

## 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  
MARCH 24, 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. 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 2020-17 Discussion and possible action to approve of Minutes from Regular City Council Meeting March 10, 2020
  - Resolution 2020-18 Discussion and possible action regarding the re-adoption of the City of Gatesville Tax Abatement Guidelines (effective for 2 years)
  - Resolution 2020-19: Discussion and possible action regarding the appointment/ re-appointment of three members to the Board of Adjustments Committee
4. Discussion and possible action to approve proclamation declaring April 7, 2020 as National Service Recognition Day
5. Discussion and possible action regarding the City of Gatesville bank depository one year agreement option with BancorpSouth Bank (formerly known as Texas First State Bank) to extend into 2021
6. Discussion and possible action to suspend the effective date proposed by Atmos Energy Corporation- Midtex Division, to increase rates under the Gas Reliability Infrastructure Program for 45 days, and authorize the City's continued participation in a coalition of cities known as the "Atmos Texas Municipalities"
7. Discussion and possible action regarding an ordinance by the City Council of the City of Gatesville, Texas authorizing the issuance of "City of Gatesville, Texas general obligation refunding bonds, taxable series 2020", levying an annual ad valorem tax, within the limitations prescribed by law, for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds, authorizing the execution of a paying agent/registrar agreement, a purchase and investment letter, and an escrow deposit letter; complying with the letter of representations on file with the depository trust company; authorizing the execution of any necessary engagement agreements with the city's financial advisors; and providing an effective date.
8. City Manager's Report: Capital Projects, Budget Report, Future Agenda Topics, Coronavirus, Department Head Reports: Fire, Finance, Code Enforcement/Building Permits, Utility, Police, Court, Recreation, Convention and Visitor's Bureau
9. Adjourn Meeting

I hereby attest that the above agenda was posted on this the 20th day of March, 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  
MARCH 24, 2020 AT 5:30 P.M.  
COUNCIL CHAMBER, 110 NORTH 8TH STREET  
GATESVILLE, TEXAS 76528

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS:

1) CALL TO ORDER REGULAR CITY COUNCIL MEETING AT 5:30 P.M. THIS 24TH DAY OF MARCH, 2020

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

REGRETS: Council Member Randy Hitt

ABSENT: Council Member Robert Kent

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, Rene Ochoa, Julie Hudson, Ronnie Ault, Mark McLiney, Anjin Owens, 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.

Gatesville Boys and Girls Club Branch Director, Julie Hudson, spoke to the Council regarding the current situation that everyone is facing right now with the Coronavirus and how the Boys & Girls Club might be able to assist the community. Because the B & G Club is currently closed as a result of the Disaster Declaration, their grants that fund the Club, as well as the resale shop, are on hold. Staff members would have to be let go because of the shutdown after another week goes by.

The B & G Club is proposing to serve the community by caring for children at the club and adhering to the 10 person rule by having nine children with one staff member. The club would have the capability to care for seventy children. Ms. Hudson proposed that the city staff evaluate their employees and see if there are currently any employees that need child care and also if the city would possibly consider the use of disaster relief funds to pay for their care at \$100 per child per week. This childcare opportunity would be offered to medical and government entities in Coryell County. The groups of ten would be separated and distanced from each other and would follow all required guidelines for daycares.

City Manager Parry said that he spoke to the B & G Club about taking out a small business administration loan which are currently being offered but the B & G Board is not inclined to take out a loan without having the resources to pay it back. State and federal grants would be hard to receive as this is only for seven employees.

3) 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 2020-17 Discussion and possible action to approve of Minutes from Regular City Council Meeting March 10, 2020

Resolution 2020-18 Discussion and possible regarding the re-adoption of the City of Gatesville Tax Abatement Guidelines (effective for 2 years)

Resolution 2020-19 Discussion and possible action regarding the appointment/re-appointment of three members to the Board of Adjustments Committee (BOA)

Council Member Rainer asked for verification on the years for the terms of Place 1 and Alternative Place 7. City Planner, Rene Ochoa, responded that per the Planning & Zoning/BOA guidelines, the even and odd places are decided on rotating years and confirmed that both of these would be partial terms.

