of the State's Highway System.

3. This Agreement is intended to cover and provide for State participation in the maintenance and operation of the following classifications of State Highways within the City:
 - A. Non-Controlled Access highways or portions thereof which are described as “State Maintained and Operated” highways in the document attached and incorporated as **Exhibit A**.
 - B. All State highways or portions thereof which have been designated by the Texas Transportation Commission, or are maintained and operated, as Controlled Access Highways and which are described in the document attached and incorporated as **Exhibit B**.
4. In the event that the present system of State highways within the City is changed by cancellation, modified routing, new routes, or a change to City boundaries, the State shall terminate maintenance and operation and this Agreement shall become null and void on those portions of the highways which are no longer on the State Highway System; and this Agreement shall apply to the new highways on the State Highway System within the City; and they shall be classified as “State Maintained and Operated” under paragraph 3 above, unless the execution of a new agreement on the changed or new portions of the highways is requested by either the City or the State.
5. Exhibits that are a part of this Agreement may be changed with both parties’ written concurrence. Additional exhibits may also be added with both parties’ written concurrence. The Parties shall periodically update any exhibits to reflect changes to the State Highway System under paragraph 3. Paragraph 4 shall apply to changes to the State Highway System regardless of whether an exhibit has been updated under this Paragraph.
6. The terms of the Agreement apply to a State Highway described by paragraphs 2-4 of this Article, unless provided otherwise in a specific project agreement.

ARTICLE II. GENERAL CONDITIONS

1. The City authorizes the State to maintain and operate the State highways covered by this agreement in the manner set out herein.
2. This agreement is between the State and the City only. No person or entity may claim third party beneficiary status under this contract or any of its provisions, nor may any non-party sue for personal injuries or property damage under this contract.
3. This agreement is for the purpose of defining the authority and responsibility of both parties for maintenance and operation of State highways through the City. This agreement shall supplement any special agreements between the State and the City for the maintenance, operation, and/or construction of the State highways covered herein, and this agreement shall supersede any existing Municipal Maintenance Agreements.

4. Traffic regulations, including speed limits, shall be established only after traffic and engineering studies have been completed by the State or City, as applicable and in accordance with 43 Tex. Admin. Code Ch. 25, Subch. B, and approved by the State.
5. The State shall install, maintain, and operate, when required, all traffic signs and associated pavement markings necessary to regulate, warn, and guide traffic on State highways within the State right-of-way, including main lanes and frontage roads, except as otherwise provided in this paragraph and elsewhere in this Agreement.
 - A. At the intersections of off-system approaches to State highways, the City shall install and maintain (1) all stop signs, yield signs, and one-way signs to regulate, warn, and guide traffic on the off-system street, even if such signs are to be installed on State right-of-way, and (2) any necessary stop or yield bars and pedestrian crosswalks outside the main lanes or outside the frontage roads, if such exist. These signs and markings must meet or exceed the latest State breakaway standards, if applicable, and be in accordance with the latest edition/revision of the Texas Manual on Uniform Traffic Control Devices
 - B. The City shall install and maintain all street name signs except for those mounted on State-maintained traffic signal poles or arms or special advance street name signs on State right-of-way.
 - C. Any other signs or pavement markings desired by the City on State right-of-way shall require prior written authorization by the State, and shall be installed and maintained by the City.
 - D. All signs and markings installed by the City under this Paragraph must meet or exceed the latest State breakaway standards, if applicable, and be in accordance with the latest edition/revision of the Texas Manual on Uniform Traffic Control Devices. All existing signs or markings shall be upgraded on a maintenance replacement basis to meet these requirements.
6. Traffic control devices such as signs, traffic signals, and pavement markings, with respect to type of device, points of installation, and necessity, shall be determined by traffic and engineering studies as provided by regulation in the Texas Administrative Code.
 - A. The City shall not install, maintain, or permit the installation of any type of traffic control device which will affect or influence the use of State highways unless approved in writing by the State. Traffic control devices installed prior to the date of this agreement are hereby made subject to the terms of this agreement and the City agrees to the removal of such devices which affect or influence the use of State highways unless their continued use is approved in writing by the State.
 - B. It is understood that basic approval for future installations of traffic control signals by the State or as a joint project with the City, shall be indicated by the

proper City official's signature on the title sheet of the plans. Both parties should retain a copy of the signed title sheet or a letter signed by both parties acknowledging which signalized intersections are covered by this agreement. Any special requirements not covered within this agreement shall be covered under a separate agreement.

- C.** This Agreement satisfies the agreement requirements of 43 Tex. Admin. Code § 25.5 concerning traffic signal installation, unless the parties determine a separate agreement is necessary to address project-specific issues that are not otherwise addressed by this Agreement.
- 7.** Subject to approval by the State, any State highway lighting system may be installed by the City provided the City shall pay or otherwise provide for all cost of installation, maintenance, and operation, except in those installations specifically covered by separate agreements between the City and State.

 - A.** For all highway lighting system projects, including those covered by separate agreements unless provided otherwise therein, (1) costs shall include the electricity required to construct and operate the lighting system, (2) the State shall not begin the trial phase of a newly installed lighting system until the applicable utility account is established by the City.
 - B.** Attached as **Exhibit D** is a list of lighting installations subject to this Agreement, but which do not have a separate agreement. Exhibit D shall be updated as necessary pursuant to Article 1, Section 6.
- 8.** The City shall enforce the State laws governing the movement of loads which exceed the legal limits for weight, length, height, or width as prescribed by Chapters 621, 622, and 623 of the Transportation Code for public highways inside corporate limits of cities. The City shall also, by ordinance/resolution and enforcement, prescribe and enforce lower weight limits when mutually agreed by the City and the State that such restrictions are needed to avoid damage to the highway and/or for traffic safety.
- 9.** The City shall prevent future encroachments within the right-of-way of the State highways and assist in removal of any present encroachments when requested by the State except where specifically authorized by separate agreement; and prohibit the planting of trees or shrubbery or the creation or construction of any other obstruction within the right-of-way without prior approval in writing from the State. Permitted landscaping and public art installations shall be handled through separate agreements.
- 10.** New construction of sidewalks, shared use pathways, curb ramps, or other accessibility-related items by either Party shall comply with current ADA standards. Except as otherwise provided in this paragraph, the City is responsible for the maintenance of these items, regardless of whether the City or the State constructed the item. Maintenance includes keeping sidewalks clear of debris and vegetation, but does not

include pavement work except as provided in the next sentence. If a Party's highway project is considered an "alteration" under the ADA that triggers the requirement to construct or upgrade accessibility-related items, that Party is responsible for the construction or upgrade, unless provided otherwise in a separate agreement.

11. If the City has a driveway permit process that has been submitted to and approved by the State, the City shall issue permits for access driveways on State highway routes and shall assure the grantee's conformance, for proper installation and maintenance of access driveway facilities, with either a Local Access Management Plan that the City has adopted by ordinance and submitted to the State or, if the City has not adopted by ordinance and submitted to the State a Local Access Management Plan, the State's Access Management Manual. If the City does not have an approved city-wide driveway permit process, the State shall issue access driveway permits on State highway routes in accordance with the City's Local Access Management Plan, adopted by city ordinance and submitted to the State or, if the City has not adopted by ordinance and submitted a Local Access Management Plan, the State's Access Management Manual.
12. The use of unused right-of-way and areas beneath structures for public functions, such as parking, recreation, and law enforcement use, shall be determined by a separate agreement.
13. The State shall be responsible for installation, repair, and maintenance of any mailbox supports installed on the State highway system, including any markings needed on the mailbox supports.
14. The State shall be responsible for installation, repair, and maintenance of any roadside barriers including guardrail, guardrail end treatments, cable barriers, and concrete barriers needed for traffic safety on the state highway system.
15. The State shall be responsible for any structural repairs needed at bridges, culverts, drainage pipes, embankments, and retaining walls on the state highway system.
16. For purposes of this Agreement, "grade separation structure" is defined as any bridge, overpass, or similar structure that raises the roadway above ground level, regardless of what is underneath the structure.

ARTICLE III. NON-CONTROLLED ACCESS HIGHWAYS

The following specific conditions and responsibilities shall apply to the non-controlled access State highways described in Exhibit A, in addition to the General Conditions in Article II above.

1. State's Responsibilities (Non-Controlled Access)

- A. Maintain the traveled surface and foundation beneath such traveled surface necessary for the proper support of vehicular loads encountered, and maintain the shoulders.

- B.** Assist in mowing and litter pickup within the right of way to supplement City resources, when requested by the City and if State resources are available.
- C.** Assist in sweeping and otherwise cleaning the traveled surface and shoulders to supplement City resources, when requested by the City and if State resources are available.
- D.** Assist in snow and ice control to supplement City resources, when requested by the City and if State resources are available.
- E.** Structural maintenance and repairs of drainage facilities within the limits of the right-of-way and State drainage easements. This does not relieve the City of its responsibility for drainage of the State highway facility outside of the right of way or State easements but within its corporate limits.
- F.** In cities with less than 50,000 population, the State shall install and maintain school safety devices, school crosswalks, and crosswalks installed in conjunction with pedestrian signal heads. This does not include other pedestrian crosswalks.
- G.** Install, operate, and maintain traffic signals in cities with less than 50,000 population.
- H.** In cities equal to or greater than 50,000 population, the State may provide for installation of traffic signals when the installation is financed in whole or in part with federal-aid funds, if the City agrees to enter into an agreement setting forth the responsibilities of each party.

2. City's Responsibilities (Non-Controlled Access)

- A.** Prohibit angle parking, except upon written approval by the State after traffic and engineering studies have been conducted to determine if the State highway is of sufficient width to permit angle parking without interfering with the free and safe movement of traffic.
- B.** Install and maintain all parking restriction signs, pedestrian crosswalks (except as provided in Art. II.5), parking stripes, and special guide signs when agreed to in writing by the State. Cities greater than or equal to 50,000 population shall also install, operate, and maintain all school safety devices and school crosswalks.
- C.** Signing and marking of intersecting city streets with State highways shall be the full responsibility of the City (except as provided under Art. II.5).
- D.** Require installations, repairs, removals or adjustments of publicly or privately owned utilities or services to be performed in accordance with Texas Department of Transportation specifications and subject to approval of the State in writing.

- E.** Regular cleanups and litter control to ensure drainage facilities are clear. Further, State structural maintenance and repair of drainage facilities within the right-of-way does not relieve the City of its responsibility for drainage of the State highway facility outside of the right-of-way or State easements but within its corporate limits, except where participation by the State is specifically covered in a separate agreement between the City and the State.
- F.** Install, maintain, and operate all traffic signals in cities equal to or greater than 50,000 population. Any variations shall be handled by a separate agreement.
- G.** Perform mowing and litter pickup.
- H.** Sweep and otherwise clean the pavement, including grade separation structures. This includes cleaning and removing litter, trash, discarded personal property, unauthorized temporary shelters, or any other unauthorized item from all areas within the right of way, including underneath a grade separation structure.
- I.** Perform snow and ice control.
- J.** Retain all functions and responsibilities for maintenance and operations which are not specifically described as the responsibility of the State.

ARTICLE IV. CONTROLLED ACCESS HIGHWAYS

The following specific conditions and responsibilities shall apply to the controlled access State highways described in Exhibit B, in addition to the General Conditions in Article II above.

1. State's Responsibilities (Controlled Access)

- A.** Maintain the traveled surface and foundations of the main lanes, ramps, and frontage necessary for the proper support of vehicular loads encountered.
- B.** Mow and clean up litter within the outermost curbs of the frontage roads or the entire right-of-way width where no frontage roads exist. Assist in performing these operations between the right-of-way line and the outermost curb or crown line of the frontage roads on the City's request and if State resources are available.
- C.** Sweep and otherwise clean the traveled surface and shoulders of the main lanes, ramps, grade separation structures, and frontage roads.
- D.** Remove snow and control ice on the main lanes and ramps. Assist in these operations on the frontage roads and grade separation structures on the City's request and if State resources are available.

- E.** Install and maintain school safety devices, school crosswalks, and crosswalks installed in conjunction with pedestrian signal heads on frontage roads. This does not include other pedestrian crosswalks.
- F.** Install, operate and maintain traffic signals at ramps and frontage road intersections, unless covered by a separate agreement.
- G.** Structural maintenance and repair of drainage facilities within the limits of the right-of-way and State drainage easements. This does not relieve the City of its responsibility for drainage of the State highway facility outside of the right-of-way or State easement but within its corporate limits.

2. City's Responsibilities (Controlled Access)

- A.** Prohibit, by ordinance or resolution and through enforcement, all parking on frontage roads except when parallel parking on one side is approved by the State in writing. Prohibit all parking on main lanes and ramps and at such other places where such restriction is necessary for satisfactory operation of traffic, by passing and enforcing ordinances or resolution and taking other appropriate action in addition to full compliance with current laws on parking.
- B.** When considered necessary and desirable by both the City and the State, the City shall pass and enforce an ordinance or resolution providing for one-way traffic on the frontage roads except as may be otherwise agreed to by separate agreements with the State.
- C.** Secure the approval of the State before any utility installation, repair, removal or adjustment is undertaken, crossing over or under the highway facility or entering the right-of-way. In the event of an emergency, it being evident that immediate action is necessary for protection of the public and to minimize property damage and loss of investment, the City, without the necessity of approval by the State, may at its own responsibility and risk make necessary emergency utility repairs, notifying the State of this action as soon as practical.
- D.** Pass necessary ordinances or resolutions and retain responsibility for enforcing the control of access to an expressway/freeway facility.
- E.** Sweep and otherwise clean the pavement other than the traveled surface and shoulders, including underneath grade separation structures. This includes cleaning and removing litter, trash, discarded personal property, unauthorized temporary shelters, or any other unauthorized item.
- F.** Mow and clean up litter between the right-of-way line and the outermost curb or crown line of the frontage roads, including drainage facilities in this area.

- G.** Install and maintain all parking restriction signs, pedestrian crosswalks (except as provided by Art. II.5), and parking stripes when agreed to by the State in writing.
- H.** Signing and marking of intersecting city streets to State highways shall be the full responsibility of the City (except as provided by Art. II.5).
- I.** Retain all functions and responsibilities for maintenance and operations which are not specifically described as the responsibility of the State. State maintenance of drainage facilities within the right-of-way does not relieve the City of its responsibility for drainage of the State highway facility outside of the right-of-way but within its corporate limits except where participation by the State is specifically covered in a separate agreement between the City and the State.

ARTICLE V. TERMINATION

- 1.** All obligations of the State to maintain and operate a State highway covered by this agreement shall terminate if and when such highway ceases to be designated as part of the State highway system.
- 2.** Should either party fail to properly fulfill its obligations under this Agreement, the other party may terminate this agreement upon 30 days written notice.
- 3.** Upon termination, all maintenance and operation duties on non-controlled access State highways shall revert to City responsibilities, except that the State shall retain all maintenance and operation responsibilities on controlled access State highways.

City of _____

State of Texas

Signature

TxDOT District Engineer

Stan Swiatek

Name

Name

Title

Date

Date

ATTACHMENT 1

EXHIBIT “A”

NON-CONTROLLED ACCESS HIGHWAYS

I. State Maintained:

- A. US 84 - From the West City Limits to the East City Limits.
- B. SH 36 - From the Northwest City Limits to the Southeast City Limits.
- C. FM 107 - From the connection with SH 36 to the East City Limits.
- D. FM 116 - From the connection with US 84 to the Southwest City Limits.
- E. FM 929 - From the connection with BS 36 E to the East City Limits
- F. FM 2412 - From the North City Limits to the connection with US 84.
- G. BS 36 E - From the North City Limits to the connection with US 84 and from
the connection with US 84 to SH 36 E.

II. City Maintained:

- A. US 84 - From the West City Limits to the East City Limits.
- B. SH 36 - From the Northwest City Limits to the Southeast City Limits.
- C. FM 107 - From the connection with SH 36 to the East City Limits.
- D. FM 116 - From the connection with US 84 to the Southwest City Limits.
- E. FM 929 - From the connection with BS 36 E to the East City Limits
- F. FM 2412 - From the North City Limits to the connection with US 84.
- G. BS 36 E - From the North City Limits to the connection with US 84 and from
the connection with US 84 to SH 36 E.

EXHIBIT “B”

CONTROLLED ACCESS HIGHWAYS

I. State Maintained:

A. None.

II. City Maintained:

A. None.

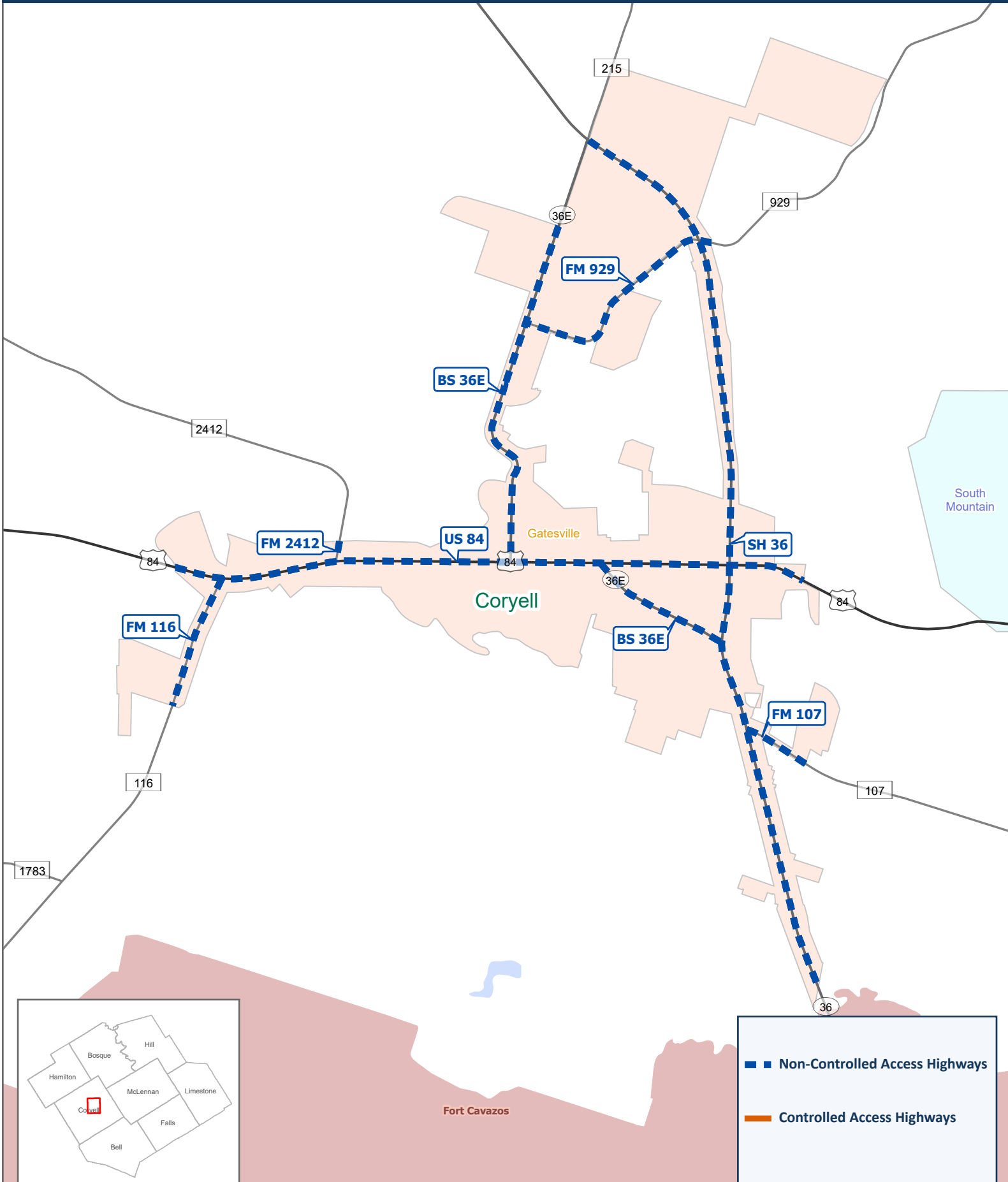


EXHIBIT D

I. Not Applicable



Date 9/23/2025

Agenda Item 7d

Resolution 2025-092

CITY COUNCIL MEMORANDUM FOR RESOLUTION

Date: September 23, 2025
To: Mayor & Council
From: Mike Halsema, Deputy City Manager
Agenda Item: Discussion and possible action to approve the City of Gatesville's Investment Policy.

Information: The Investment Policy of the City of Gatesville must be reviewed and adopted on an annual basis, with any revisions being approved. The major objectives of the City's policy for investing the city's revenue will be:

- Safety
- Liquidity
- Diversification
- Yield

Investment decisions and activities are delegated to the City Manager and Deputy City Manager. The City's Investment Officers must attend refresher training sessions at least once every two years. The Investment Policy provides guidelines for the authorization of investments, ethics/conflict of interest, reporting, and collateral/safekeeping/custody matters. The proposed Investment Policy plan meets state/local statutes. The proposed policy does not contain any changes from the prior year.

Motion:

I move to approve Resolution 2025-092, approving the City's investment policy.

Attachments:

2025 Investment Policy

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

That the above stated recommendation is hereby approved and authorized.

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

APPROVED

Date 9/23/2025

Agenda Item 7d

Resolution 2025-092

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary

CITY OF GATESVILLE, TEXAS

INVESTMENT POLICY AND STRATEGY

September 23, 2025

I. INTRODUCTION

It is the policy of the City of Gatesville that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal while meeting the daily cash flow needs of the City and conforming to the Public Funds Investment Act (the "Act") Texas Government Code Chapter 2256. All investments will be made in full compliance with local ordinances, state statutes, and any applicable IRS requirements.

The receipt of a reasonable market rate of return will be secondary to the requirements for safety and liquidity. The earnings from investment will be used in a manner that best serves the interests of the City.

The purpose of this Policy is to set specific investment policy and strategy guidelines. Direct specific investment parameters for the investment of public funds in Texas are found in the Act. The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public Texas funds deposits.

II. SCOPE

This investment policy applies to the investment and management of all financial assets of the City and any new funds created unless specifically exempted by the City Council and this Policy. These funds are reported in the City's Annual Audit Report and include:

- General Fund
- Special Revenue Funds
- Debt Service and Debt Reserve Funds
- Enterprise Funds
- All Other Funds

III. OBJECTIVES

It is the policy of the City that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield. Safety of the principal is the primary objective. All investments shall be managed in a manner responsive to the public trust and consistent with state and local law. Investments are to be chosen in a manner which promotes diversity. To match anticipated cash flow requirements the maximum weighted average maturity (WAM) of the overall portfolio may not exceed 6 months.

Safety

The primary objective of the City's investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses, whether from security defaults, safekeeping, or erosion of market value.

Liquidity

The City's investment portfolio shall be structured to meet all financial obligations in a timely manner. This shall be achieved by matching investment maturities with forecasted cash flow liabilities and maintain additional liquidity for unexpected liabilities.

Diversification

The City's portfolio shall be diversified by institution, market sector and maturity in order to avoid market risk.

Yield

The benchmark for the comingled portfolio shall be the comparable period 6-month U. S. Treasury bills, designated for its comparability to the City's expected average cash flow pattern. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and the City's prudent investment of assets.

IV. INVESTMENT STRATEGY

The City maintains one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the funds in the portfolio. The investment strategy has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The City shall pursue conservative portfolio management strategy. This may be accomplished by creating a ladder maturity structure with some extension for yield enhancement. The maximum dollar weighted average maturity of six months or less will be calculated using the stated final maturity date of each security.

The investment strategy for debt service funds shall have as its primary objective the timely payment of debt service obligations. Successive debt service dates will be fully funded before any investment extensions are made.

V. DELEGATION OF RESPONSIBILITY

No unauthorized person may engage in an investment transaction and all transactions shall be executed as provided under the terms of this Policy and its supporting procedures.

Investment Officer(s)

The Deputy City Manager CFO, Mike Halsema, and the City Manager, Bradford Hunt, will be designated as Investment Officers, by governing body resolution, responsible for investment decisions and activities. The Investment Officer(s) are responsible for creating and maintaining the portfolio in accordance with this Policy, providing timely quarterly reporting to the Council, and establishing supporting procedures.

All investment officers shall attend at least ten hours of training approved by the City Council within 12 months of designation as investment officer and shall attend eight hours of training every two successive fiscal years.

Investment Officers shall refrain from personal and business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. An Investment Officer who has a personal business relationship within two levels of blood or marriage with an organization seeking to sell an investment to the City shall file a statement disclosing that relationship to the City Council and the Texas Ethics Commission.

City Council Responsibilities

The City Council holds ultimate fiduciary responsibility for the portfolio. It will designate investment officer(s), receive and review quarterly reporting, approve and provide for investment officer training, approve broker/dealers, and review and adopt the Investment Policy and Strategy at least annually.

VI. PRUDENCE AND CONTROLS

The standard of prudence to be applied to all City investments shall be the "Prudent Person" rule, which states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds under the City's control, over which the officer has responsibility rather than a consideration as to the prudence of a single investment.

The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall be responsible but not liable for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

Internal Controls

The Investment Officer is responsible for establishing and maintaining internal controls to reasonably assure that assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and, the valuation of costs and benefits requires ongoing estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- Control of collusion;
- Separation of transaction authority from accounting and record keeping;
- Custodial Safekeeping;
- Clear delegation of authority;
- Written confirmation for all transactions; and

Review, maintenance and monitoring of security procedures both manual and automated.

Annually the Investment Officer shall perform a check-list compliance audit to assure compliance with requirements of this policy and the Act. Annually, the City's external auditor shall review the quarterly reports.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. The Investment Officer will analyze and maintain a cash flow plan to monitor and forecast cash positions for investment purposes.

Competitive Bidding

All security transactions will be made on a documented competitive bid basis to assure the City is receiving good market rates. A minimum of three (3) offers or bids shall be considered. When issued U.S. agency securities should be compared to other securities available in the secondary market to determine competitiveness.

Monitoring Credit Ratings

The Investment Officer shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio which require credit ratings based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer shall liquidate the Investment as soon as practical.

Monitoring FDIC Status for Mergers and Acquisitions

The Investment Officer shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC (fdic.gov). If any bank has been acquired or merged with another bank in which brokered CDs are owned by the City, the Investment Officer shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

VII. AUTHORIZED INVESTMENTS

Assets of the City may be invested only in the following instruments as further defined by the Act. If changes are made to the Act they are authorized until this Policy is modified and adopted by the City Council. All investment transactions will be made on a competitive basis.

- A. Except for Refunding and or Defeasance Escrows, obligations of the United States Government, its agencies and instrumentalities with a final stated maturity of 1 year, to exclude mortgage backed securities.
- B. Fully insured or collateralized certificates of deposit of banks doing business in Texas, with a maximum maturity of one year insured by the FDIC or its successor or collateralized in accordance with this Policy.

