

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  
JULY 28, 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 2020-53: Minutes from the City Council/Building Standards Commission meeting July 14, 2020

Resolution 2020-54: Minutes from the Regular City Council meeting July 14, 2020

Resolution 2020-55: Order of Election to be placed on the November 3, 2020 General Election Ballot

4. Recess Regular Meeting and call a -----

Public Hearing

Hear comments regarding the 2020 Community Development Block Grant Application –  
Downtown Revitalization Fund Project

5. End Public Hearing and reconvene Regular Meeting
6. Discussion and possible action regarding an Ordinance amending Chapter 21, Waters and Sewers Article II, Service Rates and Charges, Code of Ordinances of the City of Gatesville, Texas, by changing certain Water and Sewer Base and Volumetric Rates; and providing an Effective Date (3rd & Final reading of Ordinance 2020-11)
7. Discussion and possible action to set the date/time/place for the Public Hearing on the 2020-2021 Budget
8. Discussion and possible action to call a Special Council Meeting:  
- September 15, 2020 - 2nd readings of Fiscal Year 2021 Budget Ordinance and the Tax Rate Ordinance
9. Briefing/Discussion on the projected Fiscal Year 2021 Revenues versus Expenses; Budget Goals
10. Discussion and possible action regarding reinstatement of cut-offs/penalty/late fees to Utility Billing
11. Recess Regular Meeting and call an Executive Session -----

Closed Meeting:

This closed meeting is in accordance with Government Code Section 551.074- Personnel Matters-  
City Council seat vacancy regarding Ward 1, Place 1

12. End closed session and reconvene regular Meeting-----
13. Discussion and possible action to call a Special Council Meeting August 4, 2020
14. City Manager's Report: - Capital Projects, Future Agenda Topics, Coronavirus Update, Water Meter Replacement Communications Plan, Fort Hood Facts Sheet, Dept. Head Reports
15. Adjourn Meeting

I hereby attest that the above agenda was posted on this the 24th day of July, 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.

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

REGULAR CITY COUNCIL MEETING  
JULY 28, 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 5:30 P.M. THIS 28TH DAY OF JULY, 2020

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

ABSENT: Council Member Robert Kent and Council Member Randy Hitt

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, Rene Ochoa, Heather Ashley, Cindy Metro, DeLana English, Claude Williams, and Brenda Kiphen

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 2020-53: Minutes from the City Council/Building Standards Commission Meeting July 14, 2020

RESOLUTION 2020-54: Minutes from the Regular City Council Meeting July 14, 2020

RESOLUTION 2020-55: Order of Election to Be Placed On The November 3, 2020 General Election Ballot

City Secretary, Wendy Cole, provided the Mayor and Council Members an updated Order of Election (Resolution 2020-55) which was changed per Governor Abbott's Proclamation on July 27, 2020; adding an extra week of early voting so election officials can implement appropriate social distancing and safe hygiene practices due to the COVID-19 pandemic.

Motion by Meredith Rainer, seconded by Greg Casey, to approve the Consent Agenda: Minutes from the City Council/Building Standards Commission Meeting July 14, 2020; Minutes from the Regular City Council Meeting July 14, 2020; Order of Election To Be Placed On The November 3, 2020 General Election Ballot; all four voting "Aye", motion passed.

4) RECESS REGULAR MEETING AT 5:33 P.M. AND CALL A -----

Public Hearing

Hear comments regarding the 2020 Community Development Block Grant Application –  
Downtown Revitalization Fund Project

City Manager Parry introduced Cindy Metro, who is the City of Gatesville's Grant Administrator's representative (Langford Community Management Services) for this Community Development Block Grant (CDBG). Ms. Metro was present to assist with the public hearing if needed.

Parry explained that this public hearing is required so citizens have the opportunity to discuss the citizen participation plan, the development of local housing and community development needs, the amount of TXCDBG funding available, all eligible TXCDBG activities, and the use of past TXCDBG funds. Notice of this meeting was published in the Gatesville Messenger and notices of this meeting were sent to the Care Center, Gatesville Housing Authority, and the Coryell County Judge's Office.

Parry provided a Power Point presentation regarding this grant application for Downtown Revitalization and discussed the requirements of the application, the authorized uses of this grant, the local cash match requirement of 3.5%, and the timeline/requirements needed to get the grant application submitted by the deadline of September 1, 2020.

The proposed project for this grant application would replace water/sewer lines, street, sidewalks, and ADA improvements on Leon Street between 7th and 8th Streets. No lighting is planned for this project.

Ms. Metro stated that there would be a detailed project map developed showing all the proposed improvements after the City is awarded the grant.

There were no comments from the public regarding this Downtown Revitalization proposed project.