Motion by Meredith Rainer, seconded by Jack Doyle, to approve the consent agenda: Resolution 2020-17: the minutes from the Regular City Council Meeting March 10, 2020; Resolution 2020-18: approve re-adoption of the City of Gatesville Tax Abatement Guidelines; and approve Resolution 2020-19: re-appointment of Richard Shook to Alternative Place 6 for a partial term of the BOA beginning April 2, 2020 and expiring October 31, 2021; and Niki Foster and Christopher Offiah to vacant partial positions of the BOA to Place 1 and Alternative Place 7 respectively for terms beginning April 2, 2020 and expiring on October 31, 2021 for Foster and April 2, 2020 and expiring October 31, 2020 for Offiah, all four voting “Aye” motion passed.

4) DISCUSSION AND POSSIBLE ACTION TO APPROVE A PROCLAMATION DECLARING APRIL 7, 2020 AS NATIONAL SERVICE RECOGNITION DAY

Mayor Chumley presented a proclamation to Hill Country Community Action Association/ Retired Senior Volunteer Program Director, Ronnie Ault that recognized national service in the Gatesville community. Mayor Chumley thanked Ms. Ault for the all the hours and hard work that the volunteers have served. Ms. Ault presented a commemorative “check” in the amount of \$258,723.50 which represented the hours of community service at 12 stations and 29 jobs completed by RSVP volunteers during January –December 2019.

RESOLUTION 2020-20: Motion by Bill Robinette, seconded by Greg Casey, to approve a proclamation declaring April 7, 2020 as National Service Recognition day; all four voting “Aye” motion passed.

5) DISCUSSION AND POSSIBLE ACTION REGARDING THE CITY OF GATESVILLE BANK DEPOSITORY ONE YEAR AGREEMENT OPTION WITH BANCORPSOUTH BANK (FORMERLY KNOWN AS TEXAS FIRST STATE BANK) TO EXTEND INTO 2021

City Manager Parry stated that since Mayor Chumley has monetary interest in this agenda item, he will not participate in the discussion or decision regarding this issue. Mayor Chumley has signed the required conflict of interest affidavit prior to this meeting and filed with City Secretary Cole.

City Manager Parry said that Texas First State Bank (TFSB)/BancorpSouth Bank is the current bank depository for the City of Gatesville. The last agreement with TFSB was approved by the city council on May 1, 2017 to be the city’s bank depository for three (3) years with the option to extend the agreement for an additional two (2) years, 1 year at a time, based upon performance. City staff (Finance Department) has been very satisfied with TFSB’s services and performance the last three years and recommends awarding option year one of the deposit agreement to BancorpSouth Bank (formerly Texas First State Bank) which would extend until May of 2021.

RESOLUTION 2020-21: Motion by Bill Robinette, seconded by Jack Doyle, to approve the City of Gatesville Bank Depository one year agreement option with BancorpSouth Bank (formerly known as Texas First State Bank) to extend into May 2021; all four voting “Aye” motion passed.

6) DISCUSSION AND POSSIBLE ACTION TO SUSPEND THE EFFECTIVE DATE PROPOSED BY ATMOS ENERGY CORPORATION- MIDTEX DIVISION, TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM FOR 45 DAYS, AND AUTHORIZE THE CITY’S CONTINUED PARTICIPATION IN A COALITION OF CITIES KNOWN AS THE “ATMOS TEXAS MUNICIPALITIES”

City Manager Parry stated that the City is one of 54 members of the Atmos Texas Municipalities (ATM). The ATM group was organized by municipalities served by Atmos Energy Corporation – MidTex Division (“Atmos Energy”) and has been represented by the law firm of Herrera Law & Associates, PLLC to assist in reviewing applications to change rates submitted by Atmos Energy. On or about February 28, 2020 Atmos Energy filed for an increase in gas utility rates with the Texas Railroad Commission, effective April 28, 2020. Residential rates would increase \$4.71/month; commercial rates will increase \$14.54/month. To allow for a limited review of Atmos Energy’s GRIP application, Herrera Law & Associates recommend that the City suspend Atmos Energy’s proposed effective date of April 28, 2020 for forty-five days as allowed by State law, so that the City may evaluate whether the data and calculations in Atmos Energy’s rate application are correctly done. By suspending the proposed effective date, rates could not be increased until June 12, 2020. The Texas Railroad Commission is the deciding agency on Atmos’ rate increases. City staff recommends that the Council approve Resolution 2020-22 suspending by 45 days the proposed rate increase sought by Atmos Energy Mid-Tex Division to allow time for ATM attorneys to review the application.

