



City Council Regular Called Meeting Agenda

COUNCIL CHAMBERS - 1209 FIORELLA STREET

Tuesday, February 10, 2026

5:00 PM

The City Council of the City of Castroville will meet in the Regular Called Meeting beginning at 5:00 p.m. in the Council Chambers at City Hall on the following items listed on the agenda.

I. Call to Order

II. Executive Session

The City Council will convene in closed session pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code for one or more of the following authorized reasons:

- a. 551.072(2) Consultation with attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, pertaining to West Texas Gas, its' franchise agreement within the city limits and ETJ, and any other matters which may arise.

III. Reconvene in open session

IV. Roll Call

V. Pledge of Allegiance

VI. Invocation

VII. Citizen Comments

The City Council will hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual council members or staff; stand at the podium, speak clearly into the microphone and state your name residential address before speaking. Speakers will be allowed a maximum of 3 minutes for testimony. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

VIII. Consent Agenda:

- a. Minutes for January 27, 2026 Regular Called Meeting
- b. Approve the purchase of a vehicle for the Gas Utility Department.
- c. Approve a Resolution for Operation Lone Star Grant: 2 Police Performance Vehicles and Police Officer overtime.

IX. Presentations

- a.** Updates on the budget and timeline for the Regional Park Community Center by Parks Recreation Director, Jonah Chang.

X. Mayor’s Report

- a. Capital Improvements Planning
- b. Washington D.C. Congressional visits
- c. Community Input

XI. Consider possible action(s) resulting from items posted and legally discussed in Executive Session.

XII. Discussion and Action Items

- a.** Historic Design Guidelines Update Scope and Cost Estimate
- b.** Active Transportation Plan Update by Community Development Director Breana Soto
- c.** Discussion and possible action to adopt an ordinance to create the Medina County Public Utility Agency (MCPUA).
- d.** Discussion and possible action on a Franchise Agreement with West Texas Gas (WTG Energy).

XIII. Discussion on Future Agenda Items

XIV. Adjourn

Accessibility Statement

The City Hall is wheelchair accessible. The exit and parking ramps are located at the rear of the building.

Non-Discrimination Statement

The City of Castroville does not discriminate on the basis of race, color, national origin, sex, religion, or disability in the employment or the provision of services.

The City Council of the City of Castroville reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act.

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, Castroville, Texas on February 4, 2025 before 4:00 p.m.

/s/ Debra Howe

City Secretary

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
January 27, 2026
Tuesday
6:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Alexander called the meeting to order at 5:00 p.m.
Mayor Alexander acknowledged a quorum was present.

Mayor Alexander recessed into executive session at 5:01 p.m.

II. EXECUTIVE SESSION

The City Council will convene in closed session pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code for one or more of the following authorized reasons:

- a. The City council will meet in closed session pursuant to the Texas Open Meetings Act, Chapter 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the following public officers or employees:
 - a. City Administrator R. Scott Dixon

Opened: 5:03 p.m.

Closed: 5:13 p.m.

III. RECONVENE IN OPEN SESSION

Mayor Alexander reconvened in open session at 6:00 p.m.

IV. ROLL CALL

Present:

Mayor Bruce Alexander	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Houston Marchman	James, Kohler, Police Chief
Councilmember Phil King	Breana Soto, Community Development Director
Councilmember David Merz	Jonah Chang, Parks and Recreation Director
Councilmember Robert Lee	

Others in Attendance:

Daniel Jones, Denton, Navarro, Rodrigues, Santee, Benal & Zach

V. PLEDGE OF ALLEIGENCE

VI. INVOCATION

Pastor Matt Gutierrez, the Discover Church gave the invocation.

VII. CITIZENS COMMENTS

The City Council will hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual council members or staff; stand at the podium, speak clearly into the microphone, and state your name and residential address before speaking. Speakers will be allowed a maximum of 3 minutes for testimony. Speakers making personal, impertinent, profane, or slanderous remarks will be given one warning before losing the privilege to speak or may be removed from the room. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

No one requested to speak.

VIII. CONSENT AGENDA

- a. Minutes for January 13, 2026 Regular Called Meeting
- b. Approve First Quarter Financial Report ending December 2025
- c. Approve First Quarter Investment Report ending December 2025
- d. Approve the amendment updating the Lions Park section of the Parks & Recreation Master Plan
- e. Approve the amendment updating the Parks & Recreation Master Plan with the miscellaneous updates

Councilmember Lee requested 8d. be removed for further discussion.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve consent agenda items a., b., c., and e. A vote was taken (5:0 all ayes) the motion carried by all present.

Councilmember Lee asked about the amendments to the Parks Master Plan sections which referred to the City Council answering questions. Mr. Lee said they had not participated in this exercise. Mr. Lee asked about the Parks and Rec Board recommendation of using recycle water shown for the Splash Pad. Parks and Recreation Director Jonah Chang said this document was only a plan and all projects related to the Parks would come to the City Council for approval. Councilmember Merz said as the liaison for the Parks Board he was aware of the amendments and had suggested to the Chairman that the Lions Park amendments be separate.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve Consent Item d. as presented. A vote was taken (5:0 all ayes) the motion carried by all present.

IX. PRESENTATIONS

- a. Presentation and Discussion on the City of Castroville Building Permit Process

Community Development Director Breana Soto briefed the City Council on the permitting process. Ms. Soto provided a step by step process beginning with application, payment, engineers and planner reviews with permit being issued. Ms. Soto said all contractors must be registered with the City, inspections scheduled throughout the project and any changes must be approved on an approved plan.

Ms. Soto said the City used Bureau Veritas and Safe Build for the reviews and the process generally took approximately 10 days. Ms. Soto said for Certificate of Occupancy all inspections must be completed before approval and if in the Historic District the applicant must go before the Historic Landmark Commission, must meet zoning requirements, and a review by the Historic Preservation Officer. Councilmember Martinez asked about having a notice of no work to be conducted without a permit placed on the website. Ms. Martinez said the City had problems in the past with contractors doing work and no permit had been issued. Mayor Alexander agreed with providing notice to the contractors. Council discussed noncompliance and what the City did when this happened. Ms. Soto said her department placed constraints on any future registrations for work in the City. Ms. Soto was asked who performed inspections and if discrepancies were reported. Ms. Soto said the City contracted for inspections and they only inspected what was on the plans and did not report on changes to the project. Mayor Alexander questioned how the City would find out the project was non-compliant. Ms. Soto said either the Code Compliance Officer went to check the project and noted issues or a citizen called in on something they saw. Mayor Alexander recommended the City speak with the inspectors and have them report any illegal builds to the City immediately. Councilmember Martinez asked about issuing temporary Certificates of Occupancy and Ms. Soto said they were very few issued. Ms. Martinez said this had been done years past and it had caused ongoing issues in her district. Councilmember Marchman asked for a count of permits issued in a month. Ms. Soto said approximately 20-30 up to 100 per month. Council asked if the Code Compliance Officer did inspections. Ms. Soto said the City Inspector went out and did inspections in accordance with the approved plans. Councilmember King said he had not had any issues in the past when he had needed both commercial and residential inspections. Councilmember Lee asked about criteria for getting a permit and suggested publishing a list of projects that did not require a permit. Mr. Lee asked about a timeline for receiving a permit. Ms. Soto said her office discussed a timeline based on what the project was with each applicant so they would know how long it may take to receive a permit to start work. Mr. Lee asked if the City needed to adopt a newer set of building codes. Ms. Soto said they were updated every four years and it was up to the City Council on if they wished to update. Mayor Alexander asked who signed the Building Permits for the City. Ms. Soto stated she did once everything was completed. Mayor Alexander asked if the City had thought about an in-house inspector, if it was more economical. Ms. Soto said not that she wasn't aware of any past discussions. Councilmember Lee said he was not in favor of in-house, outsourced was better. Council was appreciative of the detailed presentation on the permitting process.

b. Presentation and Discussion on Code Compliance Goals and Enforcement Procedures

Police Chief Jim Kohler briefed the City Council on the Code Compliance procedure and the department's goal for a better quality of life. Chief Kohler Code Compliance and Enforcement Department was under his direction. Chief Kohler said the goals of the department was to work with citizens to come into compliance first with legal action secondary. Chief Kohler said the department looked at zoning, land use, nuisance, housing, building, and safety codes. Chief Kohler provided the process when dealing with a complaint based code violation starting with a site visit, contacting property owner with door hangar for a 10 day compliance and a certified letter if not completed was the next step. If not resolved legal action by citation was last step to get compliance. Chief Kohler said most of the code issues were resolved without having to take legal action. Chief Kohler introduced all three officers present – Kerl Brooks (Code Enforcement/Animal Control), Terri Satterwhite (Code Enforcement)

and Josh Davidson (Animal Control/Code Enforcement). Councilmember Lee praised the officers and department saying code enforcement had improved dramatically. Mr. Lee referenced the shielding requirements written into the Flat Creek Development Agreement as an example for future standards. Councilmember Martinez gave kudos’ to the department for taking care of a long standing issue in her district. Mayor Alexander wanted to make sure they all had the proper training. Councilmember Lee asked if the officers saw any issues within the codes that needed updating. Councilmember Merz said his district was the district with a lot of construction phases and questioned when Code Compliance stepped in on building/construction materials left on sites. Timelines varied with the different phases happening at the same time. Mayor Alexander said years ago code enforcement was done by a complaint only basis but now the officers were engaging in not only complaint basis but a more proactive compliance. Council appreciated the information provided on the enforcement process.

Mayor Alexander recessed the meeting for a short break at 7:25 p.m.
Mayor Alexander reconvened in open session at 7:31 p.m.

X. CITY COUNCIL LIAISON REPORTS

- Airport - January 6th - Martinez
- Historic Landmark Commission - January 20th - King
- Library - January 8th - Lee
- Parks and Recreation - January 21st - Merz
- Planning and Zoning Commission - January 14th – Marchman

Mayor Alexander spoke on attending the Airport Board meeting as Councilmember Martinez was unable to attend. Mayor Alexander said the Airport Manager provided an update on fuel sales with av gas and jet fuel up in sales. The Board was working on a Courtesy Care Policy and updates to Chapter 18, with both coming to the City Council in the future for review.

Councilmember King said the HLC had met with several agenda items for consideration. Mr. King said the board members worked well together.

Councilmember Lee said the Library Board had met discussing space and parking constraints, grant opportunities for front doors to meet ADA compliance and programs for children and senior citizens. Mr. Lee said this board was very proactive and was working well together.

Councilmember Merz said the Parks Board had met and had very productive meeting. Mr. Merz said citizens were concerned with the soccer league over running the park and had suggestions of limiting the number of members, limit usage/seasons. Mr. Merz said the board would have recommendations on new bathroom/shower plans, replacement of north restroom and having a recycle water system at the Splash Pad in Lions Park. Mr. Merz said Councilmember Lee had asked the board to review the development policy for parks and the board was currently reviewing. Mr. Merz said the meeting time was being changed to 6:30 p.m. accommodate board members schedules. Councilmember Marchman asked for clarification on the the soccer league. Mr. Merz said maximum number of participants, possibly limit to one season a year and less time in the park on weekends.

Councilmember Marchman said the P & Z met but he was unable to attend.

XI. Consider possible action(s) resulting from items posted and legally discussed in Executive Session

No action was taken.

