

NOTICE

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

AGENDA  
REGULAR CITY COUNCIL MEETING  
AUGUST 11, 2020 AT 5:30 P.M  
GATESVILLE COUCIL CHAMBER  
110 NORTH 8<sup>TH</sup> STREET, GATESVILLE, TEXAS 76528

An Open Meeting will be held concerning the following subjects:

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

Resolution 2020-62: Minutes from the Regular City Council Meeting July 28, 2020

Resolution 2020-63: Minutes from the Special City Council Meeting August 4, 2020

4. Discussion and possible action regarding Resolutions pertaining to the City's participation in the Texas Community Development Block Grant Program-Downtown Revitalization Fund Project

Resolution 2020-64: A Resolution of the City of Gatesville, Texas, finding that conditions exist within the Designated Historic Downtown/Commercial District of The City which are detrimental to the Public Health, Safety And Welfare of the Community and, therefore, are declared to Constitute A Slum/Blighted Area.

Resolution 2020-65: A Resolution of the City of Gatesville, Texas, establishing the boundaries of the Historic Downtown/Commercial District of the City for purposes of applying for financial assistance from the Texas Department of Agriculture's Texas Capital Fund - Downtown Revitalization Program

Resolution 2020-66: A Resolution of The City Council of the City of Gatesville, Texas, authorizing the submission of a Texas Community Development Block Grant Program application to the Texas Department of Agriculture for the Downtown Revitalization Program Fund; and authorizing the City Manager to act as the City's Executive Officer and Authorized Representative in all matters pertaining to the City's participation in the Texas Community Development Block Grant Program

5. Discussion and possible action regarding submission of a grant using Corona Virus Relief Funding to purchase radios for the Gatesville Volunteer Fire Department
6. Briefing/Discussion on Fiscal Year 2021 Proposed Budget- City Manager
7. Recess Regular meeting and call a -----  
Public Hearing

Hear comments concerning the City of Gatesville proposed budget for Fiscal Year 2021

8. End Public Hearing and reconvene Regular Meeting
9. Discussion and possible action to adopt or defer the decision on the proposed budget.
10. Discussion and possible action to approve the proposed Tax Rate, schedule the Public Hearing on the Tax Rate and set a date to vote on the Tax Rate
11. Discussion and possible action regarding a recycling agreement with Sunbright Paper Recycling Company
12. City Manager's Report: Capital Projects, Future Agenda Topics, Coronavirus Update
13. Adjourn Meeting

I hereby attest that the above agenda was posted on this the 7th day of August, 2020 by 5:00 p.m. on the official City of Gatesville website, [www.ci.gatesville.tx.us](http://www.ci.gatesville.tx.us) and the official bulletin boards at the Gatesville City Hall, 110 N. 8<sup>th</sup> Street, Gatesville, Texas.

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Wendy Cole, City Secretary

The City of Gatesville council chambers are wheelchair accessible and accessible parking spaces are available at the back entrance of City Hall. Requests for accommodations or interpretive services must be made 24 hours prior to this meeting. Please contact the city secretary's office at 254-865-8951 or FAX 254-865-8320, or email [wendy.cole@ci.gatesville.tx.us](mailto:wendy.cole@ci.gatesville.tx.us) for further information.

REGULAR CITY COUNCIL MEETING  
AUGUST 11, 2020 AT 5:30 P.M.  
COUNCIL CHAMBER, 110 NORTH 8TH STREET  
GATESVILLE, TEXAS 76528

In accordance with guidelines of the Office of the Governor, the City Council of the City of Gatesville conducted an in-person meeting while maintaining social distancing to slow the spread of the Coronavirus (COVID-19). In order to provide a safe and healthy environment for the public attending the meeting, social distance regulations and guidelines were followed.

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS:

1) CALL TO ORDER REGULAR CITY COUNCIL MEETING AT 5:31 P.M.THIS 11TH DAY OF AUGUST, 2020

PRESENT: Mayor Gary Chumley, Council Members Meredith Rainer, Greg Casey, Bill Robinette, and Jack Doyle

ABSENT: Council Member Randy Hitt

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, Rene Ochoa, Brenda Kiphen, Nathan Gohlke, Seth Phillips, Berry Mansell, Cheri Shepherd, Patrice Gilbert, Dennis Fueston, Chad Newman, Billy Vaden, Faye Nichols, Robert (Bobby) Buster, Robert Featherston, Judy Langford (arrived at 5:50 p.m.), and Heather Ashley (arrived at 5:58 p.m.)

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

Visitors present were only concerned with an Agenda item.