- C. AAA-rated, Texas Local Government Investment Pools which strive to maintain a \$1 net asset value (NAV) as defined by the Act and authorized by resolution of the City Council.
- D. AAA-rated, SEC registered money market mutual funds striving to maintain a \$1 net asset value.
- E. FDIC insured, brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the City's safekeeping agent/Financial Adviser, not to exceed one year to maturity. Before purchase, the Investment Officer must verify the FDIC status of the bank on www.fdic.gov to assure that the bank is FDIC insured.
- F. FDIC insured or collateralized interest bearing and money market accounts from any FDIC insured bank in Texas.
- G. Commercial paper (CP) is an acceptable form of investment so long as the CP does not exceed a maximum final stated maturity of nine (9) months.

Delivery versus Payment

All securities shall be purchased on a delivery versus payment (DVP) settlement basis. Funds shall not be released until receipt of the security by the City's approved custodian. The custodian shall provide the City proof of ownership or claim by an original document delivered directly to the City.

VIII. REPORTING

Quarterly Reporting

The Investment Officers shall submit a signed quarterly investment report to the governing body in accordance with the Act giving detail information on each portfolio and bank position and summary information to permit an informed outside reader to evaluate the performance of the investment program. The report shall include the following at a minimum:

- A full description of individual security or bank/pool position held at the end of the reporting period including the amortized book and market value at the beginning and end of the period.
- Unrealized gains or losses (book value minus market value).
- Overall change in market value during the period as a measure of volatility.
- Weighted average yield of the portfolio and its applicable benchmarks.
- Earnings for the period.
- Allocation analysis of the total portfolio by market sector and maturity, and
- Statement of compliance of the investment portfolio with the Act and the Investment Policy of the City signed by the Investment Officer(s).

Market prices for the calculation of market value will be obtained from independent sources.

IX. FINANCIAL COUNTER-PARTIES

Depository

At least every five years, a banking services depository shall be selected through a competitive request for proposal (RFP) or bid process in accordance with the Texas Government Code Chapter 105. In selecting a depository, the services, costs of services, credit worthiness, earnings potential, and collateralization by the institutions shall be considered. If securities require safekeeping, the RFP/bid will request information on safekeeping services. The depository contract will provide for collateral if balances exceed the FDIC insurance balance, currently \$250,000 per tax identification number.

All time and demand deposits in any depository of the City shall be insured or collateralized at all times in accordance with this policy.

Other banking institutions from which the City may purchase certificates of deposit will also be designated at a depository for depository/collateral purposes. All depositories will execute a depository agreement and have the Bank's Board or Bank Loan Committee pass a resolution approving the agreement if collateral is required.

Security Broker/Dealers

All pools, financial institutions and broker/dealers who desire to transact business with the City must supply the following documents to the Investment Officer.

- (If brokers) Financial Industry Regulatory Authority (FINRA) certification and CRD #
- (If brokers) proof of Texas State Securities registration
- Policy review certification

Each pool/bank/broker must be provided a copy of the City's current investment policy and certify to a review of the Policy stating that the firm has controls in place to assure only Policy approved investments will be sold to the City.

A list of qualified broker/dealers will be reviewed at least annually by the City Council. In order to perfect the DVP process the banking services depository, or its brokerage subsidiary, will not be used as a broker.

X. COLLATERAL

Time and Demand Deposits Pledged Collateral

All bank time and demand deposits shall be collateralized above the FDIC coverage by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, collateral will be maintained and monitored by the pledging depository at 102% of market value of principal and accrued interest on the deposits. The bank shall monitor and maintain the margins on a daily basis.

Collateral pledged to secure deposits shall be held by an independent financial institution

outside the holding company of the depository. The collateral agreement with the depository shall be approved by resolution of the Bank Board or Bank Loan Committee. The Custodian shall provide a monthly report of collateral directly to the City.

All collateral shall be subject to inspection and audit by the City or the City's independent auditor.

Authorized Collateral

Only the following securities are authorized as collateral for time and demand deposits or repurchase agreements:

- A. FDIC insurance coverage.
- B. Obligations of the United States, its agencies or instrumentalities, or evidence of indebtedness of the United States guaranteed as to principal and interest including MBS and CMO which pass the bank test.
- C. Obligations of any US state or of a county, City or other political subdivision of any state having been rated as investment grade (investment rating no less than "A" or its equivalent) by two nationally recognized rating agencies.
- D. Letter of Credit from the FHLB.

XI. SAFEKEEPING

All purchased securities are to be cleared to the City's safekeeping agent on a delivery versus payment (DVP) basis. All safekeeping arrangement shall be approved by the Investment Officer and an agreement of the terms executed in writing. The independent third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, cusip number, and other pertinent information.

XII. INVESTMENT POLICY ADOPTION

The City Investment Policy shall be reviewed and adopted by resolution of the City Council no less than annually. Any changes made to the Policy must be noted in the adopting resolution.

This Investment Policy takes effect September 23, 2025

Adopted by the City of Gatesville, Texas this 23rd day of September 2025.

Gary M Chumley, Mayor

Holly Owens, City Secretary

Bradford Hunt, City Manager/ Investment Officer

Mike Halsema, Deputy City Manager CFO/ Investment Officer



FY 2024-2025 Monthly Financial Report

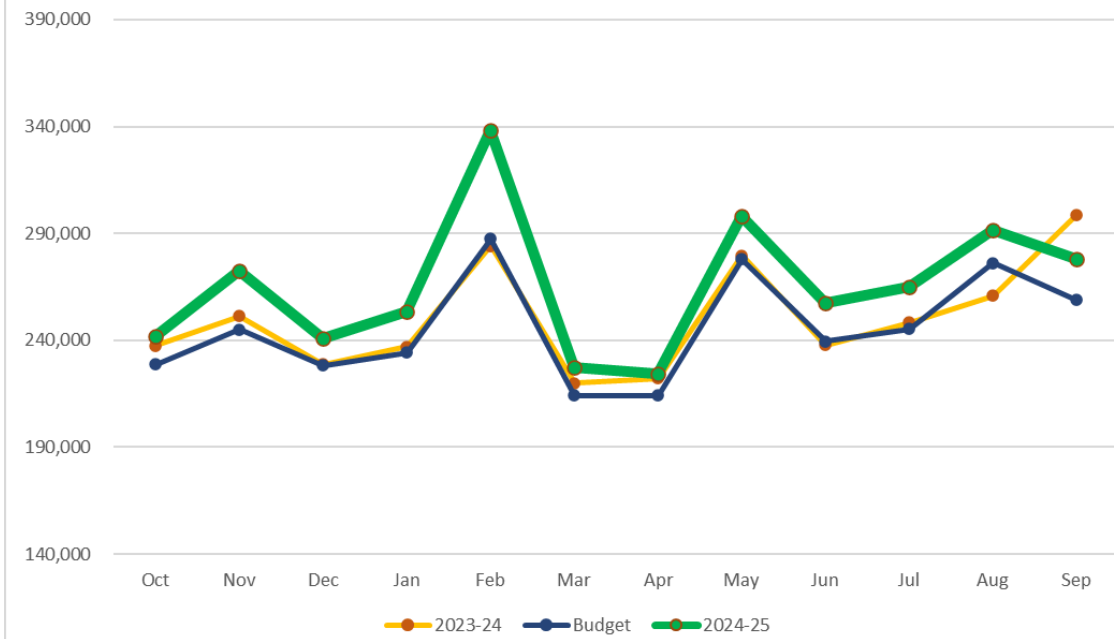
JULY
2025

General Fund

	JULY	2024-25 Budget	2024-25 YTD	% YTD
Revenues				
AV Taxes	31,633	2,952,906	3,215,772	108.9%
Sales Tax	264,836	2,950,000	2,619,834	88.8%
Franchise Fees	50,404	802,000	714,125	89.0%
Fines & Fees	9,790	152,000	103,221	67.9%
Other taxes	1,041	15,000	9,944	66.3%
Licenses & Permits	10,292	62,600	158,593	253.3%
Rental Income	6,225	64,000	61,452	96.0%
Parks & Rec	49,220	420,000	403,288	96.0%
Misc. Revenues	26,206	151,500	185,187	122.2%
Intergovernmental	-	371,459	-	0.0%
Inter fund Transfers	47,627	687,503	476,272	69.3%
TOTAL REVENUES	497,274	8,628,968	7,947,689	92.1%

	JUNE	2024-25 Budget	2024-25 YTD	% YTD
Expenditures				
LIBRARY	19,639	290,663	227,405	78.2%
ADMINISTRATION	120,193	1,423,950	1,259,379	88.4%
PLANNING	4,184	152,200	79,462	52.2%
POLICE	215,093	2,878,749	2,295,176	79.7%
COURT	11,608	199,062	165,729	83.3%
FIRE	12,473	372,758	333,088	89.4%
STREET	106,890	1,229,677	932,927	75.9%
FLEET SERVICES	10,800	148,370	133,667	90.1%
BUILDING INSPECTIONS	11,672	128,911	128,827	99.9%
PARKS & RECREATION	66,180	859,978	715,594	83.2%
FT HOOD REC MGMT	0	371,459	0	0.0%
FITNESS CENTER	19,359	324,500	262,267	80.8%
SWIMMING POOL	21,092	124,138	84,503	68.1%
CIVIC CENTER	12,015	124,553	97,284	78.1%
TRANSFER EXPENSE	0	0	0	0.0%
TOTAL EXPENDITURES	631,199	8,628,968	6,715,310	77.8%
Gain (Loss)		-	1,232,379	

FY 25 Monthly Sales Tax



Expenditures	Budget	YTD	
Salaries	\$4,163,057	\$3,196,909	76.8%
Benefits	\$1,246,073	\$865,995	69.5%
Professional Services & Training	\$796,626	\$588,600	73.9%
Utilities	\$282,945	\$266,623	94.2%
Materials & Supplies	\$291,876	\$361,405	123.8%
Maintenance & Operations	\$1,420,756	\$1,070,309	75.3%
Lease & Rental	\$280,259	\$231,042	82.4%
Miscellaneous	\$0	\$10,266	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	\$6,715,310	77.8%

-Total Year-to-Date (YTD) revenues stand at 92% 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

Water & Sewer Fund

	JULY	2024-25 Budget	2024-25 YTD	% YTD
Water				
Revenues				
Water Sales				
Residential	152,325	1,971,963	1,505,073	76.3%
Commercial And Institutional	173,592	2,021,987	1,773,359	87.7%
Wholesale	90,449	1,041,281	834,699	80.2%
Connections & Installs	6,921	31,300	58,169	185.8%
Misc.	6,995	71,000	122,419	172.4%
Subtotal	430,281	5,137,531	4,293,718	83.6%
Expense				
Distribution & Collections				
Personnel	61,463	757,838	635,064	83.8%
O&M	30,719	518,062	435,399	84.0%
Debt Service	24,450	206,225	206,225	
Capital Outlay	81,955	1,308,987	110,463	8.4%
Production				
Personnel	39,395	507,570	435,126	85.7%
O&M	101,670	1,705,291	1,016,803	59.6%
Debt Service	20,564	928,128	154,160	
Capital Outlay	9,965	30,922	120,518	389.7%
Subtotal	370,181	5,963,023	3,113,758	52.2%
Sewer				
Revenues				
Sewer Fees				
Residential	113,302	944,612	1,089,805	115.4%
Commercial And Institutional	162,754	2,074,791	1,553,616	74.9%
Connections & Installs	-	9,300	16,708	179.7%
Misc.	2,558	29,000	40,124	138.4%
Subtotal	278,614	3,057,703	2,700,253	88.3%
Expense				
Personnel	39,229	519,264	418,852	80.7%
O&M	55,470	986,646	892,163	90.4%
Debt Service	200	939,740	45,963	
Capital Outlay	510,366	9,159,200	2,993,973	32.7%
Subtotal	605,265	11,604,850	4,350,951	37.5%
Sanitation				
Revenues	76,368	889,920	751,049	84.4%
Expense	74,311	865,700	586,749	67.8%
Non Departmental				
Revenues				
Grants & reimbursements	10,000	10,177,182	1,823,858	17.9%
Interest	26,058	153,600	356,543	232.1%
Subtotal	36,058	10,330,782	2,180,400	21.1%
Expense				
Transfers and Franchise fees	84,277	982,363	838,979	85.4%
Grand Total				
Revenues	821,322	19,415,936	9,925,421	51.1%
Expense	1,134,034	19,415,936	8,890,437	45.8%
Gain (Loss)	(312,712)	-	1,034,985	

Residential Water Sales: \$1,505,073 year-to-date (YTD), 76.3% of the annual budget, lower than expected to lower demand over summer

Commercial & Institutional Sales: \$1,773,359 YTD, 88% of the budget.

Wholesale Sales: \$834,699 YTD, 80% of the budget.

Total Water Revenues: \$4,293,718 YTD, 84% of the annual budget.

Water O&M expenditures are as anticipated within budget.

Water retail and wholesale , and sewer rate studies are in progress.

Residential Sewer Fees: \$1,089,805 YTD 115% of the budget.

Commercial & Institutional Sewer Fees: \$1,553,616 YTD 75% of the budget.

Sewer expenses are driven primarily by the Stillhouse plant renovation project

Planned capital projects are underway, Lakewood sewer reroute complete

Planned water capital projects delayed to grant funding issues

Airport Fund

AIRPORT FUND - 060

AIRPORT REVENUE		FY25 Budget	YTD JULY	% of Budget
060-4-101-4203	RECEIPTS OF GAS/OIL SAL	\$ 23,000	\$ 5,930	25.8%
060-4-011-4302	RECEIPTS OF HANGAR RENT	\$ 28,500	\$ 34,400	120.7%
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		\$ 4,779	
060-4-101-4750	RAMP Grants	\$ 3,000	\$ 1,264	42.1%
TOTAL REVENUE		\$ 54,500	\$ 46,890	86.04%

EXPENDITURES		FY25 Budget	YTD JULY	% of Budget
060-5-150-10080	CONTRACT SERVICES	\$ 7,200	\$ 1,212	16.8%
060-5-150-20010	UTILITIES	\$ 6,000	\$ 4,510	75.2%
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	\$ 186	41.3%
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	\$ 3,509	22.6%
060-5-150-61415	GRANT EXPENDITURES		\$ -	
TOTAL EXPENSES		\$ 54,500	\$ 18,449	33.85%

Gain (Loss)

28,441

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

Hotel Occupancy Tax (HOT) Fund

HOT Fund - 040

HOT FUND REVENUE		FY25 Budget	YTD JULY	% of Budget
040-4-008-4400	INTEREST	8,000	25,803	322.5%
040-4-008-4500	Prior Year Resources	-	102,023	
040-4-008-4950	HOTEL OCCUPANCY TAX	150,000	201,624	134.4%
TOTAL REVENUE		\$ 158,000	\$ 329,450	208.51%

EXPENDITURES				
040-5-138-60010	TRANSFER TO GENERAL FUND	\$ 29,610	-	0.0%
040-5-138-61000	CVB CENTER EXPENSES	\$ -	-	
040-5-138-61010	ADVERTISING	\$ 18,500	23,765	128.5%
040-5-138-61020	PROMOTION OF THE ARTS	\$ 5,000	500	10.0%
040-5-138-61030	SIGNAGE & WAYFINDING	\$ -	-	
040-5-138-61040	PROMOTION OF SPORTING EVENTS	\$ 102,023	-	0.0%
040-5-138-61050	HISTORICAL PRESERVATION	\$ -	-	
TOTAL EXPENSES		\$ 155,133	\$ 24,265	15.64%

Gain (Loss)

305,186

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

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Date 9/23/2025

Agenda Item 7f

Resolution 2025-094

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Mike Halsema, Deputy City Manager/CFO

Agenda Item: Discussion and possible action regarding adopting a resolution authorizing the participation in Texas CLASS investment pool.

Information:

The Texas Cooperative Liquid Assets Securities System Trust (referred to as Texas Class) is a public funds investment pool created to offer one or more investment funds. These funds allow Texas local government entities to pool their funds or funds they manage to preserve principal, maintain liquidity, and maximize yield. This is done in accordance with the Public Funds Investment Act (Section 2256.001 et seq., Texas Government Code) and other relevant Texas laws governing the investment of participant funds.

Under the Trust Agreement, there are four general objectives of the Trust:

- Legality - investing only in investments legally permitted under Texas law
- Safety - minimizing risk by managing portfolio investments to preserve principal, maintain a stable net asset value, and maintaining the highest rating for the Funds from a nationally recognized statistical rating organization for so long as such rating is required by Texas law.
- Liquidity - managing portfolio investments to ensure that cash will be available as required to finance Participants' operations.
- Yield - maximizing current income to the degree consistent with legality, safety, and liquidity.

Texas Class has been reviewed by staff and has met all required criteria of the City's Investment Policy for approval as an authorized investment. Investing a portion of the City's resources in Texas Class would benefit the city by providing greater diversification and flexibility while providing a competitive return.

Motion:

I move to adopt the attached Resolution authorizing the participation in Texas CLASS investment pool.

Attachments:

- Texas CLASS Resolution
- CLASS Investment pool information sheet

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

That the above stated recommendation is hereby approved and authorized.

Date 9/23/2025

Agenda Item 7f

Resolution 2025-094

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Information Statement

May 2023

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No person or entity has been authorized to give any information or to make any representations other than those contained in this Information Statement. If given or made, such information or representations must not be relied upon as having been authorized by Texas CLASS, its Board of

Trustees, the Investment Advisor, or any agent of Texas CLASS or the Board of Trustees.

Each potential Participant is given a copy of the Trust Agreement and this Information Statement before becoming a Participant in Texas CLASS. This Information Statement contains a summary of the Trust Agreement.

This summary is qualified in its entirety by reference to the full text of the Trust Agreement. All potential Participants are encouraged to read the Trust Agreement in its entirety for more complete information regarding the program.

Additional information that is a required part of this Information Statement is included in the monthly Program Statements furnished to each Participant. The Information Statement will be updated through supplemental material and may only be used if it is accompanied by such information.

Part One: Overview of Trust Agreement and Program

Part I of this Information Statement contains certain information about the operation and policies of Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS). The parties to the Trust Agreement are Texas local government entities that choose to participate (the Participants), Public Trust Advisors, LLC as Program Administrator (the Program Administrator), and UMB Bank, N.A. as Custodian (the Custodian).

A. Participants' Investments

The purpose of the Trust is to establish one or more investment funds through which a Participant may pool any of its funds or funds under its control in order to preserve principal, to maintain the liquidity of the Participant, and to maximize yield in accordance with the Public Funds Investment Act (the Act), Section 2256.01, et seq., Texas Government Code, or other laws of the state of Texas, from time-to-time in effect, governing the investment of funds of a Participant or funds under its control. The Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds.

As of May 19, 2023, the Trust has two investment fund options:

1. **Texas CLASS** is an investment option that utilizes all eligible investments as defined by the Public Funds Investment Act. Refer to the Texas CLASS Investment Policy for a complete listing of eligible investments.
2. **Texas CLASS Government** is an investment option that only utilizes investments that are backed or collateralized with U.S. Treasury or

U.S. Government Agency obligations. Refer to the Texas CLASS Investment Policy for complete listing of the eligible investments for Texas CLASS Government.

Except for their respective eligible investments, the terms and conditions are the same for each fund. Therefore, for the purposes of this Information Statement, the two investment options shall be referred to as the "Funds" unless otherwise noted.

Under the Trust Agreement, there are four general objectives of the Trust: (i) legality - investing only in investments legally permitted under Texas law; (ii) safety - minimizing risk by managing portfolio investments to preserve principal, maintain a stable net asset value, and maintain the highest rating for the Funds from a nationally recognized statistical rating organization for so long as such rating is required by Texas law; (iii) liquidity - managing portfolio investments to ensure that cash will be available as required to finance Participants' operations; and (iv) yield - maximizing current income to the degree consistent with legality, safety, and liquidity.

Eligible Participants are any municipality, county, school district, or authority created under Section 52(b)(1) or (2), Article III or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the State of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities that has taken the actions required by Section 2256.016 of the Act and that has executed either the Trust Agreement,

a counterpart of the Trust Agreement, or a participation certificate. Any local government entity that becomes a Participant has the same rights and obligations under the Trust Agreement as other Participants.

Each Participant shall have the right to invest funds for credit to such Participant's account. There is no minimum amount that must be invested pursuant to the Trust Agreement nor is there any limitation on the aggregate amount of funds that any Participant may invest at one time. Similarly, each Participant has the right to request payment of an amount equal to or less than the amount of funds in the Participant's account from time-to-time. Subject to meeting the daily times for giving notice, which may be adjusted by the Program Administrator, there is no limitation on the period of time that funds may be invested through the Trust prior to such payment. Upon receipt of any payment request, the Program Administrator notifies the Custodian of the payment request from a Participant, and the requested amount is paid by the Custodian to, or on behalf of, such Participant no later than the next business day, subject only to certain calamities or crises that may affect the financial markets of the United States as specified in the Trust Agreement.

Any Participant may withdraw from the Trust Agreement at any time without penalty upon written notice to the Program Administrator who will notify the Custodian and the Board of Trustees upon receipt of said notice. The withdrawal becomes effective when the Participant's account is equal to zero. If a Participant breaches any material covenants contained in the Trust Agreement or if any of its representations cease to be true, it shall be deemed to have given notice of withdrawal.

Each Participant must designate a representative to act for the Participant under the Trust Agreement for all purposes including the giving of consent and receiving notice on behalf of the Participant. Pursuant to Section 2256.005 of the Act, such representative must be the investment officer that is empowered by the charter, ordinance, and any local regulation to direct the investments for such Participant. Such representative is not required to devote the representative's entire time to duties under the Trust Agreement.

Such representative shall be the official responsible for the investment of funds into the Trust and all payments made from the Trust for the Participant represented by such representative. In making investment and payment requests, each representative should use judgment and care to achieve the following objectives in the indicated order: (i) preservation and safety of principal, (ii) liquidity, and (iii) yield.

B. Trustees and Board of Trustees; Advisory Board

Pursuant to the Trust Agreement, the Trust is supervised by a Board of Trustees, each of whom is elected by the Participants. The Board of Trustees (the Board) supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian, and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects the consultants for Texas CLASS including the Program Administrator and the Custodian, subject to the terms of the Trust Agreement.

The Board of Trustees is selected at the annual meeting of the Participants. Any representative may be nominated as a Trustee. The number of Trustees to be

selected shall be determined by the Participants at said meeting and shall be an odd number of three (3) or more. The current list of Trustees is available on the Board page of the Texas CLASS website.

The expenses of each Participant to attend the annual meeting are borne by each Participant. The reasonable out-of-pocket expenses of the Trustees incurred in performing their duties and attending meetings of the Board of Trustees are expenses of the Trust.

Pursuant to Section 2256.016(g)(2), the Board of Trustees has appointed an Advisory Board composed of Participants and other persons who do not have a business relationship with the Trust but are qualified to advise the Trust. The Advisory Board provides advice to the Board of Trustees and the Program Administrator about the Investment Policy, the investment strategy of the Trust, and about other matters as requested by the Board and the Program Administrator. The current list of Advisory Board members is available on the Board page of the Texas CLASS website.

C. Duties of the Program Administrator and the Custodian

In order to facilitate the business of the Trust and in conformance with the Act, the services of a Program Administrator and a Custodian are employed by the Trust. The duties of the Program Administrator and the Custodian are specifically set forth in the Trust Agreement.

Subject to the supervision of the Board of Trustees, the Program Administrator is responsible for advising the Board concerning investments which appear to the Program Administrator to be advantageous to the Participants within the investment criteria set forth in the Trust Agreement.

The Program Administrator shall also implement, or cause to be implemented, securities transactions of the Funds on behalf of the Board and the Participants and shall provide other investment advisory services as called for by the Trust Agreement. Some of these services include the execution of agreements and other documents on behalf of and as agent for the Trust containing representations, warranties, and covenants common for such agreements and documents within the investment industry. The Program Administrator also provides portfolio valuation services. From time-to-time, the Program Administrator may propose to the Participants that the Participants establish specially designated subaccounts with investment payment procedures, fees, or other characteristics different from those set forth in the Trust Agreement. Such characteristics may include, without limitation, certain restrictions on amounts to be invested, holding period prior to payments, or certain other conditions to be met for payments such as possible payment penalties or additional fees for administering such specially designated subaccounts. In its sole discretion, a Participant may create any such special subaccount using the same procedure for establishing other subaccounts. The establishment of such special subaccounts is not deemed to be an amendment of the Trust Agreement. Any subaccount that is created is subject to the terms set forth in the proposal of the Program Administrator until the terms governing such special subaccount are amended pursuant to the Trust Agreement.

The Program Administrator performs certain administrative functions on behalf of the Board of Trustees. These functions include maintaining records, assisting in the organization of the annual meeting of the Participants and the meetings of the Board, responding to inquiries and other communications with Participants, paying

expenses of the Trust, and engaging in marketing activities to promote participation of Texas governmental entities in the Trust.

The Program Administrator fees are outlined in the Ninth Amended and Restated Trust Agreement with Texas CLASS dated February 25, 2021. The Program Administrator charges its fee on a sliding scale; the maximum fee is 12 basis points on assets up to \$1 billion. The full sliding scale of the current management fee is specified in the Trust Agreement available at texasclass.com/document-center/. Fees accrue daily and are deducted from portfolio earnings prior to the recording of daily Participant investment results. The fee is paid monthly and may be waived or abated at any time in the sole discretion of the Program Administrator. The fee of the Program Administrator covers the following costs and expenses of program operation:

- The Custodian's fee
- Third parties retained by the Program Administrator to render investment advice
- Investment property record-keeping expenses
- Securities clearance transaction charges
- Outgoing wire charges of the Custodian
- Auditor and legal counsel charges
- Preparation of monthly and annual reports
- Execution of Participant surveys and mailings
- Sales, marketing, and client service functions (including website maintenance and certain conference sponsorships)
- Valuation of the investment property
- Board of Trustee meetings charges

- The cost of obtaining a rating from a nationally recognized statistical rating organization

UMB Bank, N.A. serves as Custodian of the Trust. Among other things, the Custodian is responsible for the receipt and safekeeping of all cash, securities, or other assets comprising the cooperatively invested assets. Such assets are held for the benefit of the Trust in the name of the Custodian or its nominee. The Custodian also collects the income on investments and allocates it in accordance with the instructions from the Program Administrator and the provisions of the Trust Agreement. The Custodian is required to hold the investments of the Trust separate and apart from other property of the Custodian and assure that such property is never deemed an asset or liability of the Custodian.

D. Investment, Payment, Valuation Procedures

Specific investment, payment, and valuation procedures are described in Exhibits A through C of the Trust Agreement. Such Exhibits may be amended by the Program Administrator.

Exhibit A describes the time by which funds must be received by the Custodian in order to make investments on the same business day. Exhibit B provides the timetable for receipt of notice in order to make payments on the same business day.