XII. DISCUSSION AND ACTION ITEMS

a. Discussion and possible action on upgrades to the city council audio/video equipment

City Administrator Scott Dixon briefed the City Council on looking to get an updated proposal for the audio and video equipment but at a previous meeting the City Council had asked to look at upgrades to the TV's and or purchasing a projector for presentations. Mr. Dixon said a larger TV would cost approximately \$3500 with a projector being less. Councilmember King was good with the current set up. Councilmember Merz was looking at the streaming quality and it seemed to be pretty good. Councilmember Marchman said they could look at streaming online through the computer for the viewers to see the presentations as the City Council did. Mayor Alexander recommended starting by having larger print on the slide presentations then, look at options if this did help the reading problems.

No action was taken.

b. Discussion and possible action on a proposal for service from Seven Seas, a desalination plant operator

City Administrator Dixon and Mayor Alexander said they did not have anything from Seven Seas as of this meeting. Mayor Alexander said Seven Seas was on the East Medina Water Board's agenda but the City still did not have a proposal. Councilmember Lee said he was not in favor of the idea and questioned digging into brackish water. Mr. Lee said they needed more information before making a decision. Councilmember Merz agreed with Councilmember Lee on needing more information and questioned digging into the aquifer with no recharge. Mr. Merz was unsure of how long it could be used and how to replenish the source. No action was taken.

c. Discussion & appropriate action on the Interlocal Agreement between Bexar-Medina-Atascosa(BMA) and the City of Castroville for the use of BMA Property for a public trail system

Mayor Alexander briefed the City Council on the Bexar-Medina-Atascosa (BMA) not renewing the long standing agreement with the City for the public trail system. Mayor Alexander said the City had been working with the BMA and he had received high compliments on Parks and Recreation Director Jonah Chang on his discussions with the board. Parks and Recreation Director Jonah Chang provided the City Council with an overall summary of what the BMA would like to enter into an agreement with the City. Mr. Chang said they requested two professionally installed electric gates, road material, signage, and a shorter termed lease agreement. Mr. Chang said they wished to have a yearly renewal and for the City to pay their attorney fees. City Administrator Dixon said the City Attorney recommended going to a five-year agreement due to the City's investment. Mayor Alexander felt they needed a cost of what it would take to do what the BMA was requesting. Mr. Chang said his cost estimate was between \$8,000-\$9,000 and this would be a budget amendment for the General Fund to fund. Councilmember King said he was in favor. Councilmember Martinez was in favor. Councilmember Lee asked who would be responsible for the overflow and the damage it could cause with heavy rain. Mr. Chang said it would be BMA's responsibility. Mr. Lee was in favor and said the City needed to keep the trails.

Councilmember Marchman asked about the request for the gates to be installed professionally. Mr. Chang said the City had installed gates itself in the past and they had not been installed properly. Mr. Marchman was in favor of the agreement. Councilmember King suggested a “bump” gate to enter the canal. Mr. Chang said they wanted a locked gate for the entrance on Hwy 90.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve the agreement with a not to exceed amount of \$15,000 for improvements identified in the agreement including legal fees. A vote was taken (5:0 all ayes) the motion carried by all present.

d. Discussion and possible action on Flat Creek Collector - Final Plat

Mayor Alexander opened items d, e, and f for discussion with action taken separately.

Mayor Alexander said he thought there should be no action taken until conditions were met. Mayor Alexander said in the Collector Final Plat he did not see a TxDOT permit in the backup materials. Community Development Director Breana Soto said TxDOT did not issue permits they now called it a donation for the approach. Ms. Soto was asked when the project would be starting. She said there had been a preconstruction meeting that day with a start date of February 9th for the road. Mayor Alexander said he wanted a final completed first before he would be satisfied. Ms. Soto said all of the required documents had been submitted and they met the City’s ordinance requirements. Mayor Alexander said he did not see that the City Engineers had submitted letter of approval with a seal and he felt they did not support without the seal. City Administrator Dixon said the developer’s Engineer did seal the documents with their letter and bond information. Councilmember King said sealed or unsealed the Engineers were liable if something happened. Mayor Alexander said the City Engineer had approved six months prior and did they need to submit an updated letter. Ms. Soto said nothing had changed from when they had submitted the documents. Ms. Soto provided a presentation that had also been seen by the planning and zoning commission for this item. Ms. Soto said the property consisted of 5.007 acres for the final plat and was only for a collector road. There was no zoning as it was just for a roadway located north of the Dickerson property. Ms. Soto said the development would be single family with no commercial. Ms. Soto said the P & Z did recommend approval and the information in the packets had a copy of the performance bond. Ms. Soto said the City Attorney’s Office had reviewed. Mayor Alexander asked who had reviewed the documents and current City Attorney Jones was unsure who had as he did not remember seeing the documents. Ms. Soto said she had emails from the attorney’s office and would provide to the Mayor. Councilmember Lee had no questions. Mayor Alexander said the plat showed a width of 60ft up to 70-80 ft. at the beginning. Councilmember Merz clarified no parkland, just thoroughfare only. Councilmember King asked if the property was annexed into the city and who would be responsible for maintenance if the roadway was not in the city limits. Ms. Soto said all of the as-builts and inspections had to be completed before the plat would be filed at the County.

A motion was made by Councilmember Merz and duly seconded by Councilmember King to approve the Flat Creek Collector-Final Plat as presented contingent on the legal review had been completed. A vote was taken (5:0 all ayes) the motion carried by all present.

e. Discussion and possible action on Flat Creek Unit 1 - Final Plat

Community Development Director Breana Soto briefed the City Council on the Flat Creek Unit 1 Final Plat. Ms. Soto said this plat and Unit 2 would be single family dwelling units. Ms. Soto said Unit 1

consisted of 20.091 acres and the Public Utility Development Agreement (PUD) required 0.50 acres but they were committing 0.85 acres for open space with water rights being conveyed for Units 1 and 2. Unit 1 consisted of 65 lots and Unit 2 consisted of 73 lots. Ms. Soto said Planning and Zoning Commission did recommend approval of the plat. Mayor Alexander said the development had to bring water rights, complete the as-builts, pass inspections, and the city had to accept the infrastructure before the plat could be recorded. Councilmember Merz said through the development agreement they had 10 years to complete. Mr. Merz clarified this was part of Phase 1. Shad Schmit, representing Kingfish development said they were dedicating 10.2 acres for open space and would have jungle gyms, a pavilion, basketball and pickleball courts, and a gated pool. Councilmember Merz asked if the park would be opened to all citizens. Mr. Schmit said it was not a gated community and it would be open to the public. He said the pool would be gated for safety purposes and have a keycard type entry. Councilmember Lee asked what the City’s responsibilities were for this development. Mayor Alexander said the City was working with P3 on reviewing all the development agreements. Ms. Soto said all of the infrastructure and streets would be dedicated to the City for acceptance. There would be a two-year Maintenance Bond once completed. Mr. Schmit said the City was not responsible for mowing the drainage areas.

A motion was made by Councilmember King and duly seconded by Councilmember Merz to approve Flat Creek Unit 1 Final Plat as presented. A vote was taken (5:0 all ayes) the motion carried by all present.

f. Discussion and possible action on Flat Creek Unit 2 - Final Plat

Community Development Director Breana Soto briefed the City Council on the Flat Creek Unit 2 Final Plat. Ms. Soto this unit as discussed with the previous item was single family dwelling units with 73 lots. Planning and Zoning Commission also approved the final plat for Unit 2.

A motion was made by Councilmember King and duly seconded by Councilmember Martinez to approve Flat Creek Unit 2 Final Plat as presented. A vote was taken (5:0 all ayes) the motion carried by all present.

XIII. CITY ADMINISTRATOR REPORT

- a. Drainage Projects
- b. BMA Trail Access
- c. Streets, Maintenance and Paving Plan
- d. WWTP Ponds
- e. CPS Energy Dispute
- f. Community Center Construction
- g. Lions Park Splash Pad
- h. Facilitated Council Workshop
- i. Hwy 90 TxDOT Construction Project
- j. County Streets Plan

City Administrator Scott Dixon reported that after the last meeting he had spoken to the property owners on Geneva Street about a flag lot and they were not interested in doing that. Mr. Dixon said the road had measured out at 13ft near the front and did go down to 12ft. 7 inches near the entrance to their property. Mr. Dixon said the road was not paved and the City was going to give the property owners as wide of a road as

possible. Mr. Dixon said it did get very narrow at the end, past the property entrance. Staff were still working on. Mr. Dixon said the Country Village drainage channel would be regraded and done in-house instead of through the NP Homes agreement. Councilmember Merz asked about the 380 Agreement. Mr. Dixon said they were reviewing with P3 and the 380 Agreement was going to be removed and put into the PID. Garcia Creek project would be coming back to the City Council in March for approval, an RFP was published. Mr. Dixon said the Street Maintenance and Paving projects would be discussed during the CIP meeting. There was a meeting scheduled with CPS related to the dispute. The Community Center construction was ongoing with a change to the completion date. Mr. Dixon said it was now scheduled for completion by the end of May 2026. Splash Pad still inoperable and staff were looking at the contract for a warranty claim. Mr. Dixon reminded the City Council of the upcoming facilitated Council workshop on February 27th and 28th at the Hillside Hotel. Mr. Dixon said the City Council would be receiving a survey to fill out ahead of time from the facilitator. The Multimodal Planning Effort information was in the staff report from Community Development. The forming of a Medina County Public Utility Agency notice had been published to meet the legal requirements and would be brought to the City Council at the February 10th meeting. Mr. Dixon said the cost to the City would exceed \$2500 per month. Mr. Dixon said they would be meeting with the Chamber of Commerce on February 9th to discuss doing more together on promoting the City through social media and events. Mr. Dixon said the City had been notified that the Tx Parks and Wildlife was meeting on January 22nd in Austin and the City was being recommended by TPWD staff for funding. Mr. Dixon said there would be an update provided after the meeting. Mr. Dixon said the municipal court would be conducting a warrant roundup sometime in February and a notice had been published. Councilmember Lee said if the City went into contract with the Chamber of Commerce there needed to be details on what benefits the Chamber was getting from the City currently. Mr. Dixon provided before and after pictures cleaning of the Airport Building roof after the trees had been removed. Mr. Dixon said there was a Community Engagement Meeting on the Active Transportation Grant on Monday, February 2nd. Mr. Dixon had spoken to the County that day for updates on the County Thoroughfare Plan progress and was told it should be completed in a few months then come to the cities. Mr. Dixon said he recommended the City Council adopt the city updated plan after the County approved theirs to be in line with theirs. Councilmember Merz asked if they were wanting due to cost to the City. Mr. Dixon said it wasn't a cost issue. Mr. Merz was in favor of adopting now and bring back at a later date for changes. Mr. Dixon gave an update on the City pool and questions of the pool heaters and the water temperature. Mr. Dixon said the pool was at an acceptable temperature. Councilmember Lee questioned in the Parks and Recreation Report about the Parks Board authorizing expenditure of funds for a purchase. Mr. Lee did not think they had the authority to do this. Mr. Dixon thought there was a policy allowing the boards to have authority over donated funds. Mayor Alexander was unsure if they could, saying funds overseen by the City were considered City Funds and wanted a copy of the policy. Mayor Alexander said the GOMedina meeting held that morning had seen a good attendance. Councilmember King said there had been a recent Bexar/Metropolitan Alliance Planning meeting earlier in the month. It was noted both the Mayor and City Administrator would be out the office the following week and would need all agenda items as soon as possible for the next meeting.

