

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
5:30 P.M.
GATESVILLE CITY COUNCIL CHAMBERS
110 NORTH 8TH STREET, GATESVILLE, TEXAS 76528
JULY 23, 2024

An Open Meeting will be held concerning the following subjects:

1. Call to Order
2. Quorum check
3. Invocation and Pledge of Allegiance
4. 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 & civil 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.

CONSENT:

5. All consent agenda items are considered routine by the City Council and will be enacted by a single motion. There will be no separate discussion of these items unless a Councilmember requests an item to be removed and considered separately.

RESOLUTION 2024-76: Discussion and possible action regarding approval of Minutes from Regular City Council Meeting held on July 9, 2024. (Wendy Cole)

RESOLUTION 2024-77: Discussion and possible action to approve an order of election to be held on November 5, 2024 General Election Ballot. (Wendy Cole)

RESOLUTION 2024-78: Discussion and possible action to set date/time/place for Budget Public Hearing and call Special Council Meeting. (Mike Halsema)

OTHER BUSINESS:

6. Discussion and possible action regarding approving Interim City Manager, or designee to negotiate an agreement with certain adjoining property owners regarding the proposed vacation of a portion of Mesquite Street.
7. Discussion and possible action regarding request from Kalyn Siebert for placement of an Honorary Street Sign (Brad Hunt)
8. Discussion and possible action regarding placement of an Honorary Gazebo, as built with donation funds from Gatesville Exchange Club (Brad Hunt)
9. Review, Discuss and adjust proposed Budget(s) Assumptions for Fiscal Year 2024-25. (Brad Hunt & Mike Halsema)
10. Adjourn Meeting

I hereby attest that the above agenda was posted on this the 19th day of July, 2024 by 5:00 p.m. on the official City of Gatesville website, www.gatesvilletx.com and the official bulletin boards at the Gatesville City Hall, 803 E. Main Street and Gatesville Council Chambers, 110 N. 8th 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 wcole@gatesvilletx.com for further information.

As authorized by section 551.071 of the Texas Government Code, this meeting may be convened into closed, executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.
The City of Gatesville reserves the right to reconvene, recess, or realign the regular session or called executive session or order of business as set forth on the agenda at any time prior to adjournment.

REGULAR CITY COUNCIL MEETING
 JULY 23, 2024
 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 REGULAR CITY COUNCIL MEETING AT 5:35 P.M. THIS 23RD DAY OF JULY, 2024

2) QUORUM CHECK/COUNCIL PRESENT: Mayor Gary Chumley, Councilmembers Greg Casey, Aaron Smith, Joe Patterson, and Meredith Rainer.

REGRETS: Councilmember Barbara Burrow

ABSENT: Councilmember John Westbrook

CITY STAFF PRESENT: Interim City Manager Brad Hunt, City Secretary Wendy Cole, Interim Deputy City Manager/Finance Director Mike Halsema, Interim Police Chief Georg Cleverley.

OTHERS: Leo Corona, Matt Krock, Ashton Daniels, Bianca Daniels, Olivia Daniels, and Gatesville Messenger Staff Writer, Kaylee Dusang, and by-way- of computer: Lora Socarras (Freese & Nichols Urban Planning Department) & City Attorney Victoria Thomas.

3) INVOCATION: Councilmember Casey/PLEDGE OF ALLEGIANCE: Led by Mayor Chumley

4) 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.

Leo Corona, of 409 State School Road, spoke to the Council in reference to the cemetery surveys that were mentioned in previous Council meetings. Mr. Corona suggested that as city staff is updating and confirming cemetery information that it might be a good idea to make a list recognizing the veterans and which cemetery they are in as there are many veterans interred here in Gatesville; as Mr. Corona discovered when he was researching veteran information at the Coryell Museum. If there was a current list available it would be helpful to organizations such as the Disabled American Veterans when they would wish to put out the small memorial flags on certain holidays to honor the veterans.