As provided in Exhibit C, the Investment Property Value is determined on a daily basis by marking-to-market all securities using valuations from a credible pricing source. Alternatively, the Investment Property Value may be determined by using the amortized cost valuation method. This involves initially valuing a security at its costs and thereafter accrediting to maturity any discount or amortizing to maturity any premium regardless of the

impact of fluctuating interest rates on the market value of the instrument.

E. Permitted Investments

The Funds have been specifically designed for the use of Texas local government entities. Accordingly, the portfolios of Texas CLASS consist solely of securities in which such entities are permitted to invest funds pursuant to the Act. All investment securities purchased for the Funds, including those with repurchase agreements, are delivered to the Custodian and held for the benefit of the Trust and its Participants.

Home rule city and county charters may have provisions more restrictive than the Act regarding investments of their money, and such restrictions may not be compiled with the Trust. Any such restrictions are the sole responsibility of each Participant.

Texas CLASS Authorized Investments

Texas CLASS may invest in any or all of the legal investments specified in Sections through 2256.016 of the Act (referred to herein as Permitted Investments). Such investments may include the following:

- U.S. Treasury Bills, Notes, and Bonds
- Obligations of or guaranteed by U.S. Government Agencies and Instrumentalities
- State and local government obligations (subject to limitation)
- Certificates of Deposits of a state or national bank domiciled in the state of Texas guaranteed or insured by the FDIC that meet the requirements of the Act
- Bankers' agreements
- Mutual funds
- Repurchase agreements
- Highly rated commercial paper
- Guaranteed investment contracts

Texas CLASS Government Authorized Investments

Monies of the Texas CLASS Government Fund may be invested and reinvested only in investments authorized by the Texas CLASS Investment Policy (Section 6.04) and in Sections through 2256.016 of the Act (referred to herein as Permitted Investments). Such investments may include the following:

- U.S. Treasury Bills, Notes, and Bonds
- Obligations of or guaranteed by U.S. Government Agencies and Instrumentalities
- Stable \$1.00 NAV mutual funds
- Certificates of deposits of a state or national bank domiciled in the state of Texas guaranteed or insured by the FDIC that meet the requirements of the Act
- Repurchase agreements

The Board of Trustees has adopted an Investment Policy and investment strategy that further provide in which investment instruments the monies of the Funds may be invested and reinvested. The Funds may only invest in those instruments authorized by the Act. The current Texas CLASS Investment Policy is available in the Document Center of the Texas CLASS website.

No monies of the Funds may be invested in the following or in any other type of investment prohibited by the Act or other applicable law:

- Obligations for which payment represents the coupon payment on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (IOs)

- Obligations for which payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (POs)
- Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years
- Collateralized mortgage obligations, the interest rates of which are determined by an index that adjusts opposite to the changes in the market index (inverse floaters)

No more than 5% of the total Texas CLASS portfolio (not applicable for Texas CLASS Government) may be invested in securities issued by one issuer. The maximum portfolio exposure to United States dollar denominated securities issued in the United States by United States branches and/or subsidiaries of foreign entities is 25% of assets.

All investments made on behalf of the Trust shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives in order of priority: (i) preservation and safety of principal; (ii) liquidity; and (iii) yield.

F. Investment Risks

Participants should specifically consider the following risks before deciding to invest in either Texas CLASS or Texas CLASS Government. The following summary does not purport to be comprehensive or definitive of all risk factors. Investing involves risks including the possible loss of principal.

Interest Rate Risks

The prices of the fixed-income securities in Texas CLASS will rise and fall in response to changes in the interest rates paid by similar securities. Generally, when interest rates rise, prices of fixed-income securities fall. However, market factors, such as demand for particular fixed-income securities, may cause the price of certain fixed-income securities to fall while the price of other securities rise or remain unchanged. Interest rate changes have a greater effect on the price of fixed-income securities with longer maturities. The Investment Advisor will seek to manage this risk by purchasing short-term securities.

Credit Risks

Credit risk is the possibility that an issuer of a fixed-income security held in the Texas CLASS prime-style fund will default on the security by failing to pay interest or principal when due. If an issuer defaults, Participants in Texas CLASS may incur losses. The Investment Advisor will seek to manage this risk by purchasing high-quality securities as determined by one or more Nationally Recognized Statistical Ratings Organizations and/or the Investment Advisor's credit research team.

Stable Net Asset Value Risks

Although Texas CLASS and Texas CLASS Government will be managed to maintain a stable NAV of \$1.00 per share, there is no guarantee that it will be able to do so.

Investment Not Insured or Guaranteed

An investment in Texas CLASS is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Liquidity Risk

The Trust is subject to certain liquidity risks in which the size of a bond's market, the frequency of trades, the ease of valuation, and/or issue size may impact the Investment Advisor's ability to sell investments in a timely fashion or at or near fair value in order to fulfill a Participant's redemption request.

Market Risk

Market risk is the risk that the value of securities owned goes up or down, sometimes rapidly and/or unpredictably, due to factors affecting securities markets generally or within particular industries.

Issuer Risk

The risk that the value of a security declines for a reason directly related to the issuer such as management performance, financial leverage, and reduced demand for the issuer's goods or services.

Default Risk

The risk that a bond issuer (or counterparty) will default by failing to repay principal and interest in a timely manner.

G. General Information Regarding the Trust

The intent of the Trust is to maintain a net asset value of \$1.00. However, there is no guarantee that a net asset value of \$1.00 can be maintained due to the risk of market price fluctuation. The Investment Criteria as described in Exhibit E of the Trust Agreement and the Investment Policy as well as the Investment Strategy may be amended by a majority of the Board of Trustees.

The Funds will seek to attain their investment objectives. However, no guarantees or assurances can be given that the Funds will achieve their investment

objectives or that any benefit described in this Information Statement will result from the placement of money in the Funds.

H. Portfolio Transactions

Pursuant to the Act, the Board of Trustees has appointed the Program Administrator to invest and manage the funds of the Trust. Portfolio transactions occur primarily with major dealers in money market instruments acting as principals. Such transactions are normally on a net basis that does not involve payment or brokerage commissions. Transactions with dealers normally reflect the spread between bid and asked prices.

I. Program Information

For the most current information on the Trust, please visit www.texasclass.com.

Part Two: Investing Through Texas CLASS

A. How to Open an Account with Texas CLASS and/or Texas CLASS Government

Any municipality, county, school district, or authority created under Section 52(b)(1) or (2) Article III or Section 59, Article XVI, Texas Constitution, a freshwater supply district, a hospital district and any political subdivision, authority, public corporation, body politic, or instrumentality of the state of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, institution of higher education, and any nonprofit corporation acting on behalf of any of those entities that has taken action required by Section 2256.016 of the Act (Public Entity) may join the Texas CLASS and/or the Texas CLASS Government investment program. In order to join either Fund, an eligible Public Entity must adopt the Trust Agreement through a majority

vote of its governing body. To obtain information on how to become a Participant, please contact the Client Service Desk at (800) 707-6242. Upon receipt and acceptance of such forms and any other necessary documents, the Public Entity will be a Participant of Texas CLASS and may make its initial investment of funds.

B. Investments and Payments

Investments in and payments from the Trust can be made by Participants on any business day using the Texas CLASS online transaction system. It is the responsibility of Participants to provide instructions to their respective banks to wire or electronically transfer funds to the account at the Custodian when contributions are made. Participants are responsible for any wire charges billed by their own banks. Custodian wire charges are an expense of the Trust.

For security purposes, only previously designated Participant officials may conduct transactions, and funds will only be wired to payees listed on the list of approved payees provided by the Participant to the Program Administrator in advance of the payment.

In the unlikely event that the online transaction portal is unavailable, Texas CLASS Participants may contact the Client Service team at (800) 707-6242 for further assistance.

A Participant may withdraw from Texas CLASS at any time at its discretion by sending an appropriate written notice to Texas CLASS.

C. Reports to Participants

Each Participant receives an annual report containing the audited financial statements of the Trust including a statement of assets and liabilities and a statement of operations and changes in net assets of the Trust. The fiscal year end is June 30 of each

calendar year. Each Participant receives a monthly report of its own account(s). Potential Participants are advised to review the financial reports for the Trust that are made available to them.

D. Identity of Advisors

The Program Administrator

Public Trust Advisors, LLC is the Program Administrator under the Trust Agreement. Public Trust Advisors, LLC is an SEC-registered investment advisor and is located at 717 17th Street, Suite 1850, Denver, Colorado, 80202. Its phone number is (800) 707-6242.

Auditors

Cohen and Company, a national accounting firm, serves as the independent auditor for the Trust and provides an opinion on the financial statements of the Trust in accordance with generally accepted accounting principles.

The Custodian

The Custodian is UMB Bank, N.A. with multiple offices in Dallas, Fort Worth, and other locations throughout the state.

Attorneys

Bracewell LLP serves as legal counsel to the Trust. The address of Bracewell LLP is 1445 Ross Avenue, Suite 3800, Dallas, Texas, 75202. Its phone number is (214) 758-160

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Texas CLASS is not a bank. An investment in Texas CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although Texas CLASS seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. **Past performance is**

no guarantee of future results. Any financial and/or investment decision may incur losses. External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.

5/23 Managed by Public Trust Advisors, LLC

2435 N. Central Expressway, Suite 1200
Richardson, TX

T (800) 707-6242 | F (855) 848-9910

clientservices@texasclass.com

www.texasclass.com



Resolution to Participate

WHEREAS, the Public Funds Investment Act, Texas Government Code, Section 2256.001 et seq. (the Act) requires the governing body of each local government in this state to adopt investment policies in accordance with the terms of the Act; and

WHEREAS, pursuant to the requirements of the Act, the Board of Trustees (the Governing Body) of the _____ (the Local Government) has previously reviewed and adopted an investment policy (the Policy) that provides in part that the funds of the local government will be invested in investments permitted by the Act in order to: (i) invest only in investments legally permitted under Texas law; (ii) minimize risk by managing portfolio investments so as to preserve principal and maintain a stable net asset value; (iii) manage portfolio investments to ensure that cash will be available as required to finance operations; and (iv) maximize current income to the degree consistent with legality, safety, and liquidity; and

WHEREAS, pursuant to the Policy and the Act, the Local Government has appointed _____ (the Investment Officer) to act as the investment officer of the Local Government; and

WHEREAS, the Act provides that funds under the control of a Local Government may be invested through investment pools meeting the standards of Section 2256.016 of the Act; and

WHEREAS, the Local Government has received and reviewed the Information Statement, dated April 2021 (the Information Statement), of Texas Cooperative Liquid Assets Securities System Trust (the Program), an investment pool administered by Public Trust Advisors, LLC that sets forth the information required by Section 2256.016(b) of the Act; and

WHEREAS, the Local Government has determined that the investments proposed to be acquired by the Program are of a type that are permitted by the Act and are consistent with the Policy; and

WHEREAS, the Local Government has determined that an investment in the Program will assist the Local Government in achieving the goals set forth in the Policy and will tend to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and

WHEREAS, the Local Government understands that the Program operates through the Ninth Amended and Restated Trust Agreement dated as of February 25, 2021 (the Trust Agreement), that provides the terms on which the Program will operate and the rights of the Participants in the Program and sets forth the responsibilities of Public Trust Advisors, LLC as the administrator of the Program (the Administrator) and of UMB Bank as custodian (the Custodian);

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOCAL GOVERNMENT:

That the form, terms, and provisions of the Trust Agreement, a draft of which was presented and reviewed at this meeting, providing for the creation of the Program and for the rights of the Program Participants and the duties and responsibilities of the Administrator be and the same are hereby approved and adopted; and that the Investment Officer be and he or she is hereby authorized and directed to execute and deliver to the Administrator and the Custodian in the name and on behalf of the Local Government a participation certificate evidencing the agreement of the Local Government to be bound by the Trust Agreement substantially in the form of the Trust Agreement reviewed and approved at this meeting, together with such changes therein as may be approved by the said officer, such approval to be conclusively evidenced by the execution thereof; and be it further

Resolved that the investment program established by the Trust Agreement is hereby found and determined to be consistent with the Policy and to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and be it further

Resolved that the Governing Body hereby officially finds and determines that the facts and recitations contained in the preamble of this Resolution are true and correct; and be it further

Resolved that the Governing Body hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this Resolution was adopted was posted for the time required by law preceding this meeting and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof were discussed, considered, and formally acted upon all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and the Act; and be it further

Resolved that the officers of the Local Government, and each of them, shall be and each is expressly authorized, empowered, and directed from time-to-time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Local Government all certificates, instruments, and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Trust Agreement hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument, or other paper; and be it further

Resolved that this Resolution shall take effect and be in full force upon and after its passage.

Authorized Signature

Date

Printed Name

Authorized Signature

Date

Printed Name



Date 9/23/2025

Agenda Item 8

Resolution 2025-095

CITY COUNCIL MEMORANDUM FOR RESOLUTION

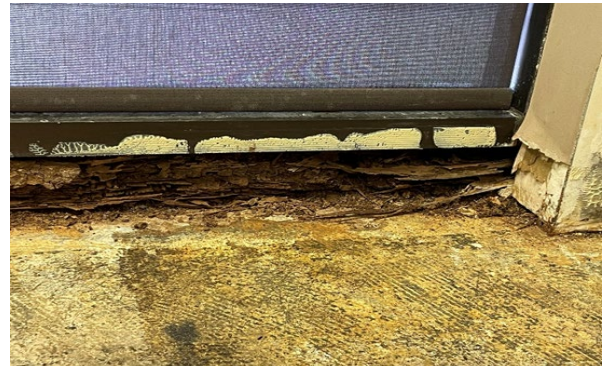
To: Mayor & Council

From: Mike Halsema, Deputy City Manager/CFO

Agenda Item: Discussion and possible action regarding a change order for City Hall glass replacement.

Information:

Beginning June 11-12, 2025, and during several events thereafter, unusually heavy rains caused water intrusion into several areas of City Hall, 803 East Main Street. Upon removing some areas of wet carpet and wallpaper, we discovered that many of the windowsills were rotted, as can be seen in the small sample of pictures below.



Council approved an agreement with G2 in an amount not to exceed \$63,954.69 August 12th, 2025. Upon closer examination by the subcontractor, it was determined that the existing glass was not tempered glass and therefore does not conform to current building standards. The proposed change order includes new replacement glass meeting current standards. The change order is for an additional \$15,855.73, or 24.79% of the original contract. State law requires a project to be re-bid if a change order exceeds 25%, and the proposed change is under that threshold. The proposed new total for the project is \$79,810.42 A more detailed description of the proposed change order is attached. The additional funds are proposed to be sourced from the CIP fund.

Financial Impact:

\$79,810.42

Motion:

I move to approve a change order with G2 for city hall glass replacement services \$15,855.73, raising the total not exceed contract amount to \$79,810.42.

Date 9/23/2025

Agenda Item 8

Resolution 2025-095

Attachments:

- Revised glass replacement agreement.

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

That the above stated recommendation is hereby approved and authorized.

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



G2 General Contractors

1600 Redbud Blvd Ste 200
McKinney, TX 75069
972-569-7013

Client: Gatesville 803 E Main St. Glass & Flooring
Replacement Alt.
Property: 803 E Main St.
Gatesville, TX 76528

Home: (254) 220-4546

Operator: GARET

Estimator: Joey Ayoub
Position: APM
Company: G2 General Contractors

Type of Estimate:

Date Entered: 9/4/2025

Date Assigned:

Price List: TXDF8X_SEP25

Labor Efficiency: Restoration/Service/Remodel

Estimate: GATESVILLEGLASS-REP

TIPS#241001



G2 General Contractors

1600 Redbud Blvd Ste 200
McKinney, TX 75069
972-569-7013

GATESVILLEGLASS-REP

GATESVILLEGLASS-REP

DESCRIPTION	QTY	REMOVE	REPLACE	TAX	O&P	TOTAL
1. Commercial Supervision / Project Management - per hour 2 week commercial supervision	80.00 HR	0.00	81.32	0.00	1,301.12	7,806.72
2. Taxes, insurance, permits & fees (Bid Item) Insurance Requirements	1.00 EA	0.00	1,307.97	0.00	261.60	1,569.57
3. Taxes, insurance, permits & fees (Bid Item) Payment bond fees	1.00 EA	0.00	1,708.00	0.00	341.60	2,049.60
4. Floor Covering - Carpet (Bid Item) Remove and replace carpet Furnish and install cove base Includes transition strips	1.00 EA	0.00	7,717.60	0.00	1,543.52	9,261.12
5. General Laborer - per hour 2 laborers for 1 week to rebuild base plates on windows	50.00 HR	0.00	58.85	0.00	588.50	3,531.00
6. Mobilization expense (Bid Item) Travel Expenses Hotel Gas Per Diem	1.00 EA	0.00	3,113.00	0.00	622.60	3,735.60
7. Glass, Glazing, & Storefronts (Bid Item) Demo	1.00 EA	0.00	43,214.01	0.00	8,642.80	51,856.81

- Demo 14 storefront glass and frames.

- Opening repairs are by others.

Furnish and install the following:

- New 1-3/4" x 4-1/2" bronze anodized storefront frames for twelve openings storefront.
- New 1/4" solar grey or solar bronze tempered safety glass in lieu of reinstalling existing glass.
- Includes 8 approximately 56 x 94, and 6 approximately 56 x 108
- Caulk and seal as needed.

Client acknowledges that any existing glass, windows, or related fixtures on the premises may be subject to prior stress, age-related wear, or hidden damage. G2 General Contractors LLC shall not be held liable for any cracks, breakage, or other damage to existing glass or related components that may occur during or as a result of the work performed, except in cases of gross negligence or willful misconduct by G2 General Contractors LLC.

Tinting is excluded

Total: GATESVILLEGLASS-REP	0.00	13,301.74	79,810.42
Line Item Totals: GATESVILLEGLASS-REP	0.00	13,301.74	79,810.42



G2 General Contractors

1600 Redbud Blvd Ste 200
McKinney, TX 75069
972-569-7013

Summary

Line Item Total	66,508.68
Overhead	6,650.87
Profit	6,650.87
	<hr/>
Replacement Cost Value	\$79,810.42
Net Claim	\$79,810.42
	<hr/> <hr/>

Joey Ayoub
APM



Date 9/23/2025

Agenda Item 9

Resolution 2025-096

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Mike Halsema, Deputy City Manager/CFO

Agenda Item: Discussion and possible action regarding purchasing two pickups through Grapevine Dodge Chrysler Jeep and financing of purchase through Cadence Bank.

Information:

As part of the FY25 Budget for the Fort Hood Recreation Management Intergovernmental Service Agreement (IGSA), two pickups were included for purchase. Two Regular cab ½ ton 2WD pickups as fleet additions. The IGSA includes payment funding for two trucks for use by Fort Hood recreation management personnel.

Financial Impact:

Purchase 2 RAM 1500's at \$39,921 each, with a \$400 BuyBoard administrative fee for the purchase order, totaling \$80,242. The vehicles are priced through the BuyBoard purchasing co-op contract #724-23. Grapevine Dodge Chrysler Jeep is a vendor qualified under the BuyBoard contract and has provided the quotes. Both vehicles are on the dealer's lot and are ready for purchase. Staff are proposing financing the Ft Hood Rec Center vehicles through Cadence Bank. Financing is proposed for 5 years, with annual payments of \$18,507.67 (combined) at an interest rate of 4.84% beginning September of 2025.

Staff Recommendation:

The staff recommends that the City Council approve the purchase of two pickups through Grapevine Dodge Chrysler Jeep utilizing BuyBoard cooperative purchasing for a total purchase price not to exceed \$80,242.00 and to approve financing the purchase through Cadence Bank.

Motion:

I move to approve the purchase of two pickups through Grapevine Dodge Chrysler Jeep as set forth in the Price Quote provided in the agenda packet, utilizing BuyBoard, for a total purchase price not to exceed \$80,242.00, and further that we approve the finance agreement through Cadence Bank to finance the purchase for five years at an interest rate of 4.84% beginning September 2025.

Attachments:

- Vendor Quotes
- Cadence Bank Financing agreement

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

That the above stated recommendation is hereby approved and authorized.

Date 9/23/2025

Agenda Item 9

Resolution 2025-096

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary

PRODUCT PRICING SUMMARY BASED ON CONTRACT
BUYBOARD #724-23 CHASSIS
Grapevine Dodge Chrysler Jeep 2601 William D Tate, Grapevine, TX 76051

End Use: CITY OF GATESVILLE

Rep: Dennis Thomas

Contact: MIKE HALSEMA

Phone: 817-410-7541

Phone/Email: MHALSEMA@GATESVILLETX.COM

Email: dthomas@grapevinedcj.com

Product Description: 2025 1500 QUAD CAB DT R1

Date: 09/16/2025

A. Bid Series 1500 CREW

A. Base Price:

38,218

B. Published Options [Itemize each below]

Code	Options	Bid Price	Code	Options	Bid Price
DT1E41	HIGH EFFICIENCY QUAD CAB	490	23E	HFE 3.6L ETORQUE	INCL
	20" WHEELS, ADAPTIVE CRUISE		PXJ	BLACK	238
	BUCKET SEATS CLOTH/CARPET		C5X9	CLOTH BUCKET SEATS	PACKAGE
	ROLLUP TONNEAU COVER				
	FRONT/REAR PARK SENSORS				
	REMOTE START, 8.4" RADIO				
	HITCH				
Total of B. Published Options:					728

C. Unpublished Options

\$= 0.0%

Options	Bid Price	Options	Bid Price
RETAIL LOT PREP			
TINT, WHEEL LOCKS, DOOR EDGE GUARDS	675		
Total of C. Unpublished Options:			675

D. Pre-delivery Inspection:

E. Texas State Inspection:

F. Manufacturer Destination/Delivery:

G. Floor Plan Interest (for in-stock and/or equipped vehicles):

H. Lot Insurance (for in stock and/or equipped vehicles):

I. Contract Price Adjustment:

J. Additional Delivery Charge: _____ miles

K. Subtotal:

L. Quantity Ordered 2 x K =

M. Trade in: _____

N. BUYBOARD Administrative Fee (\$400 per purchase order)

O. TOTAL PURCHASE PRICE INCLUDING BUYBOARD FEE

\$
\$
\$
\$
\$
\$
\$300
\$39,921
\$79,842
\$400.00
\$80,242



CADENCE EQUIPMENT FINANCE

9/17/2025

City of Gatesville, TX

It is a pleasure to submit for your consideration the following proposal to provide lease-purchase financing based on the terms and conditions set forth below:

1. Lessor: Cadence Equipment Finance, a division of Cadence Bank
2. Lessee: City of Gatesville, TX
3. Equipment Description: Two(2) New 2025 Chevy 1500 Silverados
4. Equipment Cost: \$80,242.00
5. Lease Term: 5 years
6. Lease Payments: (These are approximate payment amounts. The actual payment will be determined at funding date.)

5 annual @ \$17,634.95 in advance
7. Lease Rate: 4.84%
8. Funding Date: This proposal is contingent upon the equipment being delivered and the lease funded prior to the prime rate increasing above **7.25%**. **Any extension of the funding or delivery date must be in writing.**
9. Purchase Option: Title is passed to Lessee at lease expiration for no further consideration.
10. Non-appropriation/Termination: The lease provides that Lessee is to make reasonable efforts to obtain funds to satisfy the obligation in each fiscal year. However, the lease may be terminated without penalty in the event of non-appropriation. In such event, the Lessee agrees to provide an attorney's opinion confirming the events of non-appropriation and Lessee's exercise of diligence to obtain funds.
11. Bank Qualification: This lease-purchase financing shall be designated as a bank qualified tax-exempt transaction as per the 1986 Federal Tax Bill. **This means that the Lessee's governing body will pass a resolution stating that it does not anticipate issuing more**

than \$10 million in General Obligation debt or other debt falling under the Tax Bill's definition of qualifying debt during the calendar year that the lease is funded.

12. Tax Status: This proposal is subject to the Lessee being qualified as a governmental entity or "political subdivision" within the meaning of Section 103(a) of the Internal Revenue Code of 1954 as amended, within the meaning of said Section. Lessee agrees to cooperate with Lessor in providing evidence as deemed necessary or desirable by Lessor to substantiate such tax status.
13. Net Lease: This will be a net lease transaction whereby maintenance, insurance, taxes (if applicable), compliance with laws and similar expenses shall be borne by Lessee.
14. Financial Statements: Complete and current financial statements must be submitted to Lessor for review and approval of Lessee creditworthiness
15. Lease Documentation: This equipment lease-purchase package is subject to the mutual acceptance of lease-purchase documentation within a reasonable time period, otherwise payments will be subject to market change.

If the foregoing is acceptable, please so indicate by signing this letter in the space provided below and returning it to Cadence Equipment Finance. **The proposal is subject to approval by Cadence Equipment Finance's Credit Committee and to mutually acceptable terms, conditions and documentation.**

Acceptance of this proposal expires as the close of business on 10/15/2025. Extensions must be approved by the undersigned.

Any concerns or questions should be directed to Jonathan King at 228-223-4642 or Jonathan.King@cadencebank.com.

Jonathan King
Municipal Territory Manager

ACKNOWLEDGMENT AND ACCEPTANCE

By: _____
Title

Date: _____



Date 9/23/2025

Agenda Item 10

Ordinance 2025-06

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Brad Hunt, City Manager & Mike Halsema, Deputy City Manager/CFO

Agenda Item: Discussion and possible action regarding amending the FY 2024-25 Budget.

Information:

On January 28th, staff proposed amending the CIP and HOT fund budgets. Council passing the proposed amendments to a future meeting. The amendments were to the Capital Improvement fund total \$696,464, and HOT fund for \$10k. The CIP funds amendment was for Library, Parks and City Hall roof repairs. The HOT fund was additional funding to Chamber. For the second reading on August 12th, staff proposed to amend the General Fund, the Airport Fund, and the Cemetery fund in addition to earlier amendments. The proposed amendments are outlined in the chart below. This is the third and final reading.

Expenses

General Fund

PD drone	\$ 4,000
Parks Dump Trailer	\$ 11,400
Parks Power Rake	\$ 10,100
Fire Hot Power Washer	\$ 8,000
Fire Jaws of Life	\$ 38,000
Fleet Foam building	\$ 10,000
Transfer to CIP fund	\$ 700,000
City Hall window rehabilitation (transfer to CIP)	\$ 79,811
	\$ 861,311

Airport

Fuel tank replacement	\$ 100,000
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Cemetery

software and operating expense	\$ 5,000
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Financial Impact:

The General Capital Improvement Fund budget amendment will increase expense authority by \$861,311, the HOT Fund by \$10,000, the General Fund by 147,855, the Airport Fund by \$100,000, and the Cemetery fund by \$5,000.

Date 9/23/2025

Agenda Item 10

Ordinance 2025-06

Staff Recommendation:

The staff recommends that the City Council approve the 3rd and final reading of the Ordinance amending the FY25 budget.