X. DISCUSSION ON FUTURE AGENDA ITEMS

Councilmember Merz said he had several items for the coming agendas and would send over by email. Councilmember Lee questioned the reconnect fee of \$100.00 for electricity, he thought the fee agreed upon had been \$50.00 and wanted to bring back for discussion if that amount had been passed on the

Council Meeting
Minutes January 27, 2026
Page 9
(Cont.)

Comprehensive Fee Schedule. Councilmember Lee also had found a FAA certified land appraiser for the appraisal of the Ballfields, approved at a previous meeting. Mr. Lee said he would like to amend the scope of work to include the whole Airport for an appraisal. Councilmember Marchman felt they should get clarification on the FAA requirements.

XI. ADJOURN

Mayor Alexander adjourned the meeting at 9:39 p.m.

Mayor

ATTEST:

City Secretary



Agenda Report

Agenda of: February 10, 2026

Department: Public Works

Subject: Approval of Fleet Vehicle Purchase for the Natural Gas Department

Recommended Motion: Approve the purchase of one (1) 2026 Ford F-350 utility service truck for the Natural Gas Department and authorize staff to award the purchase to the lowest responsive bidder.

Background: The Natural Gas Department requires a heavy-duty utility vehicle to support daily operations, emergency gas leak response, pipeline maintenance, and transportation of tools and safety equipment. The requested vehicle will replace or supplement existing fleet units to ensure continued reliability and emergency response readiness.

Staff obtained pricing for a 2026 Ford F-350 Crew Cab dual rear wheel truck equipped with an enclosed service body and required safety and utility upfits. Quotes were reviewed for compliance with specifications, operational suitability, and total cost. All submitted quotes met the required specifications.

After evaluation, staff determined that **Red McCombs Ford** submitted the **lowest responsive and responsible quote**, providing the best value to the City while fully meeting departmental needs.

Fiscal Impact: \$84,279.92

Budgeted **Requires Budget Amendment**

Source of Funding: Account Code: 20-51107-602

Attachments:

Attachment A-Red McCombs Ford Quote

Attachment B- Ford of Boerne Quote

Attachment C- Chaparral Ford Quote

Urgency (0-5 = Low Urgency to High Urgency): 4

Impact (0-5 = Low Impact to High Impact): 5

Submitted by: John Gomez



Preview Order 0000 - W3H 4x4 Crew Chas Cab DRW : Order Summary Time of Preview: 01/23/2026
 12:24:24 Receipt: 1/23/2026

Dealership Name : Ford of Boerne

Sales Code : F52143

Dealer Rep.	Jason Lay	Type	Fleet	Vehicle Line	Superduty	Order Code	0000
Customer Name	Castroville	Priority Code	C4	Model Year	2026	Price Level	635

DESCRIPTION	MSRP	DESCRIPTION	MSRP
F350 4X4 CREW CHAS CAB DRW/179	\$58805	SKID PLATES	\$150
179 INCH WHEELBASE	\$0	50 STATE EMISSIONS	\$0
TOTAL BASE VEHICLE	\$58805	JOB #1 ORDER	\$0
OXFORD WHITE	\$0	SPARE TIRE AND WHEEL	\$350
VINYL 40/20/40 SEATS	\$0	TRAILER BRAKE CONTROLLER	\$300
MEDIUM DARK SLATE	\$0	JACK	\$0
PREFERRED EQUIPMENT PKG.640A	\$0	40 GAL AFT OF AXLE FUEL TNK	\$0
.XL TRIM	\$0	EXTRA HEAVY SERVICE SUSPENSION	\$125
.AIR CONDITIONING -- CFC FREE	\$0	PRICE CONCESSION INDICATOR	\$0
.AM/FM STEREO-MP3/CLK	\$0	REMARKS TRAILER	\$0
.7.3L DEVCT NA PFI V8 ENGINE	\$0	REAR VIEW CAMERA & PREP KIT	\$515
10-SPEED AUTO TORQSHIFT	\$0	CONN PKG: 1 YR INCL W/FORD APP	\$0
LT245/75R17E BSW ALL-TERRAIN	\$165	SPECIAL DEALER ACCOUNT ADJUSTM	\$0
4.30 RATIO LIMITED SLIP AXLE	\$385	SPECIAL FLEET ACCOUNT CREDIT	\$0
FORD FLEET SPECIAL ADJUSTMENT	\$0	FUEL CHARGE	\$0
FRONT LICENSE PLATE BRACKET	\$0	NET INVOICE FLEET OPTION (B4A)	\$0
PLATFORM RUNNING BOARDS	\$445	PRICED DORA	\$0
14000# GVWR PACKAGE	\$0	ADVERTISING ASSESSMENT	\$0
ENGINE BLOCK HEATER	\$250	DESTINATION & DELIVERY	\$2595

MSRP

TOTAL BASE AND OPTIONS	\$64,085.00
FORD GOV'T + DEALER DISCOUNTS	\$- 5,820.00
UPFIT COST (SEE PAGE 2)	\$25,785.63
REGISTRATION + DOCUMENT FEE	\$ 286.50
TOTAL COST	\$84,337.13



Seller: Knapheide Truck Equipment Center San Antonio
 6324 E BANDERA ROAD
 LEON VALLEY, TX 78238
 1 (210) 806-8000
 www.knapheide.com

Section VIII, Item b.

QUOTE: ~~QQ-05~~
 1026714-1
 Quote Expiration:
 01/02/2026

Contact(s): Deanna Nelson (Outside Sales)
 dnelson89@knapheide.com
 7263002409

Michael Polizzi (Inside Sales)
 mp0161@knapheide.com
 2108068012

Michael Polizzi
 mp0161@knapheide.com

Customer: Ford Of Boerne

ID: 28132
Address: 31480 INTERSTATE 10 W

Phone:
Contact: Jason Lay
Contact Phone: 8307553659
Email: jlay@fordofboerne.com

Terms: NET 30 DAYS
Bid Spec:

BOERNE, TX 78006-9239

Description: AKC110M2094 ON F-450 Chassis Cab 4WD Diesel with a 60" CA

Quote Information:

Customer Request Date:
Quote Completed Date: 12/03/2025
Date: 12/03/2025 13:02 PM CST
of Units: 1

Delivery Information:

Total Price Includes F.O.B.:
Ship Via:
Ship To: Ford Of Boerne
 31480 INTERSTATE 10 W
 BOERNE, TX 78006-9239

Seq.	Description	Item	Quantity	Total
1	AKC110M2094 Aluminum Canopy Body Overall Dimension: 109.25" Long x 94" Wide x 78" High Cargo Area: 54" Wide x 24" High Side Compartment: 40" High x 20" Deep Street Side Compartmentation: Front Vertical: 35.25" Long x 40" High Horizontal: 44.75" Long x 18.5" High Rear Vertical: 29.25" Long x 40" High Curbside Compartmentation: Front Vertical: 35.25" Long x 40" High Horizontal: 44.75" Long x 18.5" High Rear Vertical: 29.25" Long x 40" High Standard Shelving: *(2) Adjustable Divider Shelves in Each Front Vertical Compartment *(1) Adjustable Divider Shelf Curbside Horizontal Compartment *(1) Adjustable Divider Shelf in Each Rear Vertical Compartment *(28) Shelf Dividers (2) Fixed Shelf Per Side, (1) on Top of Each Side Pack and (1) in the Interior of the Tapered Roof Section Each Side Warranty: Standard Knapheide Limited Warranty Weight: 1006lbs	PACKAGE	1.00	
2	Hitch and 7 Way Plug	PACKAGE	1.00	
3	Vise Mount Bracket on Bumper Curb Side	PACKAGE	1.00	
4	Mud Flaps	PACKAGE	1.00	
5	Install OEM Back Up Camera	PACKAGE	1.00	
6	QC and Weigh	PACKAGE	1.00	
Total does not include any applicable taxes or transportation charges unless specifically noted herein:			Subtotal:	\$25,785.63
			Total:	\$25,785.63

Customer PO _____

Total Price _____

2026 Ford F-350 Crew Cab DRW 4x4 Knapheide Enclosed Service Body

Stock #TEC37327



Photos may be stock images.

[See All 12 Photos](#)

[Window Sticker](#)

Chassis Details

Stock Number	TEC37327
Stock Type	New
Year	2026
Make	Ford
Model	F-350
Class	3
GVWR	0
Drivetrain	4x4
Wheelbase	179
Cab Type	Crew
Vehicle Trim	XL
Vehicle VIN	1FD8W3HT3TEC37327
Seating Capacity	6
Exterior Color Description	White
Engine Cylinder Count	8
Transmission Type	Automatic
Rear Wheels	Dual
Fuel Type	Diesel
Engine Make	Ford
Engine Size (L)	6.7
Brake Type	Hydraulic



Photos may be stock images.

[Knapheide Aluminum KUVcc](#)

[Watch Video](#)

Body Details

Manufacturer	KNAPHEIDE SINCE 1848
Body Type	Enclosed Service Body
Body Model	AKC110H2094
Body Material	Aluminum
Body Length	109.25"
Body Width	94"
Body Height	90"
Body Inside Height	72"
Body Weight	1050
Compartment Depth	20"
Door Width	50"
Door Height	66"
Shelving Description	Standard Shelving Package
Shelving Location	Exterior
Bumper Description	Galva-Grip Recessed Bumper with Knapliner
Lock System Type	Master Locking System
Lighting Type	LED
Lighting Location	Compartments
Hitch Type	Receiver
Hitch Class	V
Hitch Size	2.5"
Hitch Capacity	21K
Camera Description	Factory Backup Camera



DEAL #: N/A
 Devine, TX 78016
 www.devineford.com • (800) 278-4301 • (830) 665-4461

CASH RETAIL PURCHASE ORDER WORKSHEET ONLY - FOR CREDIT TRANSACTIONS

Cust. No. 70709 Stock No. _____
 Date Ordered 01/21/2026 Delivered 01/21/2026
 Year 2026 Make FORD Model F350
 Body CABIN CHA Serial No. _____
 Miles _____ License No. _____

ALLOWANCE FOR TRADE

By	Yr.	Make
Model		
Lic. No.	Mileage	
Ser. No.		
By	Yr.	Make
Model		
Lic. No.	Mileage	
Ser. No.		
Drafting Instructions		
Lien To		
Address		
City	State	Zip
Approved By	Recvd By	
Amt of: Lien 89240.83	Date Lien 01/21/2026	
CASH Recpt No.	By:	Date
CASH Recpt No.	By:	Date
CASH Recpt No.	By:	Date

BASE PRICE	61028.20
ADDITIONAL EQUIPMENT	
CANOPY BED	25785.63
BACKUP ALARM	150.00
ALLTERRAIN TIRES	1869.00
Rebate	(N/A)
CASH PRICE OF VEHICLE	88832.83
TRADE ALLOWANCE	(N/A)
CASH DIFFERENCE	88832.83
Documentary Fee	225.00 XXXXXX
Dealer Inventory Tax	N/A
Sales Tax	N/A
Title & Registration Fee	\$28.00
License Fee R & B State Inspection	155.00
GAP Insurance	N/A
Extended Service Plan	N/A
PRICE OF VEHICLE	89240.83
Down Payment	(N/A)
Payoff To	\$ N/A
Address	
Phone	City
State	Zip Good Til
ACCT #	
Payoff To	\$ N/A
Address	
Phone	City
State	Zip Good Til
ACCT #	
Total to Finance	\$ 89240.83
Registered Owner/Owners	
(Print) CITY OF CASTROVILLE	
(Signature)	
(Print)	
(Signature)	
Address	
City CASTROVILLE State TX Zip 78009	
Res Bus	
E-mail aaron.garcia@castrov	Mobile (830) 384-3784
S.S. No.	S.S. No.
Accepted Subject to Finance: Chaparral Ford Salesman	by

NOTICE

A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS RELATING TO THE SALE. A DOCUMENTARY FEE MAY NOT EXCEED A REASONABLE AMOUNT AGREED TO BY THE PARTIES. THIS NOTICE IS REQUIRED BY LAW.