5) ALL CONSENT AGENDA ITEMS ARE CONSIDERED ROUTINE BY THE CITY COUNCIL AND WILL BE ENACTED BY A SINGLE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COUNCILMEMBER REQUESTS AN ITEM TO BE REMOVED AND CONSIDERED SEPARATELY.

RESOLUTION 2024-76: Discussion and possible action regarding approval of Minutes from Regular City Council Meeting held on July 9, 2024. (Wendy Cole)

RESOLUTION 2024-77: Discussion and possible action to approve an order of election to be held on November 5, 2024 General Election Ballot. (Wendy Cole)

RESOLUTION 2024-78: Discussion and possible action to set date/time/place for Budget Public Hearing and call Special Council Meeting. (Mike Halsema)

REGULAR CITY COUNCIL MEETING
JULY 23, 2024
PAGE 2

Motion by Meredith Rainer, seconded by Greg Casey, to approve the Consent Agenda; all four voting “Aye”, motion passed:

Resolution 2024-76: Approve Minutes from Regular City Council Meeting held on July 9, 2024.

Resolution 2024-77: Approve an order of election to be held on November 5, 2024 General Election Ballot for Mayor and Councilmembers Ward 1 Place 2, Ward 2 Place 4, and Ward 2 Place 6.

Resolution 2024-78: Approve date/time/place for a Special Council Meeting to conduct the Budget Public Hearing: September 3, 2024 at 5:30 p.m. at City Hall, 110 N. 8th Street, Gatesville, Tx.

6) DISCUSSION AND POSSIBLE ACTION REGARDING APPROVING INTERIM CITY MANAGER, OR DESIGNEE TO NEGOTIATE AN AGREEMENT WITH CERTAIN ADJOINING PROPERTY OWNERS REGARDING THE PROPOSED VACATION OF A PORTION OF MESQUITE STREET. (MIKE HALSEMA, LORA SOCARRAS & VICTORIA THOMAS- BY-WAY-OF COMPUTER)

Interim Deputy City Manager Mike Halsema, Freese & Nichols representative Lora Socarras & City Attorney Victoria Thomas spoke to the Council about the proposal regarding Mesquite Street.

The City had been approached by property owners adjoining this platted, but undeveloped right-of-way, who are interested in purchasing the property that lies between their parcels (Parcel #113031 and Parcel #113028). The subject property was originally platted in 1956 as “Mesquite Street” within the Logan Subdivision. The street is identified on the plat as a 40-foot right of -way running from South Lovers Lane west to the edge of the subdivision, approximately 425-feet in length. City staff have determined that there is no apparent utility infrastructure constructed within the dedicated right-of-way.

Ms. Socarras pointed out to the Council that the City of Gatesville Charter empowers the Council to sell, lease, hold, manage, control and police any property owned by it but does not specify the process to abandon and sell City Right-of-Way but it is outlined in the Texas Local Government Code. Taking into account the state law references, along with the guidance from the City Attorney and the available information regarding the subject property, it was concluded that the City may choose to vacate the right-of-way originally platted as Mesquite Street. If the City Council chooses to vacate its property interest (which is a right-of-way and likely not a fee simple interest), the City Council may then decide on the following options for conveyance of the property to a third party:

1. Convey the property interest (i.e. the Right of Way) to the abutting property owners in the same subdivision for an amount equal to or less than fair market value. This conveyance would be exempt from the public notice and bidding requirements of TLGC 272.
2. Sell/convey the property interest to abutting properties (within or outside of the subdivision), in proportion to their abutting ownership, for an amount equal to or less than fair market value. This conveyance would be exempt from the public notice and bidding requirements of TLGC 272.
3. Assuming there is nothing in the ROW dedication to prevent assignment or transfer, sell the property interest to a third party for fair market value. This conveyance would be exempt from the public notice and bidding requirements of TLGC. However, this is an option of last resort and carries with it many legal liability considerations. The property must be sold for fair market value per TLGC 272.001. The resulting impairments of use of the property by the abutting property owners must also be taken into consideration as the discontinuation of such use may require equitable compensation to said property owners from the City.