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

RESOLUTION 2020-62: Minutes from the Regular City Council Meeting July 28, 2020

RESOLUTION 2020-63: Minutes from the Special City Council Meeting August 4, 2020

Motion by Bill Robinette, seconded by Meredith Rainer, to approve the Consent Agenda: Minutes from the Regular City Council Meeting July 28, 2020; Minutes from the Special City Council Meeting August 4, 2020; all four voting "Aye", motion passed.

4) DISCUSSION AND POSSIBLE ACTION REGARDING RESOLUTIONS PERTAINING TO THE CITY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM-DOWNTOWN REVITALIZATION FUND PROJECT

City Manager Parry briefly discussed the three (3) resolutions which are a requirement of the Texas Community Development Block Grant Program application process:

RESOLUTION 2020-64: A Resolution of the City of Gatesville, Texas, finding that conditions exist within the Designated Historic Downtown/Commercial District of The City which are detrimental to the Public Health, Safety and Welfare of the Community and, therefore, are declared to Constitute a Slum/Blighted Area.

RESOLUTION 2020-65: A Resolution of the City of Gatesville, Texas, establishing the boundaries of the Historic Downtown/Commercial District of the City for purposes of applying for financial assistance from the Texas Department of Agriculture's Texas Capital Fund - Downtown Revitalization Program.

RESOLUTION 2020-66: A Resolution of The City Council of the City of Gatesville, Texas, authorizing the submission of a Texas Community Development Block Grant Program application to the Texas Department of Agriculture for the Downtown Revitalization Program Fund; and authorizing the City Manager to act as the City's Executive Officer and Authorized Representative in all matters pertaining to the City's participation in the Texas Community Development Block Grant Program.

Mr. Parry said that the required Public Notice will be published in the Gatesville Messenger on August 19th. The City Attorney has reviewed the resolutions and has no issues as this application must be submitted not later than September 1, 2020.

Motion by Meredith Rainer, seconded by Greg Casey, to approve Resolution 2020-64, Resolution 2020-65 and Resolution 2020-66; authorizing the City of Gatesville's participation in the Texas Community Development Block Grant Program-Downtown Revitalization Fund Project; all four voting "Aye", motion passed.

5) DISCUSSION AND POSSIBLE ACTION REGARDING SUBMISSION OF A GRANT USING CORONAVIRUS RELIEF FUNDING TO PURCHASE RADIOS FOR THE GATESVILLE VOLUNTEER FIRE DEPARTMENT

City Manager Parry said that the Council is required to approve the submission of this grant because the amount is over \$25,000.00. Parry discussed the process of the Coronavirus Aid, Relief, and Economic Security ( CARES) Act Funding and the two (2) ways to receive funding:

- Coronavirus Relief Fund (CRF) from the Department of the Treasury
- Coronavirus Emergency Supplemental Funding (CSEF) from the Department of Justice

A memorandum was sent to the Texas Division of Emergency Management proposing the use of CRF funding to purchase 15 mobile radios and 13 portable radios. The Gatesville Volunteer Fire Department's radios are way beyond their useful life and Fire Chief Billy Vaden discussed the challenges of maintaining the radios and attempting to find parts that no longer exist.

The Texas Department of Emergency Management will allow this purchase if the guidelines are followed and stated that the radios would appear to be eligible; but the city must determine that this is a necessary expenditure. The City Attorney agrees that the purchase of these radios are a necessity due to the Coronavirus public health emergency as the fire department assists on scenes of many medical emergencies.

Parry recommended the Council approve the Resolution authorizing the submission of this grant. This Department of Treasury grant would be 100% funded and the radios would be purchased through BuyBoard.

RESOLUTION 2020-67: Motion by Bill Robinette, seconded by Jack Doyle, to approve the Resolution for submission of a grant using Coronavirus Relief Funding to purchase radios for the Gatesville Volunteer Fire Department in the amount of \$139,851.17 which will come from the City of Gatesville's allocation of Coronavirus Relief Funding; all four voting "Aye", motion passed.

6) BRIEFING/DISCUSSION ON FISCAL YEAR 2021 PROPOSED BUDGET- CITY MANAGER

City Manager Parry provided the council with updated slides for the Power Point presentation and said that this Fiscal Year 2021 Proposed Budget has been posted on the City's website and a copy is available in the City Secretary's office, and Public Library.