ADVISO

UN HONORARIO DE DOCUMENTACIÓN NO ES UN HONORARIO OFICIAL. UN HONORARIO DE DOCUMENTACIÓN NO ES REQUERIDO POR LA LEY, PERO PUEDE SER CARGADA AL COMPRADOR COMO GASTOS DE MANEJO DE DOCUMENTOS RELACIONADOS CON UNA VENTA. UN HONORARIO DE DOCUMENTACIÓN NO PUEDE EXCEDER UNA CANTIDAD RAZONABLE ACORDADA POR LAS PARTES. ESTA NOTIFICACIÓN ES REQUERIDA POR LA LEY.

SPECIAL INSTRUCTIONS

NOTICE: SEE PAGE 2 FOR IMPORTANT INFORMATION
 The warranties, covenants, terms, and agreements on page 2 are incorporated herein and made part hereof for all purposes.

NOTICE OF CREDIT BUYER
 IF THIS ORDER INVOLVES THE DEALER CREDIT THIS FORM SHALL BE DEEMED A WORKSHEET ONLY. NO CONTRACTUAL RELATIONSHIP IS CREATED BETWEEN THE PARTIES. FULL DISCLOSURE REQUIRED BY THE FEDERAL CONSUMER PROTECTION ACT AND THE TEXAS CONSUMER CREDIT CODE WILL BE MADE PRIOR TO CONSUMPTION OF A CREDIT TRANSACTION BY PURCHASER'S SIGNATURE TO AN SALES CONTRACT. PURCHASER AUTHORIZES SELLER TO SECURE ANY AND ALL INFORMATION FROM ANY SOURCE TO DETERMINE THE CREDIT WORTHINESS OF THE PURCHASER.

PURCHASER THIS ORDER IS NOT VALID UNLESS ACCEPTED BY AN AUTHORIZED REPRESENTATIVE OF CHAPARRAL FORD.

F & I O.K. TO DELIVER

NO WARRANTIES, EXPRESS OR IMPLIED, AS TO CONTENT OR FITNESS FOR PURPOSE OF THIS FORM. CONSULT YOUR OWN LEGAL COUNSEL.



CITY COUNCIL AGENDA REPORT

DATE: January 30, 2026

AGENDA OF: February 10, 2026

DEPARTMENT: Police

SUBJECT: Operation Lone Star Grant – acquisition of 2 Police Performance Vehicles (PPVs) and Officer Overtime

RECOMMENDED MOTION:

No Motion to Consent. If pulled from consent the following motion may be made: Accept and approve a resolution authorizing the Castroville Police Department to apply for and accept \$200,000.00 in grant funding for the purchase of two PPVs and \$50,000.00 in overtime funding for patrol officers for a total request of \$250,000. This grant does not require a city match.

BACKGROUND:

The Public Safety Office is soliciting grant applications to support Operation Lone Star through funding local and regional projects that strengthen coordinated border security operations. The program is designed to enhance interagency efforts to deter, disrupt, and interdict border-related criminal activity, including drug trafficking, gang and cartel operations, and targeted conveyance methods.

FISCAL IMPACT:

No impact on the city budget. This is a 100% reimbursement grant in the amount of \$250,000.

Budgeted Requires Budget Amendment

SOURCE OF FUNDING: Grant Funded

ATTACHMENTS: N/A

Urgency (0-5 = Low Urgency to High Urgency): 1

Impact (0-5 = Low Impact to High Impact): 1

Submitted by: **Chief James Kohler**

RESOLUTION NO. _____

A Resolution of the City Council of the City of Castroville, Texas, authorizing the submission of a grant application to the Office of the Governor for the Castroville Police Department – Operation Lone Star Grant

WHEREAS, The Castroville City Council finds it in the best interest of the citizens of Castroville, Texas that The Castroville Police Department - support Operation Lone Star activities in FY 2027, and attempt acquisition of two fully equipped patrol vehicles (\$100,000 each), and \$50,000 in officer overtime; and

WHEREAS, The Castroville City Council agrees to abide by the rules and guidelines set out under the Office of the Governor’s Solicitation; and

WHEREAS, The Castroville City Council designates Scott Dixon, City Administrator, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency; and

WHEREAS, The Castroville City Council designates Leroy Vidales, Finance Director, as the grantee's finance officer. The finance officer is given the authority to submit financial and/or performance reports or alter a grant; and

WHEREAS, The Castroville City Council agrees that in the event of loss or misuse under the Office of the Governor funds, The Castroville City Council assures that the funds will be returned; and

NOW THEREFORE, BE IT RESOLVED that Castroville City Council approves submission of the grant application for The Castroville Police Department – Operation Lone Star.

Passed and approved this _____ day of _____, 2026.

Mayor
City of Castroville

ATTEST:

City Secretary

Community Center Update

Jonah Chang, CPRP
Director of Parks & Recreation

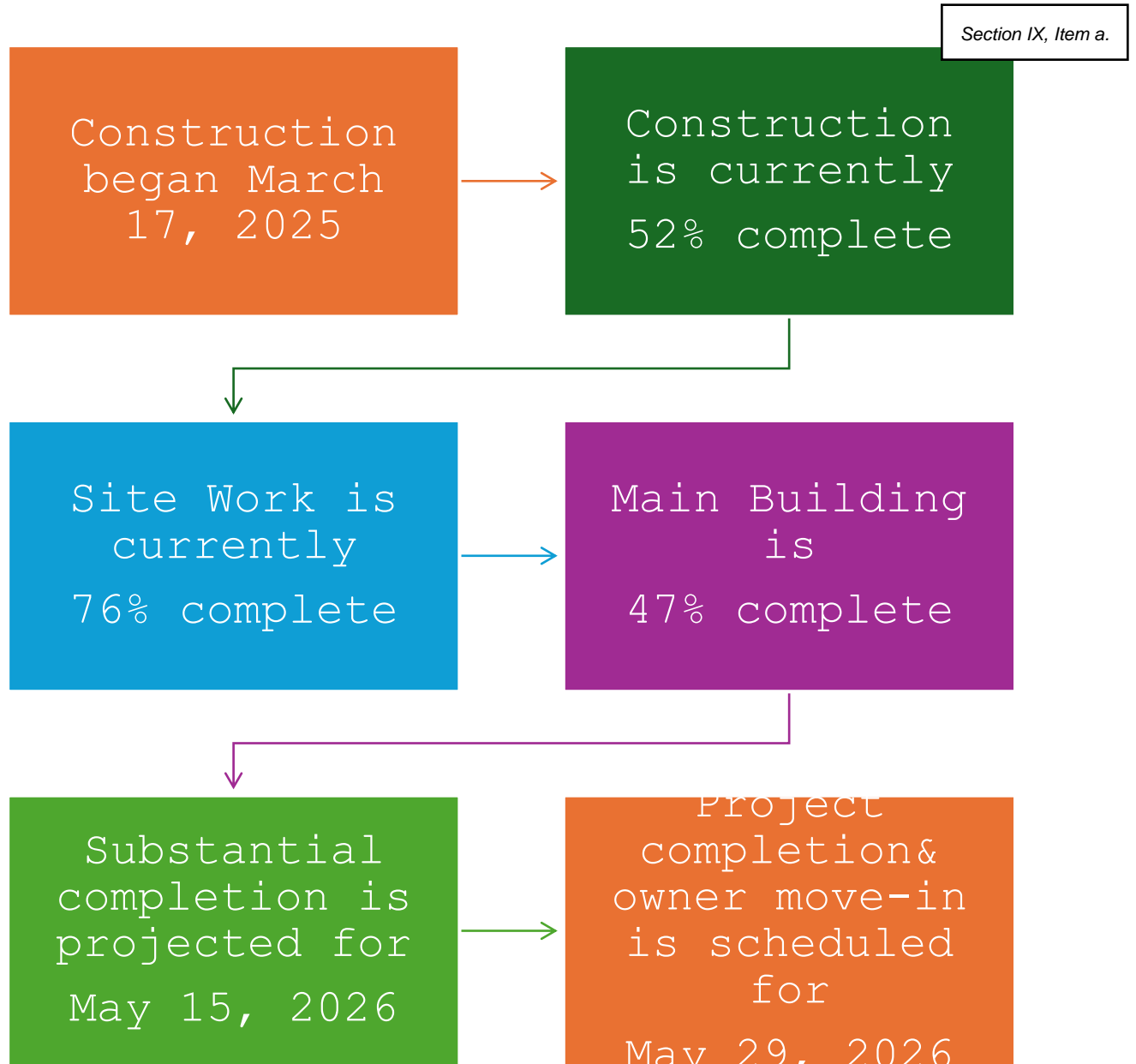
Where did we start?

- Mid Summer 2021, the Pool building was identified as a City Facility in need of major repairs and/or replacement.
- December 2022, the City was awarded a Congressional Appropriation of \$1,705,340
- February 2024, City Council approved the demolition package for the old pool building.
- June 2024, City Council approved the Base Proposal for the Construction package and awarded the project to Frontera Construction.

Where are we now?

- The Community Center is currently 57% complete
- Current jobs underway:
 - Installation of the door frames & doors.
 - Installation of the roofing system.
 - Installation of lathing for stucco.
 - Site work & final grading for drainage & concrete work.
 - Finalizing framing revisions per the structural inspection.

Current Project Timeline & Completion:



The project saw a weather delay equating to 26-calendar days.

The project also saw a full suspension of work for approximately 63-day due to the Government Shutdown spanning from October 1-December 2, 2025.

In addition, there was a 21-day recovery impact due to subcontractors reassigning labor & equipment, remobilization requiring re-staffing, re-sequencing, and the December Holidays.

In total, the project has been delayed 110 calendar days (3.6 months.)

Delays to
the
project:

Budget

City's Portion:

\$464,852

- The City's portion was required to be used first before the Congressional Appropriated funds could be used.
- The City's portion was used primarily for the initial soft costs like design, geo-testing, demolition, a portion of the construction cost, etc.

Federal Portion:

\$1,705,340

- The City began receiving Federal fund in May/June 2025.
- The first Estimate of Funds received from USDA was \$64,946.19.
- We have currently received \$931,743.72 and have a balance of \$773,596.28.

