



City Council Regular Called Meeting Agenda

COUNCIL CHAMBERS - 1209 FIORELLA STREET

Tuesday, April 14, 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:

1. 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

2. Texas Government Code Section 551.071 A governmental body may not conduct a private consultation with its attorney except:

1) when the governmental body seeks the advice of its attorney about:

(a) pending or contemplated litigation; or

(b) a settlement offer; or

(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 P3, NP Homes, nursing home bill, 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 March 24, 2026 Regular Called Meeting
- b.** Minutes for March 16, 2026 Special Called Meeting
- c.** Adopt an Ordinance amending Ordinance No. 2025-020, the City of Castroville Comprehensive Fee Schedule, to revise banner fees and utility reconnection fees.
- d.** Adopting a Resolution authorizing the Mayor to sign a contract for Tourism and Economic Development activities with the Castroville Area Chamber of Commerce.

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

X. Discussion and Action Items

- a.** Discussion and appropriate action to adopt a resolution approving the First Amendment to the Development Agreement between the City of Castroville, Texas and NP Homes, LLC, and authorizing the Mayor to execute the same.
- b.** Discussion and appropriate action regarding a billing dispute for the utility account associated with 913 US Hwy 90, Medina Valley Health & Rehabilitation Center.
- c.** Discussion and appropriate action to adopt a Resolution of the City Council of the City of Castroville, Texas, authorizing the submission of a grant application to the Motor Vehicle Crime Prevention Authority (MVCPA) – SB 22 Catalytic Converter Grant Program.
- d.** Authorize an interlocal agreement with the City of Boerne for the purchase of materials and services
- e.** Discussion and appropriate action on recommendations from the Library Board and Friends of the Library for the public library expansion project.
- f.** Discussion and appropriate action authorizing a professional service agreement with Pape Dawson for airport engineering services.
- g.** Discussion and appropriate action regarding an appraisal of airport property including the area currently leased by the Medina Valley Youth Baseball Association and other matters related thereto.
- h.** Discussion and appropriate action regarding proposed capital improvements to the Castroville Municipal Airport.
- i.** Discussion and appropriate action to establish and authorize a multi-year street paving plan.
- j.** Discussion and appropriate action regarding sales and property tax collections at the Castroville Municipal Airport.
- k.** Discussion and appropriate action on authorizing Mayor Alexander to sign a letter of community support for Texas Water Development Board (TWDB) grant-funded drainage studies of the Flat Creek and Kemp Creek watersheds.

- l. Discussion and possible action to direct the Parks and recreation Advisory Board to develop a plan to establish a new sports complex or regional park.
- m. Discussion and possible action on the Development Agreement Policy.
- n. Discussion and appropriate action to direct staff to draft amendments to the Comprehensive Zoning Ordinance (CZO) to create an Institutional Zone and all other required actions to prepare these changes for review and adoption.
- o. Discussion and appropriate action to direct staff to draft changes to the council's policies and ordinances regarding deadlines for submission of agenda items.

XI. City Administrator Report

- a. The following report topics may be discussed and acted upon:
 - a. Drainage Projects: Geneva Channel, Garza Creek, Athens Area Drainage, Country Channel
 - b. BMA Trail Access
 - c. Streets, Maintenance, and Paving Plan
 - d. WWTP Ponds
 - e. Multimodal Planning Effort
 - f. Community Center Construction
 - g. Lion's Park Splash Pad
 - h. CIP Workshop Implementation
 - i. Hwy 90 TxDOT Construction Project
 - j. County Streets Plan
 - k. Coordinated Infrastructure Plan and Porcess
 - l. Gas Expansion Cost Evaluation
 - m. Steinbach Hus Repairs

XII. Discussion on Future Agenda Items

XIII. 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 April 08, 2026 before 7:00 p.m.

/s/ Debra Howe
City Secretary

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
March 24, 2026
Tuesday
6:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Pro Tem called the meeting to order at 6:00 p.m.

II. ROLL CALL

Present:

- | | |
|--------------------------------|--|
| Mayor Pro Tem Sheena Martinez | Scott Dixon, City Administrator |
| Councilmember Houston Marchman | Debra Howe, City Secretary |
| Councilmember Phil King | James, Kohler, Police Chief |
| Councilmember David Merz | John Gomez, Public Works Director |
| Councilmember Robert Lee | Jonah Chang, Parks and Recreation Director |
| | Leroy Vidales, Finance Director |

Absent:

Mayor Bruce Alexander

Others in Attendance:

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

III. PLEDGE OF ALLEIGENCE

IV. INVOCATION

Pastor Max Mendiola, of the Discover Church gave the invocation.

V. 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.

Priscilla Garrett, 702 Florence Street, spoke on the proposed September Square Memorial Project saying she was in support of the project honoring the branches of the military with benches, monuments, and a new walkway. Ms. Garrett said this would give better handicap accessibility to the memorials and there has been discussion on cleaning of the current monuments. Ms. Garrett said the park area had limited parking and

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 (Cont.)

wished to have future discussions on a parking plan with head in parking verses current unmarked parallel parking and a suggestion of making one block of Lafayette a one-way to help with the congestion in the area. Mayor Pro Tem Martinez read an email she received from Helen Delavan, 1105 Lisbon. Ms. Delavan wrote on the proposed September Square Memorial Project. Ms. Delavan was very much in favor of the project and was impressed with the plan and the complimentary materials Johnny Guzman and Brae Robertson were proposing. Ms. Delavan wrote her late father who was a former Mayor and a World War 1 Veteran would have been honored by the project.

Abigail Figueroa, Commander of American Legion Post 460, spoke in support of the proposed September Square Memorial. Ms. Figueroa said she had worked closely with Cindy Guzman, mother of Johnny Guzman and the 4-H Group on this plan. Ms. Figueroa encouraged the City Council to approve.

VIII. CONSENT AGENDA

a. Minutes for March 10, 2026 Regular Called Meeting

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve the consent agenda. A vote was taken (5:0) the motion carried by all present.

VII. PRESENTATIONS

a. Presentation on the installation of a Veterans Memorial at September Square by Barry Roberson and Johnny Guzman

Mayor Pro Tem Martinez also opened Discussion and Action item 9a. for the City Council to take action directly after the presentation.