Motion:

I move to approve **Ordinance 2025-06**, amending the FY 2024-2025 Budget, **third and final reading**.

Attachments:

- Ordinance

ORDINANCE NO. 2025-06

AN ORDINANCE OF THE CITY OF GATESVILLE, TEXAS, AMENDING THE FISCAL YEAR 2024-25 BUDGET OF THE CITY OF GATESVILLE TO ALLOW FOR ADJUSTMENTS TO THE GENERAL CAPITAL PROJECTS FUND SIX HUNDRED NINETY SIX THOUSAND FOUR HUNDRED SIXTY FOUR DOLLARS (\$696,464), THE HOTEL OCCUPANCY TAX FUND TEN THOUSAND DOLLARS (\$10,000), THE GENERAL FUND EIGHT HUNDRED SIXTY ONE THOUSAND THREE HUNDRED AND ELEVEN (\$861,311), THE AIRPORT FUND ONE HUNDRED THOUSAND (\$100,000), THE CEMETERY FUND FIVE THOUSAND (\$5,000); DECLARING A MUNICIPAL PURPOSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR AN OPEN MEETINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance No. 2024-07, the City Council of GATESVILLE, Texas, approved the Fiscal Year 2024-25 Budget; and

WHEREAS, the City of GATESVILLE desires to increase funding in the General Capital Improvements Fund, Hotel Occupancy Tax Fund General Fund, Airport Fund, and Cemetery Fund; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GATESVILLE, TEXAS AS FOLLOWS:

SECTION 1. The findings set forth in the above preamble to this Ordinance are true and correct and are hereby adopted.

SECTION 2. The Fiscal Year 2024-25

Budget is hereby amended by the City Council as follows: to allow for an adjustment to the General Capital Improvement Fund of \$696,464, the Hotel Occupancy Tax Fund \$10,000 the General Fund \$861,311, The Airport Fund \$100,000, and the Cemetery Fund \$5,000, increasing appropriations.

SECTION 3. This Ordinance shall be filed with the City Secretary, who is directed to attach a copy of this Ordinance to the Fiscal Year 2024-25 Budget.

SECTION 4. This Ordinance was approved by at least three members of the City Council as required by Section 3.11 of the City Charter.

SECTION 5. If any section, subsection, paragraph, sentence, clause, phrase, or word in this Ordinance, or the application thereof to any person or under any circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council of the City of GATESVILLE, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 6. It is officially found and determined that the meeting at which this

Ordinance was passed was open to the public as required by law, and the public notice of the time, place and purpose of this meeting was given as required by law.

SECTION 7. This Ordinance shall become effective immediately upon its passage and approval.

The foregoing **Ordinance No. 2025-06** was read the first time and passed to the second reading this 28th day of January, 2025.

The foregoing **Ordinance No. 2025-06** was read the second time and passed to the third and final reading this 12th day of August, 2025.

The foregoing **Ordinance NO. 2025-06** was read the third and final time and duly passed on this 23rd day of September, 2025.

BY: _____
GARY CHUMLEY, MAYOR

ATTESTED:

APPROVED AS TO FORM AND SUBSTANCE:

HOLLY OWENS
CITY SECRETARY

VICTORIA THOMAS
SPECIAL COUNSEL



Date 9/23/2025

Agenda Item 11

Ordinance 2025-20

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Mike Halsema, Deputy City Manager

Agenda Item: Discussion and Possible Action regarding repealing and replacing Chapter 18 (Fees), Section 18-1 (Fee Schedule) of the City of Gatesville Code of Ordinances

Information:

This fee schedule amendment is to only consider the water and sewer rates. The remaining fee schedule was approved with the third reading held on September 9, 2025.

Staff Recommendation:

The staff recommends passing **Ordinance 2025-20** to consider repealing and replacing Chapter 18 (Fees), Section 18-1 (Fee Schedule) of the City of Gatesville Code of Ordinances.

Motion: Motion to pass **Ordinance 2025-20** to consider repealing and replacing Chapter 18. "Fees", Section 18-1. "Fee Schedule" of the Code of Ordinances of the City of Gatesville, **first reading.**

Attachments:

- Draft Ordinance 2025-20



City Council Meeting: Water Rates

- September 23, 2025
- City Manager Brad Hunt
- Deputy City Manager Mike Halsema
- Public Works Director Chad Newman & Staff

So...why NOW?

- In short, we are on borrowed time.
 - Our contract engineering firm, Freese & Nichols, Inc., confirmed facts that many urgent needs exist regarding the condition and criticality of components that ensure our water supply.
 - All water production, water distribution, and wastewater processing Maintenance & Operations costs and Capital Improvement Projects relate to ensuring we maintain our CURRENT capacities – there is minimal consideration herein for expansion.
- Significant failures/interruptions in water delivery, or significant overflows, interruptions, or emissions in wastewater processing can result in:
 - Injuries to, and general safety concerns for, our employees.
 - Loss of vital services to communities, both within the city and throughout all the regional water supply corporations.
 - TCEQ violations.
 - Added short- or long-term costs.

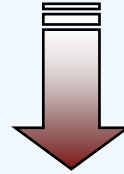
Developing Risk Scores

- Develop Component Categories
- Assign Weighting Factors
- Develop Scoring Criteria
- Conduct Assessments with Plant Staff
- Tabulate Overall Condition and Criticality Scores

Risk = f (Condition

x

Criticality)



**What is the Likelihood
of Asset Failure?**



**What is the Consequence
of Asset Failure?**

Condition and Criticality Scoring



Condition Score	Description
0 - 20	New, perfect condition
21 - 40	Good condition, no improvements recommended to maintain function
41 - 60	Fair condition, improvements recommended to improve performance or efficiency
61 - 80	Poor condition, improvements recommended to maintain reliability
81 - 100	Imminent failure, rehabilitation or
Criticality Score	Description
0 - 29	Low Impact
30 - 49	Medium Impact
50 - 69	High Impact
70 - 100	Very High Impact

Criticality Scoring Criteria		
Parameter	Description	Weight
Capacity Affected	Based on percent of total facility capacity lost if component is offline or damaged	30%
Process Impact	Based on process effectiveness lost if component is offline or damaged	20%
Outage Duration	Based on foreseen outage duration considering response time, part availability and length of repair	15%
Health, Safety and Environmental	Based on likelihood of harm if component is offline or damaged	35%

Risk Based Assessment Matrix

		Condition				
		Very Good	Good	Fair	Poor	Very Poor
Criticality	Low Impact					
	Medium Impact					
	High Impact					
	Very High Impact					



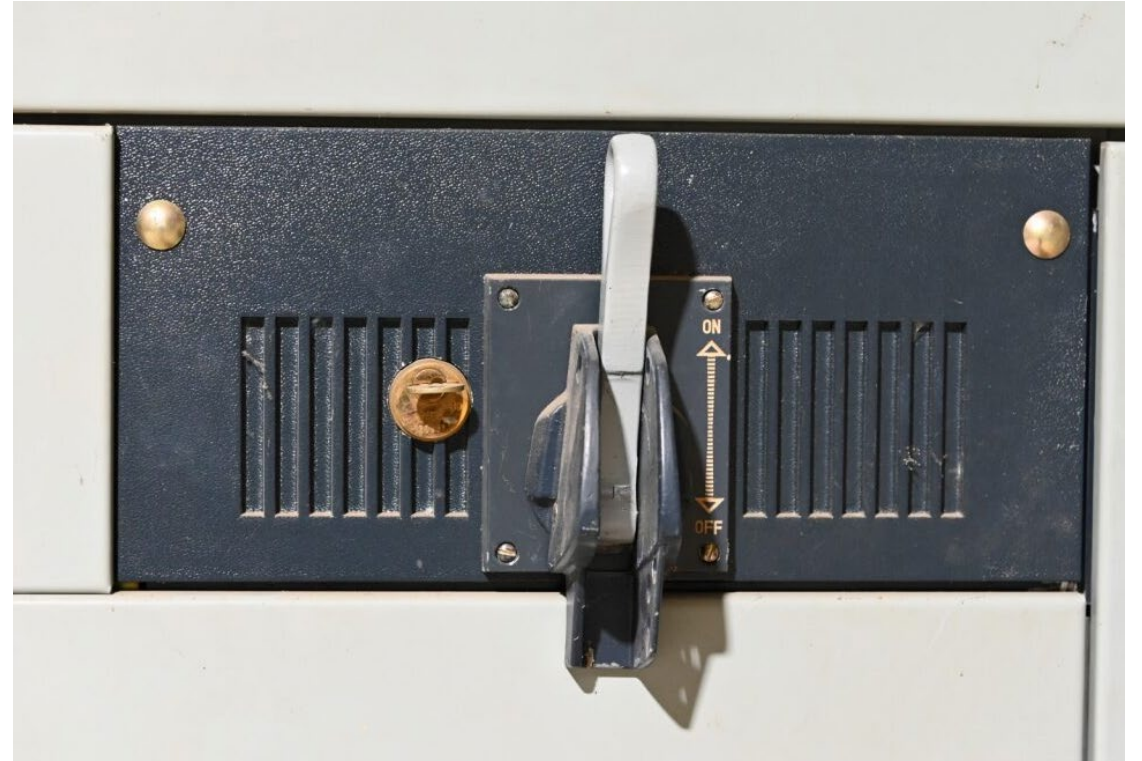
City of Gatesville Water Intake Plant: Current State

City Manager Brad Hunt

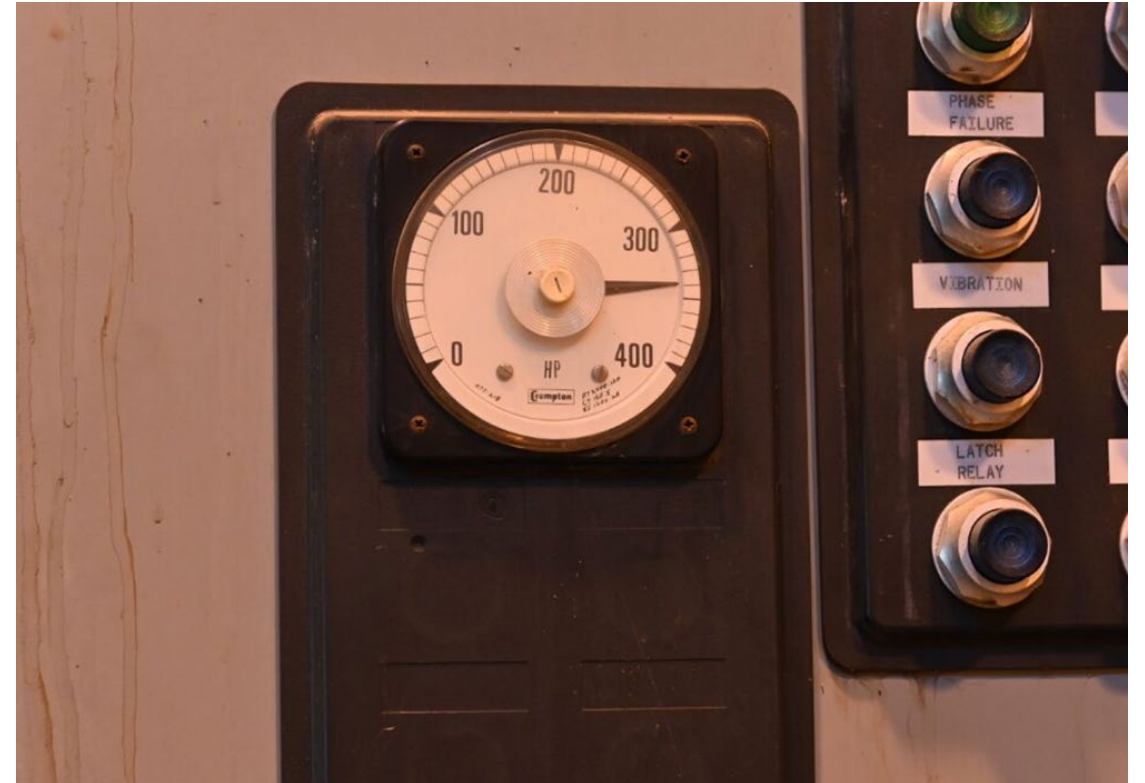
Public Works Director Chad Newman

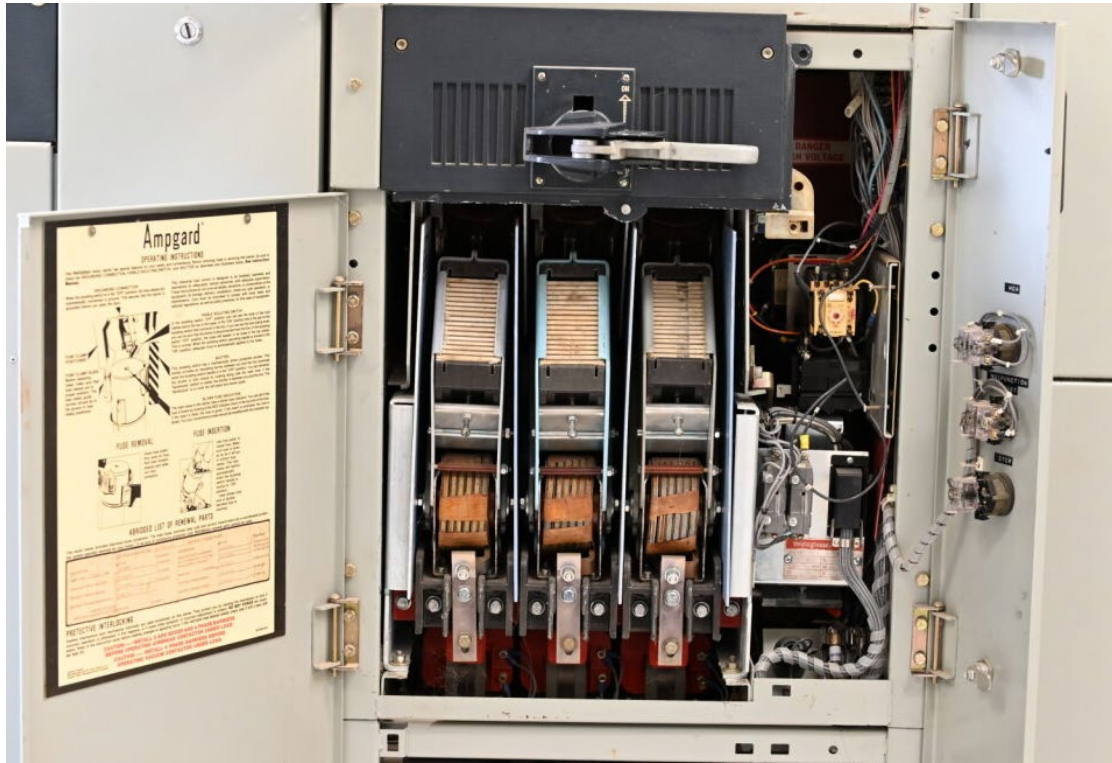
Plant Superintendent Zeb Veazy

Librarian Shea Harp (photos)

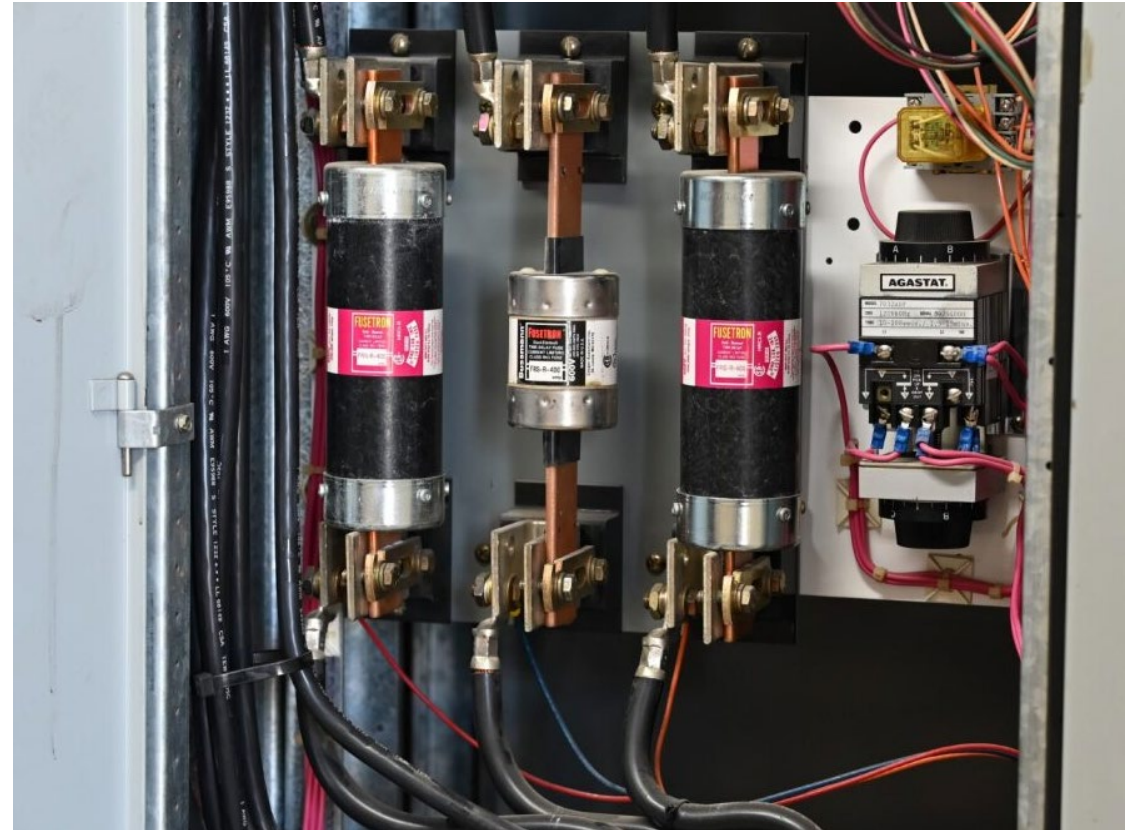
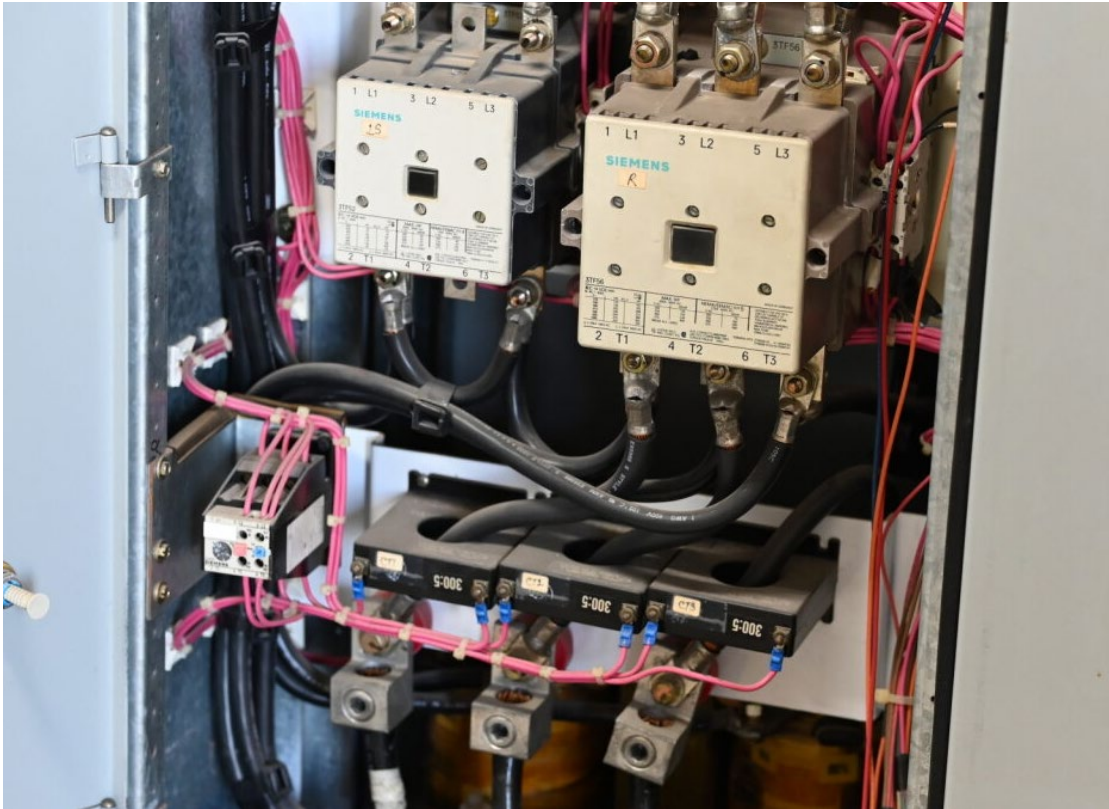




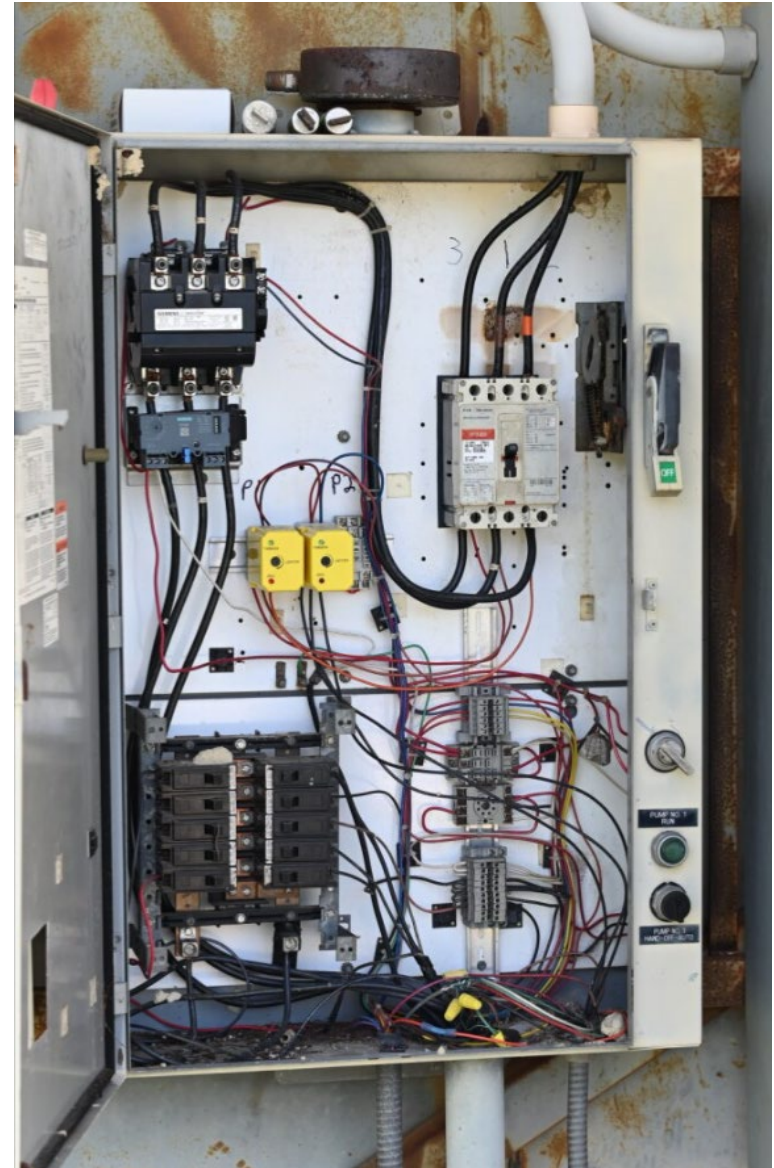
















City of Gatesville

5-Year Water & Wastewater CIP

Based Upon:

- PW Director Chad Newman's OPCs
- FNI Water System Improvements Plan
- Staff Assessment of Priorities