Estimated Final Numbers:

- Remainder of construction contract cost:
 - \$722,294.60
- Change order
 - \$28,865.58 (General conditions)
 - \$1,298.95 (Project insurance & bonds)
- Alliance for Community Standards:
 - \$92,660
- Furnishings:
 - \$55,602
- Remaining project cost after the initial City's portion and the congressional appropriation:
 - \$164,466



Project: 2326 - Castroville Community Building

Status Date: 1/19/2026

All Tasks

ID	Task Name	% Complete	Duration	Start	Finish	2025												2026											
						Feb	Mar	Qtr 2, 2025		Qtr 3, 2025			Qtr 4, 2025			Qtr 1, 2026		Qtr 2, 2026		Jan	Feb	Mar	Apr	May	Jun				
1	Project: Castroville Community	57%	314 days	3/6/2025	5/29/2026																								
2	General Milestones	0%	314 days	3/6/2025	5/29/2026																								
3	Pre-Construction Meeting	100%	0 days	3/6/2025	3/6/2025	◆ 3/6																							
4	Notice to Proceed	100%	0 days	3/7/2025	3/7/2025	◆ 3/7																							
5	Start Construction	100%	0 days	3/17/2025	3/17/2025	◆ 3/17																							
6	Substantial Completion	0%	0 days	5/15/2026	5/15/2026	◆ 5/15																							
7	Project Completion & Owner Move-In	0%	0 days	5/29/2026	5/29/2026	◆ 5/29																							
8	Delays	100%	201 days	3/26/2025	12/31/2025																								
9	Weather Delay	100%	2 days	3/26/2025	3/27/2025	3/26 3/27																							
10	Site - Submittal Revision	100%	10 days	4/5/2025	4/20/2025	4/5 4/20																							
11	Weather Delay	100%	1 day	5/1/2025	5/1/2025	5/1 5/1																							
12	Weather Delay	100%	2 days	5/5/2025	5/6/2025	5/5 5/6																							
13	Weather Delay	100%	1 day	5/8/2025	5/8/2025	5/8 5/8																							
14	Weather Delay	100%	1 day	5/23/2025	5/23/2025	5/23 5/23																							
15	Weather Delay	100%	5 days	5/26/2025	5/31/2025	5/26 5/31																							
16	Weather Delay	100%	3 days	6/11/2025	6/13/2025	6/11 6/13																							
17	Weather Delay	100%	1 day	6/15/2025	6/16/2025	6/15 6/16																							
18	Weather Delay	100%	1 day	6/21/2025	6/21/2025	6/21 6/21																							
19	Weather Delay	100%	3 days	6/29/2025	7/2/2025	6/29 7/2																							
20	Weather Delay	100%	1 day	7/4/2025	7/4/2025	7/4 7/4																							
21	Weather Delay	100%	1 day	7/6/2025	7/6/2025	7/6 7/6																							
22	Weather Delay	100%	1 day	7/15/2025	7/15/2025	7/15 7/15																							
23	Weather Delay	100%	1 day	7/26/2025	7/26/2025	7/26 7/26																							
24	Government Shut Down	100%	63 days	10/1/2025	12/2/2025	10/1 12/2																							
25	Subcontractor Constrained Labor Activity	100%	21 days	12/3/2025	12/31/2025	12/3 12/31																							
26	Construction	52%	314 days	3/6/2025	5/29/2026																								
27	Construction Milestones	0%	322 days	3/6/2025	5/29/2026																								
28	Site - Utility Connections Established	100%	0 days	3/6/2025	3/6/2025	◆ 3/6																							
29	Foundation Work Completed	100%	0 days	8/12/2025	8/12/2025	◆ 8/12																							
30	Structural Framework Completed	100%	0 days	8/6/2025	8/6/2025	◆ 8/6																							
31	Roof Installed	0%	0 days	2/17/2026	2/17/2026	◆ 2/17																							
32	Exterior Walls Completed	0%	0 days	3/10/2026	3/10/2026	◆ 3/10																							
33	Windows and Doors Installed	0%	0 days	3/11/2026	3/11/2026	◆ 3/11																							
34	Interior Framing and Drywall Completed	0%	0 days	4/7/2026	4/7/2026	◆ 4/7																							
35	MEP Rough-Ins Completed	0%	0 days	4/10/2026	4/10/2026	◆ 4/10																							
36	Interior Finishes Completed	0%	0 days	5/14/2026	5/14/2026	◆ 5/14																							
37	Exterior Finishes Completed	0%	0 days	4/7/2026	4/7/2026	◆ 4/7																							



Agenda Report

Agenda of: February 10, 2026
Department: Community Development Department
Subject: Historic Design Guidelines Update Scope and Cost Estimate

Recommended Motion:

“I move to recommend that City Council approve the proposed scope of work and cost estimate for amendments to the Historic Preservation, as presented, and authorize staff to proceed with contract negotiations and scheduling of the associated workshops.”

Background:

The City has identified the need to update and clarify portions of the Historic Preservation section of the Code of Ordinances in order to improve administration, consistency in decision-making, and long-term effectiveness of the Historic Landmark Commission (HLC) process.

The City’s historic preservation consultant has submitted a proposal for services related to these amendments. This effort would be a separate and distinct scope of work from the City’s ongoing Historic Preservation Officer (HPO) services and would focus specifically on evaluating and revising the historic preservation code provisions.

The proposal contemplates a structured workshop process with City boards and commissions to allow for in-depth discussion, technical review, and consensus-building prior to drafting formal code amendments.

Proposed Scope of Work:

The proposed scope includes:

- A series of four (4) workshops, with the option to add a fifth workshop if needed.
- Preparation of background materials for each workshop.
- Facilitation of each workshop with the Historic Landmark Commission, City Council, and potentially Planning and Zoning Commission.
- Preparation of recommendation memoranda following each workshop summarizing discussion and areas of consensus.
- Drafting of proposed code amendments for review and adoption.

Anticipated workshop topics include:

- 1. Timelines, deadlines, and monitoring
- 2. Non-contributing properties
- 3. Design guidelines
- 4. Finalization of amendments
- 5. Optional additional workshop, if needed

Several of these topics, particularly non-contributing properties and design guidelines, are complex and are anticipated to require extended discussion (up to three hours per workshop) to ensure thorough review and informed decision-making.

Cost Estimate:

The consultant has provided a lump sum cost estimate broken out by workshop and task:

- Workshop 1 – Timelines, Deadlines & Monitoring: \$9,100
- Workshop 2 – Non-Contributing Properties: \$15,000
- Workshop 3 – Design Guidelines: \$15,400
- Workshop 4 – Finalization: \$17,400
- Code Writing and Amendment Adoption: \$14,300

Optional additional workshop (if authorized): \$10,300

All services are proposed as lump sum and would be billed by percentage of scope completed.

February 25 Workshop – Billing Distribution:

For the February 25 workshop, the consultant estimates approximately 45 hours of work, including preparation, facilitation, and a follow-up recommendation memorandum. The anticipated distribution of this work across invoices is estimated as follows:

- January invoice: approximately 1/6 of total effort (~\$1,300)
- February invoice: approximately 4/6 of total effort (~\$5,300)
- March invoice: approximately 2/6 of total effort (~\$2,700)

These figures are estimates intended to support budgeting and scheduling and may vary slightly based on actual time required.

Fiscal Impact:

Funding for this scope of work would require budget authorization separate from the City’s existing HPO services contract. No funds are currently allocated for this specific amendment effort.

Budgeted Requires Budget Amendment

Source of Funding: Account Code: None

Attachments:

- Castroville Historic Preservation Code Amendments Proposal

Urgency (0-5 = Low Urgency to High Urgency): 4

Impact (0-5 = Low Impact to High Impact): 4

Submitted by: Breana Soto

21 JANUARY 2026 / PROPOSAL

Ms. Breana Soto
Community Development Director
City of Castroville
703 Paris Street
Castroville, Texas 78009

Re: City of Castroville Historic Preservation Code Amendments

Dear Breana:

We appreciate the opportunity to submit this proposal for historic preservation and planning services related to amendments to the City of Castroville’s Historic Preservation Code. Our understanding is that the project will include a series of workshops and formal presentations with the Historic Landmark Commission, City Council, and potentially the Planning and Zoning Commission to identify areas of the code that require updates or revisions. The primary scope of work includes four workshops, with the option to add a fifth workshop if needed. The scope also includes drafting proposed code revisions and presenting them to the appropriate boards, commissions, and City Council for consideration and adoption.

Base Project Scope, Services, and Deliverables

We will coordinate with the Community Development Director to schedule workshops and formal presentations with the appropriate boards, commissions, and City Council. Prior to each workshop, we will prepare and distribute study materials based on our research. Each workshop will focus on identifying historic preservation code provisions that require updates or revisions. Following each workshop, our team will prepare a recommendation memorandum summarizing the discussion, analysis, and areas of consensus. We anticipate conducting four workshops, with the option to add a fifth meeting if needed.

In addition, we will complete the technical work associated with rewriting the historic preservation section of the code and will provide draft amendments to the appropriate entities for review prior to adoption. We will revise the drafts as necessary and present the final historic preservation code amendments to the appropriate entities for consideration and adoption.

Fee and Commencement

Proposed fees have been generated using estimates of time and our standard rates. We propose fees as follows:



123 Parland Place, Suite 100
San Antonio, Texas 78209
210.549.2588
workshop.com

Base Scope

Workshop 1: Timelines, Deadlines & Monitoring	\$9,100
Workshop 2: Non-Contributing	\$15,000
Workshop 3: Design Guidelines	\$15,400
Workshop 4: Finalization	\$17,400
Code Writing and Amendment Adoption	\$14,300

Optional Additional Workshop \$10,300
(on an as-needed basis, and only as authorized)

All services are lump sum. We propose to bill by percentage of scope completed for each scope item. Should additional services due to Owner-requested changes or scope additions be required, we propose to bill for those additional services on an hourly basis as required. Our current hourly billing rates are as follows:

Architectural	
Principal	\$263.25
Historic Preservation Officer	\$126.75
Planner	\$90.00

We are available and ready to begin work within two weeks of receipt of a signed contract or other official notice to proceed.

Assumptions and Exclusions

- The Community Development Director will coordinate logistics for all workshops and presentations, including:
 - o Scheduling meetings and sending calendar invites
 - o Forwarding consultant materials to the appropriate boards, commissions, or Council
 - o Booking venue space as needed for in-person workshops or presentations
- City staff will provide access to all relevant historic preservation code documents, maps, GIS data, and any other materials necessary for the project.
- The scope does not include photographic documentation, original graphic design, or illustrative renderings. If required, these services can be provided as additional services billed hourly or negotiated separately.
- Legal review or approval of code amendments by the City Attorney or other legal counsel is not included.
- Public outreach beyond the defined workshops and formal presentations is not included unless specifically requested.
- Printing or reproduction of materials, including handouts, posters, or binders, is not included unless provided by City staff or requested as an additional service.

Thank you again for this opportunity. If you have any questions, please do not hesitate to ask.

Sincerely,



Jay Loudon



Agenda Report

Agenda of: February 10, 2026

Department: Community Development Department

Subject: Active Transportation Plan Update

Recommended Motion:
No recommended action.

Background:

The City of Castroville is currently developing the *Reconnecting Castroville Active Transportation Plan* (ATP) in partnership with Toole Design. The purpose of the plan is to identify strategies and projects that improve safety, connectivity, and accessibility for people walking, biking, and using other non-motorized transportation throughout the community.

The planning effort is focused on three primary goals:

1. Improving safety for all users
2. Enhancing connectivity between neighborhoods and key destinations
3. Supporting community character and livability

Since the project’s initiation, staff and the consultant team have completed public involvement process and have begun developing policy, programming, and network recommendations that will be incorporated into the draft plan.

Public Engagement Summary:

Public engagement activities were intentionally designed to meet residents where they already gather and included both in-person and online opportunities. Approximately 319 individuals participated through events, meetings, and surveys. Engagement activities included:

- National Night Out
- Boo Bash
- Stakeholder Group Walk
- Community Meeting, December 2, 2025 and February 2, 2026.
- Online and paper surveys

Community feedback consistently emphasized the following priorities:

- Safer crossings and traffic calming, particularly along Highway 90
- Improved sidewalk and trail connectivity
- Safer routes to schools
- Better lighting and wayfinding
- Managing vehicle speeds
- Connecting parks, neighborhoods, and downtown

Highway 90 emerged as the most significant concern across all engagement activities due to speed, crossing difficulty, and lack of connectivity between north and south Castroville.