Brae Roberson spoke on the Veterans Memorial project he and Johnny Guzman were proposing to build at September Square honoring the branches of the military. The City Council watched a short video on the proposed project. Mr. Roberson said the current monuments area would not be effected and provided pictures of the benches and pillars to be installed. Mr. Roberson said from the feedback they had received they had gone back and revised the placement of the military emblems on the benches to be seen but not sat on. The materials to be used on the project were provided with costs, a list of donors, and the company Nash Construction who would helping with the project. Mr. Roberson requested the City Council to consider and approve their project.

IX. DISCUSSION AND ACTION ITEMS

a. Discussion and take appropriate action on approving the proposed September Square Military Memorial Project

Councilmember Lee said he had spoken with Ms. Guzman on the project and was in favor of the project but suggested changing the wording shown related to suicides of military members. Councilmember Merz was in favor of the project and said it gave a proper entrance and walkway of the memorial. Councilmember King asked if the photos had a copyright protection. Parks Director Chang said he would research to make sure they could use.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve the proposed September Square Military Memorial Project with the changes to the

wording related to suicide and moving the seals to side of benches. A vote was taken (5:0 all ayes) the motion carried by all present.

b. Presentation by the Castroville Area Chamber of Commerce on the proposed service contract with the City of Castroville for Tourism and Economic Development Activities

Mayor Pro Tem Martinez also opened Discussion and Action item 9b. for the City Council to take action directly after the presentation.

Chamber of Commerce President Olivia Stone with other members of the Chamber present provided a presentation on what the Chamber would provide the City for tourism and economic development activities. Ms. Stone provided an itemized sample budget with a breakout of the \$75,000 HOT funds provided by the City. Councilmember Marchman asked if the Chamber had confirmed they could use the HOT funds for what they had listed in the budget. Ms. Stone said they had and gave a breakdown of what they proposed for the HOT Funds. Councilmembers discussed the use of the HOT funds for maintenance on the Chamber building including a new parking area. Councilmember Merz said this was a one-time maintenance and asked what the \$18,000 would be used for in future years. Councilmember Lee asked about new signage denoting the Chamber as the Visitor Center and what would change for the Steinbach Haus. Mr. Lee said he only saw the Chamber was to provide financial reports, not results of the marketing of the City and measures of success. Mr. Lee said the contract should have detailed information on what the City Council expected. Councilmember King thought the funds were to be used for promoting tourism and was not sure he supported repairs and maintenance on the building. There was discussion on what the Chamber of Commerce name would be since the Steinbach Haus was currently the Visitor Center. Ms. Stone said if the Chamber was to not be the official visitor center but an extension then they would not need to do maintenance or enlarge the parking area and could use the funds for promotions. Mr. King asked for an example how they planned to promote the Alsatian Festive. Ms. Stone said they would promote with swag, advertisements on social media, and other media outlets. Ms. Stone said they were looking for help from others in having activities/events which would bring people for overnight stays. Ms. Stone said the additional funds would also be used on the Castroville TX website. City Administrator Dixon said the former Tourism/Business Development Director Darin Hamm had also promoted business development for the city. Councilmember Marchman said Mr. Hamm provided collected data on who came to town and asked if they would provide. Ms. Stone said part of the funds would be used to hire a marketing firm and they would provide the data. Councilmember Lee felt performance requirements were needed in the document. Councilmember Merz liked a living document with an annual review. Mr. Merz asked if a business was not a member of the Chamber of Commerce how would that be handled. Ms. Stone said they would keep the City HOT Funds in a separate account and use to promote all of Castroville. Councilmember King asked about the \$18,000 shown for employee salaries and if they were looking to add staff. Ms. Stone said they decided to keep the same number of staff and increase the hours to 35hrs per week. Councilmember King felt they should wait until the Mayor was at the meeting to review the recommended changes by City Council since he was the one who wished to initiate the partnership.

A motion was made by Councilmember Marchman to approve the proposed service contract with the Castroville Area Chamber of Commerce and the City of Castroville for Tourism and Economic Development Activities. The motion died from a lack of a second.

Further discussion followed.

Councilmember King asked that the document be cleaned up and Chamber Liaison Councilmember Marchman and Mayor Alexander work with the Chamber on changes. Councilmember Lee asked for the wording mistakes to be corrected and performance measures be added. Councilmember King wanted to see sales tax growth charts including surrounding areas, where people came from, clicks from website visits, hotel stays, and measure total revenues from the visits. Mr. King was in favor of first year budget but was not in favor of spending funds on building maintenance for a building the city did not own. City Attorney Jones asked that the councilmembers email him what they wished to have in the contract and he would add and provide a one year contract to start with. **No other actions were taken.**

c. Presentation from Parks and Recreation Director Jonah Chang on recommendations from the Parks and Recreation Advisory Board for the new Pool Bathhouse

Mayor Pro Tem Martinez also opened Discussion and Action item 9h. for the City Council to take action after the presentation.

Parks and Recreation Director Chang provided an updated presentation with Options one and two to answer any questions the City Council may have on the project. Mayor Pro Tem Martinez asked if there was a cost estimate for Option 2. Mr. Chang said he did not have one he had given the plans to Frontera and provided the approved budgeted amount of \$205,000. Ms. Martinez said they had some cushion with the CIP Funds, if necessary. City Administrator Dixon said they planned to stay within the budgeted amount of \$205,000. Councilmember Lee said they needed storage added to store paper and cleaning supplies and a water heater. Mr. Lee said the building needed to have hot water. Mr. Lee said they may need to adjust the budget to include. Mr. Dixon said they were going to try and stay within the budget with options. Mr. Dixon said had brought back both options as requested by Councilmember King for further discussion. Councilmember King said he was in favor of Option 2 if they could get a larger building for \$205,000. Mayor Pro Tem Martinez said she just wanted to make sure the citizens could see what they would be getting for their money. Mr. Dixon said they already have a design engineer and the changes to the project would only need to be done by a change order.

A motion was made by Councilmember Marchman and duly seconded by Councilmember King to approve the updates to Option 2 plans by adding a storage area and installing hot water. A vote was taken (5:0 all ayes) the motion carried by all present.