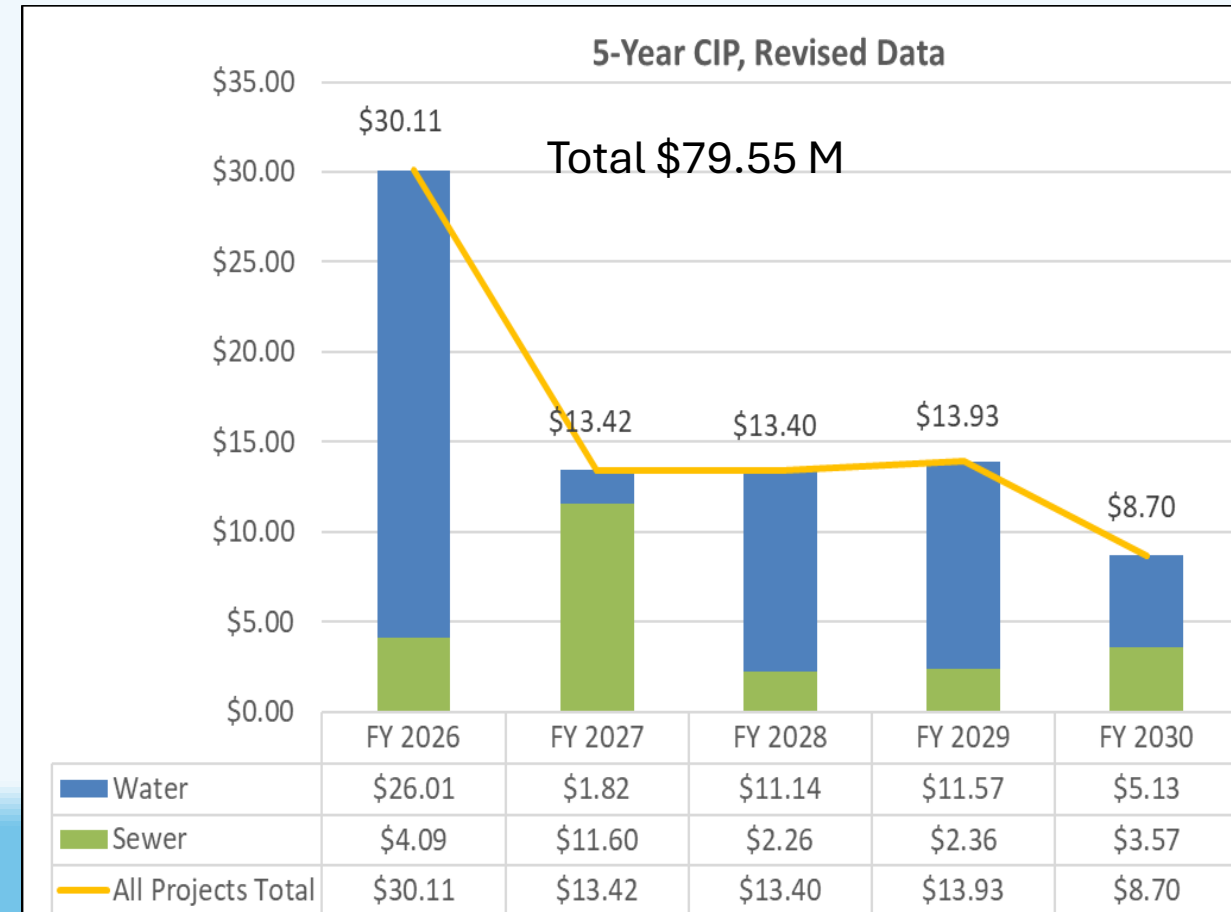
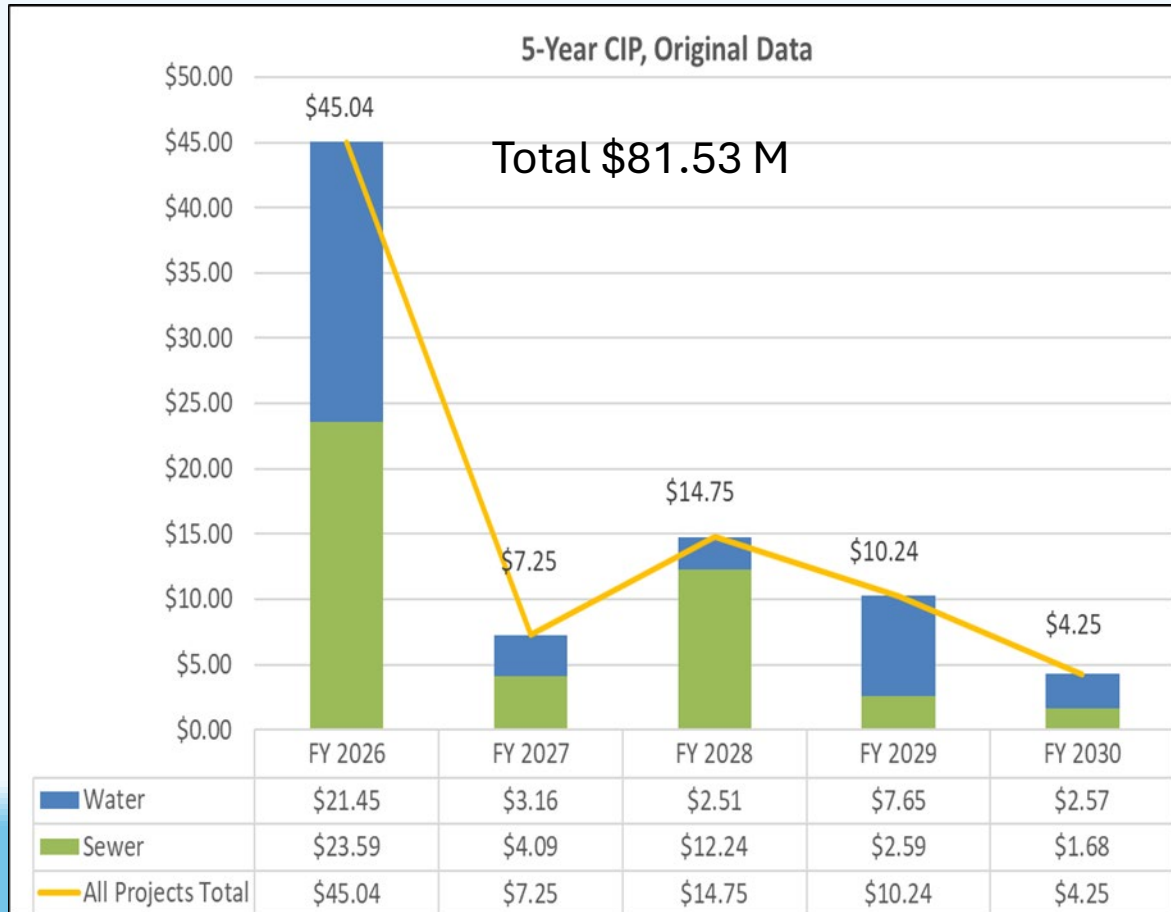
Water CIPs

(\$ Millions)	2026	2027	2028	2029	2030	Total
North Side Trunk Line Phase 2	\$ -	\$ -	\$ 0.85	\$ -	\$ -	\$ 0.85
North Side Trunk Line Phase 3	-	-	-	1.14	-	1.14
North Side Trunk Line Phase 4	-	-	-	-	0.81	0.81
D6 Project Booster PS7 Mechanical Recond	-	-	-	-	0.83	0.83
D10 Project Booster PS7 Electrical Recondi	1.07	-	-	-	-	1.07
D2 Project BPS Tank Reconditioning	0.29	-	-	-	-	0.29
D5 Project 23rd Street Facilities Reconditic	-	-	0.30	-	-	0.30
D11 Project Booster PS5	-	-	-	-	1.03	1.03
D12 Project System Wide Portable Genera	-	-	-	-	1.54	1.54
Raw Water Intake Electrical Improvements	12.00	-	-	-	-	12.00
South Mountain Tank Maintenance	-	0.23	-	-	-	0.23
Filter Media Replacement	1.02	-	-	-	-	1.02
Booster Pump Station 2 Improvements	-	1.59	-	-	-	1.59
Water Plant Electrical Equipment Replacer	10.71	-	-	-	-	10.71
Clarifier Blast and Recoat	0.17	-	-	-	-	0.17
WTP SCADA	-	-	0.77	-	-	0.77
Efluent Flow Meter Installation	-	-	0.01	-	-	0.01
Raw Water Intake Mechanical Improveme	-	-	0.34	-	-	0.34
Raw Water Intake Pumpcans Improvemen	-	-	0.49	-	-	0.49
Booster Pump Station 1 Electrical Improve	0.75	-	8.82	-	-	9.57
Booster Pump Station 1 Mechanical Improv	-	-	-	0.26	-	0.26
Water Plant Lagoons	-	-	-	6.47	-	6.47
Booster Pump Station 3 Reconditioning	-	-	-	4.27	-	4.27
Security System	-	-	-	-	0.05	0.05
Booster Pump Station 1 Conditioning	-	-	-	-	0.10	0.10
Tanks - Cleaning and Recoating	-	-	-	-	0.56	0.56
HVAC - Insulation - Demolition	-	-	-	-	0.33	0.33
Transmission Lines Condition Assesment	-	-	-	-	0.27	0.27
WTP HVAC Replacement	-	-	-	-	0.02	0.02
Total - Water CIP	\$ 26.01	\$ 1.82	\$ 11.57	\$ 12.14	\$ 5.53	\$ 57.08

Sewer CIPs

(\$ Millions)	2026	2027	2028	2029	2030	Total
Existing Manhole Rehab	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.50
Brown Park Sewer main Relocate	0.54	-	-	-	-	0.54
SH 36 Gravity Main Replacement	0.55	-	-	-	-	0.55
Lakewood Reroute	-	-	-	-	-	-
Leon Plant West Trunk Line Phase 1	-	-	-	-	-	-
Intermediate Force Main Extension	1.92	-	-	-	-	1.92
Leon Plant West Trunk Line Phase 2	-	-	-	-	-	-
SH 36 Gravity Sewer Extension	-	-	1.02	-	-	1.02
Leon Plant West Trunk Line Phase 3	-	-	-	-	-	-
Leon Plant West Trunk Line Phase 4	-	-	-	-	-	-
Leon Plant West Trunk Line Phase 5	-	-	-	-	-	-
West Trunk Line Engineering Only	-	-	-	1.69	-	1.69
Stillhouse WWTP Phase 2	-	10.00	-	-	-	10.00
Vac Truck Storage	0.08	-	-	-	-	0.08
Leon Plant Sludge Thinner	0.87	-	-	-	-	0.87
Lakewood Lift Station	0.03	-	-	-	-	0.03
Leon Plant Bar Screen	-	0.70	-	-	-	0.70
Leon Plant Scada	-	0.80	-	-	-	0.80
Leon WWTP Upgrade	-	-	-	-	-	-
Lift Station Flow Meters	-	-	0.60	-	-	0.60
Stillhouse Office	-	-	0.12	-	-	0.12
Leon Plant Air Diffuser	-	-	-	-	1.87	1.87
Lift Station Odor Control	-	-	-	-	0.40	0.40
Lift Station Odor Control	-	-	-	-	0.40	0.40
Lift Station Odor Control	-	-	-	-	0.40	0.40
Total - Sewer CIP	\$ 4.09	\$ 11.60	\$ 1.84	\$ 1.79	\$ 3.17	\$ 22.48
TOTAL WATER & SEWER CIP	\$30.11	\$13.42	\$13.40	\$13.93	\$8.70	\$79.55

Capital Improvement Plan (\$ Million)





City of Gatesville Proposed Rates

Based Upon:

- PW Director Chad Newman's OPCs
- FNI Water System Improvements Plan
- Staff Assessment of Priorities
- NewGen's Water Rate Study, Revised Sept. 2025

RETAIL KEY ISSUES

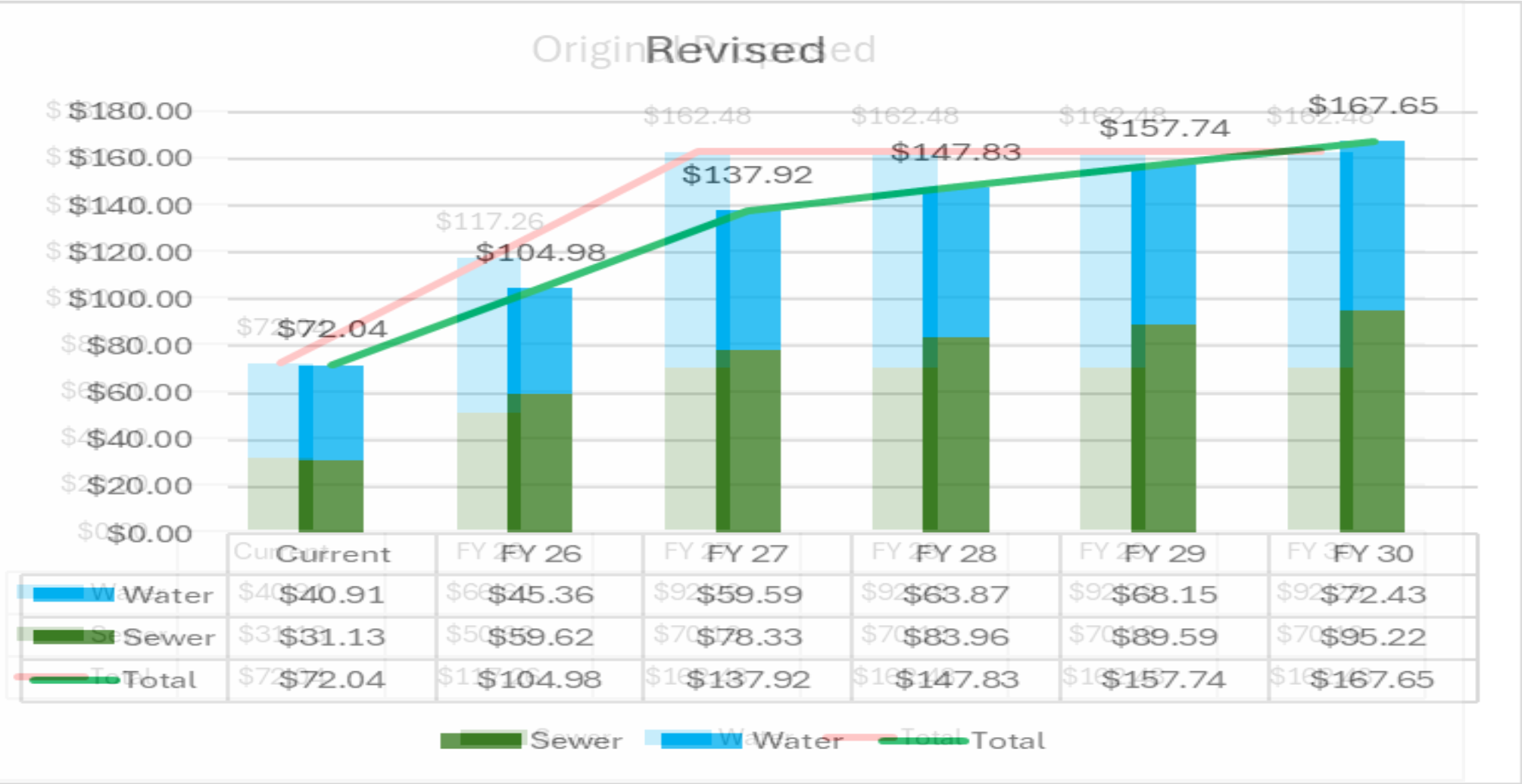
Financial Performance

- Without increases in customer rates, financial performance is projected to be insufficient beginning in FY 2026
 - Negative ending Fund Balance
 - No Reserve (25% Reserve Requirement)
 - Short of Debt Service Coverage Requirement of 1.25x
- Key driver is needed capital investment for necessary projects.
 - ~~\$81.5~~^{\$79.55} million in Capital Improvements anticipated to be needed over the next five years (reduced by ~~\$20M~~^{\$21M} from prior presentation)
- Not only are increases needed to support capital funding, but the City must also meet its financial metrics to support its overall costs and bond rating

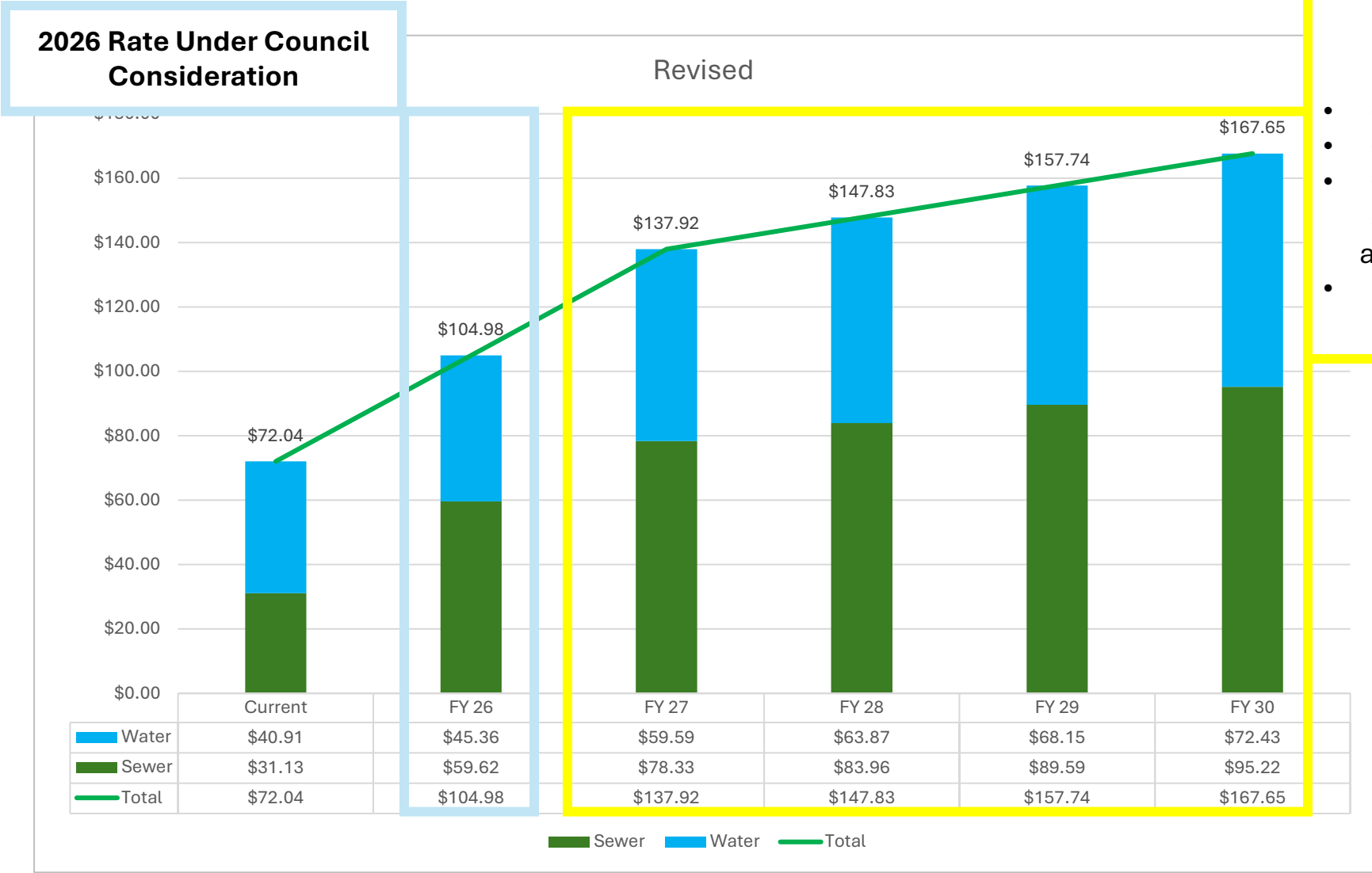
KEY ISSUES RATE STRUCTURE

- Water Rate Structure is not reflective of industry standards:
 - Base (meter) charge not increasing based on American Water Works Association meter equivalency factors
- No proposed changes to Sewer Rate Structure
- Appropriate adjustments being made to wholesale in line with currently applicable contracts and their allocable cost of service
- Rate recommendations are subject to change based on Texas Water Development Board loan
- Recommended rate adjustments in October 2025

MONTHLY CUSTOMER BILL PROJECTION
Residential Inside ¾”
5,000 gallons



MONTHLY CUSTOMER BILL PROJECTION
Residential Inside ¾”
5,000 gallons

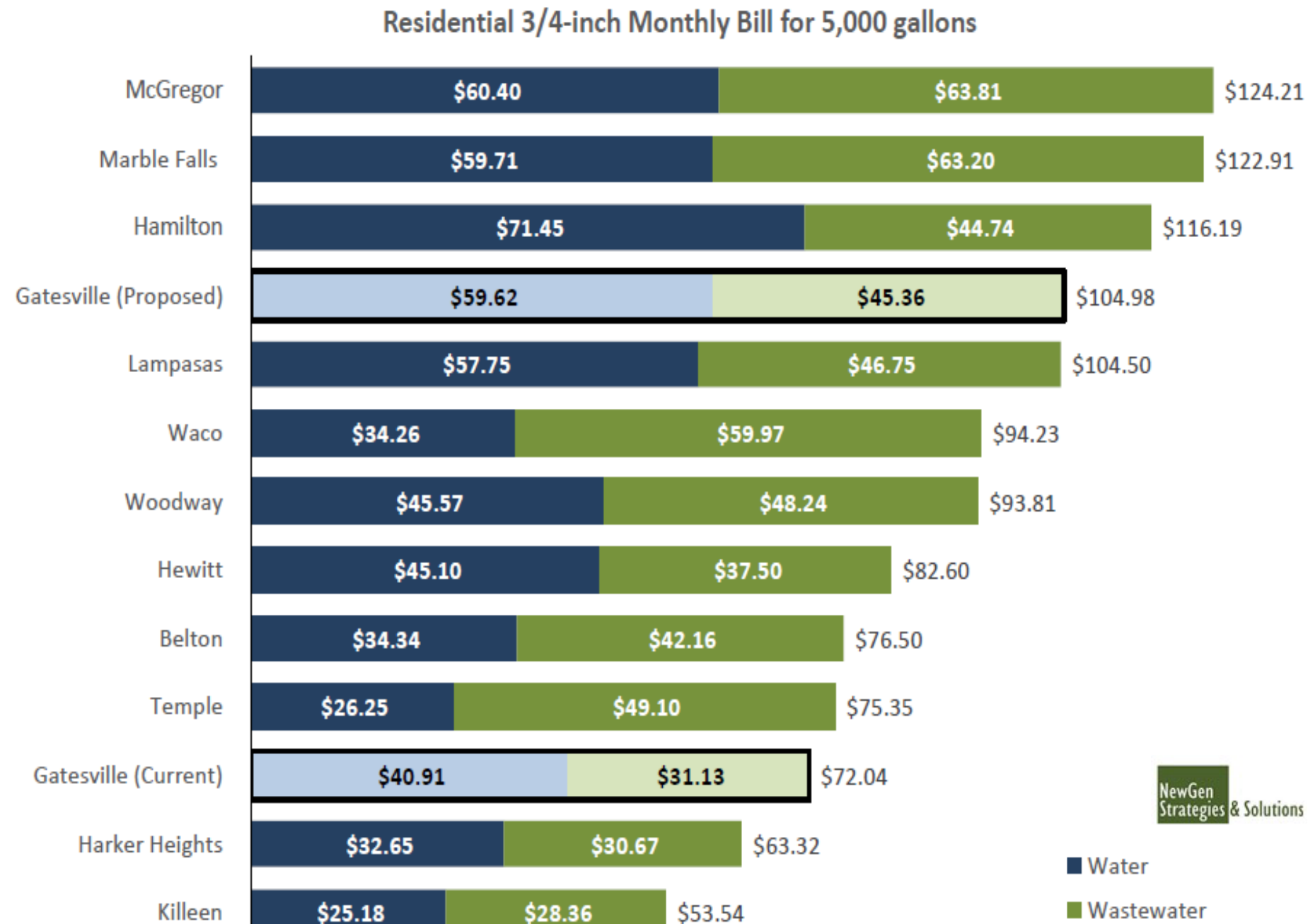


- FUTURE RATES TO BE DETERMINED**
by:
- CIP funding via TWDB grants;
 - CIP funds via Texas Legislature;
 - CIP planning/funding by alternate means & sources; and,
 - Future Council votes on water rates.

COMBINED REGIONAL BILL COMPARISON

Residential ¾"
5,000 Gallons

*Bill Comparisons are based on
NewGen's interpretation of publicly
available data as of July 2025.*



NewGen
Strategies & Solutions

Note: Lampasas assumes Urban rates

September 2025 Updates on Regional Rates

AI Overview

As of September 2025, the city of **McGregor is proposing an 8% increase in water and wastewater rates** for the 2026 fiscal year. The new rates for 2026 have not yet been formally adopted, but the 8% increase is included in the proposed budget for fiscal year 2025-2026.

For all other residential customers

The city of **Marble Falls regularly adjusts its utility rates based on annual cost-of-service assessments**. While the exact figures for 2026 have not been published, you can **expect an incremental increase** over the city's 2025 residential rates.

AI Overview

Official water rates for the City of **Hamilton, Texas, were projected to remain steady** in 2026 at **\$80.19 per month for the average residential user consuming 6,044 gallons**. This projection was reported to the Texas Water Development Board (TWDB) during a 2025 funding request.

AI Overview

Water rates for **Lampasas in 2026 are not yet finalized, but a rate increase for water and wastewater is being considered**. The Lampasas City Council discussed a potential increase of \$1 per 1,000 gallons for both water and wastewater during a budget workshop in August 2025.

AI Overview

Waco water rates in 2026 will reflect a general increase across the utility services with an \$11 monthly jump in total utility bills due to a new city budget. The city has released a document showing proposed rates for the fiscal year 2025-2026, which includes an increase to the base rate and usage rates for water.

AI Overview

According to the **Woodway 2025-2026 proposed budget, water and sewer rates will increase by 5% effective October 1, 2025**. The city had previously considered a 5-10% tiered rate increase due to financial issues and high water usage.

AI Overview

No water rates for Hewitt, Texas, have been finalized for 2026, though a future increase is likely. The Hewitt City Council typically approves any changes to water and sewer rates as part of its annual budget process in the fall. An increase was planned for 2025, and a multi-year plan has included increases since 2021.

AI Overview

For Belton, Texas, water rates for 2026 are projected to remain at the same level as the 2025 fiscal year, which were approved in August 2024. For most residential customers, water is billed based on a tiered structure that includes a base rate and a volumetric charge per 1,000 gallons.