Emerging Policy and Program Direction:

Based on community input and existing conditions analysis, the consultant team is developing recommendations that fall into three main categories:

Safety

- Traffic calming strategies
- Speed management tools
- Safe Routes to School programming
- Improved crossings and visibility

Connectivity and Access

- Access management strategies
- Network connectivity standards
- Improved pedestrian and bicycle links between neighborhoods

Community and Culture

- Walking and biking events
- Education and awareness campaigns
- Bicycle parking and amenities
- Complete Streets concepts

These recommendations are intended to be practical, scalable, and adaptable to Castroville’s size, character, and roadway system.

Next Steps:

The next phase of the project will focus on:

- Refining draft policy, program, and network recommendations
- Preparing a draft Active Transportation Plan
- Hosting additional community meetings to review draft recommendations
- Presenting the draft plan to City Council and Planning & Zoning Commission
- Final adoption of the plan by City Council

Fiscal Impact: None

Budgeted Requires Budget Amendment

Source of Funding: Account Code: None

Attachments: None

Urgency (0-5 = Low Urgency to High Urgency): N/A

Impact (0-5 = Low Impact to High Impact): N/A

Submitted by: Breana Soto



Agenda Report

Agenda of: February 10, 2026

Department: Public Works

Subject: Discussion and possible action to adopt a concurrent ordinance to create and join the Medina County Public Utility Agency (MCPUA).

Recommended Motion:

Adopt the concurrent ordinance, creating and joining the Medina County Public Utility Agency as a participating public entity.

Background:

The City of Castroville is a participating member of the Medina County Regional Water Alliance. In order to improve eligibility for state and federal water infrastructure funding and to establish a standalone regional entity, Alliance members are converting the Alliance into a Public Utility Agency (PUA) pursuant to Chapter 572 of the Texas Local Government Code. A Public Utility Agency is a political subdivision of the State of Texas that can directly apply for grants and low-interest loans through the Texas Water Development Board and can contract independently with engineers, contractors, and member entities. This structure supports regional water planning while allowing participating entities to maintain local control. State law requires each participating entity to adopt a concurrent ordinance to create and join the Public Utility Agency. Required public notice has been published in accordance with statutory requirements.

Fiscal Impact: No immediate fiscal impact. Adoption of the ordinance positions the City of Castroville to participate in future regional grant and financing opportunities.

Budgeted **Requires Budget Amendment**

Source of Funding: Account Code:

Attachments:

Attachment -Concurrent Ordinance Creating and Joining the Medina County Public Utility Agency

Urgency (0-5 = Low Urgency to High Urgency): 4

Impact (0-5 = Low Impact to High Impact): 4

Submitted by: John Gomez

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, CREATING AND JOINING THE MEDINA COUNTY PUBLIC UTILITY AGENCY; MAKING FINDINGS OF FACT; PROVIDING FOR RELATED MATTERS; PROVIDING FOR AN EFFECTIVE DATE AND PROPER NOTICE AND MEETING.

WHEREAS, “Public Entities” are authorized pursuant to Texas Local Government Code Chapter 572 to join together to create a public utility agency to engage in the conservation, storage, transportation, treatment, or distribution of water and may join together as cotenants or co-owners to plan, finance, acquire, construct, own, operate, or maintain water facilities; and

WHEREAS, Medina County, the Cities of Hondo, Devine, Castroville, and La Coste, Yancey Water Supply Corporation, East Medina County Special Utility District, West Medina Water Supply Corporation, and Medina County Water Control and Improvement District No. 2 (each individually a “Public Entity,” and collectively, the “Public Entities”) established the Medina County Regional Water Alliance (“Alliance”) formed by an Interlocal Agreement to collaborate in developing one or more projects to meet the existing water needs and growing water demands in Medina County; and

WHEREAS, the Public Entities now desire to convert the Alliance to a public utility agency in accordance with Tex. Local Gov’t Code, Chapter 572, which agency shall be known by all as the Medina County Public Utility Agency (the “Agency”), and formed to address the water needs of Medina County, Texas by developing new long-term water supply projects to serve the Public Entities’ respective constituents and customers; and

WHEREAS, the Agency will serve the best interests of their citizens and residents, and will serve as an instrument for Medina County leadership, municipalities and water service providers to provide regional coordination for the development of water supplies, and the development of long-term water supply projects to serve the Public Entities and their respective customers and constituents; and

WHEREAS, notice of consideration of this action has been published in accordance with the Texas Open Meetings Act and Texas Local Government Code § 572.054; and

WHEREAS, the Agency will be governed by a board of directors appointed by the sponsoring Public Entities named hereunder, and will not have authority to create any debt or financial obligation for or on behalf of any of the members and of any sponsoring Public Entity until such time as each Public Entity enters into a separate agreement or approval for such purpose.

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

Section 1. Finding of Facts. The above and foregoing recitals are incorporated herein as findings of fact.

Section 2. Creation of the Agency. The Medina County Public Utility Agency is hereby created and approved.

Section 3. Termination of Alliance; Member Resolutions; Transfer of Assets. The Alliance shall be dissolved only upon the effective termination of the Alliance Interlocal Cooperation Agreement in accordance with its terms, including the adoption of a resolution by the governing body of each public entity that is a member of the Alliance and elects to join the Medina County Public Utility Agency. Upon such termination and dissolution of the Alliance, and to the extent permitted by law and the Alliance Interlocal Cooperation Agreement, all assets, contract rights, records, studies, accounts, funds, and other interests of the Alliance shall be transferred, assigned, and conveyed to the Medina County Public Utility Agency, subject to the satisfaction of any outstanding obligations and any conditions required under applicable agreements or law.

Section 4. Agency Rules. The Agency may adopt and enforce rules reasonably required to exercise all of the Agency’s powers granted under Chapter 572 of the Texas Local Government Code or as otherwise authorized by law and to implement this Ordinance. Unless otherwise indicated by this Ordinance, or by Agency rules duly adopted by the Agency’s Board of Directors (the “Board,” more particularly defined under Section 5 of this Ordinance), matters shall be resolved by a majority vote of the Board directors present. A proposal to amend or repeal Agency rules related to the organization or procedures of the Board shall be made by the affirmative vote of a two-thirds majority of the entire Board. However, any proposed change or amendment regarding the appointment method, number, or terms of directors, or any modifications to this Ordinance shall require an Amendment to this Ordinance as described in Section 16 below.

Section 5. Board of Directors. The Agency shall be governed by a Board of Directors appointed by the governing bodies of each Public Entity, and assigned a place as follows:

- Place 1 representing Medina County;
- Place 2 representing the City of Hondo;
- Place 3 representing the City of Devine;
- Place 4 representing the City of Castroville;
- Place 5 representing the City of La Coste;
- Place 6 representing Yancey Water Supply Corporation;
- Place 7 representing East Medina County Special Utility District;
- Place 8 representing West Medina Water Supply Corporation; and
- Place 9 representing Medina County Water Control and Improvement District No. 2.

Each Public Entity is entitled to one Director (“Director”) representative on the Agency’s Board of Directors. No Public Entity shall have more than one Director appointed to the Board at a time, provided however that each Public Entity may appoint a Director-alternate (“Alternate”). A properly appointed Alternate shall have all the powers of a Director, but only in the event the Director is unable to temporarily perform their duties due to conflict, convenience, or vacancy. In the event of vacancy, an Alternate shall become the Director on an interim basis until the Public

Entity appoints a new Director. If any portion of this Ordinance is construed to conflict with Tex. Local Gov't Code § 572.057, Tex. Local Gov't Code § 572.057 shall prevail.

Section 6. Public Entity Agency Participants. The Agency participants comprise each of the following Public Entities: Medina County; the cities of Hondo, Devine, Castroville and La Coste; Yancey Water Supply Corporation; East Medina County Special Utility District; West Medina Water Supply Corporation; and Medina County Water Control and Improvement District No. 2, provided each Public Entity adopts this Ordinance. If any Public Entity does not adopt this Ordinance, that Public Entity shall not be a participant of the Agency, and this Ordinance shall be construed as though that Public Entity is not a participant until such time the Public Entity adopts this Ordinance.

The Agency may add additional members, and members may withdraw from the Agency, only in accordance with Chapter 572 of the Tex. Local Gov't Code.

Section 7. Director Qualifications. A Director of the Board must reside in the territory or certificate of convenience and necessity of its appointing Public Entity and be a registered voter. Directors appointed by Medina County must reside in the unincorporated area of the County. Any Public Entity may appoint an employee, officer, or member of the Public Entity's governing body to serve as a Director of the Board without regard to residency.

Section 8. Votes of Directors. Directors are entitled to vote on all matters before the Board, including all projects to be considered by the Board in all service areas of the Agency. Unless otherwise provided under this Ordinance or applicable law, all actions or decisions of the Board shall require an affirmative vote of a majority of the Directors present at a duly called meeting of the Board, provided that a quorum is present. Unless otherwise provided under this Ordinance or applicable law, all Directors are entitled to one vote, and each vote shall be given equal weight.

With specific respect to capital improvement projects, Agency approval of construction and professional services contracts, real property transactions, and related expenditures shall require approval by a majority of the weighted voting interests of Directors present at a duly called meeting of the Board, provided that a quorum is present. Each Director shall be vested with a percentage of voting interests directly proportional to the percentage of financial interest that Director's Public Entity has committed to the particular capital improvement project at issue as reflected by a cost sharing agreement among participating Public Entities. If a cost sharing agreement has not been entered at the time of the vote, each Director shall be vested with a percentage of voting interests directly proportional to the quantity of metered service connections each Public Entity serves as reflected by the Texas Commission on Environmental Quality's most recently published data.

Section 9. Terms of Directors. The Initial Directors shall serve staggered terms to be determined by drawing lots at the initial Agency meeting to serve a term of either one, two, or three years. Each Director, other than an Initial Director, shall serve a three-year term, and the term for each Director position shall begin on the date a Director is first appointed to the position.

Members of the Board may serve consecutive terms. Any Director may be removed from office at any time, with or without cause, by the Public Entity that appointed such Director.

The Board may establish a category of Ex Officio Directors and may provide for the duties and responsibilities of the Ex Officio Members in bylaws, rules, or regulations to be adopted by the Board. Any person designated as an Ex Officio Member of the Board is entitled to notice of, and to attend, meetings of the Board.

Section 10. Board Procedures. The Board shall prepare and adopt bylaws for the Agency, and shall hold regular, special, or emergency meetings at times and on days or dates as specified in those bylaws. A majority of the Directors constitutes a quorum for the transaction of Agency business. Approval of at least a majority of the Directors present at a meeting is necessary for approval of any matter coming before the Board, except in a situation in which a weighted vote is required. If a weighted vote is required, a majority of the weighted vote of all Directors eligible to vote is necessary for approval of any matter coming before the Board. The Board shall provide in its bylaws for the method of execution for all contracts, the signing of checks, and the handling of any other matters approved by the Board.