VIII. CITY COUNCIL LIAISON REPORTS

Airport Advisory Board - March 3, 2026 - Martinez

Library Advisory Board - March 12, 2026 - Lee

Historic Landmark Commission - March 17, 2026 - King

Parks and Recreation Advisory Board - March 18, 2026 - Merz

* Planning and Zoning Commission Special Called is March 25, 2026 this month (no report)

Mayor Pro Tem Martinez reported on the Airport Advisory Board meeting held on March 3rd. Ms. Martinez said the board was looking at fuel costs; waiting on the airport appraisal; FAA letter discussion on the April 14th Council meeting; the courtesy car policy was approved; the airport FCC radio frequency was renewed; working with Pape Dawson on possible projects; city staff and chairman of the advisory board were going to

the annual TxDOT Aviation Conference in Frisco in April; and a historic marker would be unveiled on June 12th. Councilmember Lee reported on the Library Advisory Board meeting on March 12th. Mr. Lee said the board heard a presentation from the former chairman Lauren Cortez on a project she wished to do featuring the Library. Mr. Lee said the board discussed the remodel plan the City Council had approved. The advisory board and friends of the Library had not been briefed on the original plans and their input was needed. This item would be placed on the April 9th meeting with recommendations submitted for the April 14th City Council meeting.

Councilmember King reported on the Historic Landmark Commission meeting on March 17th. Mr. King said the commission had approved a Certificate of Appropriate and HPO Selina Angel would be providing a summary to the City Council on the special called meeting they had approved at a future meeting.

Councilmember Merz reported on the Parks and Recreation Advisory Board meeting on March 18th. Mr. Merz said the board had appointed a committee to explore land options for a future sports complex and they voted to change their meetings to the first Wednesday of the month to be able to get items on the City Council agenda.

IX. DISCUSSION AND ACTION ITEMS

- c. Discuss and take appropriate action to adopt an Ordinance authorizing the installation of Stop Signs at the intersections of Gentilz and Athens (convert to 4-way), London and Fiorella (convert to 4-way) and Country Village and Village Path (convert to 3-way)

Police Chief Jim Kohler briefed the City Council on the ordinances provided for the additional stop signs at the intersections of Gentilz and Athens, London and Fiorella, and Country Village and Village Path approved at the previous council meeting. Chief Kohler said the ordinance for Country Village and Village Path direction was incorrect. The ordinance should read installation of a stop sign on Country Village and Village Path for northbound traffic and this would be corrected before it was signed. Councilmember Merz read all three ordinance headings.

A motion was made by Councilmember Merz and duly seconded by Councilmember Marchman to adopt an ordinance for each intersection listed; authorizing the installation of stop signs at the intersections of Gentilz and Athens (4-way); London and Fiorella (4-way); and Country Village and Village Path (3-way) with a correction of wording, replacing southbound with northbound; establishing a penalty; providing for severability; and establishing an effective date and publication. A vote was taken (5:0 all ayes) the motion carried by all present.

- d. FY 2025 Annual Financial Audit Presentation and appropriate action on acceptance of the FY 2025 Annual Financial Audit

Kim Roach, CPA with Armstrong, Vaughan, & Associates briefed the City Council on the FY2025 Financial Audit. Ms. Roach reviewed the finding of the FY25 Annual Audit noting the City did have a Single Audit conducted in 2025 due to the City spending over the \$1million threshold of federal grant funds. Ms. Roach said the grant funds were being tracked internally. Ms. Roach noted the increase in municipal court fine collections in this audit. Councilmember Marchman clarified the General Fund decrease of \$1.4 million was due to grant funds. Ms. Roach said in the utility funds Impact fees were shown, which were shown as revenue but were restricted funds and would be paid back to the developer.

Ms. Roach noted the budget had shown an increase due to salaries of increased workforce. The Airport Fund had increases of revenues and expenditures with a net loss of \$191,000. Ms. Roach said the loss was due to depreciations shown and the Airport would have had a positive balance of \$94,000 if the depreciation amount had been removed. Councilmember Merz asked about capital assets and depreciation of old water lines and how that was captured. Ms. Roach said the lines were in stages of depreciation due to age and was not a simple equation. Councilmember Lee had questions on the transfers from the Airport to General Fund. Ms. Roach said those transfers could be from the timing of for example, the Ramp Grant monies and when the City received. They would then transfer into the Airport Fund. Councilmember Marchman asked about the \$46,000 shown for the USDA loan. Ms. Roach said this was now depleted as the City had drawn the remaining balance out. City Administrator Dixon said the funds available that were presented at the CIP work session were received from working with Ms. Roach so the City Council would have the most current numbers to make informative decisions. **A motion was made by Councilmember King and duly seconded by Councilmember Marchman to accept the FY2025 Annual Financial Audit as presented. A vote was taken (5:0 all ayes) the motion carried by all present.**

Mayor Pro Tem Martinez recessed the meeting for a short break at 7:58 p.m.
 Mayor Pro Tem Martinez reconvened in open session at 8:09 p.m.

- e. Discussion and possible action to award a contract for Design-Build Services for the Garcia Creek Drainage Improvements Project

Community Development Director Breana Soto briefed the City Council on the City advertising and receiving proposals for design-build services for the Garcia Creek drainage improvements project. Ms. Soto said the City had received four proposals ranging from \$1,200,000 to \$4,950,000. Ms. Soto said bids received were much higher for the project and the recommendation was to reject all bids and re-advertise the project; include additional information on the City providing the easements and holding a pre-bid meeting for questions on the project.

A motion was made by Councilmember King and duly seconded by Councilmember Merz to reject all bids received for the design-build services for the Garcia Creek Drainage Improvement Project and readvertise with additional criteria as discussed. A vote was taken (5:0 all ayes) the motion carried by all present.

Councilmember Lee said there was no backup material showing how and why they bid the amount submitted. Mr. Lee saw nothing on the bridge and asked if the City would need to do more work on it. Ms. Soto said the bridge was stable. Mayor Pro Tem Martinez said she did not want this to be a band-aid effect.

- f. Discussion and take appropriate action on **Change Order No. 2** for the Flat Creek Water Well Plant – Package 1 Project with Hydro Resources in the amount of **\$599,631** and authorize the City Administrator to execute the necessary documents

Public Work Director John Gomez briefed the City Council on Change Order #2 for the Flat Creek Well Plant – Package 1 project. Mr. Gomez said Flat Creek had additional funds and the City had been about

to capture and this change order would allow the contractor to complete the installation of the well equipment to place the Flat Creek Water Well in service.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve Change Order No. 2 for the Flat Creek Water Well Plant-Package 1 Project with Hydro Resources in the amount of \$599,631 and authorize the City Administrator to execute the necessary documents.