Addendum: Proposed FY 2026 Rates

Projected Water Rates

FY	# of Connections	Current	2026	2027	2028	2029	2030
<u>Residential Water Inside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	2,922	\$ 24.21	\$ 35.27	\$ 46.33	\$ 49.66	\$ 52.99	\$ 56.32
1"	88	30.67	51.73	77.22	82.77	88.32	93.87
1.5"	3	46.81	92.88	154.43	165.53	176.63	187.73
2"	8	66.17	142.25	247.09	264.85	282.61	300.37
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
5,000-15,000 gal		3.67	5.72	8.00	8.58	9.15	9.73
15,000-30,000 gal		4.07	6.75	10.00	10.72	11.44	12.16
30,000+ gal		4.45	7.90	12.50	13.40	14.30	15.20
<u>Residential Water Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	253	\$ 36.32	\$ 52.91	\$ 69.50	\$ 74.50	\$ 79.50	\$ 84.49
1"	25	46.01	77.61	115.84	124.16	132.49	140.82
1.5"	1	70.22	139.33	231.67	248.32	264.97	281.62
2"	7	99.26	213.39	370.66	397.30	423.94	450.58
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67
5,000-15,000 gal		5.51	8.58	12.00	12.86	13.73	14.59
15,000-30,000 gal		6.11	10.12	15.00	16.08	17.16	18.23
30,000+ gal		6.68	11.86	18.75	20.10	21.45	22.79
<u>Commercial Water Inside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	247	\$ 22.27	\$ 32.44	\$ 42.61	\$ 45.67	\$ 48.73	\$ 51.79
1"	52	35.34	52.77	71.02	76.12	81.22	86.32
1.5"	9	68.00	103.59	142.03	152.23	162.43	172.63
2"	47	107.19	164.58	227.25	243.57	259.89	276.21
3"	3	198.65	306.88	426.10	456.70	487.30	517.90
4"	6	329.30	510.17	710.17	761.17	812.17	863.17
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78

Projected Water Rates

FY	# of Connections	Current	2026	2027	2028	2029	2030
<u>Commercial Water Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	10	\$ 33.41	\$ 48.67	\$ 63.92	\$ 68.52	\$ 73.11	\$ 77.70
1"	2	53.01	79.16	106.53	114.18	121.83	129.48
1.5"	0	102.00	155.39	213.05	228.35	243.65	258.95
2"	1	160.79	246.87	340.89	365.37	389.85	414.33
3"	1	297.98	460.33	639.16	685.06	730.96	776.86
4"	0	493.95	765.26	1,065.25	1,141.75	1,218.25	1,294.75
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67
<u>Sprinkler Inside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	15	\$ 11.13	\$ 16.21	\$ 21.29	\$ 22.82	\$ 24.35	\$ 25.88
1"	9	17.66	26.37	35.48	38.03	40.58	43.13
1.5"	5	33.99	51.77	70.97	76.07	81.17	86.27
2"	13	53.57	82.24	113.55	121.71	129.87	138.03
3"	0	99.28	153.35	212.90	228.20	243.50	258.80
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
5,000-15,000 gal		3.67	5.72	8.00	8.58	9.15	9.73
15,000-30,000 gal		4.07	6.75	10.00	10.72	11.44	12.16
30,000+ gal		4.45	7.90	12.50	13.40	14.30	15.20
<u>Sprinkler Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	0	\$ 16.70	\$ 24.32	\$ 31.94	\$ 34.24	\$ 36.54	\$ 38.83
1"	1	26.49	39.55	53.23	57.05	60.88	64.70
1.5"	0	50.98	77.65	106.44	114.09	121.74	129.39
2"	0	80.37	123.38	170.35	182.59	194.84	207.08
3"	0	148.92	230.02	319.35	342.30	365.25	388.20
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67
5,000-15,000 gal		5.51	8.58	12.00	12.86	13.73	14.59
15,000-30,000 gal		6.11	10.12	15.00	16.08	17.16	18.23
30,000+ gal		6.68	11.86	18.75	20.10	21.45	22.79

Projected Water Rates

FY	# of Connections	Current	2026	2027	2028	2029	2030
<u>Stock Water Inside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	5	\$ 11.13	\$ 16.21	\$ 21.29	\$ 22.82	\$ 24.35	\$ 25.88
1"	0	17.66	26.37	35.48	38.03	40.58	43.13
1.5"	0	33.99	51.77	70.97	76.07	81.17	86.27
2"	0	53.57	82.24	113.55	121.71	129.87	138.03
3"	0	99.28	153.35	212.90	228.20	243.50	258.80
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
<u>Stock Water Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	4	\$ 16.70	\$ 24.32	\$ 31.94	\$ 34.24	\$ 36.54	\$ 38.83
1"	0	26.49	39.55	53.23	57.05	60.88	64.70
1.5"	0	50.98	77.65	106.44	114.09	121.74	129.39
2"	1	80.37	123.38	170.35	182.59	194.84	207.08
3"	0	148.92	230.02	319.35	342.30	365.25	388.20
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67
<u>New Construction Inside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	5	\$ 24.75	\$ 36.06	\$ 47.36	\$ 50.77	\$ 54.18	\$ 57.58
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
<u>New Construction Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	0	\$ 37.13	\$ 54.10	\$ 71.05	\$ 76.17	\$ 81.28	\$ 86.38
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67

Projected Water Rates

FY	# of Connections	Current	2026	2027	2028	2029	2030
<u>Worship Center Inside</u>							
<i>Minimum Monthly Fee</i>							
All	32	\$ 20.00	\$ 29.14	\$ 38.28	\$ 41.03	\$ 43.78	\$ 46.53
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
5,000-15,000 gal		3.67	5.72	8.00	8.58	9.15	9.73
15,000-30,000 gal		4.07	6.75	10.00	10.72	11.44	12.16
30,000+ gal		4.45	7.90	12.50	13.40	14.30	15.20
<u>Worship Center Outside</u>							
<i>Minimum Monthly Fee</i>							
3/4"	1	\$ 30.00	\$ 43.71	\$ 57.42	\$ 61.55	\$ 65.67	\$ 69.80
<i>Volumetric Rates (per kGal.)</i>							
0-5,000 gal		\$ 5.01	\$ 7.31	\$ 9.60	\$ 10.29	\$ 10.98	\$ 11.67
5,000-15,000 gal		5.51	8.59	12.01	12.87	13.74	14.60
15,000-30,000 gal		6.11	10.13	15.01	16.09	17.17	18.25
30,000+ gal		6.68	11.87	18.76	20.11	21.46	22.81
<u>Bulk Construction</u>							
<i>Minimum Monthly Fee</i>							
2"	6	\$ 107.19	\$ 164.58	\$ 227.26	\$ 243.58	\$ 259.90	\$ 276.22
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.34	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
<u>County Water</u>							
<i>Minimum Monthly Fee</i>							
All	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.00	\$ 4.87	\$ 6.40	\$ 6.86	\$ 7.32	\$ 7.78
<u>TDCJ</u>							
<i>Minimum Monthly Fee</i>							
2"	1	\$ 107.19	\$ 164.58	\$ 227.25	\$ 243.57	\$ 259.89	\$ 276.21
6"	3	655.92	1,018.40	1,420.33	1,522.33	1,624.33	1,726.33
10"	2	1,505.16	2,339.79	3,266.77	3,501.37	3,735.97	3,970.57

Projected Wastewater Rates

FY	# of Connections	Current	2026	2027	2028	2029	2030
<u>Residential Sewer</u>							
<i>Minimum Monthly Fee</i>							
All	3,052	\$ 11.13	\$ 16.21	\$ 21.29	\$ 22.82	\$ 24.35	\$ 25.88
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 4.00	\$ 5.83	\$ 7.66	\$ 8.21	\$ 8.76	\$ 9.31
<u>Commercial Sewer</u>							
<i>Minimum Monthly Fee</i>							
All	400	\$ 11.13	\$ 16.21	\$ 21.29	\$ 22.82	\$ 24.35	\$ 25.88
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 4.00	\$ 5.83	\$ 7.66	\$ 8.21	\$ 8.76	\$ 9.31
<u>TDCJ Sewer</u>							
<i>Minimum Monthly Fee</i>							
All	3	\$ 389.65	\$ 567.65	\$ 745.61	\$ 799.24	\$ 852.87	\$ 906.43
<i>Volumetric Rates (per kGal.)</i>							
All volumes		\$ 3.01	\$ 4.39	\$ 5.77	\$ 6.19	\$ 6.61	\$ 7.03
Placeholder		-	-	-	-	-	-
Placeholder		-	-	-	-	-	-

Solid Waste					Proposed						
Monthly service charge for garbage, refuse, trash and recycling	\$23.55				\$23.55						
collection and disposal for a family unit (any one family residence or apartment, or any other single-family dwelling)											
Monthly service charges for garbage, refuse, trash and rubbish collection and disposal for multi-dwelling owners and mobile home park owners who pay the garbage and trash collection charges for their tenants	\$23.55 times the number of apartments or mobile home spaces				\$23.55 times the number of apartments or mobile home spaces						
Monthly service charges for small commercial customers with 96 gallon carts, per cart	\$27.06				\$27.06						
Residential extra cart	\$5.35				\$5.35						
Monthly service charge for commercial customers who do use dumpsters	See table below				See table below						
Dumpster Rate Schedule											
Size of dumpster	Number of Garbage Pickups										
1	2	3	4	5	1	2	3	4	5		
2 yd	\$98.87	\$141.38	\$205.00	\$246.02	\$275.55	2 yd	\$98.87	\$141.38	\$205.00	\$246.02	\$275.55
3 yd	\$115.24	\$211.21	\$317.03	\$374.66	\$437.53	3 yd	\$115.24	\$211.21	\$317.03	\$374.66	\$437.53
4 yd	\$162.13	\$251.30	\$341.75	\$434.00	\$520.87	4 yd	\$162.13	\$251.30	\$341.75	\$434.00	\$520.87
6 yd	\$200.10	\$360.32	\$546.39	\$646.48	\$799.74	6 yd	\$200.10	\$360.32	\$546.39	\$646.48	\$799.74
8 yd	\$260.95	\$432.13	\$646.48	\$801.97	\$953.39	8 yd	\$260.95	\$432.13	\$646.48	\$801.97	\$953.39
Commercial unit unusual accumulation/overage charge \$150 per dumpster overage											
Lock bar monthly	\$10.70				\$10.70						
Casters Monthly	\$10.70				\$10.70						
Snapshot charge	\$150.00				\$150.00						
Water and Sewer Utilities											
Deposit for water \$50, sewer \$50, and curbside garbage \$50 service to a residence, if all services provided totaling \$150. Deposits may be waived for new customers pending confirmation of 12 months of uninterrupted service and no late fees with another utility. Deposits may also be waived or refunded if customer elects auto-draft a minimum of 12 months through the City's utility billing department. Deposits will be credited to customer's account pending 12 months of uninterrupted service and no late fees after the 12 th consecutive month.	\$150				\$150						
Deposit for water and/or sewer service for commercial customers and other non-residential customers	Determined individually, minimum of \$50 for water and \$50 for sewer				Determined individually, minimum of \$50 for water and \$50 for sewer						
Bulk construction (fire plug) meter deposit	Determined by current replacement meter cost				Determined by current replacement meter cost						
Tap and connection charges											
Water Connections or Taps:											
	Tap	Mtr/Box	Meter	Per Foot Charge		Tap	Mtr/Box	Meter	Per Foot Charge		
¾" meter	\$1,546.25	\$433	\$398	\$31.88		\$1,546.25	\$433	\$398	\$31.88		
1" meter	\$1,671.85	\$545	\$510	\$32.18		\$1,671.85	\$545	\$510	\$32.18		
1½" meter	\$2,207.22	\$1,084	\$1,014	\$33.88		\$2,207.22	\$1,084	\$1,014	\$33.88		
2" meter	\$2,315.60	\$1,270	\$1,200	\$34.75		\$2,315.60	\$1,270	\$1,200	\$34.75		
Sewer connections or taps:	Standard tap fee covers up to 40 feet. If the tap requires more than 40 feet of material the customer will be charged for each additional foot.				Standard tap fee covers up to 40 feet. If the tap requires more than 40 feet of material the customer will be charged for each additional foot.						

The minimum charge shall apply to up to four-inch taps only. The additional cost of larger taps shall be paid by the customer.	Minimum charge of \$1,767 for connection taps, plus front footage.	Minimum charge of \$1,767 for connection taps, plus front footage.	
A sewer tap shall include all the cost of tapping, cost of sewer pipe, wyes and other materials needed to extend service to the nearest property or easement line, and the cost of street repairing whenever required.	Per foot Charge \$43.18	Per foot Charge \$43.18	
Exception: For sewers in business areas, or where deep-cut connections are involved, estimates of cost will be furnished upon request. Such estimated cost must be deposited with the city before work is done.	Standard tap fee covers up to 40 feet. If the tap requires more than 40 feet of material the customer will be charged for each additional foot	Standard tap fee covers up to 40 feet. If the tap requires more than 40 feet of material the customer will be charged for each additional foot	
Monthly Water and Sewer Rates UNDER DISCUSSION			
RESIDENTIAL INSIDE WATER RATES			
Base monthly charge			
3/4	\$24.21	\$35.27	
1	\$30.67	\$51.73	
1 1/2	\$46.81	\$92.88	
2	\$66.17	\$142.25	
NEW CONST.	\$24.21	\$35.27	
PER 1,000 GAL			
0-5K	\$3.34	\$4.87	
6K-15K	\$3.67	\$5.72	
16K-30K	\$4.07	\$6.75	
31K PLUS	\$4.45	\$7.90	
RESIDENTIAL OUTSIDE WATER RATES			
Base monthly charge			
3/4	\$36.32	\$52.91	
1	\$46.01	\$77.61	
1 1/2	\$70.22	\$139.33	
2	\$99.26	\$213.39	
NEW CONST.	\$36.32	\$52.91	
PER 1,000 GAL			
0-5K	\$5.01	\$7.31	
6K-15K	\$5.51	\$8.58	
16K-30K	\$6.11	\$10.12	
31K PLUS	\$6.68	\$11.86	
COMMERCIAL INSIDE WATER RATES			
Base monthly charge			
3/4	\$22.27	\$32.44	
1	\$35.34	\$52.77	
1 1/2	\$68.00	\$103.59	
2	\$107.19	\$164.58	
3	\$198.65	\$306.88	
4	\$329.30	\$510.17	

PER 1,000 GAL	\$3.34	\$4.87	
CORYELL COUNTY PER Kgal	\$3.00	\$4.87	
COMMERCIAL OUTSIDE WATER RATE			
Base monthly charge			
3/4	\$33.41	\$48.67	
1	\$53.01	\$79.16	
1 1/2	\$102.00	\$155.39	
2	\$160.79	\$246.87	
3	\$297.98	\$460.33	
4	\$493.95	\$765.26	
PER 1,000 GAL	\$5.01	\$7.31	
SPRINKLER INSIDE WATER RATES			
Base monthly charge			
3/4	\$11.13	\$16.21	
1	\$17.66	\$26.37	
1 1/2	\$33.99	\$51.77	
2	\$53.57	\$82.24	
3	\$99.28	\$153.35	
PER 1,000 GAL			
0-5K	\$3.34	\$4.87	
6K-15K	\$3.67	\$5.72	
16K-30K	\$4.07	\$6.75	
31K PLUS	\$4.45	\$7.90	
SPRINKLERS OUTSIDE WATER RATE			
Base monthly charge			
3/4	\$16.70	\$24.32	
1	\$26.49	\$39.55	
1 1/2	\$50.98	\$77.65	
2	\$80.37	\$123.38	
3	\$148.92	\$230.02	
PER 1,000 GAL			
0-5K	\$5.01	\$7.31	
6K-15K	\$5.51	\$8.58	
16K-30K	\$6.11	\$10.12	
31K PLUS	\$6.68	\$11.86	
STOCK WATER INSIDE WATER RATES			
Base monthly charge			

3/4	\$11.13	\$16.21	
1	\$17.66	\$26.37	
1 1/2	\$33.99	\$51.77	
2	\$53.57	\$82.24	
3	\$99.28	\$153.35	
PER 1,000 GAL	\$3.34	\$4.87	
STOCK WATER OUTSIDE WATER RATE			
Base monthly charge			
3/4	\$16.70	\$24.32	
1	\$26.49	\$39.55	
1 1/2	\$50.98	\$77.65	
2	\$80.37	\$123.38	
3	\$148.92	\$230.02	
PER 1,000 GAL	\$5.01	\$7.31	
NEW CONSTRUCTION INSIDE			
Base monthly charge (ALL)	\$24.75	\$36.06	
PER 1,000 GAL	\$3.34	\$4.87	
NEW CONSTRUCTION OUTSIDE			
Base monthly charge (ALL)	\$37.13	\$54.10	
PER 1,000 GAL	\$5.01	\$7.31	
BULK CONSTRUCTION			
Base monthly charge			
2"	\$107.19	\$164.58	
PER 1,000 GAL	\$3.34	\$4.87	
TDCJ			
Base monthly charge			
2	\$107.19	\$164.58	
6	\$655.92	\$1,018.40	
10	\$1,505.16	\$2,339.79	
PER 1,000 GAL	\$3.34	\$4.87	
WORSHIP CENTER INSIDE			
Base monthly charge (ALL)	\$20.00	\$29.14	
PER 1,000 GAL			
0-5K	\$3.34	\$4.87	
6K-15K	\$3.67	\$5.72	

16K-30K	\$4.07	\$6.75	
31K PLUS	\$4.45	\$7.90	
WORSHIP CENTER OUTSIDE			
Base monthly charge (ALL)	\$30.00	\$43.71	
PER 1,000 GAL			
0-5K	\$5.01	\$7.31	
6K-15K	\$5.51	\$8.59	
16K-30K	\$6.11	\$10.13	
31K PLUS	\$6.68	\$11.87	
RESIDENTIAL SEWER RATES			
Base monthly charge	\$11.13	\$16.21	
PER 1,000 GAL	\$4.00	\$5.83	
Residential customer bills are based on the customer’s average metered monthly water use during the months of December, January, and February. New customer’s volumetric rate will be based on a city wide average of 6,000 gallons per month until a winter average is established.			
COMMERCIAL SEWER RATES			
Base monthly charge	\$11.13	\$16.21	
PER 1,000 GAL	\$4.00	\$5.83	
Commercial customer bills are based on 100% of monthly metered water usage.			
TDCJ			
Base monthly charge	\$381.93	\$567.65	
PER 1,000 GAL	\$2.95	\$4.39	
TDCJ bills are based on 100% of monthly metered sewer flows.			
Admin fee for each time the city turns off water service for non-payment of the water account	\$35.00	\$35.00	
Connect fee for each time the city turns on water service or opens a new account for any water customer	\$22.00	\$22.00	
Transfer fee for each time an existing customer transfers water service from one house to another house	\$22.00	\$22.00	
Minimum charge for when water is turned on for as much as ten days of a billing period, even when there is no water consumption	\$24.21	\$24.21	
Rate schedule for the monitored group class, consisting of customers whose wastewater strength is abnormally high (this schedule replaces all charges previously made for industrial strength waste)			
See information and formula below			
MONITORED GROUP			

Volume charge \$5.96 per 1,000 gal.			
BOD and SS surcharge (according to the following formula):			
$S = C (BOD - 200) + (SS - 220) (8.345)(V)$			
Where:			
S = Surcharge to user in dollars to be added to monthly billing for sewer.			
C = Unit cost of treatment at \$/lb.			
V = Monthly volume of wastewater discharged by monitored customer.			
BOD = BOD strength index in mg/l.			
200 = Normal BOD strength in mg/l.			
SS = Suspended solids strength index in mg/l.			
220 = Normal suspended solids strength in mg/l.			
8.345 = Factor converting mg/l to pounds/gallons.			
Monitoring charge (testing) Total cost to the city			
The monitoring charge shall consist of all cost for personnel, material and equipment used to collect and analyze samples from customers' wastewater to determine the strength of the wastewater produced.			
Service charge for bills for water or sewer service not paid on or before the 15th day of the month they become payable	10% of bill	10% of bill	
Admin fee for water and/or sewer service turned off due to delinquent bills	\$35	\$35	
Rate for connection to the water or sewer lines or mains which are installed at the city's expense, if the water line or main is already in the ground on the lot or tract tow which water connections may be made	12" main- \$49.57/ Front Foot 10" main- \$35.27/Front Foot 8" main- \$22.76/Front Foot 6" main- \$16.22/Front Foot	12" main- \$49.57/ Front Foot 10" main- \$35.27/Front Foot 8" main- \$22.76/Front Foot minimum 6" main- \$16.22/Front Foot	
Rate for connection to the water or sewer lines or mains which are installed at the city's expense, if the sewer line or main is already in the ground on the lot or tract to which sewer connections may be made	12" main- \$28.37/Front Foot 10" main- \$19.64/Front Foot 8" pvc- \$17.06/Front Foot 6" pvc- \$11.98/Front Foot	12" main- \$28.37/Front Foot 10" main- \$19.64/Front Foot 8" pvc- \$17.06/Front Foot minimum 6" pvc- \$11.98/Front Foot	
Fee for extending the water main up to the applicant's property line plus the entire right of way length of the applicant's property. If line size is bigger than 8" main fee will be determined upon request.	8" pvc- \$100.00/Linear Foot 6" pvc- \$80.00/Linear Foot	8" pvc- \$100.00/Linear Foot minimum 6" pvc- \$80.00/Linear Foot	
Fee for extending the sewer main up to the applicant's property line plus the entire right of way length of the applicant's property.	Fee determined upon request	Fee determined upon request	
Charge for the city to cause a renewal field test for backflow prevention assemblies to be done when the customer fails to obtain a renewal field test	Fee to be as determined by the city from time to time to cover its costs for such service		
Late fee for construction/ fire plug meters if photo reading not submitted by the 25th of each month		\$25	
Water meter inaccessibility fee for clearing obstructions		\$50	
Water meter tampering and / or unauthorized usage fee		\$100 per instance plus gallons consumed	

Drought contingency			
Surcharge for residential water customers for the first 1,000 gallons over allocation	\$4.00	\$4.00	
Surcharge for residential water customers for the second 1,000 gallons over allocation	\$4.50	\$4.50	
Surcharge for residential water customers for the third 1,000 gallons over allocation	\$5.00	\$5.00	
Surcharge for residential water customers for each additional 1,000 gallons over allocation after 3,000 gallons	\$6.00	\$6.00	
Surcharge for master-metered multifamily residential customers for 1,000 gallons over allocation during drought up through 1,000 gallons for each dwelling unit	\$4.00	\$4.00	
Surcharge for master-metered multifamily residential customers for each additional 1,000 gallons over allocation during drought up through a second 1,000 gallons for each dwelling unit	\$4.50	\$4.50	
Surcharge for master-metered multifamily residential customers for each additional 1,000 gallons over allocation during drought up through a third 1,000 gallons for each dwelling unit	\$5.00	\$5.00	
Surcharge for master-metered multifamily residential customers for each additional 1,000 gallons over allocation during drought after 3,000 gallons over allocation	\$6.00	\$6.00	
Surcharge for nonresidential customers whose allocation during drought is 2,000 gallons through 10,000 gallons per month for the first 1,000 gallons over allocation	\$4.50 per 1,000 gallons	\$4.50 per 1,000 gallons	
Surcharge for nonresidential customers whose allocation during drought is 20,000 gallons per month or more for each 1,000 gallons in excess of allocation up through five percent above allocation	Two times the block rate	Two times the block rate	
Surcharge for nonresidential customers whose allocation during drought is 20,000 gallons per month or more for each 1,000 gallons in excess of allocation from five percent above allocation through ten percent above allocation	Three times the block rate	Three times the block rate	
Surcharge for nonresidential customers whose allocation during drought is 20,000 gallons per month or more for each 1,000 gallons in excess of allocation from ten percent above allocation through 15 percent above allocation	Four times the block rate	Four times the block rate	
Surcharge for nonresidential customers whose allocation during drought is 20,000 gallons per month or more for each 1,000 gallons in excess of allocation more than 15 percent above allocation	Five times the block rate	Five times the block rate	

ORDINANCE NUMBER 2025-20

AN ORDINANCE OF THE CITY OF GATESVILLE, TEXAS AMENDING THE CODE OF ORDINANCES OF THE CITY OF GATESVILLE, TEXAS, AS PREVIOUSLY AMENDED AT CHAPTER 18 “FEES,” SECTION 18-1 “FEE SCHEDULE” BY REPEALING AND REPLACING IN ITS ENTIRETY THE FEES SET FORTH THEREIN FOR WATER AND SEWER SERVICES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gatesville produces and distributes water, and collects sewer within the City; and

WHEREAS, the City Council finds it in the best interest of the City and in service of the health, safety and general welfare that the water and sewer rates charged by the City to customers be increased;

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

Section 1. The Code of Ordinances of the City of Gatesville, as previously amended, is hereby amended at Chapter 18 “Fees,” Section 18-1 “Fee Schedule” by repealing the fees set forth therein for water and sewer services and replacing them in their entirety with the fees set forth on Exhibit “A” attached hereto and incorporated herein by this reference, said fees to be effective November 1, 2025.

Section 2. This resolution shall be effective from and after its passage.

The foregoing **Ordinance No. 2025-20** was read the first time September 23rd, and passed to the second reading on the 14th day of October, 2025.

The foregoing **Ordinance No. 2025-20** was read the second time on October 14, and passed to the third reading on the 28th day of October, 2025.

The foregoing **Ordinance No. 2025-20** was read the third time and was passed and adopted as an Ordinance of the City of Gatesville, Texas this 28th day of October, 2025 and will take effect November 1, 2025.

THE CITY OF GATESVILLE, TEXAS

Gary M. Chumley, Mayor

ATTESTED:

Holly Owens, City Secretary

APPROVED AS TO FORM AND SUBSTANCE

Victoria Thomas, City Attorney

Exhibit A

RESIDENTIAL RATES									
Residential Rates	\$22.05	Included: Trash 1X per week-carts/ Recy EOW-carts/ Bulk 1X per							
AYD	\$1.50								
Total Resi Rate	\$23.55								
Extra Cart	\$5.35	per cart trash and recycle							
COMMERCIAL HAND COLLECT									
	1XWK	2XWK							
96 gal cart per cart per cart	\$27.06	N/A							
COMMERCIAL RATES (Includes 3% Franchise Fee)									
	FREQUENCY PER WEEK								
Container Size / Type	1XWK	2XWK	3XWK	4XWK	5XWK	6XWK	7XWK	EXTRA PU	
2 Yard FEL Container	\$98.87	\$141.38	\$205.00	\$246.02	\$275.55	N/A	N/A	OM	
3 Yard FEL Container	\$115.24	\$211.21	\$317.03	\$374.66	\$437.53	N/A	N/A	OM	
4 Yard FEL Container	\$162.13	\$251.30	\$341.75	\$434.00	\$520.87	N/A	N/A	OM	
6 Yard FEL Container	\$200.10	\$360.32	\$546.39	\$672.07	\$799.74	N/A	N/A	OM	
8-Yard FEL Container	\$260.95	\$432.13	\$646.48	\$801.97	\$953.39	N/A	N/A	OM	
10 Yard FEL Container	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
See Other Charges Or Notes Below									
Delivery	N/A								
Lock Bar, MONTHLY	\$10.70								
Casters MONTHLY	\$10.70								
Redelivery Charge for non payment **	N/A								
Snapshot Charge	\$150.00								
TEMPORARY SERVICE									
6 Yard Temp ***	N/A	*** Temporary Service includes delivery, rental and removal, and disposal							
8 Yard Temp ***	N/A								
N/A									
Size	1x	2x	3x	4x	5x	6x	7x	XPU	
2 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
3 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
4 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
6 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
8 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
10 Yard FEL Compactor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
See Other Charges Or NotesBelow									
Delivery	N/A	*Compactor Rate Does Not Include Rental (Choose one and delete the other)							
Lock Bar, MONTHLY	N/A	*Compactor Rate Includes Rental							
Casters	N/A								
Redelivery Fee for non payment	N/A								
Gate or Enclosure Fee	N/A								
Snapshot Charge									
Additional Charge	N/A								
ROLL-OFF RATES (Includes 3% Franchise Fee)									
Container Size / Type	Delivery Rate	Rental Rate	BY Month or Day	Hauling	Haul Rate per	Disposal			
20 Yard (Open-Top)	\$196.88	\$4.27	Day	N/A	\$389.73	\$40.77			
30 Yard (Open-Top)	\$196.88	\$4.27	Day	N/A	\$389.73	\$40.77			
40 Yard (Open-Top)	\$196.88	\$4.27	Day	N/A	\$389.73	\$40.77			
30 Yard (Compactor)	Negotiated	NEGOTIATED	Month	N/A	\$558.87	\$40.77			
33 Yard (Compactor)	N/A	NEGOTIATED	Month	N/A	N/A	N/A			
34 Yard (Compactor)	N/A	NEGOTIATED	Month	N/A	N/A	N/A			
35 Yard (Compactor)	N/A	NEGOTIATED	Month	N/A	N/A	N/A			
40 Yard (Compactor)	N/A	NEGOTIATED	Month	N/A	N/A	N/A			
42 Yard (Compactor)	N/A	NEGOTIATED	Month	N/A	N/A	N/A			
TRIP CHARGE RATE:			N/A						



Date 9/23/2025

Agenda Item 12

Resolution 2025-097

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Bradford Hunt, City Manager

Agenda Item: Discussion and Possible Action Regarding Establishment of No Parking Zones in Specified Areas on N. Lutterloh Avenue and East Main Street.

Information:

At the request of several concerned citizens and based on the observations of the City Manager and staff, there exists a need to establish No Parking Zones on Lutterloh Avenue between Saunders and Waco Street, and on East Main Street between 5th and 11th Streets. This request represents a direct effort to enhance the safety of drivers and pedestrians in these areas.

City Ordinance establishes the means by which No Parking Zones may be established by the City. Specifically, Sec. 54-65 states:

Sec. 54-65. - Designation and marking of parking stalls and areas where parking is prohibited or limited.