Recommended option for vacation of the Mesquite Street right-of-way would be to:

REGULAR CITY COUNCIL MEETING
 JULY 23, 2024
 PAGE 3

1. Confirm there are no improvements within the bounds of the right-of-way.
2. Approach the abutting property owners to determine which would want the ROW vacated to them.
3. Execute an agreement whereby the property owners agree to pay the cost, proportioned among themselves, for the survey, legal description, replat, and review costs (if applicable).
4. Prepare a replat showing removal of the City's right-of-way (Mesquite Street) or, alternatively, approve vacation ordinances for each property.
5. Replat document or, alternatively vacation ordinances, signed, executed, and filed in the Official Public Records of Coryell County.

It was noted that the request for vacation of the City's ROW comes from two property owners. City Attorney Thomas's recommendation was that the City vacate ONLY the portion of the ROW between South Lovers and Clover streets, which would address the requests of the two abutting property owners and also include another abutting property owner. The reason for this recommendation was that if the vacation of the ROW extends to the west beyond Clover Street, it will result in the creation of land locked lots, which, of course, is a violation of state law and would almost certainly, lead to claims of damages from those property owners. If the entire street is vacated, the replat would need to amend the land locked lots to ensure that all lots within the replat front on a public street.

City Attorney Thomas said that cities usually just vacate to the adjacent property owners and rarely charge them but do require the property owners to take on the expense of the survey.

Following a lengthy discussion on the details and process of the different options, Mayor Chumley asked for a motion.

RESOLUTION 2024-79: Motion by Joe Patterson, seconded by Meredith Rainer, to approve Interim City Manager or designee to negotiate an agreement with certain adjoining property owners regarding the proposed vacation of a portion of Mesquite Street; all four voting "Aye", motion passed.

7) DISCUSSION AND POSSIBLE ACTION REGARDING REQUEST FROM KALYN SIEBERT FOR PLACEMENT OF AN HONORARY STREET SIGN
 (BRAD HUNT)

Interim City Manager Hunt, said that per the procedures implemented March 26, 2024, as approved by council, allows citizens to request placement of an honorary street sign. City staff received an application and payment for an honorary street sign proposing "Steve Gould Way." As proposed, the City would install an honorary street sign above the present street sign located at Avenue E and Main Street. The City would additionally agree to assist with installation of a second pole and honorary sign at the main entrance of Kalyn Siebert (which is a private Drive) just west of Avenue E, on Main Street. All signs shall be placed in adherence to Texas Department of Transportation standards regarding traffic safety.

Steve Gould continues to lead a distinguished 46-year career at Kalyn Siebert, displaying exemplary commitment to the company, employees, and the Gatesville community. He has been a citizen of Gatesville his entire life and Kalyn Siebert President, Matt Krock, as well as Mr. Gould's wife, Gayla, are seeking council's permission for the sign placement.

Matthew Krock, President of Kaylyn Siebert, was available if Council had any questions & there were none. Mr. Krock asked Council to please keep this project confidential as Mr. Gould has no knowledge of this project.

Mayor Chumley thanked Mr. Krock for his service and Kaylyn Siebert's contributions to the economy for so many years, including employment of so many of Gatesville's citizens.

RESOLUTION 2024-80: Motion by Greg Casey, seconded by Aaron Smith, to approve the placement of honorary street signs in the name of "Steve Gould Way" on the existing signpost at Avenue E and Main Street, as well as an additional sign and pole at the main entrance of Kayln Siebert, 1505 West Main Street, in Gatesville, Texas, in adherence to Texas Department of Transportation standards regarding traffic safety; all four voting "Aye", motion passed.