Discussion followed.

Councilmember Lee asked if a soft pump was included in the package. Mr. Gomez said the pump was included. Councilmember Merz asked if this project would create any rework once the elevated tank was installed. Mr. Gomez said there could be some. Mr. Dixon said this was only for the wellsite and Flat Creek was making their own plan. Mr. Dixon said the goal at some point in the future was to connect to the Medina Valley Well. Mr. Dixon said KingFish was installing power out to area. Councilmember Merz asked what the benefit was for the City. Mr. Gomez said the City would have redundancy. Councilmember Lee asked on the fencing and how large the wellsite was. The site was three acres and would be fenced completely.

A vote was taken (5:0 all ayes) the motion carried by all present.

- g. Consider and take appropriate action on seeking input on the City Library Expansion Plans from the Library Advisory Board and the Friends of the Library Group before moving forward with the City Council approved project

A motion was made by Councilmember Marchman and duly seconded by Councilmember King to direct the Library Advisory Board and request Friends of the Library to review and make recommendations on the City Library Expansion Plans before moving forward with the City Council approved project.

Discussion followed.

Councilmember Merz said there had been originally two options and thought the advisory board had already discussed the options. City Administrator Dixon said the board had not reviewed just staff, and now the scope was set with the design build the City Council had chosen. Councilmember Lee said the board would be reviewing and making a recommendation to be on the next City Council meeting.

A vote was taken (5:0 all ayes) the motion carried by all present.

- i. Consider and take possible action on recommendations provided by the committee assigned to review the building maintenance requirements for the Steinbach Haus Visitor Center, Wagon Barn, and City Hall

Councilmember King gave an oral report on the committee inspecting the Steinbach Haus Visitor Center, Wagon (Pole) Barn, and City Hall. Mr. King said they had met with Contractor Guy Chipman to go over the structure and what was needed for repairs and maintenance on the Visitor Center. Mr. Chipman was to prepare a proposal and send to City Secretary Howe. Mr. King said after inspection the wagon barn did not need any repairs but they were going to put a clear coat on the Murial to preserve. Mr. King he was under the assumption that they would wait on the City Hall maintenance to see what the design build contractor would be doing to the exterior but had received a response from Councilman Marchman saying he wanted to move forward with the maintenance on the building now. Mr. King recommended

waiting. Councilmember Lee objected to discussing the item as no backup material had been provided in the council packets to review the report to formulate questions. **No action was taken.**

j. Consider and taken appropriate action on status of the drainage improvements, cleanup, and installation of security fencing for the Steinbach Haus Visitor Center

Councilmember Lee had asked for this item and said there was no backup materials from staff so they should not discuss. Parks and Recreation Director Jonah Chang said he could give an oral update if they wished.

A motion was made by Councilmember King and duly seconded by Councilmember Martinez to skip this item. A vote was taken (2 ayes: 3 nays (Marchman, King, Merz) the motion failed.

Parks and Recreation Director Jonah Chang said he needed direction on materials for the fence. Mr. Chang said he had cleaned up the area and completed tree trimming. The City Council agreed on a split rail type fence with signage for safety purposes. City Administrator Dixon said he needed direction from the City Council on drainage. Mr. Dixon said they could let him know later.

k. Update on Citywide Streets and Drainage Maintenance from Public Works Director John Gomez

Public Works Director John Gomez told the City Council he needed clarity on what was being requested on this item. Mayor Alexander had placed on the agenda and was not present to clarify. Mayor Pro Tem Martinez said she felt Mayor Alexander wanted to focus on the drainage issues and a follow-up on addressing those identified. Mayor Pro Tem Martinez said she thought the drainage issues in her district was the next priority. City Administrator Dixon said the idea was to go from south to north and he thought Athens Street area would be next after the Gentilz drainage project was complete. City Council directed staff to bring back a list of priorities, identifying which of the projects could be completed in-house by staff or bid out.

l. Update on the 2026 Street Paving Plan by Public Works Director John Gomez

Public Works Director John Gomez asked the City Council for clarity on this item placed on the agenda by Mayor Alexander. Mr. Gomez asked if the City Council wanted streets included that needed infrastructure upgrades in the plan. In the past, those streets were not included. Councilmember Lee said there had been discussions in the past on this and did not feel they needed to be linked, just concentrate on infrastructure improvements separately.

m. Discussion and appropriate action to direct staff to draft amendments to the Comprehensive Zoning Ordinance (CZO) to create an Institutional Zone and all other required actions to prepare these changes for review and adoption

Councilmember Merz briefed the City Council on creating an Institutional Zone within the city. Mr. Merz said this had been introduced during the permitting process of approving the new school in the Historic Commercial District Zone. He said some of the City Council was concerned with the broad uses as a commercial building, if the school went out. Mr. Merz recommended creating an Institutional Zone for this protection. Mr. Merz provided a draft copy of what could be added to the CZO and asked

the City Council to review and look for any changes to be brought back at the April 14th meeting. Councilmember King was in favor of leaving as Historic Commercial District for versatility as Institutional Zoning limited the uses, if the current use went away. Mr. King asked what the cost to change a single zone for the city would be and if the whole city would need to be notified of the change. City Attorney Jones felt a published notice would be sufficient notification. This item would be brought back for action. **No action was taken.**

- n. Discussion and appropriate action to direct the Planning & Zoning Commission to review and make appropriate recommendations related to parkland dedication revisions in the subdivision ordinance

Councilmember Merz briefed the City Council on the Parks and Recreation Advisory Board being tasked to review the Parkland dedication for revision in the subdivision ordinance. Mr. Merz said the board recommendations were targeted to the amounts of dedications and changes to fees paid in lieu of to the city. Councilmember Marchman clarified the park board was recommending to change to 5% of finished property and remove the 100 homes requirement from small subdivisions. Mr. Merz said that was the recommendation. Councilmember Lee provided his review and recommendation of : B(3) add payment in lieu of dedication with City Council approval; C(1) usability have a percentage of good usable land; F(1) add City Council approval; and F(4) questioned use of funds and CIP Projects.