DeLana English of 307 North 19th and Claude Williams spoke to the Council regarding a parks grant for property located on St. Louis Street. Ms. English and Claude Williams stated that they weren't sure what this public hearing was in regards to, but saw that it was a community development grant and thought they would propose a park grant. Ms. English said that there have been several cleanups in this area and have scheduled future cleanups every month. A park built in this area would improve the image of the city and give residents in that portion of town something to do.

Cindy Metro discussed Parks and Wildlife grants (which are 50/50 grants) with the current grants due by November 1, 2020; which could be an option to consider.

City Manager suggested to Ms. Metro and Mr. Williams that they could bring the city their plan and they could discuss with the City's Planning Director, Rene Ochoa.

5) END PUBLIC HEARING AND RECONVENE REGULAR MEETING AT 6:05 P.M.

6) DISCUSSION AND POSSIBLE ACTION REGARDING AN ORDINANCE AMENDING CHAPTER 21, WATERS AND SEWERS ARTICLE II, SERVICE RATES AND CHARGES, CODE OF ORDINANCES OF THE CITY OF GATESVILLE, TEXAS, BY CHANGING CERTAIN WATER AND SEWER BASE AND VOLUMETRIC RATES; AND PROVIDING AN EFFECTIVE DATE (3<sup>RD</sup> & FINAL READING OF ORDINANCE 2020-11)

City Manager Parry said that this is the final reading of Ordinance 2020-11 which sets the water and sewer rates for years 2021 and 2022. The proposed budget is based upon rates in this ordinance, not only for residents and businesses, but the Texas Department of Criminal Justice (TDCJ) as well. TDCJ has been provided a copy of this proposed ordinance as a reminder of the change and they have presented no comments. Parry stated that there had been no changes to this ordinance and staff recommends approval of Ordinance 2020-11 on the third and final reading.

ORDINANCE 2020-11: Motion by Meredith Rainer, seconded by Jack Doyle, to approve the third and final reading of Ordinance 2020-11 amending Chapter 21, Waters and Sewers Article II, Service Rates and Charges, Code of Ordinances of the City of Gatesville, Texas by changing certain Water and Sewer Base and Volumetric Rates; and providing an Effective Date; all four voting “Aye”, motion passed.

7) DISCUSSION AND POSSIBLE ACTION TO SET THE DATE/TIME/PLACE FOR THE PUBLIC HEARING ON THE 2020-2021 BUDGET

City Manager Parry noted that State Statute Local Government Code requires that a city must publish in a local newspaper when public hearings will be held regarding an upcoming Fiscal Year Budget. The City of Gatesville Budget Public Hearing will be conducted on August 11, 2020. If approved, the notice will publish in the July 29, 2020 publication of the Gatesville Messenger.

RESOLUTION 2020- 56: Motion by Jack Doyle, seconded by Bill Robinette, to approve the date/time/place for the Public Hearing on the City of Gatesville 2020-2021 Budget : August 11, 2020 at 5:30 p.m. in the City Council Chambers, 110 North 8<sup>th</sup> Street, Gatesville, Tx; all four voting “Aye”, motion passed.

8) DISCUSSION AND POSSIBLE ACTION TO CALL A SPECIAL COUNCIL MEETING:  
- SEPTEMBER 15, 2020 - 2ND READINGS OF FISCAL YEAR 2021 BUDGET ORDINANCE AND THE TAX RATE ORDINANCE

City Manager Parry reminded the Council that the City must approve the 2021 Budget and Tax Rate Ordinances by September 29, 2020 and since Gatesville’s City Charter states that ordinances must be read on three (3) several days it is necessary to call a Special Council Meeting to meet the September 29th deadline. This Special Meeting will be a short meeting as there will be no other agenda items for discussion/action.

RESOLUTION 2020- 57: Motion by Jack Doyle, seconded by Greg Casey, to approve a Special Council meeting on September 15, 2020 for the second readings of the Fiscal Year 2021 Budget Ordinance and the Tax Rate Ordinances; all four voting “Aye”, motion passed.

9) BRIEFING/DISCUSSION ON THE PROJECTED FISCAL YEAR 2021 REVENUES VERSUS EXPENSES; BUDGET GOALS

City Manager Parry said that the City’s operating budget is a methodical process that starts in May with the current mid-year budget review to determine what the next year’s budget goals will be. This discussion is the next step in the process by reviewing the projected Revenues and Expenses for Fiscal Year (FY) 2021. Pertinent historical data is analyzed to determine if there are trends in order to arrive at a revenue estimate. No one could have predicted COVID-19 when the FY 2020 budget was formulated in July of 2019 so staff is still being conservative in the budget’s estimates. Adjustments can be made if necessary.

Parry presented a Power Point presentation on the projected FY 2021 revenues versus expenses and impacts on budget goals and encouraged the Council to ask questions. A complete list of the FY 2021 budget goals were discussed and were separated between goals that are applicable to only General Fund or the Enterprise Fund. Parry reminded the Council that General Fund budget goals are satisfied largely through property and sales taxes and Enterprise Fund goals are satisfied through water and sewer rates.