REGULAR CITY COUNCIL MEETING
JULY 23, 2024
PAGE 4

8) DISCUSSION AND POSSIBLE ACTION REGARDING PLACEMENT OF AN HONORARY GAZEBO, AS BUILT WITH DONATION FUNDS FROM GATESVILLE EXCHANGE CLUB
(BRAD HUNT)

Interim City Manager Hunt, reminded the Council that at the December 12, 2023 City Council meeting, Council approved the donation of a gazebo in honor of Ronnie Viss, from the Exchange Club of Gatesville, with location of the gazebo to be determined at a later date. Exchange Club member JoAnn Sugg, Parks Director Seth Phillips, and Interim City Manager Bradford Hunt have conferred and agreed upon a location at Freedom Park. This location is shaded by trees and is near the existing historic bridge truss; it serves the community by being a visible and photogenic location, both for daily use by citizens and for the various wedding receptions and family events at the nearby Civic Center.

With Council approval, Parks Director Phillips will work with the Exchange Club and have final authority on the exact placement, design and foundation of the gazebo, completing the project within the funding allotted from the Exchange Club's donation. After placement of the gazebo, City staff would then take over the maintenance of the gazebo. Also discussed was design of the gazebo and that staff will encourage metal over wood because metal would require less upkeep in the future.

RESOLUTION 2024-81: Motion by Meredith Rainer, seconded by Greg Casey, to approve the placement of the honorary gazebo at Freedom Park, and to grant final authority to Parks Director Seth Phillips to complete the project within the funding allotted from the Exchange Club donation funds, and to determine the exact placement and design thereof; all four voting "Aye", motion passed.

9) REVIEW, DISCUSS, AND ADJUST PROPOSED BUDGET(S) ASSUMPTIONS FOR FISCAL YEAR 2024-25.
(BRAD HUNT & MIKE HALSEMA)

Interim City Manager Brad Hunt and Interim Deputy City Manager Mike Halsema, presented a Power Point program regarding the proposed budget for Fiscal Year 2024 which begins October 1, 2024 and ending September 30, 2025.

Mr. Hunt said that these goals were presented to the Council on June 11, 2024:

1. Maintain accountability and improve service levels as funding allows within a balanced budget; adopt an ad valorem tax rate sufficient to fund service-level requirements set forth by Council.
2. Ensure employees are adequately compensated via stepped market adjustments where applicable, or Cost-Of-Living Adjustments COLA(s), to ensure retention and recruitment goals are met; conduct a Classification & Compensation Study for all funded positions.
3. Execute the council-approved Capital Improvement Plan (CIP).
4. Improve security, safety, and visitor experience at all City of Gatesville facilities.
5. Improve Interoperability and align like tasks within all Public Works departments; align organizational structure to improve span of control and teamwork within all departments.
6. Maximize grant funding to improve city infrastructure and community resources.
7. Ensure the city planning, permitting, and zoning functions align with potential growth opportunities, both short and long-term.
8. Review the 2020 Comprehensive Plan and update for 2025.

Additionally, this budget is submitted based on the following general assumptions:

1. Wages for most personnel will be adjusted to reach better alignment with market if approved by Council in this budget.
 - General Fund
 - Health insurance rates are not yet known but are budgeted at a 6% increase.
 - Costs of material, fuel, and services will continue to increase in next FY, and a general assumption of 5% on most items is assumed.
 - Fiber internet, along with lower general real estate costs as compared to Bell and McLennan counties, will spur growth opportunities in the next several fiscal years.
 - Infrastructure improvement challenges will require creative solutions in long-term planning, assessment of fees, and diverse grant funding opportunities.

REGULAR CITY COUNCIL MEETING
 JULY 23, 2024
 PAGE 5

Overview:

The total budget for the City is \$28,574,450 down from \$30,292,030 for FY 2024. The decrease is due to reduced capital projects budgeted in FY 25.

Budget Development Process:

Staff worked diligently and with a high level of input from all Department Heads to develop a proposed budget that fits within the revenue expectations and key department goals.

The budget is formally adopted by the City Council no later than September 30th at a regularly-scheduled Council meeting. Once adopted, the budget goes into effect on October 1st.