A motion was made by Councilmember Merz and duly seconded by Councilmember King to direct the Planning & Zoning Commission to review and make appropriate recommendations related to parkland dedication revisions in the subdivision ordinance with Councilmember Lee's recommended changes of 65% must be buildable/usable land and add City Council approval.

Discussion followed.

Parks and Recreation Director Chang clarified the definition of usable land and drainage and detention ponds did not qualify as usable land. Councilmember Lee said some could be used and suggested 60-65% be the percentage for usable land for parks and drainage/detention pond areas to make up the other 35-40%.

A vote was taken (5:0 all ayes) the motion carried by all present.

- o. Discussion and appropriate action to direct staff to create a process to notify property owners when 8-1-1 locate calls are requested

Councilmember Merz briefed the City Council on his request to have property owners notified by the City when the City received an 811 locate request by contractors. Mr. Merz said with the location of his property he had in the past had three different cable companies conduct digs on his property. Councilmember King said the City could not go on private property and dig and if the City was made responsible to notify citizens of all line locates, that would put liability on the City. City Attorney Jones concurred. Councilmember Lee pointed out that if there was digging on private property the contractors were responsible for notification.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to direct staff to create a process to notify property owners when 8-1-1 locate calls are requested. A vote was taken (2 ayes: 3 nays (Marchman, King, Martinez) the motion failed.

- p. Consider and take appropriate action to direct city staff to provide City Council with a survey of city power lines threatened by trees and providing a plan of action to remove the threat

Councilmember Lee said he had requested this item to have city staff identify and provide a survey of the powerlines and trees live and dead removal.

Public Works Director Gomez said they had been working on tree trimming and would continue to identify maintenance issues.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to direct city staff to provide City Council with a survey of city power lines threatened by trees and providing a plan of action to remove the threat. A vote was taken (3 ayes: 2 nays (Marchman, King) the motion carried by a majority vote.

- q. Consider and take appropriate action on directing city staff to provide a report to City Council on the potential expansion of the natural gas services provided by the City

Councilmember Lee said he requested this item to get more information on costs associated with the City expanding the natural gas services to the new developments. Mr. Lee said with the City being contacted by West Texas Gas to provide the service to future developments he wanted to look at the costs associated with the expansion of services and whether the City should do this or allow West Texas Gas to provide.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to direct city staff to provide a report to City Council on the potential expansion of the natural gas services provided by the City at the second meeting in April.

Discussion followed.

Councilmember King asked if the city staff was being directed to contact the city's consultant and ask for costs to provide. Councilmember Merz asked how many units were going to have gas. City Administrator Dixon said the developments had already started design. Public Works Director Gomez said he had just received the cost for 1st unit in Flat Creek and the cost was \$375,000 for the mainlines for 61 homes, then expansion costs at an average of \$40.00 per home for 12 years on that unit. Councilmember Marchman asked if the next phase of Alsatian Oaks would help with RMO and look at an option of having the developers do the infrastructure.

A vote was taken (3 ayes: 2 nays (Marchman, King) the motion carried by a majority vote.

- r. Consider and take appropriate action on directing city staff to provide a report to City Council on proposed expansion of the water and wastewater systems within the City CCN to meet the demands of future developments

Councilmember Lee requested this item and briefed the City Council on wanting to receive information on what was needed to expanding the water and wastewater systems to meet the future demands of the developments. Mr. Lee wanted to have the information brought back to the seconded meeting in April to help the City Council make good financial decisions in the future. City Administrator Dixon said the information on proposed expansions of the water and wastewater systems were already on the website for their review. Mr. Lee said he wanted it presented to council.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to direct city staff to provide a report to City Council on proposed expansion of the water and wastewater systems within the City CCN to meet the demands of future developments. A vote was taken (2 ayes: 3 nays (Martinez, Marchman, King) the motion failed.

- s. Consider and take appropriate action on directing city staff to provide a report to City Council on the use of recycled water for storage and distribution for irrigation

Councilmember Lee had requested this item and wanted city staff to provide a report on the use of recycled water for city use such as irrigation of the park (soccer fields) and possibly for crops. City Administrator Dixon said he had spoken with Public Works Director Gomez on storage at the sewer plant but was unclear on what staff were to provide if this was to recycle water from the plant.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to direct city staff to provide a report to City Council on the use of recycled water for storage and distribution for irrigation. A vote was taken (1 aye: 4 nays (Martinez, Marchman, King, Merz) the motion failed.

- t. Consider and take appropriate action directing city staff to provide a report to City Council on the operational condition, including testing cycles and readiness of all city owned generators used for emergency power

Councilmember Lee had requested this item and said he had read the report provided in the City Administrator Report and questioned whether the City had on hand fuel reserves to run the generators for 72hrs in an emergency.

A motion was made by Councilmember Lee and duly seconded by Mayor Pro Tem Martinez to direct city staff to provide a report to City Council on the operational condition, including testing cycles and readiness of all city owned generators used for emergency power.

City Administrator Dixon said the City was still waiting for word from FEMA grant applications. Councilmember Lee said he wanted what was needed now, not wait on grants. Public Works Director Gomez briefed City Council saying Well 2 generator would be online the next week and Well 3 generator was on back order. Mr. Gomez said staff were doing better on keeping maintenance records and doing testing weekly, monthly, or twice a year depending. Mr. Gomez said Country Village lift station would be going online and the city had a fuel agreement with Golden West for fuel for the generators. Mr. Lee said they could not count on grants and they needed to look at options.

A vote was taken (2 ayes: 3 nays (Marchman, King, Merz) the motion failed.

X. CITY ADMINISTRATOR REPORT

The following report topics may be discussed and acted upon:

- a. Drainage Projects: Geneva Channel, Garza Creek, Athens Area Drainage, Country Channel
- b. BMA Trail Access
- c. Streets, Maintenance, and Paving Plan
- d. WWTP Ponds
- e. Multimodal Planning Effort
- f. Community Center Construction
- g. Lion's Park Splash Pad

- h. CIP Workshop Implementation
- i. Hwy 90 TxDOT Construction Project
- j. County Streets Plan
- k. Flat Creek Water Plan

City Administrator Dixon briefed the City Council on his report saying the quote for the BMA Trail Access was much higher at \$15,982 than the original estimate for the control-access gates for two locations on the canal and staff would obtain additional quotes from two other vendors before going back to the BMA Board for approval. The wastewater treatment plan ponds project was ongoing; Community Center completion date still the end of May; Lions Park Splash Pad had more breaks and contractor was working on with staff monitoring; County Streets Plan had been sent to the County with a priority list. Mr. Dixon said he was working with the county to do 2 miles of streets.