Section 11. Board Officers. The Board shall annually elect new officers. The Officers of the Board shall consist of the President, one or more Vice-Presidents, a Secretary, and a Treasurer. The Secretary, Assistant Secretaries, Treasurer, and Assistant Treasurer are not required to be members of the Board. The President shall be the chief executive officer of the Agency and shall preside over the meetings of the Board. Any Vice-President may perform all duties and exercise all powers conferred on the President when the President is absent or fails, refuses, or is unable to act. The Secretary of the Board or one of the Assistant Secretaries is responsible for keeping the minutes of the meetings of the Board and all official records of the Board and may certify as to the accuracy or authenticity of any actions, proceedings, minutes, or records of the Board or of the Agency. The duties of the other Officers may be provided in the bylaws of the Agency.

Section 12. Employees. The Board may appoint and employ all persons, firms, corporations, partnerships, and other entities considered necessary to conduct the affairs of the Agency, including engineers, attorneys, financial advisors, accountants, a general manager, and other employees or consultants.

Section 13. Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance is adopted was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Tex. Gov't. Code. The regular meeting place of the Board shall be at a place designated in the bylaws.

Section 14. General Powers and Authority. The Agency is formed pursuant to the provisions of Chapter 572 of the Texas Local Government Code (the Act) to assist and act on behalf of the Public Entities and to engage in activities in the furtherance of the purposes of its creation. The Agency shall have and may exercise all of the rights, powers, privileges, authority and functions given to Public Entities under Subchapter C of the Act, together with all of the other

power, privileges, authority and functions given by State law. The Agency is organized and created by Medina County; the Cities of Hondo, Devine, Castroville, and La Coste; Yancey Water Supply Corporation; East Medina County Special Utility District; West Medina Water Supply Corporation; and Medina County Water Control and Improvement District No. 2 (collectively, the Public Entities). The term “Public Entities” shall have the meaning given in Subchapter C of the Act. The defined term “Public Entities” shall mean and include the above named Public Entities and each additional Public Entity that becomes a member of the Agency.

Section 15. Service Area. The Agency’s service area shall consist of the following:

- 1. Territory in Medina County;
- 2. Service areas of Public Entities;
- 3. Service area of any future customers of the Agency; and
- 4. General area where any infrastructure owned by the Agency is located.

Section 16. Additional Powers and Authority. The Agency shall have all other powers of a like or different nature not prohibited by law that are available to governmental entities in Texas and which are necessary or useful to enable the Agency to perform the purposes for which it is created. Agency powers shall include the power to issue bonds, notes, or other obligations, and otherwise exercise its borrowing power to accomplish the purposes set forth above; provided the Agency shall not issue bonds, notes, or any debt obligation, or by contract undertake a financial obligation, that will not be funded by funds available, or revenues of the water and wastewater utilities, systems, and facilities constructed or purchased, or by binding contractual commitments made by Public Entities and legal entities to purchase increments or portions of the water and wastewater utilities, systems and facilities that are constructed or purchased. The Agency may acquire, by purchase, any land, easements, rights-of-way, or other property or improvements inside or outside the Agency’s service area, that are needed or are appropriate to carry out the powers and functions of the Agency.

Section 17. Governmental Body. The Agency is created as a separate agency; political subdivision of this state; political entity and corporate body; and retail public utility for the purposes of Chapter 13, Texas Water Code. Tex. Local Gov’t Code, Sec. 572.052(c). The Agency shall be a governmental unit within the meaning of Subdivision (3), Sec. 101.001, Tex. Civ. Prac. & Rem. Code. The operations of the Agency are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Sec. 101.001 et seq., Tex. Civ. Prac. & Rem. Code.

Section 18. Amendment. Amendment to any provision within this Ordinance requires each Public Entity to adopt a concurrent Order or Ordinance that includes the amendment.

Section 19. Fiscal Year. The fiscal year of the Agency shall begin October 1st of year; provided the first fiscal year shall begin upon the effective date of the Agency, and end September 30, 2026.

Section 20. Effective Date. This Ordinance shall take effect immediately upon adoption and the Effective Date for creation of the Agency shall be the date that the last Public Entity named herein approves an Order or Ordinance substantially identical to this Ordinance.

ADOPTED, APPROVED AND PASSED by the City Council of the City of Castroville Texas,
on the ___ day of _____, 2026.

CITY OF CASTROVILLE, TEXAS

Bruce Alexander, Mayor

ATTEST:

Debra Howe, City Secretary



Agenda Report

Agenda of: February 10, 2026

Department: Public Works

Subject: Discussion and possible action on a Franchise Agreement with West Texas Gas (WTG Energy)

Recommended Motion: No formal action required at this time. Staff recommends discussion and direction from City Council regarding whether to proceed with a franchise agreement with West Texas Gas and, if so, under what conditions and limitations.

.Background:

The City of Castroville has been approached by West Texas Gas (WTG Energy) regarding the potential establishment of a franchise agreement that would allow WTG to provide natural gas service within limited areas of the city limits.

WTG has indicated that it does **not** intend to compete with or replace the City’s existing municipal natural gas system, nor to serve areas currently served or planned to be served by the City. Instead, WTG has expressed interest in providing natural gas service to future or remaining phases of developments where the City is either unable to provide service, has no plans to extend service, or where timing or infrastructure constraints exist.

This request has been discussed intermittently since 2025, with reference to growth areas such as **Alsatian Oaks, Flat Creek**, and other potential future developments along the Highway 90 corridor within the city limits.

As part of staff review, the City Attorney evaluated franchise fee practices for West Texas Gas in other Texas municipalities. Based on this review, West Texas Gas typically operates under franchise agreements with a five percent (5%) franchise fee, including agreements with cities such as Seguin, Lubbock, and Lockhart.

Given anticipated growth within the City of Castroville, including significant residential development and population expansion, staff and legal counsel recommend proposing a **seven percent (7%) franchise fee** as an initial negotiating position.

Fiscal Impact: If approved, a franchise agreement would generate franchise fee revenue for the City based on natural gas sales within the approved franchise area. No immediate capital cost to the City is anticipated. Any long-term financial impacts would depend on the final terms of the franchise agreement.

Budgeted **Requires Budget Amendment**

Source of Funding: Account Code:

Attachments:

Attachment- Proposed WTG Franchise Agreement 2026 Amended

Urgency (0-5 = Low Urgency to High Urgency): 3

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: John Gomez

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING THE GAS FRANCHISE ORDINANCE BETWEEN THE CITY OF CASTROVILLE , TEXAS AND WEST TEXAS GAS UTILITY LLC, (A TEXAS LIMITED LIABILITY COMPANY), TO ESTABLISH THE TERMS OF THE FRANCHISE AGREEMENT; PROVIDING AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, West Texas Gas Utility, LLC. (hereinafter referred to as “WTG” or) is engaged in the business of furnishing and supplying natural gas to the general public, ;

WHEREAS, WTG desires to supply the City of Castroville, Texas (hereinafter referred to as the city) including the transportation, delivery, sale, and distribution of gas in, out of, and through the City for all purposes, and is using the public streets, alleys, grounds and rights-of-ways within the City for that purpose under the terms of a franchise ordinance heretofore duly passed by the governing body of the City and duly accepted by WTG.;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WOLFFORTH, TEXAS: that

ARTICLE I

DEFINITIONS

For purposes of this ordinance, the following terms shall have the meanings set forth below:

Section 1.1. Gas System. The term “gas system” shall mean any and all pipelines, as hereinafter defined, meters, valves, compressors, anti-corrosion items, facilities, structures, machinery, equipment, and appurtenances of any kind that West Texas Gas Utility, LLC. whose address is 211 N. Colorado St. Midland, TX 79701, in its sole discretion, may deem necessary or advisable for the exercise of the franchise and rights granted to WTG herein.

Section 1.2. Pipelines. The term “pipelines” shall mean any and all above-ground and below-ground pipes, including, but not limited to, mains, distribution lines, secondary lines, laterals, and other pipes, that have been, are being, or are intended to be used at any time in, or in connection with, the sale, transportation, or distribution of natural gas within the City.

ARTICLE II

TERM

Section 2.1. Term. Unless earlier terminated in accordance with the terms and provisions hereof, the term of the franchise and rights hereby granted to WTG shall be for a period of ten (10) years, commencing on the effective date hereof as defined in Section 7.6.

ARTICLE III

ACKNOWLEDGEMENT AND GRANT OF SPECIFIC RIGHTS OF WTG

In addition to the franchise and rights granted herein to WTG, the City acknowledges that WTG has, and hereby grants to WTG, the following rights and powers:

Section 3.1. Right to Contract. WTG may enter into separate gas service contracts with industrial or other consumers in the City whose average consumption of gas generally is substantially in excess of the average consumption by residential or commercial consumers or whose service requirements generally are substantially different from the average service requirements of residential or commercial consumers. Such contracts may provide for rates different from the rates applicable to such residential and commercial consumers.

Section 3.2. Discontinuance of Service. WTG may discontinue service to any residential or commercial consumer for any lawful reason, including, but not limited to, such consumer's failure to pay, when due, any indebtedness owed by such consumer to WTG.

Section 3.3. Reconnection Charges. In addition to any and all other proper charges, WTG may charge and collect from any residential or commercial consumer whose service has been discontinued by WTG a reasonable reconnection or similar charge for recommencing service to such consumer.

Section 3.4. Adoption of Rules. From time to time during the term hereof, WTG may, subject to any and all valid and applicable statutes, ordinances, rules, and regulations of any federal or state governmental authority or agency, make and enforce reasonable rules pertaining to WTG's business and operations, including, but not limited to, requiring any residential or commercial consumer to execute and deliver a written contract or amendment to an existing written contract prior, and as a condition, the initial commencement, recommencement, or continuation of service to such consumer.

Section 3.5. Removal of Gas system. WTG may remove all or any portion of the gas system upon the termination by the City, pursuant to Article VI of this Ordinance, of the franchise and rights granted hereby.

Section 3.6. Consumer Preferences. WTG may give preference to residential consumers over other consumers during periods in which the total volume of gas available for distribution to and within the City is insufficient, for any reason whatsoever, to adequately supply all residential and commercial consumers.

ARTICLE IV

OBLIGATIONS OF WTG

Section 4.1. Franchise Fee.

(a) As consideration for the grant of the franchise and rights herein and for the use by WTG of the streets, roads, highways, alleys, public ways, and other real property owned or controlled by the City, WTG shall pay to the City, within thirty (30) days after the end of each calendar quarter, a franchise fee equal to seven percent (7%) of WTG's gross receipts derived from the sale, transportation, and distribution by WTG of natural gas within the city limits during the preceding calendar quarter. Additionally, WTG shall pay to the city, within thirty (30) days after the end of each calendar quarter, a franchise fee equal to seven percent (7%) of the value of gas transported by WTG for transport customers through the Gas System of WTG within the city (excluding the value of any gas transported to another gas utility in the city for resale to its customers within the city), with the value of such gas to be established by utilizing WTG's monthly weighted average cost of gas charged to industrial customers in the _____ division, as reasonably near the time as the transportation service is performed. At

any time during the term of this franchise, the city may increase the franchise fee payable hereunder, subject to and in accordance with all of the following terms and conditions:

1. The city may increase the franchise fee only if the franchise fee, as so increased, constitutes a charge for WTG's use of the city's streets, roads, highways, alleys, public ways, and other real property that is reasonable and lawful. Such increase must be adopted by the governing body of the city at a public hearing no earlier than thirty (30) days following the Delivery to WTG by the city, in person, or by certified or registered mail, of a written notice stating the reason for, and the date, time, and place of such hearing.
2. The franchise fee may not be increased pursuant to this subsection 4.1(a) more than one time in any five-year period during the term of this franchise.
3. The franchise fee may not be increased at any one time by an amount exceeding one half of one percent (1/2 of 1%) of WTG's gross receipts derived from the sale, transportation, and distribution by WTG of natural gas within the municipal boundaries of the city; and the total franchise fee payable hereunder may not be increased during the term hereof to an amount exceeding the lesser of (i) eight percent (8%) of such gross receipts or (ii) the percentage of gross receipts payable by any electric utility doing business within the city pursuant to a franchise granted by the city.
4. In the event the franchise fee provided herein exceeds that franchise fee amount that is recovered by WTG as part of its base rates for natural gas service charged to its customers within the city, or if the franchise fee is increased in accordance with this subsection 4.1(a), the city agrees that WTG may immediately add a line-item surcharge to the monthly bills of WTG's customers located within the city in an amount sufficient to recover such excess or increase.