(a)The city manager shall cause parking stalls to be maintained and marked off in and on such streets and parts thereof as may be designated by the city council from time to time and shall cause spaces in which parking is prohibited to be maintained and marked off in and on such streets and parts thereof as may be designated by the city council from time to time. The city manager shall also cause time limit parking areas to be maintained and marked off in and on such part of streets as may be designated by the city council from time to time. All such spaces or areas shall be clearly indicated by appropriate signs or by markings on the pavement or curb.

(b)In areas designated as time limit parking areas, parking may be limited to any period prescribed by the council, the same to be designated with clearly distinguished markings or signs at both ends of the time limit area at reasonable intervals between the beginning and ending of such time limit area, indicating the time allowed for parking in such area.

(c)Any prohibition of or time limit on parking established under this section shall apply on such days and between such hours as prescribed by the council.

Accordingly, this memo requests that council grant the City Manager authority to establish No Parking Zones in the two areas generally outlined in Figures 1 and 2 below.

Figure 1.



The Senior Center Driveway is directly in the middle of the block, and egress from it becomes difficult and dangerous when cars are parked along the northbound shoulder of Lutterloh Ave, thus blocking the view of vehicles entering N. Lutterloh from the driveway.

Figure 2.



The westbound shoulder of E. Main Street (US 84) is too narrow to allow safe egress from vehicles parking long it, and for safe passage of vehicles on East Main Street. Parked vehicles also create poor sightlines for vehicles entering E. Main St. from the cross streets.

The exact placement of signs and markings will be determined by the Street Department Superintendent, in coordination with the Public Works Director and City Manager. As both affected roadways are within the purview of the Texas Department of Transportation (TXDOT), City Manager Hunt coordinated this request with the local TXDOT engineer, Jeff Jackson. In an email dated September 5, 2025, Mr. Jackson stated:

"For the no parking zone, technically I believe it's already illegal to park within the ROW. In fact, to legally allow parking on a state highway, TxDOT has to specifically permit it and amend the MMA with an exhibit to show where on street parking is specifically allowed. All that said, we take no exception to setting a no parking zone there. Ideally we'd prefer the city to sign it, but if that's an issue, let me know and we discuss options to assist with signage."

Financial Impact: cost of signs will come from the Street Department's maintenance budget. Signs are approximately \$100 each, and approximately 20-25 signs will be required, for a total of approximately \$2,000-\$2,500.

Staff Recommendation: Staff recommends Council designate the above-mentioned zones as areas where parking is prohibited.

Motion: I move to approve **Resolution 2025-097**, designating the northbound shoulder of Lutterloh Avenue between Saunders and Waco Streets as an area where parking is prohibited, and designating the westbound shoulder of East Main Street between 5th and 11th Streets as areas where parking is prohibited.

Attachments: none

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

That the above stated recommendation is hereby approved and authorized.

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Date 9/23/2025

Agenda Item 13

Resolution 2025-098

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Holly Owens, City Secretary

Agenda Item: Discussion and possible action regarding a substandard case located at 1500 Saint Louis Street.

Information:

The structure located at 1500 Saint Louis Street meets the definition of a substandard building according to *Sec. 10-163. – Substandard buildings defined.*

Sec. 10-166. – Pre-hearing notices; identification of owner, lienholder, and mortgagee requires the following steps:

- appropriate notification to all owners of record,
- notice placed on front door of structure
- file a notice with the Coryell County Clerk

This property currently has 11 liens filed on the property dating back to 2011 with a total amount due of \$2,100, not including the 10% annual interest. All liens are listed under the current owner Ellis Sylvester Sr. who lives in Victoria, Texas. The property taxes are also delinquent and have not been paid since 2012 with a total amount due \$24,936.69.

The requested demolition is for all structures located on the property which include:

- Main structure – 1,008 sq. ft. built in 1975
 - 2 open porches – 72 sq. ft.
 - 2 Storage – 112 sq. ft.
 - Carport = 264 sq. ft.

The BSC heard this case on September 8, 2025, and voted to recommend demolition of the structure located at 1500 Saint Louis Drive to the City Council for their consideration with a vote of 6-0-0.

Financial Impact:

\$6,000- \$10,000

Staff Recommendation:

The staff's recommendation is to approve the demolition of the substandard structure located at 1500 Saint Louis Street.

Motion:

Motion to approve **Resolution 2025-098**; directing City Staff to demolish the structure located at 1500 Saint Louis Street and file a lien to recoup all costs.

Attachments:

- Letter to owner (all letters were "return to sender")
- Public notice filed with Coryell County Clerk
- Pictures

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

That the above stated recommendation is hereby approved and authorized.

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

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary

Code Enforcement Warning

City of Gatesville

803 E Main Street

Gatesville, TX 76528

254-865-8951 ext. 112

www.gatesvilletx.com



Date: 08/07/2025

Owner: ELLIS SYLVESTER SR ETAL

Owner Address: 3302 SEA GULL DRIVE

Owner City, State, Zip: VICTORIA, TX 77901

Address: 1500 ST LOUIS

The City of Gatesville is seeking your help in improving the quality of life in Gatesville by asking that you correct the following issues:

Defective Doors/Openings**Defective Roofing****Garbage and Trash**

All residential households will make mandatory use of one way containers (either plastic bags, boxes or plastic bags in cans); brush and carpet will be picked up as a part of the normal service if it is bundled in lengths not greater than four feet (4'), such bundles will be tied sufficiently so that the bundle can be lifted by the ties into the contractor's trucks. 10-3

High Grass/Weeds

All varieties of grasses that have grown to a height of more than 12 inches for properties two (2) acres or less. For properties in excess of two acres, grass shall be cut or shredded so as not to exceed 12 inches maximum for a minimum of 25 feet adjacent to a public street or any occupied property.

Substandard Building

In any case where a "substandard building" is fifty percent (50%) damaged or decayed, or deteriorated from its original value or structure, it shall be demolished.

Notes/Instructions:

THE OWNER, LIENHOLDER, OR MORTGAGEE AS APPLICABLE, WILL BE REQUIRED TO SUBMIT AT THE HEARING PROOF OF THE SCOPE OF ANY WORK THAT MAY BE REQUIRED TO COMPLY WITH THE CITY'S MINIMUM BUILDING STANDARDS AND THE AMOUNT OF TIME IT WILL TAKE TO REASONABLY PERFORM SUCH WORK. HEARING DATE: 9/8//2025 TIME:5:30PM LOCATION:110 N 8TH ST, GATESVILLE, TX 76528

We hope that you will join us in our efforts to improve the aesthetics of our city and create a safe environment. Failure to address the above ordinance violation(s) within 10 days, will result in further action being taken. If you have any questions concerning this matter, please call Code Enforcement at City Hall at 254-865-8951 ext. 112.

Sincerely,

Brooklyn Meza
Code Enforcement

9589 0710 5270 0089 7534 43

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

Certified Mail Fee

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Extra Services & Fees (check box, add fee as appropriate)

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|--------------------------------------------------------------|----|--|
| <input type="checkbox"/> Return Receipt (hardcopy) | \$ | |
| <input type="checkbox"/> Return Receipt (electronic) | \$ | |
| <input type="checkbox"/> Certified Mail Restricted Delivery | \$ | |
| <input type="checkbox"/> Adult Signature Required | \$ | |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ | |

Postage

\$

Total Postage and Fees

\$

Sent to

Street and Apt. No. or P.O. Box

City, State, and ZIP+4[®]

1500 St
LOUIS ST
Postmark Here
Elliis Sylvester SR
3302 Sea Gull Dr
Victoria, TX 77901

PS Form 3800, January 2023 PSN 7530-02-000-9047

See Reverse for Instructions

AT 3:12 FILED
O'CLOCK P M

AUG 27 2025



CITY OF GATESVILLE, TEXAS

PUBLIC NOTICE OF SUBSTANDARD STRUCTURE HEARING

DATE OF NOTICE: AUGUST 11, 2025

TO WHOM IT MAY CONCERN:

Notice is hereby given that the City of Gatesville acting through its Code Enforcement Department, has determined that the structure located at:

PROPERTY ADDRESS: 1500 Saint Louis Street, Gatesville, Tx 76528

LEGAL DESCRIPTION: Rachel Dodd Addn; Block 1, Lot 20 W ½ & PT 22-24, Acres .207 is substandard in accordance with the criteria set forth in Chapter 10, Ordinance 2025-09 of the City of Gatesville, TX Code of Ordinances and Texas Local Government Code §214.001.

NATURE OF VIOLATIONS:

The structure is considered substandard due to one or more of the following conditions:

- Dilapidation or deterioration to the extent that the structure is unfit for human habitation or use.
- Structural instability.
- Fire hazard or other safety hazards.
- Inadequate sanitation or utilities

HEARING INFORMATION:

A public hearing will be held to determine whether the structure should be repaired, vacated, secured, or demolished.

DATE OF HEARING: September 8, 2025

TIME: 5:30 PM

LOCATION: 110 N 8th Street, Gatesville, TX 76528

All interested persons, including the property owner, lienholders, and mortgagees, are invited to attend the hearing and will be given an opportunity to speak or present evidence. Failure to appear may result in a decision being made in your absence, and the City may proceed with any necessary abatement, including demolition.

PROPERTY OWNER OF RECORD:

Ellis Sylvester Sr Etal

CITY CONTACT:

If you have any questions or wish to discuss this matter, please contact:

Holly Owens

City Secretary

City of Gatesville, TX

Phone: 254-865-8951, ext. 105

Email: howens@gatesville.tx.com

Issued this 11th of August, 2025.











Date 9/23/2025

Agenda Item 14

Resolution 2025-099

CITY COUNCIL MEMORANDUM FOR RESOLUTION

To: Mayor & Council

From: Brad Hunt, City Manager

Agenda Item: Discussion and possible action regarding scheduling one Regular City Council meeting in November and December.

Information:

The City of Gatesville's Charter states that the City Council shall hold at least one Regular Meeting each month although the Council has called for Regular Meetings to be held on the 2nd and 4th Tuesdays of every month. (*Article 3, Section 3.09*)

In the past the City has held only one meeting during the months of November and December because of the holidays and have had to reschedule the November meeting to accommodate the "canvassing of the election".

This year, the City does not have an election to canvas, but the 2nd Tuesday does fall on Veteran's Day, and city offices will be closed in observation. The two choices available for consideration are Thursday, November 13th or Tuesday, November 18th. The 2nd Tuesday in December is the 9th which is a regularly scheduled meeting.

The cancellation dates to consider are Tuesday, November 25th and Tuesday, December 23rd.

Staff Recommendation:

The staff recommends the City Council approve holding only one regular meeting in November and December.

Motion:

Motion to schedule one Regular Meeting in November and December on the following dates:
_____ and _____.

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 9/23/2025

Agenda Item 14

Resolution 2025-099

APPROVED

Gary Chumley, Mayor

ATTEST:

Holly Owens, City Secretary



Date 9/23/2025

Agenda Item 15

Ordinance 2025-15

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Holly Owens, City Secretary

Agenda Item: Discussion and possible action to repeal Sec. 10-23. Fees for buildings.

Information:

This repeal for Sec. 10-23. "Fees for Buildings" had its first reading on August 26th and the second reading was held on September 9th. There were no changes requested on either date. This is the third and final reading and will become effective immediately after approval.

The fee schedule is located in Chapter 18 which includes all fees for the City of Gatesville. Sec. 10-23 references Chapter 18 for the appropriate fees too. This is a matter of cleaning up the ordinances and reducing redundancy. The exemption portion needs to be considered by Council.

(c) Exemptions. Local taxing authorities and Coryell Memorial Hospital shall be exempt from payment of the described fees as provided in chapter 18.

Generally, waiving the building permit fee for an individual or organization would be prohibited by the Texas Constitution. As a general rule, a donation or gift by a city is prohibited by the Texas Constitution, art. III, §52, and art. XI, §3, which, in part, state that the legislature may not authorize any county, city, or other political subdivision of the state to lend its credit or grant public money or anything of value in aid of an individual, association, or corporation. A city may, however, choose to waive building permit fees as an economic development tool, as it is expressly permitted to do under Article 3, Section 52-a of the Texas Constitution. Many cities do waive these fees for non-economic development reasons for churches or school districts but could only do so if the city council makes the determination that waiving the fee serves a valid municipal purpose. See *Barrington v. Cokinos*, 338 S.W.2d 133, 145 (Tex. 1960). If the council determines that the fee waiver accomplishes a valid municipal public purpose, a determination which is subject to judicial review, then arguably there is not a constitutional issue, because public funds are being spent to achieve a public purpose. There is one exception to this general rule: a city may waive fees related to the construction of buildings, including fees related to the inspection of buildings, in a neighborhood empowerment zone created by the city under Chapter 378 of the Texas Local Government Code. TEX.LOC.GOV'T CODE § 378.004

If the Council would like to continue this exemption practice, it is Staff's opinion that each case must be brought before Council to explain their position about why their fees should be waived and how it serves as a "valid municipal public purpose".

Staff Recommendation: Staff recommends approving **Ordinance 2025-15**, repealing Sec. 10-23. "Fees for buildings".

Date 9/23/2025

Agenda Item 15

Ordinance 2025-15

Motion: Motion to approve **Ordinance 2025-15**, repealing Sec. 10-23. "Fees for Buildings", final reading.

Attachments:

- Ordinance

ORDINANCE 2025-15

AN ORDINANCE OF THE CITY OF GATESVILLE, TEXAS, AMENDING THE GATESVILLE CODE OF ORDINANCES BY REPEALING SEC. 10-23. FEES FOR BUILDINGS OF CHAPTER 10; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING A SAVINGS CLAUSE.

WHEREAS, the City of Gatesville is a Home Rule Municipality operating under the laws of the State of Texas; and

WHEREAS, the City Council of the City of Gatesville would like to repeal Sec. 10-23. Fees for buildings due to all fees are listed in Chapter 18; and

WHEREAS, any exemptions for these fees shall be deliberated individually by City Council in a Public Meeting in accordance with the Open Meetings Act.

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

SECTION 1. The findings set forth in the above preamble to this Ordinance are true and correct and are hereby adopted and incorporated herein by this reference.

SECTION 2. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 10, Article II, Division 1, “Generally”, Repealing Sec. 10-23. “Fees for Buildings”.

SECTION 3. If any section, subsection, paragraph, sentence, clause, phrase, or word in this Ordinance, or the application thereof to any person or under any circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council of the City of Gatesville, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 4. It is officially found and determined that the meeting at which this Ordinance was passed was open to the public as required by law, and public notice of the time, place and purpose of this meeting was given as required by law.

SECTION 5. This Ordinance shall become effective immediately upon its passage and approval.

The foregoing **Ordinance No. 2025-15** was read the first time and passed to the second reading
this **26th day of August 2025**.

The foregoing **Ordinance No. 2025-15** was read the second time and passed to the third reading
this **9th day of September 2025**.

The foregoing **Ordinance No. 2025-15** was read the third time and was passed and adopted as
an Ordinance to the City of Gatesville, Texas, **this 23rd day of September 2025**.

BY: _____
GARY M. CHUMLEY, MAYOR

ATTESTED:

HOLLY OWENS, T.R.M.C.
CITY SECRETARY



Date 9/23/2025

Agenda Item 16

Ordinance 2025-16

CITY COUNCIL MEMORANDUM FOR ORDINANCE

To: Mayor & Council

From: Mike Halsema, Deputy City Manager/CFO

Agenda Item: Discussion and possible action to amend and repeal portions of Chapter 56. Utilities.

Information:

The first reading was held on August 26th, and the second reading was held on September 9th. There were no requested changes to the ordinance, and this is the final reading. If approved, this ordinance will become effective immediately.

There is a large portion of Chapter 56 that has conflicting information when compared to Chapter 18. Fee Schedule and Water Code, Chapter 13, Water Rates and Services.

Sec. 56-16. Variance of terms of chapter. (Amend this section with language per Legal)

Where the city council finds that extraordinary hardships may occur from strict compliance with the rules, rates and regulations contained **in this Chapter and/or in Chapter 18 as it relates to Utilities, the City Council may vary those** herein, ~~it may vary the~~ rates or regulations so that substantial justice and equity may be done and the public interest secured, provided such changes will not have the effect of nullifying the intent and purpose of this **Chapter** article.

(Code 2013, § 21-31; Ord. of 1-9-1962, § 9; Ord. of 2-8-1972, § 9)

Sec. 56-37. Payment of utility bill by elderly person. (Amend this section)

- (a) On the request of an elderly person, the city shall delay without penalty the payment date of a bill for providing water and sewer services to that person until the 25th day after the date on which the bill is issued. An elderly person may request that the city implement the delay for the most recent utility bill or for that utility bill and each subsequent utility bill (water, sewer or garbage) for which payment has not already been delayed.
- (b) An elderly person requesting the delay provided in subsection (a) of this section shall present reasonable proof that the person is ~~60~~ **65** years of age or older. (For the purpose of this section, the term "elderly person" means a person who is ~~60~~ **65** years of age or older.)
- (c) This section applies only to an elderly person who is a residential customer and who occupies the entire premises for which a delay is requested.

(Code 2013, § 21-26.2; Ord. No. 93-05, § 1—4, 8-24-1993)

Water Code Chapter 13 defines elderly at 65.

Sec. 56-67. Schedule. (Amend this section)

A charge, which shall be known as the pro rata rate charge, shall be made against each person who shall hereafter apply for and be connected to the water or sewer lines or mains of in the city.

- (1) ~~For connection to the water or sewer lines or mains which are installed at the city's expense, the charge shall be at the following rates, which are a portion of the total costs of such water and sewer mains:~~
 - a. ~~\$3.00 per front foot if the water line or main is already in the ground on the lot or tract to which water connections may be made. ;~~
 - b. ~~\$3.00 per front foot if the sewer line or main is already in the ground on the lot or tract to which sewer connections may be made.~~
 - c. ~~\$5.00 per foot for either water or sewer lines or mains installed by the city to the lot or tract to which water or sewer connections may be made.~~
- (2) The city will install water or sewer lines to the perimeter of land being developed as a subdivision or for commercial purposes and the developer or owner shall extend the water and/or sewer lines or mains at their expense and when accepted by the city the same shall thereafter be the property of the city. The above foot rates shall apply only to the first 150 feet of property and shall apply to property fronting on streets and areas platted into the usual rectangular lots or tracts of land, with a depth not to exceed 150 feet. Where lots or tracts have greater depth than 150 feet from the front street line, and are occupied, or are to be occupied exclusively as dwelling places, the additional depth shall not be assessed. If the property is later subdivided, requiring an extension of mains or lines to serve the same, the terms of this provision shall govern. On lots or tracts of land which extend through one street to another, with frontage on both streets, and where the distance between the street lines is 260 feet or more, the pro rate charges herein provided for shall be paid on both frontages when a connection is secured to the tractor lot. Where lots or tracts are irregular in size or shape, pro rate charges shall be based on equivalent rectangular lots or tracts using one front foot for each 150 square feet of area, or the pro rate charges provided herein on the average frontage of such tracts, which is least. Where lots or tracts are intended to be used for business, commercial, or industrial purposes, or have a greater depth than 150 feet from the front street line, then the pro rata charges herein provided shall be paid on the frontage of all streets which the property may abut, minus 150 feet frontage for each corner of the property abutting a street intersection. Should said property be re-subdivided whereby water or sewer extensions are required to serve the same, the terms of this provision shall apply.

(Code 2013, § 21-41; Ord. of 1-9-1962; Ord. No. 80-07, § 1, 4-22-1980; Ord. No. 82-09, § 1, 6-8-1982; Ord. No. 86-04, § 1, 6-10-1986; Ord. No. 2006-02, §§ 1, 3, 3-14-2006)

This section is outdated and is not correct regarding fees. Chapter 18 is updated annually.

Sec. 56-69. Heavy users; 40 percent deposit. (repeal entire section)

Where extension is requested by an industry or commercial concern using large quantities of water and cannot meet the requirements of one customer per 100 feet of extension, such extension may be made at the discretion of the city council, provided 40 percent of the estimated annual revenue from such

customer will be sufficient to support interest and principal payments calculated on the cost of the extension at eight percent per annum to amortize the city's investment over a period of ten years.

(Code 2013, § 21-43; Ord. of 1-9-1962, § 5)

This section is generally done with individual developer agreements and is an outdated practice.

Sec. 56-132. Utility profile information. (repeal entire section)

(a) As of 2017, there are approximately 3,560 connections in the city water system, serving an estimated population of 15,960. The projected population for 2060 is 17,320, or approximately 300 additional connections, based on a 0.19 percent growth rate per year.

(b) The city purchased an average of 316.54 acre-feet over the previous five years. The five-year average water use was 269.42 acre-feet, making the average water loss 15 percent. The average residential water use was approximately 60 GPCD and the overall water use was approximately 167 GPCD during the previous five years.

(c) The city utility profile is attached to the ordinance from which this article is derived as appendix A.
(Ord. No. 2018-05, 7-24-2018)

This section is outdated and inaccurate. This type of information is updated annually with the Water Conservation and Drought Contingency Plan.

Staff Recommendation:

Staff recommends to approve **Ordinance 2025-16**.

Motion:

Motion to approve **Ordinance 2025-16**, repealing and amending portions of Chapter 56. Utilities, to the next meeting, **final reading**.

Attachments:

- Ordinance

ORDINANCE 2025-16

AN ORDINANCE OF THE CITY OF GATESVILLE, TEXAS, AMENDING THE GATESVILLE CODE OF ORDINANCES BY AMENDING AND REPEALING PORTIONS OF CHAPTER 56 – UTILITIES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING A SAVINGS CLAUSE.

WHEREAS, the City of Gatesville is a Home Rule Municipality operating under the laws of the State of Texas; and

WHEREAS, the City Council of the City of Gatesville would like to amend Sec. 56-16. Variance of terms of chapter; and

WHEREAS, the City Council of the City of Gatesville would like to amend Sec. 56-37. Payment of utility bill by elderly person; and

WHEREAS, the City Council of the City of Gatesville would like to amend Sec. 56-67. Schedule; and

WHEREAS, the City Council of the City of Gatesville would like to repeal Sec. 56-69. Heavy users; 40 percent deposit; and

WHEREAS, the City Council of the City of Gatesville would like to repeal Sec. 56-132. Utility profile information; and

WHEREAS, these sections are outdated and inaccurate and by amending and repealing these sections, it optimizes the City’s Code of Ordinances.

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

SECTION 1. The findings set forth in the above preamble to this Ordinance are true and correct and are hereby adopted and incorporated herein by this reference.

SECTION 2. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 56 – Utilities, by amending Sec. 56-16. “Variance of terms of chapter” to read as follows:

Where the city council finds that extraordinary hardships may occur from strict compliance with the rules, rates and regulations contained in this Chapter and/or in Chapter 18 as it relates to Utilities, the City Council may vary those rates or regulations so that substantial justice and equity may be done and the public interest secured, provided such changes will not have the effect of nullifying the intent and purpose of this Chapter.

SECTION 3. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 56 – Utilities, by amending Sec. 56-37. “Payment of utility bill by elderly person” to read as follows:

(a) On the request of an elderly person, the city shall delay without penalty the payment date of a bill for providing water and sewer services to that person until the 25th day after the date on which the bill is issued. An elderly person may request that the city implement the delay for the most recent utility bill or for that utility bill and each subsequent utility bill (water, sewer or garbage) for which payment has not already been delayed.

(b) An elderly person requesting the delay provided in subsection (a) of this section shall present reasonable proof that the person is 65 years of age or older. (For the purpose of this section, the term "elderly person" means a person who is 65 years of age or older.)

(c) This section applies only to an elderly person who is a residential customer and who occupies the entire premises for which a delay is requested.

SECTION 4. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 56 – Utilities, by amending Sec. 56-67. “Schedule” to read as follows:

A charge, which shall be known as the pro rata rate charge, shall be made against each person who shall hereafter apply for and be connected to the water or sewer lines or mains of in the city.

The city will install water or sewer lines to the perimeter of land being developed as a subdivision or for commercial purposes and the developer or owner shall extend the water and/or sewer lines or mains at their expense and when accepted by the city the same shall thereafter be the property of the city. The above foot rates shall apply only to the first 150 feet of property and shall apply to property fronting on streets and areas platted into the usual rectangular lots or tracts of land, with a depth not to exceed 150 feet. Where lots or tracts have greater depth than 150 feet from the front street line, and are occupied, or are to be occupied exclusively as dwelling places, the additional depth shall not be assessed. If the property is later subdivided, requiring an extension of mains or lines to serve the same, the terms of this provision shall govern. On lots or tracts of land which extend through one street to another, with frontage on both streets, and where the distance between the street lines is 260 feet or more, the pro rate charges herein provided for shall be paid on both frontages when a connection is secured to the tractor lot. Where lots or tracts are irregular in size or shape, pro rate charges shall be based on equivalent rectangular lots or tracts using one front foot for each 150 square feet of area, or the pro rate charges provided herein on the average frontage of such tracts, which is least. Where lots or tracts are intended to be used for business, commercial, or industrial purposes, or have a greater depth than 150 feet from the front street line, then the pro rata charges herein provided shall be paid on the frontage of all streets which the property may abut, minus 150 feet frontage for each corner of the property abutting a street intersection. Should said property be re-subdivided whereby water or sewer extensions are required to serve the same, the terms of this provision shall apply.

SECTION 5. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 56 – Utilities, by repealing Sec. 56-69. “Heavy users; 40 percent deposit”.

SECTION 6. The Code of Ordinances of the City of Gatesville, Texas is hereby amended at Chapter 56 – Utilities, by repealing Sec. 56-132. “Utility profile information”.

SECTION 7. If any section, subsection, paragraph, sentence, clause, phrase, or word in this Ordinance, or the application thereof to any person or under any circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council of the City of Gatesville, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 8. It is officially found and determined that the meeting at which this Ordinance was passed was open to the public as required by law, and public notice of the time, place and purpose of this meeting was given as required by law.

SECTION 9. This Ordinance shall become effective immediately upon its passage and approval.

The foregoing **Ordinance No. 2025-16** was read the first time and passed to the second reading
this **26th day of August 2025**.

The foregoing **Ordinance No. 2025-16** was read the second time and passed to the third reading
this **9th day of September 2025**.

The foregoing **Ordinance No. 2025-16** was read the third time and was passed and adopted as
an Ordinance to the City of Gatesville, Texas, **this 23rd day of September 2025**.