RESOLUTION 2020-22: Motion by Meredith Rainer, seconded by Greg Casey, to suspend the effective date proposed by Atmos Energy Corporation- Midtex Division, to increase rates under the gas reliability infrastructure program for 45 days, and authorize the city’s continued participation in a coalition of cities known as the “Atmos Texas Municipalities;” all four voting “Aye” motion passed.

7) DISCUSSION AND POSSIBLE ACTION REGARDING AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF GATESVILLE, TEXAS AUTHORIZING THE ISSUANCE OF “CITY OF GATESVILLE, TEXAS GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2020”, LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE AND INVESTMENT LETTER, AND AN ESCROW DEPOSIT LETTER; COMPLYING WITH THE LETTER OF REPRESENTATIONS ON FILE WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENTS WITH THE CITY’S FINANCIAL ADVISORS; AND PROVIDING AN EFFECTIVE DATE.

City Manager Parry provided a document to the Council regarding 2020 bond refunding results for a certificate of obligation that was issued in 2007 for infrastructure to treat North Fort Hood’s wastewater at the Leon Wastewater Treatment Plant. This bond refunding initiative would reduce the interest rates on the 2007 sewer certificates of obligation that still have eight years of debt service left for approximately four million dollars. The municipal debt service (stock) market looked quite favorable six to eight weeks ago and after discussion with the City financial advisor, it was recommended to go forward and attempt to refund the bonds. But due to the impacts of the COVID 19 situation on the stock market, the municipal bond market has become very unsettled the past two weeks – interest rates are unpredictable, but have recently moved up to 1% higher than January 2020 when we began this initiative.

Mark McLiney from SAMCO Capital was present to discuss and answer any questions that the Council might have. Mr. McLiney said that the goal of this initiative was to keep the payments the same (which Ft. Hood pays and has agreed to) and shorten the payments by one year. The city ended up with six bids which ranged from 3.350% to 1.346%. These are taxable bonds because Ft. Hood is making the payment on the bonds. The taxable bonds are a benefit for the city because the taxable market has been more favorable than the municipal market and this is what the investors prefer. Discussed were the projected annual savings for the City with an anticipated total savings of \$460,912.00. SAMCO and city staff are very pleased with these bids and recommends that the Council award the bond refunding bid to JPMorgan Chase Bank in the amount of 1.346%. State mandates that this ordinance can be approved and passed on one reading of the ordinance instead of the usual three readings since this deals with debt service issuance.

ORDINANCE 2020-03: Motion by Bill Robinette, seconded by Jack Doyle, to approve and pass Ordinance 2020-03 on one reading by the City Council of the City of Gatesville, Texas authorizing the issuance of “City of Gatesville, Texas General Obligation Refunding Bonds, taxable series 2020”, levying an annual ad valorem tax, within the limitations prescribed by law, for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds, authorizing the execution of a paying agent/registrars agreement, a purchase and investment letter, and an escrow deposit letter; complying with the letter of representations on file with the depository trust company; authorizing the execution of any necessary engagement agreements with the city’s financial advisors; and providing an effective date; all four voting “Aye” motion passed.

8) CITY MANAGER’S REPORT:

CITY MANAGER INITIATIVES:

BUDGET/FINANCIAL REPORT: TexPool interest rate had dropped to 1.01% on March 19, 2020 and as of yesterday had dropped another 25%. City staff will be watching this closely as it could affect the city’s budget projections.

ROTUNDA ABATEMENT BROWNFIELDS GRANT: Anticipate an EPA decision on funding in April or May 2020.