(b) Nothing in subsection 4.1(a) shall preclude, or be deemed to preclude, WTG and the city from agreeing to an increase in the franchise fee in excess of the limitations imposed in such subsection.

(c) The franchise fee, together with any and all charges of the city for water, sewage, and garbage services provided by the city to WTG, any and all sales taxes collected by WTG, and any and all ad valorem taxes assessed by the city against WTG's property, shall constitute the only amounts for which WTG shall be obligated to pay to the city and shall be in lieu of any and all other levies, assessments, fees, or other amounts, of any kind whatsoever, that the city, currently or in the future, may charge WTG of assess against WTG's property.

Section 4.2. No Obstruction of Public Property. WTG shall not, unnecessarily or for any unreasonable period of time, obstruct or interfere with the public use of any of the streets, roads, highways, alleys, public ways, or other real property owned or controlled by the city.

Section 4.3. Repair of Damages. WTG shall repair any and all damages caused solely by WTG to any streets, roads, highways, alleys, public ways, or other real property owned or controlled by the city and shall restore, as nearly as practicable, such property to substantially its condition immediately prior to the incident causing such damage. The city may, from time to time, adopt reasonable ordinances regulating such work.

Section 4.4. Conduct of work and activities. WTG shall use reasonable care in conducting its work and activities in order to prevent injury to any person and unnecessary damage to any real or personal property.

Section 4.5. Use of Alleys. WTG shall attempt to utilize the alleys of the city insofar as is reasonably practicable in conducting its work and activities hereunder. Notwithstanding the foregoing,

however, WTG may when reasonably necessary, utilize the streets and any other public ways owned or controlled by the city to perform such work and activities.

Section 4.6. Service and Supply. WTG shall use reasonable care to furnish good and reliable service and an adequate supply of natural gas.

Section 4.7. Installation of Underground Pipelines. WTG shall, when reasonably practicable, install all pipelines under-ground at such a depth and in such a manner so as not to interfere with the existing pavement, curbs, gutters, or underground wires, cables, or water or sewer pipes owned or controlled by the city.

Section 4.8. No Discrimination Between Consumers. Subject to WTG’s rights set forth in Article III of this ordinance, WTG shall not discriminate against any consumer with respect to charges for natural gas or services rendered under substantially the same circumstances to consumers of the same classification.

Section 4.9. Changes in Gas System.

(a) WTG shall, upon written request from the city, change the location, position, route, or depth of any pipeline or other component of the gas system if and when such change becomes reasonably necessary because of a change in the grade of any street, road, highway, alley, public way, or other real property owned or controlled by the city or because of any change in the location of, or in the manner of maintaining, constructing, laying, repairing, removing, replacing, installing, or operating any pavement, curbs, gutters, or underground wires, cables, or water or sewer pipes owned or controlled by the city. The city’s written request for such change must set forth, in detail, all of the essential elements and specifics of the requested change.

(b) WTG may seek payment from any governmental entity or agency, person, or party of any amount to which WTG may be entitled because of such change in location, position, route, or depth or because of the abandonment of any pipeline or other component of the gas system regardless of whether such pipeline or component is wholly or partially located in any public or private way or right-of-way.

Section 4.10. Service to New Areas. If during the term of this franchise the boundaries of the town are expanded, the town will promptly notify WTG in writing of any geographic areas annexed by the town during the term hereof (“Annexation Notice”). Any such Annexation Notice shall be sent to WTG by certified mail, return receipt requested, and shall contain the effective date of the annexation, maps showing the annexed area and such other information as WTG may reasonably require in ascertaining whether there exist any customers of WTG receiving natural gas service in said annexed area. To the extent there are such WTG customers therein, then the gross revenues of WTG derived from the sale and distribution of natural gas to such customers shall become subject to the franchise fee provisions hereof effective on the first day of WTG’s billing cycle immediately following WTG’s receipt of the Annexation Notice. The failure by the Town to advise WTG in writing through proper Annexation Notice of any geographic areas which are annexed by the town shall relieve WTG from any obligation to remit any franchise fees to town based upon gross revenues derived by WTG from the sale and distribution of natural gas to customers within the annexed area until the town delivers an Annexation Notice to WTG in accordance with the terms hereof.

Section 4.11. Schedule of Rates. WTG shall, at all times, keep on file with the city a schedule setting forth current residential and commercial rates for natural gas and services rendered to customers within the city. Nothing contained in this ordinance, however, shall adversely affect WTG’s right to apply for an increase in all or any of its rates at any time and from time to time during the term and to a lawful and equitable decision with respect to any such application.

Section 4.12. Rebates. WTG shall not grant, directly or indirectly, any rebate, in the form of money or any other thing of value, to any consumer in order to circumvent the rate schedule filled with the city pursuant to section 4.10 of this Article IV.

Section 4.13. Maps of Gas System. WTG shall have available a map or maps showing the current location of all pipelines and other components of WTG’s natural gas distribution facilities located in the city.

Section 4.14. Bond for Removal of Gas System. WTG shall, upon electing to remove all or any portion of the gas system in accordance with Section 3.5 of Article III of this ordinance, file with the Secretary of the City a bond in a reasonable amount and with a proper and adequate surety, securing WTG’s obligation to promptly repair, at WTG’s sole expense, any damage to any real property owned or controlled by the city caused by WTG’s removal of all or any portion of the gas system and to restore such property to substantially the same condition it was in immediately prior to the incident causing such damage.

ARTICLE V

RIGHTS OF THE CITY

Section 5.1. Use of City Property. The right of WTG hereunder to use any streets, roads, highways, alleys, public ways, and other real property owned or controlled by the city shall in no way affect the right of the city or its agents to maintain, construct, lay, repair, remove, replace, install, or operate any pavement, curbs, gutters, or underground wires, cables, or water or sewer pipes owned by the city and located on or near such streets, roads, highways, alleys, public ways, and other real property.

Section 5.2. Inspection of Books and Records. The city may, at its sole expense and, upon reasonable prior notice, at any reasonable time during normal business hours, inspect and copy any of WTG’s books and records, wherever located, pertaining to and directly affecting the rights of the city arising under or by virtue of this ordinance.

ARTICLE VI

REMEDIES UPON DEFAULT BY WTG

Section 6.1. Termination of Franchise and Rights. In the event of a substantial breach by WTG of any material provision of this ordinance, the city may terminate the franchise and rights granted to WTG hereunder, provided, however, that such termination shall not be effective unless and until the procedures described below have been followed:

- (a) The city must deliver to WTG, by certified or registered mail, a written notice signed by the Mayor, attested by the Secretary, and sealed with the official seal of the city. Such notice must (i) fairly and fully set forth in detail each of the alleged acts or omissions of WTG that the city contends constitutes a substantial breach of any material provision hereof, (ii) designate which of the terms and conditions hereof the city contends WTG breached, and (iii) specify the date, time, and place at which a public hearing will be held by the governing body of the city for the purpose of determining whether the allegations contained in the notice did in fact occur, provided however, that the date of such hearing may not be less than thirty (30) days after the date of such notice.

(b) Within ten (10) days following the adjournment of the public hearing described in subsection 6.1(a) above, the city must deliver to WTG, by certified or registered mail, a written notice signed by the Mayor, attested by the Secretary, and sealed with the official seal of the city, setting forth (i) the acts and omissions of WTG described in the first notice that the governing body of the city determines to have in fact occurred and (ii) the specific terms and conditions of this ordinance listed in the first notice that the governing body of the city determines to have in fact been breached by such acts or omissions of WTG.

(c) The City must permit WTG the opportunity to substantially correct all of the breaches hereof set forth in the written notice described in subsection 6.1(b) above within sixty (60) days after WTG’s receipt of such notice.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1. Force Majeure. Notwithstanding anything expressly or impliedly to the contrary contained herein, in the event WTG is prevented, wholly or partially, from complying with any obligation or undertaking contained herein by reason of any event of force majeure, then, while so prevented, compliance with such obligations or undertakings shall be suspended, and the time during which WTG is so prevented shall not be counted against WTG for any reason. The term “force majeure”, as used herein, shall mean any cause not reasonably within WTG’s control and includes, but not limited to, acts of God, strikes, lock-outs, wars, terrorism, riots, orders or decrees of any lawfully constituted federal, state, or local body, contagions or contaminations hazardous to human life or health, fires, storms, floods, wash-outs, explosions, breakages or accidents to machinery or lines of pipe, inability to obtain or the delay in obtaining rights-of-way, materials, supplies, or labor permits, temporary failures of gas supply, or necessary repair, maintenance or replacement of facilities used in the performance of the obligations contained in this Ordinance.

Section 7.2. Other Ordinances. Except to the extent otherwise expressly provided herein, the franchise and rights granted hereby and the operations and activities performed by WTG pursuant hereto shall be subject to all valid ordinances and regulations of the City and any valid amendments thereto insofar as, and only insofar as, such ordinances and regulations (i) do not shorten the term hereof or terminate, abrogate, or materially and adversely affect the franchise and rights granted to WTG hereby or (ii) do not conflict with or are not inconsistent with the terms and provisions contained in this ordinance, such conflicting or inconsistent ordinances hereby being repealed to the extent of such conflict or inconsistency.

Section 7.3. Amendments. This Ordinance and the franchise and rights granted herein may be amended only by written agreement of the city and WTG to such amendment.

Section 7.4. Severability. In the event any part of this Ordinance is determined to be invalid or illegal for any reason whatsoever, such invalidity or illegality shall not affect the validity or legality of this Ordinance as a whole or of any part hereof.

Section 7.5. Binding Effect. This Ordinance shall extend to, be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

Section 7.6. Effective Date. This Ordinance shall become effective on the date on which the Ordinance is finally adopted by the City in accordance with law, and WTG shall file with the Secretary of the City a letter stating that WTG accepts this Ordinance as adopted and agrees to comply with and be

bound by all of the terms and conditions hereof. A true and correct copy of this Ordinance as finally adopted shall be attached to such letter and by reference made a part thereof, and the letter shall be addressed to the Mayor and the governing body of the City, dated, and executed by an authorized officer of WTG. Upon this Ordinance becoming effective, this Ordinance shall supersede any and all prior ordinances of the City regulating West Texas Gas.

Section 7.7. Section and Other Headings. The section and other headings contained in this Ordinance are for reference purposes only and shall not affect in any way the meaning or interpretation of this ordinance.

Read and passed by the City Council of the City of Castroville, Texas with a quorum of such Councilmen duly and lawfully assembled and voting on the 30th day of January, 2026.

ATTEST:

CITY OF CASTROVILLE, TEXAS

By: _____
City Secretary

By: _____
Mayor

City's Mailing Address and Phone Number:

City of Castroville
PO Box 36
Wolfforth, TX 79382
806-855-4120