XI. DISCUSSION ON FUTURE AGENDA ITEMS

Councilmember Lee wanted a discussion on Utilities and Airport CIP; September Square Parking Plan; Airport Sales and Property Tax; and Airport Appraisal and compliance with FAA requirements. Councilmember Merz wanted a discussion/action item on Parks Board to form a committee to research future land opportunities for a Sports Complex; Block lengths and Street layouts; and Council Rules and Regulations related to agenda materials.

XII. ADJOURN

Mayor Pro Tem Martinez adjourned the meeting at 10:07 p.m.

Mayor

ATTEST:

City Secretary

**CITY OF CASTROVILLE CITY COUNCIL
SPECIAL CALLED COUNCIL MEETING
1209 Fiorella
City Council Chamber
March 16, 2026
Tuesday
5:30 p.m.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 5:30 p.m.

II. ROLL CALL

Present:

Mayor Bruce Alexander	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Houston Marchman	
Councilmember Phil King	
Councilmember David Merz	
Councilmember Robert Lee	

Others in attendance:

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

III. 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.

Mayor Alexander recessed the meeting to go into Executive Session at 5:31 p.m.

IV. 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: 5:33 p.m.

Special Called Council Meeting
Minutes, March 16, 2026
Page 2
(Cont.)

Closed: 6:07 p.m.

V. RECONVENE IN OPEN SESSION

Mayor Alexander reconvened in open session at 6:09 p.m.

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

Consider and take possible action regarding the Performance Improvement Plan for the City Administrator

Mayor Alexander said there was no action taken in executive session.

VII. ADJOURN

Mayor Alexander adjourned the meeting at 6:10 p.m.

Mayor

ATTEST:

City Secretary



CITY COUNCIL AGENDA REPORT

DATE: March 27, 2026

AGENDA OF: April 14, 2026
DEPARTMENT: Administration
SUBJECT: Consideration and possible action on an Ordinance amending Ordinance No. 2025-020, the Comprehensive Fee Schedule of the City of Castroville, Texas, to revise banner fees and utility reconnection fees.

RECOMMENDATION:

Staff recommends approval of the ordinance amending the Comprehensive Fee Schedule as presented.

BACKGROUND:

The City Council previously discussed and approved the proposed revisions to banner fees and utility reconnection fees at the March 10, 2026 City Council meeting. As a result of that direction, this ordinance has been prepared to formally amend Ordinance No. 2025-020, the Comprehensive Fee Schedule for the City of Castroville.

The proposed ordinance amends specific fees within the Comprehensive Fee Schedule as follows:

- Banner Fee: Reduced from \$600.00 to \$200.00
- Utility Reconnection Fee: Reduced from \$100.00 to \$50.00

These adjustments are intended to better align fee amounts with actual service costs and promote accessibility for residents and businesses while maintaining cost recovery where appropriate.

FISCAL IMPACT/SOURCE OF FUNDING:

The proposed fee reductions may result in a decrease in revenue associated with permits and utility reconnection services. However, the overall fiscal impact is expected to be minimal and can be absorbed within the current operating budget.

ATTACHMENTS/ADDITIONAL INFORMATION:

- Ordinance Amending Ordinance No. 2025-020
- Exhibit A – Updated Fee Schedule

Submitted and approved by:

Leroy Vidales Finance Director

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF CASTROVILLE, TEXAS, AMENDING ORDINANCE NO. 2025-020, THE COMPREHENSIVE FEE SCHEDULE; PROVIDING FOR REVISIONS TO BANNER FEES AND UTILITY RECONNECTION FEES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Castroville, Texas, previously adopted Ordinance No. 2025-020 establishing a Comprehensive Fee Schedule for City services;

WHEREAS, the City Council finds it necessary to periodically review and amend fees to ensure they remain reasonable, equitable, and reflective of the cost of providing services;

WHEREAS, the City Council has determined that revisions to certain fees are appropriate to better align with current operational practices and community needs;

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

SECTION 1. AMENDMENT

The Comprehensive Fee Schedule adopted under Ordinance No. 2025-020 is hereby amended to revise the following fees:

- Banner Fee: Reduced from \$600.00 to \$200.00
- Utility Reconnection Fee: Reduced from \$100.00 to \$50.00

These revisions shall be incorporated into the City’s Comprehensive Fee Schedule, attached hereto as Exhibit A.

SECTION 2. INCORPORATION

Except as expressly amended herein, all other provisions of Ordinance No. 2025-020 shall remain in full force and effect.

SECTION 3. SEVERABILITY

If any section, subsection, sentence, clause, or phrase of this Ordinance is held invalid, such decision shall not affect the remaining portions.

SECTION 4. REPEALER

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. PUBLICATION

This Ordinance shall be published as required by law.

SECTION 6. EFFECTIVE DATE

This Ordinance shall take effect immediately upon its passage and approval.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE on this 14TH day of April, 2026.

CITY OF CASTROVILLE, TEXAS

Bruce Alexander, Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney

Exhibit A

CITY OF CASTROVILLE – COMPREHENSIVE FEE SCHEDULE

FY 2026 ADOPTED Annual Operating & Capital Budget

FEES - Administration - (Continued)

Special Events: *Application Fee* :

On City Property & ROW excluding Regional Park	\$100/event + cost
Litter Pick up Deposit	\$14.00
Banner Placement	\$600 \$200 per banner
Sanctioned Event Permit (Ord. 2014-10)	\$20.00
Permits:	
Horse Drawn Carriage	\$100.00
Park Alcohol Permit Fee (for each day of event)	\$20.00
Carnival	\$250
Solicitors (includes background, picture ID)	\$100 organization permit + \$50 each person
General Fees - Moving of any building or structure - for movement of structure on City streets or ROW where city assistance is required.	\$100.00
Extension of Time - Fee may be waived by the City Administrator if the	\$250/extension
Postponement - When a postponement is requested by an applicant for an	\$200.00

CITY OF CASTROVILLE – COMPREHENSIVE FEE SCHEDULE

FY 2026 ADOPTED Annual Operating & Capital Budget

FEES – Public Works

Utility Fees

Deposit – Residential:

- Electric \$200
- Water \$200
- Gas \$200

Deposit - Commercial \$500

Utility Re-Connect Fee ~~\$100~~ \$50

Utility After Hours re-connection Fee
(requested by customer) \$50

Manual READ Fee (per occurrence) \$50

Meter ACCESS Fee \$50

Temporary Utility Service Connection Fee \$100

Meter **testing** *(requested by customer)* \$100 per meter plus the actual cost of testing and postage if not found to be defective.