Staff is proposing to maintain the Total Tax Rate at 56.0000, which has been the tax rate for several previous years. For the first time in several years, the proposed tax rate does not exceed the Voter Approval rate for the coming Fiscal Year.

A table was presented and brief discussion regarding a general overview of the proposed revenues and expenditures for the FY 2025 budget compared to the FY 2024 approved budget:

Total Revenues: Adopted FY24: \$30,292,030 *and* Proposed FY25: \$28,585,277 Change (\$1,706,753)
 Total Expenditures: Adopted FY24: \$30,292,030 *and* Proposed FY25: \$28,574,450 Change (\$1,717,580).

General Fund Expenditures: Adopted 2024 Budget: \$8,051,392; Proposed FY25 Budget: \$8,628,968; a 7.17% increase over last FY. Street repair and top 40 streets for repair will be proposed in the future.

Water Fund Expenditures: Adopted 2024 Budget: \$21,635,743; Proposed FY25 Budget: \$19,415,936; a 11.83% decrease over last FY. The change is mostly related to ongoing capital projects. Matching amounts for grants is a big part of what the water fund is accounting for.

Airport: No proposed change

Cemetery: Proposed 25% increase due to the software/management technology program.

Court Security & Technology: Proposing a 59.403% decrease from the previous year as \$5,400 is the anticipated amount to be spent next FY.

Hotel Occupancy Tax Expenditures: Proposed expenses are down because the last payment regarding the Civic Center was made. This upcoming year expenses will just be the MUSCO lighting at the Sports Complex and the operational expenses for the employee managing the Civic Center. Future phases for additional MUSCO lighting were briefly discussed.

Debt Service: Projected to increase only by 3.286%.

Capital Improvement Projects Expected in FY 2025 were briefly discussed with a few projects highlighted:

- Faunt Le Roy Park Flooding 2018 FEMA Grant (Grant 75% & 25% City match).
- 2024 FEMA DR4781 Flooding Parks & Streets (Grant 75% & 25% City match).
- Park & Recreation Fleet Addition- 5- year financing in operating budget.
- Replace Airport Fuel System: TxDOT Aviation Grant (Grant 90% & 10% City match).
- Stillhouse Wastewater Treatment Plant Rehabilitation: (existing TWDB bond funds).
- Hughes Elevated Storage Tank (Part of Phase 1 with 80% Grant & 20% City match funding).
- Replace Shady Lane Water Line & Drainage Improvements (Potential FEMA 75/25% Grant).
- Water Production & Wholesale System Rehabilitation Phase 1 is still to be determined.
- Water Production replacement boat is in current utility revenues.
- Brown Park sewer line relocation (FEMA 75/25 funding grant match).

Economic Outlook for FY 2025: City -wide introduction of fiber internet has now grown to three different providers in -progress or planned to begin within the year. Staff has seen notable retail and

REGULAR CITY COUNCIL MEETING
JULY 23, 2024
PAGE 6

residential development inquiries in the brief time of the City Manager and Deputy City Manager interim tenures. Staff has taken steps toward focusing on sustaining existing business while attracting new business-commercial development to Gatesville. While potential growth is considered beneficial, Council and staff must continue to focus on infrastructure maintenance and the challenge of upgrades. The cost share assessment with potential developers regarding new infrastructure was briefly mentioned for long term planning.

Additional steps to finalize a new zoning ordinance have been made as well as the goal of revising the 2020 Comprehensive Plan in 2025. The revision of the zoning ordinance project will be 100% grant funded.

Recent alignment of the City of Gatesville Organizational Chart was briefly discussed and that the changes should improve the span of control and teamwork within all city departments.

Interim City Manager Hunt said that it was his honor to collaborate with the staff, Mayor, and Council on the budget process and thanked everyone for their valuable input, time, and effort in developing and adopting the FY 2025 Budget.

10) ADJOURN MEETING AT 6:45 P.M., THIS 23RD DAY OF JULY, 2024

ATTEST:


Wendy Cole
City Secretary

APPROVED:


Gary M. Chumley
Mayor