FEMA DISASTER DECLARATION 4416- FALL 2018 FLOODING: The Leon River crested beyond flood stage in Gatesville this last Friday morning but didn’t get out of the banks. Faunt Le Roy Park was closed for part of the day Friday. Parry spoke with FEMA & LJA Engineering and he and the engineers indicated to FEMA that as flooding happens often this time of year, the water rising and falling quickly leaves the banks/ ground in the area saturated and as a result leaves the banks unstable as there is no pressure to keep the dirt in place. LJA Engineering projected to have the scope of work and cost estimate to repair the banks in Faunt Le Roy Park to Mr. Parry tomorrow. After city staff receives the scope of work report, there will need to be a meeting with FEMA and Texas Department of Emergency Management to evaluate and determine whether to proceed with repairs to the park or pursue an alternate project.

OUTDOOR SWIMMING POOL: Work continues on the outdoor swimming pool but the rain has slowed the project down. Contractors will be back March 30th to conduct the pressure test and get the plaster done. The goal is still to have the pool and lifeguards ready to go for summer but if social distancing is still an issue at the end of Memorial Day, the city may be not be able to open the pool.

FUTURE COUNCIL MEETING AGENDA TOPICS: Parry pointed out that a draft of a revised Ordinance regulating circuses and carnivals (that the City Attorney prepared) is included in the council read ahead books. City staff and Department Heads are reviewing before the ordinance is brought back to the Council for consideration on April 14th.

IMPACT OF SENATE BILL 2 (Texas Reform and Transparency Act of 2019) ON THE FY 2021 BUDGET TIMELINES AND AD VALORUM TAX REVENUE: Parry talked to the Chief Appraiser and County Tax Assessor and discussed variations regarding cities with a population under 30,000. Parry evaluated what other cities (approximately Gatesville’s size) are doing in regards to budgets, projected ad valorem taxes, the short timeline to accomplish (August 15th) and the possibility of having to put tax rate approval on the November election. Parry said that there are still many unknowns at this point but wanted the Council to be aware as this will be a discussion at future council meetings.

GOVERNOR ABBOTT’S PARTIAL TEMPORARY SUSPENSION OF THE OPEN MEETINGS ACT- IMPACT OF FUTURE COUNCIL MEETINGS: At the current time, Governor Abbott has determined that government open meetings are not social gatherings - though the Gatesville council

room seating arrangement for council and audience has followed the 6' distance rule. Governor Abbott has relaxed the open meeting act rules in regard to allowing governments to teleconference or video conference as an option. City staff is in the process of researching different options to accomplish remote council meetings with Texas Municipal League and Texas Department of Information Resources. Several collaborative software programs that councilmembers have used and were familiar with were discussed. Parry stated that city staff will thoroughly research options and choose the most cost effective solution for the City.

CORONAVIRUS (COVID- 19) UPDATE: It is unknown at this time how the effects of this virus will impact the economy. There have been discussions regarding the possibility of the State suspending sales tax and hotel/motel occupancy taxes which cities live on. If this would happen, the City of Gatesville would suspend all discretionary spending effective immediately.

Parry showed a Johns Hopkins Resource Center website that gave all the latest updates on COVID-19. Parry said that he is hosting a daily COVID-19 update on the City's website to keep residents informed, which then CVB Director, Cheri Shepherd, and Library Director, Faye Nichols post on Facebook. The Johns Hopkins website is updated in real time and is a great resource to get the latest information. Parry showed the current information which showed that confirmed virus cases had gone up about almost 100 in the last two hours and that deaths had gone up in the last few hours to 11. Currently, there are no confirmed cases in Coryell County. Parry talked to the HEB manager yesterday and he said that they are maintaining social distancing as people are waiting in line and are having no critical issues.

There was a brief discussion on essential/critical services which would include functions regarding water treatment production, wastewater treatment, and Law Enforcement. Currently, Waste Management is seeing no interruption in their services. Gatesville's water and sewer treatment plants have an adequate amount of chemicals and supplies on hand to continue operations (if something would occur and chemicals were difficult to order). Have also coordinated with the General Manager of Water Control Improvement District #1 to help out with employees or chemicals (or vice versa) if there would be a shortage in the future.

9) ADJOURN MEETING AT 6:40 P.M., THIS 24TH DAY OF MARCH, 2020

ATTEST:

APPROVED:

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Wendy Cole  
City Secretary

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Gary M. Chumley  
Mayor