Meter Exchange Fee \$175

Meter **tampering** fee & Theft of Service Tampering Fee: \$500.00
Theft of Service: \$5,000.00

For Monthly Utility Rates (Electric, Gas, Water, Sewer, see Adopted Ordinance 2024-003)

Edwards Aquifer Authority (EAA) \$0.50 per 1,000 gallons

Pass thru (As set by EAA)

Inspection Fee \$100/hr.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF CASTROVILLE, TEXAS ENTERING INTO AN AGREEMENT WITH THE CASTROVILLE CHAMBER OF COMMERCE AND AUTHORIZING THE MAYOR OF CASTROVILLE TO EXECUTE THE AGREEMENT BETWEEN THE CITY OF CASTROVILLE AND THE CASTROVILLE CHAMBER OF COMMERCE (CONVENTION & VISITORS CHAMBER) PROVIDING FOR THE PAYMENT AND USE OF HOTEL TAX REVENUE AND ADDITIONAL TERMS AND CONDITIONS

WHEREAS, on the 14th of April 2026, the City Council of the City of Castroville voted to enter into an agreement with the Castroville Chamber of Commerce to promote tourism and the convention and hotel industry by advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity; and

WHEREAS, the agreement calls for the Castroville Chamber of Commerce to manage social media and marketing for tourism, retail recruitment, and business promotion; and

WHEREAS, the City Council understands the need to adequately fund the Castroville Chamber of Commerce using hotel tax funds pursuant to TEX. TAX CODE §351.001, et. seq.; and

WHEREAS, the City Council finds this is in the best interest of the City of Castroville to enter into this agreement with the Castroville Chamber of Commerce.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE:

Section 1. That the facts and recitations contained in the preamble of this resolution are hereby found to be true and correct and are incorporated by reference herein.

Section 2. The City Council finds that Castroville is a highly exceptional community with its historic past, Alsatian roots, and buildings, and, therefore, seeks to capitalize on Castroville’s uniqueness in the State of Texas as well as the United States of America.

Section 3. The Castroville Chamber of Commerce shall conduct proper accounting methods and record keeping regarding the hotel tax funds, expenditures, and receipts.

Section 4. The City Council seeks to grow Castroville by utilizing the Chamber of Commerce to promote tourism.

Section 5. This resolution was passed in an open meeting before the City Council of Castroville in accordance with the Texas Open Meetings Act.

Section 6. That this resolution shall take effect immediately from and after its passage.

PASSED, APPROVED AND ADOPTED this the ___ day of April, 2026.

BRUCE ALEXANDER, MAYOR
CITY OF CASTROVILLE

ATTEST:

DEBRA HOWE
CITY SECRETARY

AGREEMENT BETWEEN THE CITY OF CASTROVILLE AND THE CASTROVILLE CHAMBER OF COMMERCE (CONVENTION & VISITORS CHAMBER) PROVIDING FOR THE PAYMENT AND USE OF HOTEL TAX REVENUE AND ADDITIONAL TERMS AND CONDITIONS

THIS AGREEMENT made between the City of CASTROVILLE, Texas, a municipal corporation (the “CITY”), and the CASTROVILLE Chamber of Commerce (Convention & Visitors CHAMBER), a non-profit corporation incorporated under the laws of the State of Texas (the “CHAMBER”).

WHEREAS, TEX. TAX CODE §351.002 authorizes CITY to levy by ordinance a municipal hotel occupancy tax (“hotel tax”) not exceeding seven percent (7%) of the consideration paid by a hotel occupant; and

WHEREAS, by ordinance, CITY has provided for the assessment and collection of a municipal hotel occupancy tax in the City of CASTROVILLE of seven percent (7%); and

WHEREAS, TEX. TAX CODE §351.101(a) authorizes CITY to use revenue from its municipal hotel occupancy tax to promote tourism and the convention and hotel industry by advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity; and

WHEREAS, TEX. TAX CODE §351.101(a)(1) authorizes the expenditure of municipal hotel tax revenue for construction, improvement, enlarging, equipping, repairing, operating, and maintaining convention center facilities, visitor information centers, or both; and

WHEREAS, CHAMBER is well equipped to perform those activities through its CASTROVILLE Convention and Visitor’s CHAMBER; and

WHEREAS, TEX. TAX CODE §351.101(c) authorizes CITY to delegate by contract with CHAMBER, as an independent entity, the management and supervision of programs and activities of the type described hereinabove funded with revenue from the municipal hotel occupancy tax;

NOW, THEREFORE, in consideration of the performance of the mutual covenants and promises contained herein, CITY and CHAMBER agree and contract as follows:

I. HOTEL TAX REVENUE PAYMENT

1.1 Consideration. For and in consideration of the activities to be performed by CHAMBER under this Agreement, CITY agrees to pay to CHAMBER a portion of the hotel tax revenue collected by CITY at the rates and in the manner specified herein (such payments by CITY to CHAMBER sometimes herein referred to as the “agreed payments” or “hotel tax funds”).

1.2 Amount of Payments.

(a) As used in this Agreement, the following terms shall have the following specific meanings:

(i) The term “Hotel Tax Revenue” shall mean the gross monies collected and received by CITY as municipal hotel occupancy tax at the rate of seven percent (7%) of the price paid for a room in a hotel, pursuant to Texas Tax Code §351.002 and City Ordinance. Hotel Tax Revenue will include penalty and interest related to the late payments of the tax revenue by the taxpayer.