The Department Heads were present if the council had any questions. Parry noted that the proposed budget was based on the current ad valorem tax rate of \$0.56/\$100 valuation. Following the briefing and Public Hearing the Council will need to adopt or defer a decision on the proposed budget. Parry said that it would be fine to defer a decision on the proposed budget until a proposed tax rate has been decided. The annual budget is the single most important financial responsibility of local government and is proof that City officials and staff are accountable in how taxpayer's dollars are spent. Parry reviewed the five-month budget timeline and then highlighted/outlined the following items in the proposed budget:

- A pie chart that depicted the proposed expenses for each General Fund department.
- The General Fund Contingent Appropriation which represents 1.4% of total General Fund expenses, but 12% of the Administration Budget.
- Revenue trends are projecting slight increases in sales tax allocations and property taxes in FY 2020.
- Ad Valorem Tax Rate considerations: Current (\$0.56/\$100) No-New-Revenue (\$0.5509/\$100) and Voter-Approval (\$0.6588/\$100) were discussed and the different amounts that would be generated.
- Compared sales tax allocations from FY 2014 to current. The past two (2) years have not followed a predictable pattern but the Comptroller website –although had not posted amounts yet today- indicated that August sales tax allocations are up approximately 5% over August of 2019. As of the end of July the City is up about \$14,000 in sales tax.
- Projected General Fund revenues for FY 2021 at \$6,109,561 will cover the expenses in the proposed budget.
- General Fund Budget is balanced without using any unassigned Fund Balance to cover expenses.
- The recreation revenues generated from registrations and sponsorships were discussed.
- Street Department debt service was discussed and was noted that it should be paid off in a few years.
- Enterprise Fund needs to generate revenues of \$3,714,020 in residential, commercial, and institutional water and sewer charges to cover expenses-to include Capital replacement of water and sewer mains that are beyond their useful life. Also enough needs to be generated to cover the City's debt service, and transfers to the General Fund. The water base rate increase to Texas Department of Criminal Justice (TDCJ), predicted dry weather, and the meter replacement program should be able to cover many expenses. Also, the TDCJ sewer base rate/volumetric rate increase, TDCJ 2018 volumes at 2021 rates, and the residential/commercial base rate/volumetric rate increase allow a realistic assumption of projected revenues in FY 2021.
- Historical data regarding Enterprise Fund Revenue trends and the three (3) primary revenue drivers:
  1. Water sales to residential/commercial/TDCJ
  2. Wholesale water sales to five (5) water supply corporations.
  3. Sewer sales to residential/commercial/TDCJ

Parry said the proposed budget is balanced and does not increase the unassigned fund balance and does not rely on the Unassigned Fund Balances to balance the budget. The Capital Improvement Plan was briefly discussed and a few projects were highlighted. Several Department Head spending requests were cut and were identified in the proposed budget. Staff is planning to apply for the Brownsfield grant (to demolish the Rotunda nursing home) one more time as the last application was very close to being funded.

7) RECESS REGULAR MEETING AT 6:33 P.M. AND CALL A -----

Public Hearing

Hear comments concerning the City of Gatesville Proposed Budget for Fiscal Year 2021

There were no comments from the public

8) END PUBLIC HEARING AND RECONVENE REGULAR MEETING AT 6:34 P.M.

9) DISCUSSION AND POSSIBLE ACTION TO ADOPT OR DEFER THE DECISION ON THE PROPOSED BUDGET

City Manager Parry said that the Council must either adopt the proposed budget as presented or defer

the decision to another meeting if additional information is needed to make a decision. If the Council adopts the proposed budget, then a tax rate of \$0.56/\$100 valuation is ratified as that is what this proposed budget was based on. If the Council wishes to consider another tax rate higher or lower than this than it is recommended to defer the decision to adopt the budget to a later date.

Council debated whether the tax rate should be raised as residents would be paying more already because of the school bonds, increased property tax values, and increased water/sewer rates.

City Manager Parry reminded the Council that consideration of the tax rate should not be based upon what the cost is to a resident; but what is the level of service that the City wants to provide its residents. Parry noted that many of Gatesville's residents and some Council are not happy about the condition of the streets and this would be a condition of the level of service that might need to be considered when making a decision on the tax rate.

Following further debate, Mayor Chumley asked for a motion.

RESOLUTION 2020-68: Motion by Bill Robinette, seconded by Jack Doyle, to adopt the proposed budget as presented; all four voting "Aye", motion passed.

10) DISCUSSION AND POSSIBLE ACTION TO APPROVE THE PROPOSED TAX RATE, SCHEDULE THE PUBLIC HEARING ON THE TAX RATE AND SET A DATE TO VOTE ON THE TAX RATE

The Tax Rates to consider were discussed:

- Current Tax Rate : \$0.56/\$100 valuation (Based on 2020 valuation appraisals)
- No-New-Revenue Tax Rate: \$0.5509/\$100 valuation
- Voter-Approval Tax Rate: \$0.6588/\$100 valuation
- De Minimus Tax Rate: \$0.7602/\$100 valuation (Rate necessary to impose \$500,000 taxes)

Additional ad valorem revenue that each amount would be anticipated to generate was discussed and compared to Fiscal Year 2021 Budget Goals. A chart comparing local cities proposed tax rates was presented and Parry reminded the Council that the level of service to citizens is what should be considered when deciding a tax rate – not what other cities are proposing.