Parry said that there are two (2) purposes for examining General Fund revenue projections:

1. To inform the decision making process when it comes time to set a proposed tax rate;
2. Determine the acceptable level of service provided by each of the General Fund Departments.  
Less revenue means that the level of service may have to be adjusted downward.

A chart comparing historical Property Tax levy variables were discussed. Revenue estimates with property taxes make up 39.4% of the City's General Fund revenue and there are three (3) variables in calculating the City's tax levy:

1. The freeze-adjusted taxable value, provided by the Coryell Central Appraisal District (CCAD);
2. The amount of frozen taxes- provided by the CCAD and based on the year the taxes were frozen;
3. The tax rate- which is determined by the City Council in the budget process.

It was noted that the freeze adjusted taxable value has increased but never more than 5% in any year. The number claiming the over-65 tax freeze has risen since 2017 but is still lower than other cities around Gatesville. Taxes on frozen accounts have increased to about 8.9% of the total tax levy over the past four (4) years- so without any exemptions, the city's levy would be about 10% higher.

Ad Valorem (Property) tax rate considerations for FY 2021 were highlighted:

- The No-New-Revenue Rate (previously Effective Rate) which at 54.68 cents per \$100 valuation is 1.32 cents lower than the current tax rate of 56 cents.
- The Voter-Approval Tax Rate (previously the Rollback Rate) is almost 8 cents higher than the current rate at 63.95 cents per \$100 valuation.
- If the Council would adopt a rate higher than the Voter-Approval rate- an automatic election would be triggered for November.

The budget has been set on the 97% collection rate of property taxes as this is historically the amount that is collected each year.

A chart on Sales Tax Allocation was presented that compared FY sales tax from 2014 to 2020. Sales Tax Allocations make up 36.7% of General Revenues which is slightly behind property taxes in amount. Based on this chart comparison, staff thinks a 2% increase in FY 2021 is conservative and supportable.

The General Fund revenues were summarized and are projected for FY 2021 at \$6,109,561.00.

The City's Charter requires that a Contingent Appropriation not to exceed 3% of expenses be included in the budget. In the City's case the Contingent Appropriation is for Capital Purchases that will be deferred until next year's mid-year budget review. If revenues don't materialize, the Contingent Appropriation is used to amend the budget to bring back into line.

General Fund revenue vs. General Fund expenses were discussed and also what items were not included in department budgets.

The City adopted a Fund Balance Policy that sets a goal of two (2) months of operating expenses for unforeseen contingencies. Unless revenues fall short or expenses exceed expectations, it is anticipated that the City will finish the FY with approximately \$200,000.00 above the ideal fund balance. Also, because several budgeted items were cancelled due to COVID-19- staff expects expenses to be less than budgeted.

Proposed Budget Goal options were discussed as well as some unfunded options and Parry said that Council needs to decide what projects they want to undertake.

Enterprise Fund Revenue projections/purpose were discussed:

- Need to decide if water and sewer rate are adequate to fund proposed expenditure –including debt service and re-capitalization projects.
- Determine appropriate levels of service (expenses) for Enterprise Fund departments: Water Production (Wholesale), Water Distribution (Retail/water & sewer main repairs), Sewer (2 Wastewater Treatment Plants and lift stations), Fitness Center, and the Airport.

There is a .5% increase in both the revenues and expenses in the Enterprise Fund which should be manageable. Revenue projections and expenses for water & sewer were compared with the previous year.

Climate predictions were discussed and the National Oceanic and Atmospheric Administration (NOAA) has determined that there is a great chance of La Nina forming in October of 2020. La Nina is a hot and drier weather cycle which should make water sales higher.

North Fort Hood mobilizations and de-mobilizations were shown on a chart which compared levels of water usage during these occurrences and how it impacts water consumption and sales.

The Enterprise Contingent Fund (\$421,875.00) was discussed and detailed by department and what projects or repairs this fund could be used for- requests that might or might not happen.

The two (2) months operating goal in the Ideal Fund Balance is currently short by \$559,280.94. Work is being done to build this fund up to the established two (2) months goal.

Parry reviewed the budget/tax rate timeline and told the Council that they would be receiving a proposed budget within the next few days which would contain more details on levels of service.

10) DISCUSSION AND POSSIBLE ACTION REGARDING REINSTATEMENT OF CUT-OFFS/PENALTY/LATE FEES TO UTILITY BILLING

City Manager Parry reminded the Council that this subject was briefed at the last council meeting and now a decision needed to be made whether to re-instate cut-offs and penalties to customer's utility bills. Staff contacted several local cities and most all are going back to cut-offs as there are many customers that have had no contact with the utility companies to let them know of their situations because of the COVID-19 pandemic nor have called to make payment arrangements. Gatesville currently has 61 delinquent accounts spanning back to March totaling \$7,413.66. Many of these customers are ones that have a history of being habitually late.