BY: _____
GARY M. CHUMLEY, MAYOR

ATTESTED:

HOLLY OWENS, T.R.M.C., CITY SECRETARY

City Manager Report to City Council

September 23, 2025

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

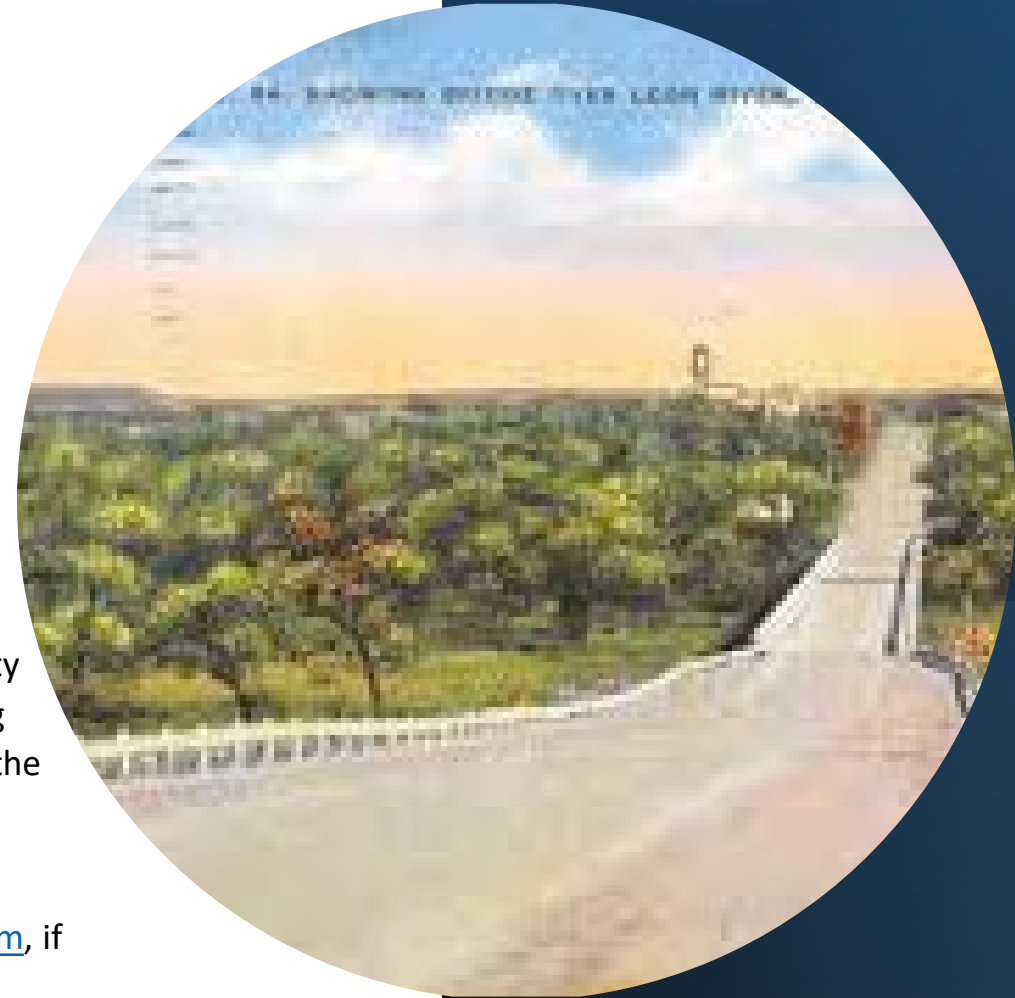


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 - Police Department
 - Fire Department
 - Parks and Recreation
 - Administration
 - City Secretary, Permits & Code Compliance
- Upcoming Community Events



City Manager Update:

City-Wide Staffing Report

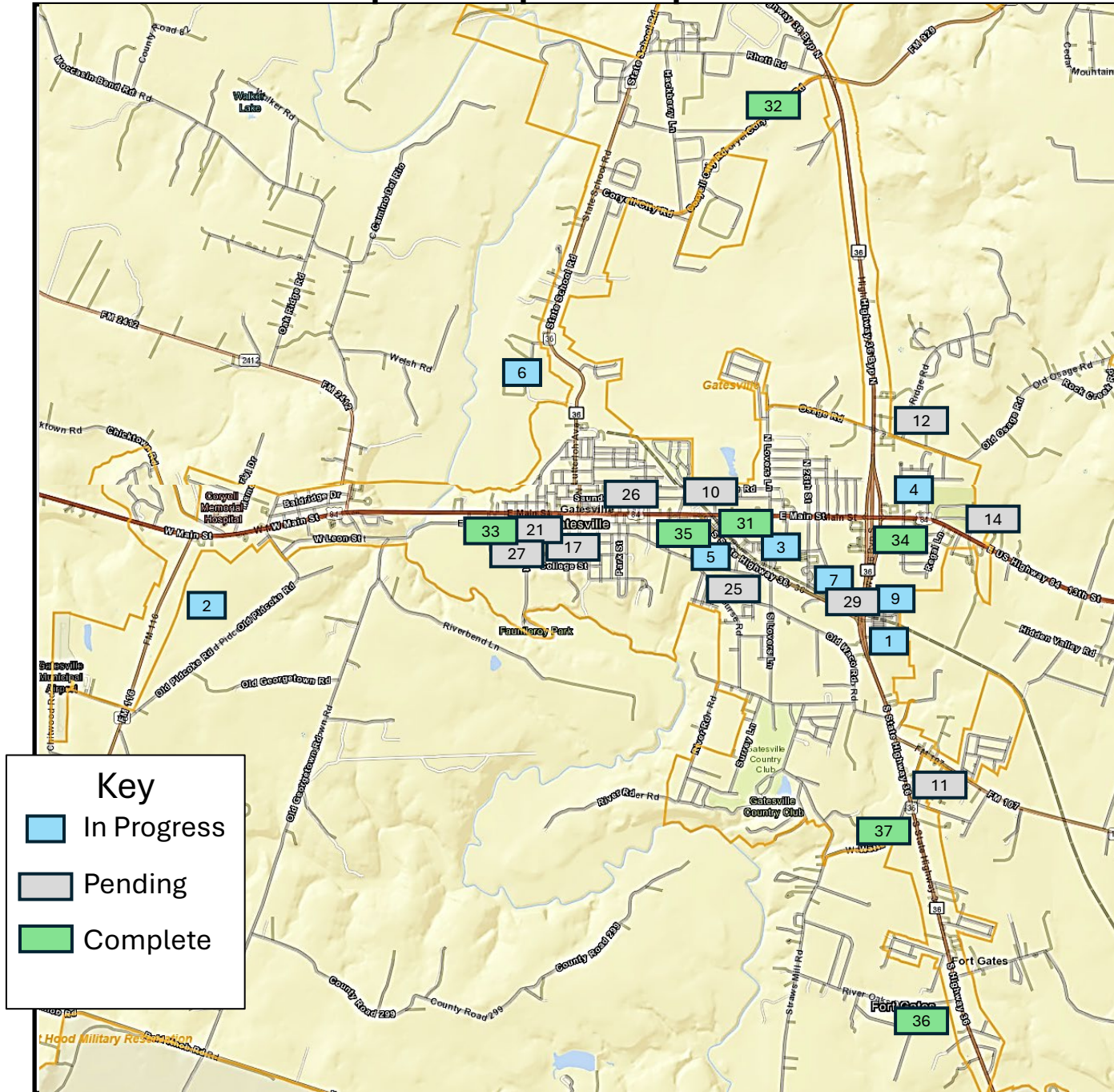
- Open positions, FY 25-26 additions: 4 FTEs
 - Police Department: 1 Police Officer
 - Admin.: 1 Code Enforcement
 - Streets: 1 Equipment Operator
 - Public Works: 2 Wastewater Operators
- Open positions, existing: 2 FTEs, 2 PTs, 0 Seasonal
 - Police Department: 2 Police Officers (FTE)
 - Parks: 2 NFHRC (PT)

City Manager Update:

Current Projects

- TXDOT follow-ups, improvements on US 84, Lutterloh
- Comprehensive Plan update
- HOT Committee
- TWDB \$66M application – follow-ups
- Civic Center policy review, implementation
- FEMA final online entries & project planning
- Water Rate study results, development of new retail rates + Wholesale rates set thereafter
- Development inquiries / meetings
- Spur Magazine – digital version forthcoming in next few months
- North Fort Hood Recreation Center – IGSA signed; planning, hiring, & logistics in progress
- FY 25-26 Budget implementation
- Coryell County Youth Fair, Inc. agreement

Development Update September 2025



- Gatesville Crossing
- Townhomes Old Pidcocke
- Urgent Care
- Oso Clean Carwash
- Dominoes Pizza
- Washburn Duplexes
- Wild Flour Café
- National Chain Hotel North SH 36
- Quick Service Food - Inside Walmart
- Commercial development near Main St. / Bus. 36
- Manufacturing/Warehouse SH 36 Ft. Gates
- Apartments for 60+ older Osage Rd.
- Duplexes - E. Main Street
- Parkview Apartments/Duplexes - US 84
- National Chain Hotel South SH 36
- SF Homes FM 107
- Public Service Office Downtown
- SF Homes SH 36
- SF Homes - FM 116
- Equipment Lease Company area TBD
- Knife & Cork Remodel Downtown
- Chain restaurant near HEB
- Multi-Family near Woods Drive
- Single-Family near Jackson Drive
- Single-Family near Golf Course Rd.
- Drive-Thru Café E. Main St.
- Café & Boutique Downtown
- Manufacturing/Warehouse FM 116 or TBD
- Chain restaurant - old BK Building
- SF Homes north of US 84
- Laundromat by Bealls
- Summer's RV Park
- Downtown Boutiques
- Starbucks
- 7 Brew Coffee
- River Oaks Office Suites
- Watts Lane - Motel Remodel

NOT MAPPED

- 8
- 13
- 15
- 16
- 18
- 19
- 20
- 22
- 23
- 24
- 28
- 30

Development in Progress									
	Description	Inquiry	Follow-up	Annexation	Platting	Zoning	Permits	C/O	Completed
1	Gatesville Crossing			N/A	February-25	March-25			
2	Townhomes Old Pidcoke	April-25		November-23	August-25	August-25			
3	Urgent Care	April-25		N/A	N/A	N/A	July-25		
4	Oso Clean Carwash						September-24		
5	Dominoes Pizza	March-25		N/A	N/A	N/A	May-25		
6	Washburn Duplexes			January-25	February-25	March-25	April-25		
7	Wild Flour Café			N/A	N/A	N/A	May-25		
8	Nat'l Chain Hotel North SH 36	July-25	August-25	N/A		N/A			
9	Quick Service Food - Inside Walmart	July-25		N/A	N/A	N/A	August-25		

Development Pending									
	Description	Inquiry	Follow-up	Annexation	Platting	Zoning	Permits	C/O	Completed
10	Commercial development near Main St. / Bus. 36	January-25	April-25						
11	Manufacturing/Warehouse SH 36 Ft. Gates	July-25		November-23					
12	Apartments for 60+ older Osgae Rd.								
13	Duplexes - E. Main Street	May-25	July-25	N/A		N/A			
14	Parkview Apartments/Duplexes - US 84			N/A	January-25	February-25			
15	Nat'l Chain Hotel South SH 36	January-25		N/A	N/A	N/A			
16	SF Homes FM 107								
17	Public Service Office Downtown	May-25	July-25	N/A	N/A	N/A			
18	SF Homes SH 36		August-25						
19	SF Homes - FM 116	May-25							
20	Equipment Lease Company area TBD	May-25							
21	Knife & Cork Remodel Downtown						January-25		
22	Chain restaurant near HEB	January-25	April-25						
23	Multi-Family near Woods Drive		August-25						
24	Single-Family near Jackson Drive		August-25						
25	Single-Family near Gofl Course Rd.		August-25						
26	Drive-Thru Café E. Main St.		August-25						
27	Café & Boutique Downtown		August-25						
28	Manufacturing/Warehouse FM 116 or TBD		September-25						
29	Chain restaurant - old BK Building	January-25	September-25						
30	SF Homes north of US 84	June-25	August-25						

Development Completed Past 6 Months									
	Description	Inquiry	Follow-up	Annexation	Platting	Zoning	Permits	C/O	Completed
31	Laundromat by Bealls			N/A	N/A	N/A	March-25	May-25	May-25
32	Summer's RV Park			January-25	February-25	March-25	April-25		June-25
33	Downtown Boutiques			N/A	N/A	N/A	May-25	June-25	June-25
34	Starbucks				December-24	N/A	January-25	July-25	August-25
35	7 Brew Coffee	December-24		N/A	N/A	N/A	May-25	August-25	August-25
36	River Oaks Office Suites						November-24	August-25	August-25
37	Watts Lane - Motel Remodel						January-25	August-25	September-25

Department Update: Public Works

PW Director: Chad Newman

Water Dist.: Taylor Donaldson

Streets: Gary Proctor

Water Production: Zeb Veazey

Wastewater: Bobby Buster

Fleet: Derek Lawrence

- Projects
 - Stillhouse WWTP, Phase 1 – estimated completion date Feb. 2026
 - Lakewood Force main reroute – complete
 - FEMA Projects at Stillhouse, Leon WWTPs – in progress
 - Fort Gates area sewer expansion
 - Hughes Unit Sandblast & Recoat – November timeframe
 - Replacing all City owned galvanized service lines
 - Working on our GIS mapping in NOVO
- Current Activity:
 - Drainage issues, box culvert inspections across town
 - Downtwon feeder road overlays
 - Sludge hauling at Water Production Plant
- 3-Month Look-Ahead:
 - FEMA projects
 - Drainage issues once paving complete
- Long-Term:
 - 5-year CIP for public works + Master Plans
 - Water & Wastewater Master Plans

Department Update: Police Department (July)

Chief: Jeffrey Clark

Captain: Keith Mueller

Patrol LT: Sid Post

Dispatch Superv.: Jessica Stiles

Records Unit	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Open Records Requests	108		825		
False Alarm Program		August 2025	June 2026		
Total number of alarms		32			
Total number of FALSE alarms		22			
Total balance of delinquent accounts (Past 30 Days)		\$2125.00			
Employee Investigation Cases	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Department Initiated	0		4		
Citizens Complaints	1		4		
Combined Total	1		8		
Results					
Sustained	0		3		
Not Sustained	0		1		
Unfounded	1		4		
Exonerated	0		0		
Pending	0		0		
Community Events Sponsored	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Community Events	0		5		

Department Update: Police Department (July)

Chief: Jeffrey Clark

Captain: Keith Mueller

Patrol LT: Sid Post

Dispatch Superv.: Jessica Stiles

Computer Aided Dispatch	August 2025	August 2026	2025 YTD	2026 YTD	YTD % Changed
Calls for Service	505		3943		
Self-Initiated Activity	1656		13,030		
Total Events	2161		16,973		
Activities	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Total Arrests (# of Offenders)	27		219		
Misdemeanor	23		171		
Felony	19		108		
Class C	1		34		
Federal	0		0		
Total Offense Charges	33		309		
Department Traffic Enforcement	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Citation (Tickets)	132		683		
Citation Charges	172		926		
Citation Warnings	333		2120		
Traffic Stops (CAD data)	398		2547		
DWI Arrests	3		17		
Accidents Reported by Officers (CRIS)	16		79		
Accident Exchange Information	8		93		
Fatality Accident	0		0		

Department Update: Police Department (July)

Chief: Jeffrey Clark

Captain: Keith Mueller

Patrol LT: Sid Post

Dispatch Superv.: Jessica Stiles

Animal Services

Administrative Activities	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Calls for Service	62		903		
Warnings	1		7		
Citations	0		11		
Criminal Investigations	0		3		
Dogs	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Field Intake	8		104		
Total Dogs Received	8		104		
Reclaimed	5		53		
Adopted	2		53		
Transferred Out	6		29		
Total Live Outcomes	13		114		
Euthanized	0		3		
Died in Shelter	0		0		
Total Dogs Euthanized	0		3		
Cats	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Field Intake	12		145		
Total Cats Received	12		152		
Reclaimed	0		2		
Adopted	3		44		
TNR	10		90		
Transferred Out	0		6		
Total Live Outcomes	13		155		
Euthanized	0		2		
Died in Shelter	0		5		
Other (Wildlife/Livestock)	August 2025	August 2026	2025 YTD	2026 YTD	% Changed
Intake	0		0		
Released to Owner (Livestock)	0		0		
Released (Wildlife)	0		11		
Euthanized	0		2		

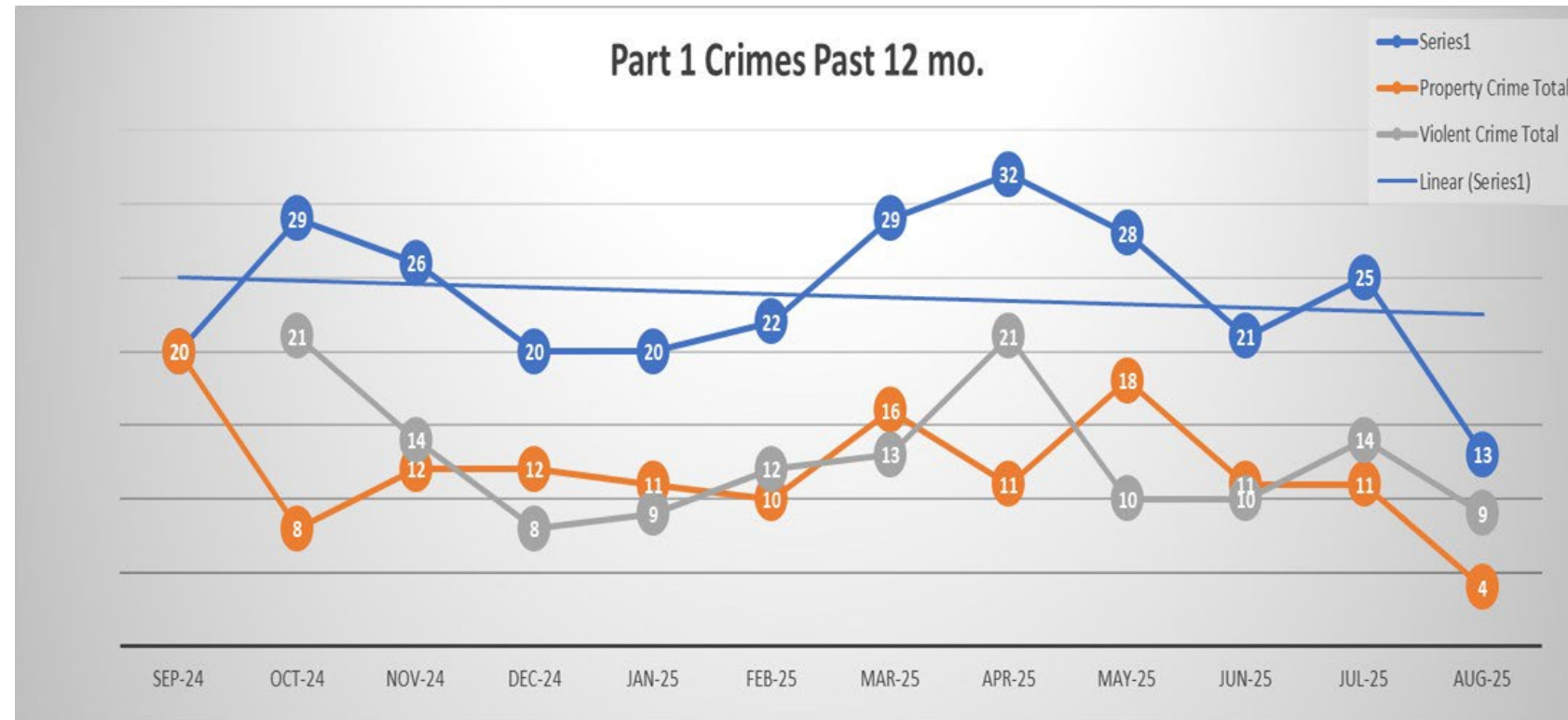
Department Update: Police Department (July)

Chief: Jeffrey Clark

Captain: Keith Mueller

Patrol LT: Sid Post

Dispatch Superv.: Jessica Stiles



Department Update: Fire Department

Chief: Billy Vaden

- Chief Vaden retiring at end of 2025
- Chief FTE position approved in FY 25-26 Budget
- City Manager and VFD Members met Sept. 16, will develop a job description, job posting, and selection process for new Fire Chief

Department Update: Parks & Recreation

Director: Seth Phillips

Superintendent (NFHRC/Aquatics):
Marte Bailey

Fitness Center Supervisor:
Patrice Gilbert

Maintenance Supervisor: Levi Cole

Ongoing Projects:

- FEMA Damaged Park Sites (Faunt Le Roy, Raby, Brown)
- Parks Master Plan
- TPWD Grant (submitted July 25)
- Sports Complex field maintenance and repairs (Lion's Club sidewalk donation)
- Ronnie Viss Gazebo
- **NFH Recreation Center**
 - Department reorganization, logistics, etc.
 - **Proposed Start Date: September 15, 2025**
 - **Grand Opening: October 21, 2025, at 10:00 a.m.**

Upcoming Events:

- TXDOT Child Passenger Safety Week Event (Sports Complex Parking Lot/September 24- 3pm-5pm)
- National Night Out (October 7)
- LIVE Fest (October 18)

Athletics:

- Adult Slow Pitch League- August 11-September 9
- Select Tournament Schedule- 14 scheduled tournaments (August 23-December 14)
- Select Tournaments- August 23, 24, 30 (18 teams/1,053 attendees)

Department Update: Parks & Recreation

Director: Seth Phillips

Superintendent (NFHRC/Aquatics):
Marte Bailey

Fitness Center Director: Patrice
Gilbert

Maintenance Supervisor: Levi Cole

Fitness Center:

- Membership:
 - 949 Memberships
 - 3,900 Member visits
 - 197 Day Passes Sold
- Group Exercise:
 - 77 Group Exercise Classes
 - 502 Class Participants
- Sales:
 - Total: \$22,187.50
 - Memberships, Passes, Etc.- \$19,513.00
 - Retail- \$1,336.50
 - Insurance Reimbursement- \$1,338.00

Maintenance:

- Mowing of City parks and facilities
- Faunt Le Roy Park – awaiting FEMA fund approval to repair culvert, reopen lower portion to allow vehicle access to parking lot

Department Update: Administration

Deputy City Manager / CFO:
Mike Halsema

HR Director: Lori McLaughlin

Library Director: Shea Harp

Finance

- FY 26 budget preparations
- City Hall water damage – window repairs approved & work being scheduled

Airport

- RAMP grant – installation of new tank complete, working out CC machine issues

Court, Water, Cemeteries

- Cemetery management software in use and new ordinance in effect

Human Resources

- Comp & classification study – scheduling completion of work
- Working on handbook amendments – drug testing policy and others
- Civic Center booked through Summer
- Auditorium assessment – planning phase

Library

- Tocker grant processed, pending completion
- Assisting with new city website launch, with city calendar

Department Update:

Development Services & CSO

City Secretary: Holly Owens

Building Official: Miguel Gamez

Permit Technician: Nicole Clark

Code Enforcement: Brooklyn Meza

August 2025

Permits ([Review](#)/[Issued](#)) (54 permits issued)

Parkview (3701 Park Ln) Civil (FNI) 3rd round review and Structural (BV) completed

Gatesville Crossing Civil (FNI) 2nd round review and Structural (BV) completed

Dunkin' Donuts (inside Walmart) (in-house)

TVL Storage LLC – New Construction (3185 S Hwy 36) (in-house review)

2 New SF Homes

1 Commercial Remodels

3 Residential Remodels

Miscellaneous

Inspections (62 inspections performed)

New SF Homes

Residential Remodels

Commercial Remodels

Dominoes (2330 S Hwy 36)

Miscellaneous

Integrity Urgent Care (S SH 36)

Oso Clean Carwash (Hwy 84)

Wild Flour Café

Walmart Remodel

Certificate of Occupancies

7 Brew Coffee

Ward Insurance

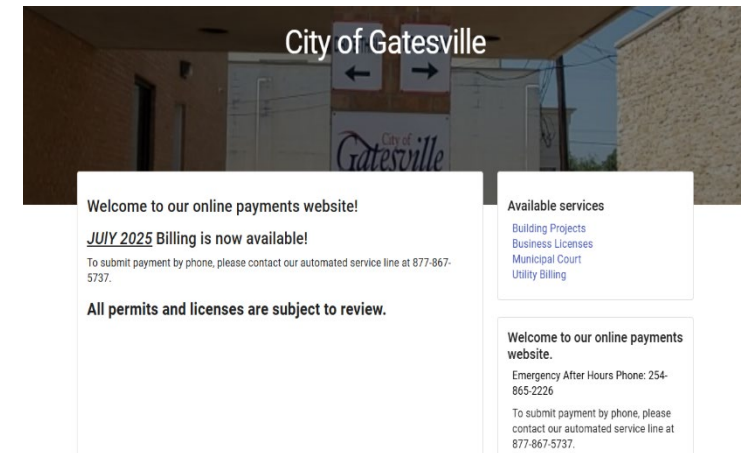
River Oaks Office Suites – DPS Trooper Station

Apartment Remodel (Watts Lane)

Permits and Licenses are now ONLINE.

- Permits
- Inspections
- Licenses

Permits and licenses can be applied for and paid for online, and Inspections can be scheduled online.



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Planning

Zoning/Development Ordinance(s): William Suggett Survey Zoning Change (8 acres)

Plat(s) Processed:

Annexation Application(s):

BSC:

- 606 Bridge St. – voluntary demolition
- 108 N 14th St. – approved by BSC and CC for demolition (scheduled for mid-September)
- 105 N 5th St. – voluntary demolition

Code Enforcement

7 Case(s) opened

1 Lien(s) paid

1 Abatement lien(s) filed

Citation(s) issued

Report a Code Violation Online

The last 6 weeks, CE is working to close cases with 90% compliance without the issuance of citations. This will allow for a smoother conversion to the new software.



Report a Code Violation

Help Keep Your Community Safe!

Code enforcement isn't just for the city inspectors – it's something WE all help with. If you see something unsafe or against the rules, here's how you can make a difference:

- ✓ **Check for violations:** Keep an eye out for unsafe structures, unkempt properties, or hazards.
- ✓ **Report violations:** Contact your local code enforcement team.
- ✓ **Educate your neighbors:** Share the importance of maintaining a safe, healthy community.

Together, we're building a stronger, safer place to live!

First and Last Name *

Email Address *

Address of Violation Property *

Description of Violation *

Picture Upload

No file chosen

Files must be less than 2 MB

Allowed file types: gif jpg jpeg png

Licenses

Livestock

Solicitor

Food Truck

7 Alarm

1 TABC

2 Pet Tags

3 Microchip

Open Records Requests

Zoning Verification Letters

9 Other

Upcoming Events

Date	Time	Event	Location
Oct. 7	6-8:30pm	National Night Out	Sports Complex
Oct. 25	6-8pm	Boozaar	Downtown Square
Nov. 4	8a - 5p	Election	
Dec. 1	TBD p.m.	Tree Lighting Ceremony	Sports Complex
Dec. 13	TBD a.m.	Christmas Parade	Main Street



**WATCH OUR FACEBOOK PAGE FOR UPCOMING
EVENTS, DEPARTMENT NEWS, AND MORE!**