Parry discussed items that were cut, funded, and included in the contingent appropriation to make the General Fund balance. There are \$153,568.00 in requests and are covered with only \$84,246.00 budgeted funds. Funding options at ad valorem tax rates \$0.5509 through \$0.60 were discussed. Parry noted that with a 1-cent increase, cuts to Department budgets could be restored, and leave the contingent appropriation at \$84,246.00. Also, the 1991 bucket truck could be replaced with a used newer model with a 45-foot boom.

Parry reminded the Council that after the proposed rate is approved a higher tax rate cannot be enacted- but it could be lowered. If the proposed rate is greater than the No-New- Revenue rate then a public hearing must be scheduled. A date to vote on the final tax rate must also be approved.

RESOLUTION 2020-69: Motion by Meredith Rainer, seconded by Bill Robinette, to approve the proposed Tax Rate of \$0.5600/\$100; all four voting "Aye", motion passed.

RESOLUTION 2020-70: Motion by Meredith Rainer, seconded by Jack Doyle, to approve the Public Hearing on the Tax Rate for August 25, 2020 at 5:30 p.m. at the City Council Chambers; all four voting "Aye", motion passed.

RESOLUTION 2020-71: Motion by Jack Doyle, seconded by Greg Casey, to approve the date to vote on the Tax Rate for September 22, 2020; all four voting "Aye", motion passed.

11) DISCUSSION AND POSSIBLE ACTION REGARDING A RECYCLING AGREEMENT WITH SUNBRIGHT PAPER RECYCLING COMPANY

City Manager Parry stated that the current recycling program- which is extremely popular with a number of Gatesville residents- has become unsustainable. The current program is picked up by Fort Hood at no charge to the City but due to a variety of reasons the City has had to close down the recycling operations when the full dumpster could not get picked up.

When the solid waste disposal contract is considered in the next few years the Council will need to decide if the option of curbside recycling could be included. Until then this option with Sunbright Paper Recycling Company looks to be a good alternative. Sunbright is the company that owns the paper recycle trailer located at the back of City Hall. This trailer would be removed and then residents would need to take their paper down to the Utility Yard where all the other recycle items are currently taken and where the new compactor would be stationed.

Parry said that this is a financially feasible operation that would implement a new single-stream 40 cubic yard compactor and will hold 3-3.5 tons of recycling. Photos were shown of what the compactor would look like and a detailed description of the recycling process was discussed.

RESOLUTION 2020-72: Motion by Meredith Rainer, seconded by Greg Casey, to approve a three (3) year recycling agreement with Sunbright Recycling Company; all four voting "Aye", motion passed.

12) CITY MANAGER'S REPORT:

HIGHWAY 84/WEST MAIN STREET SEWER PROJECT: The project is progressing well.

WATER METER RELACEMENT PROJECT: City Staff met with Ameresco this morning regarding the water meter replacement project and worked through a few details. Will do billing interface tasks with the utility billing department to lay out how the meters will interface into the billing system and begin installation of the AMI infrastructure which includes cellular backhaul on five (5) of the City's water towers to make sure that the meters are capable of sending the information to the utility billing department. Meter installation is set to begin October 19th and it is planned to set approximately 400 meters per week which will last 7 to 8 weeks- so project should be completed in early February 2021. Door hangars will be placed at house/businesses 3 to 5 days before the work is to be done.

BUDGET/FINANCIAL REPORT: Cash balances are in good shape.

ZONING ORDINANCE REVISION (Update): The draft Zoning Ordinance is complete and has been sent to the City Attorney and Department Heads for review.

COVID -19 (Update): Presented an updated chart which depicted confirmed COVID-19 cases in Gatesville city limits and outside Gatesville city limits. The first confirmed case in Gatesville's extraterritorial jurisdiction was reported on April 4, 2020 and the first confirmed case in Gatesville city limits was reported on April 9, 2020. Since April 9th there have been a total of 140 cases with 74 of those individuals living in the city of Gatesville. The chart reported cases starting around July 4, 2020 which showed when the cases spiked with a total of cases inside the city limits at 44 and outside the city limits at 31. This information comes from a couple of sources so it may not be totally up to date as some of the information isn't provided right away- it could take a week or two to get the total information. According to the Governor's Executive order, any public gatherings in excess of ten people inside the city limits must be requested and approved by the Mayor. Residents are wearing masks but awareness of the mask mandate could be better observed. City employee support system was discussed as COVID-19 issues have come up. There is funding available as part of the CARES Act funding to address this issue so employees can continue to be paid if they have to stay home.

13) ADJOURN MEETING AT 7:35 P.M., THIS 11TH DAY OF AUGUST, 2020

ATTEST:

APPROVED:

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

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Gary M. Chumley, Mayor