RESOLUTION 2020-58: Motion by Meredith Rainer, seconded by Jack Doyle, to approve the reinstatement of cut-offs/penalty/late fees to Gatesville Utility Billing as of August 1, 2020; all four voting "Aye", motion passed.

11) RECESS REGULAR MEETING AND CALL AN EXECUTIVE SESSION AT 7:15 P.M. -----

Closed Meeting:

This closed meeting is in accordance with Government Code Section 551.074- Personnel Matters- City Council seat vacancy regarding Ward 1, Place 1

12) END CLOSED SESSION AND RECONVENE REGULAR MEETING AT 7:28 P.M.-----

13) DISCUSSION AND POSSIBLE ACTION TO CALL A SPECIAL COUNCIL MEETING  
AUGUST 4, 2020

RESOLUTION 2020-59: Motion by Meredith Rainer, seconded by Jack Doyle, to call a Special Council Meeting August 4, 2020 for discussion and possible action regarding Council seat vacancy of Ward 1, Place 1; all four voting "Aye", motion passed.

14) CITY MANAGER'S REPORT:

WATER METER RELACEMENT PROJECT: Briefly discussed the Communications Plan aspect of this project to keep residents informed. There is currently a Facts/Question/ Answer link on the website. Door hangars will be placed at houses, a notice printed on the August water bills, and updates will be published in the Gatesville Messenger.

SANITARY SEWER SYSTEM SMOKE UPDATE: Still compiling data from this process that checks inflow of rain water/storm water that enters the sanitary sewer systems. Smoke testing the lines will indicate where sewer caps are missing or there are cracks in the line. 127,000 linear feet of sewer line was smoke tested -which is about 24 miles- and took about 3 weeks to complete. There were significant issues where there was clay tile. There were 33 abandoned sewer services that had not been capped, 100 missing sewer clean-out caps, 74 clean-out riser defects, 30 manholes (5% of total city manholes) with failing lids, and only 10 main line defects.

STONERIDGE MONUMENT SIGN: Was destroyed several weeks ago during a vehicle incident. Since it is in the City right-of-way and is believed to be the City's responsibility, an estimate has been obtained (\$4882.00) and a claim has been filed with the responsible party's insurance company.

ROTUNDA/BROWNFIELDS GRANT UPDATE: Planning Director, Rene Ochoa, and the City Manager participated in a debriefing on the City's Brownfields application. The debrief panel made comments on sections of the application that were weak and commented on how close the application was to being approved but there was not much guidance to help out going forward. Parry said that he asked the consultant (for EPA-Region 6) if she would fine-tune the staff's Brownfields application and the consultant agreed to assist the City if that is what is decided. Parry said that hiring the consultant would be funds well spent for assistance on a \$350,000.00 grant to demolish the Rotunda. Anticipate funding for new clean-up grant applications in April of 2021.

FEMA DISASTER DECLARATION 4416-FALL 2018 FLOODING (Update): LJA Engineering will assist City staff with Parks Master Planning for Parks and Recreation. Staff is trying to determine a vision for this concept and will provide information to LJA Engineering as needed.

TEXAS WATER DEVELOPMENT BOARD GRANT REQUEST (Update): Received a note from the Texas Water Development Board regarding the grant/loan request to fund a drainage study and master plan for the City. The application has made the first cut and is moving forward.

COVID -19/ CARES (Coronavirus Aid, Relief (CRF) and Economic Security (CESF) ACT FUNDING: Texas State Library & Archives Commission (TSLAC) CARES Act funding: The TSLAC grant that Library Director, Faye Nichols, applied for has been fully funded and the library will receive: hot spots and laptops for library patrons to check out, 2 self -check kiosks, book trucks to quarantine returned items, and software that will allow air printing from the computer.

Parry presented and discussed a chart which outlined COVID-19 confirmed positive cases (by date) during July 2020. The chart depicted cases inside and outside city limits. Although there are many cases outside city limits, many of these people work and shop in Gatesville. Parry asked the Council to help out by reminding people to continue to observe and follow the social distance guidelines. The process of how COVID numbers are counted/determined was discussed.

The Riding Club met with city staff and the Mayor regarding the upcoming Rodeo. The Riding Club shared their plan and assured City staff that masks would be required and social distancing regulations would be followed.

The upcoming baseball/softball season has been cancelled due to the COVID-19 situation and refunds would be issued to residents/sponsors that request them. Some residents/sponsors have opted to donate their fees to the Gatesville Ballpark.

15) ADJOURN MEETING AT 7:57 P.M., THIS 28TH DAY OF JULY, 2020

ATTEST:

APPROVED:

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

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