(ii) The term “Collection Period” will mean the collection period for CITY’s fiscal year. It will include hotel tax revenue due to CITY for the relevant fiscal year and collected through the 22nd day of the month following the close of the relevant fiscal year.

(iii) The term “Annual Payment Amount” is up to \$75,000.00 as reflected in the Chamber’s budget proposed (Exhibit A).

(iv) The term “contract quarter” shall refer to any quarter of the calendar year in which this Agreement is in force. Contract quarters will end on March 31st, June 30th, September 30th, and December 31st of each contract year.

1.3 Dates of Payments.

(a) The annual payment shall be paid to the CHAMBER on or before January 1, of each year. A payment will be made following the City Council’s review of the annual budgetary report from the previous year which is due by December 1. If an annual financial report is not received within thirty (30) days of the end of the applicable contract year, the recipient may be held in breach of this Agreement. CITY may withhold the annual payment until the appropriate reports are received and approved.

1.4 Other limitations regarding consideration.

(a) The funding of this project in no way commits CITY to future funding of this program beyond the current contract period. Any future funding is solely the responsibility of CHAMBER.

(b) It is expressly understood that this contract in no way obligates the General Fund or any other monies or credits of CITY.

(c) CITY may withhold further allocations if CITY determines that CHAMBER’s expenditures deviate materially from their approved budget.

II. USE OF HOTEL TAX REVENUE

2.1 Use of Funds. For and in consideration of the payment by CITY to CHAMBER of the agreed payments of hotel tax funds specified above, CHAMBER agrees to use such hotel tax funds only for directly enhancing and promoting tourism and the convention and hotel industry as authorized by TEX. TAX CODE §351.101(a). Following termination of this AGREEMENT, any unused funds shall be refunded to CITY within sixty (60) days.

Advertising materials purchased with the hotel occupancy tax funds must be targeted to reach audiences outside the CASTROVILLE city limits. These materials include, but are not limited to, signs, posters, postcards, newsletters, print advertising, digital marketing, billboards, radio and television.

- (a) Advertise and conduct solicitations and promotional programs to attract tourists and convention delegates or registrants to the City of CASTROVILLE, including, but not limited to:
 - i. Marketing at the state and local level (including market analysis, campaign development, branding, promotion, etc.);
 - ii. Collecting and reporting metrics on marketing activity;
 - iii. Sales missions developed in conjunction with the hotel owner's sales team to pre-identify and pre-qualify business-appropriate meetings for the Property; and
 - iv. Partnership development to create collaborative opportunities with local private, public, and non-profit sector entities.

- (b) Provide meeting, event, and pre-convention services, including, but not limited to:
 - i. Conducting site visits and familiarization tours for potential clients;
 - ii. Customized servicing for groups (registration assistance, delegate name badge preparation, welcome packets, off-site function arrangements, etc.); and
 - iii. Serving as liaison between meeting planner client and hotel, local business, and transportation.

- (c) Identifying, collecting rate bids from, and securing overflow hotels in the City of CASTROVILLE for convention delegates.

- (d) Performance metrics shall include, but not be limited to, sales tax growth in Castroville versus the surrounding areas, website clicks, social media impressions, and overnight stays in hotels to be reported quarterly.

2.2 Administrative Costs. The CITY hotel tax funds received by CHAMBER may be spent for day-to-day operations, office supplies, salaries, travel expenses and other administrative costs incurred directly in the promotion and servicing expenditures authorized by TEX. TAX CODE §351.101(e), but only if specified in CHAMBER's budget attached hereto as Exhibit "A" and incorporated herein for all purposes and each are directly attributable to work on programs, which promote tourism and the hotel and convention industry, and if each promotes at least one of the statutory purposes enumerated within TEX. TAX CODE §351.101(a).

2.3 Specific Restrictions on Use of Funds.

(a) CHAMBER agrees to demonstrate strict compliance with the record keeping and apportionment limitations imposed by TEX. TAX CODE §351.101(f) and §351.108 (c) and (d). CHAMBER shall not utilize hotel tax funds for any expenditure which has not been specifically documented to satisfy the purposes set forth in 2.1 and 2.2 above and otherwise in compliance with Chapter 351 of the Texas Tax Code.

(b) Hotel tax funds may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of local tourism and the convention and hotel industry or the performance of the person's job in an efficient and professional manner.

III. RECORD KEEPING AND REPORTING REQUIREMENTS

3.1 Budget.

(a) CHAMBER shall adhere to the budget (Exhibit "A") as approved by the City Council for each calendar year, for all operations of CHAMBER funded by hotel tax revenue. CITY shall not pay to CHAMBER any hotel tax revenues as set forth in Section I of this contract during any program year of this Agreement unless a budget for such respective program year has been approved in writing by the CASTROVILLE City Council, authorizing the expenditure of funds.

(b) CHAMBER acknowledges that approval of the budget (Exhibit "A") by the CASTROVILLE City Council creates a fiduciary duty in CHAMBER with respect to the hotel tax funds paid by CITY to CHAMBER under this Agreement. CHAMBER shall expend hotel tax funds only in the manner and for the purposes specified in this Agreement, TEX. TAX CODE §351.101(a), and in the budget as approved by CITY.

(c) Upon the application or consent of CHAMBER, the City Administrator or his designate may authorize minor amendments to the approved budget as necessary to carry out the intent of this Agreement, in a manner consistent with efficient use of public funds, and in accordance with State law. Such minor amendments may not increase the overall funding set forth, extend the term, or otherwise alter the performance obligations of CHAMBER, without approval of the City Council by resolution.

3.2 Separate Accounts. CHAMBER shall maintain any hotel tax funds paid to CHAMBER by CITY in a separate account established for that purpose and CHAMBER may not commingle any hotel tax funds paid to CHAMBER with any other money.

3.3 Financial Records. CHAMBER shall maintain complete and accurate financial records of each expenditure of the hotel tax funds made by CHAMBER. These funds shall be classified as restricted funds for audited financial purposes, and may not be used for contracted services, including, but not limited to, auditing fees and attorney fees. Upon reasonable advance written request of the City Administrator or designate, CHAMBER shall make such financial records available for inspection and review by the party making the request. CHAMBER understands and accepts that all such financial records, and any other records relating to this Agreement shall be subject to the Public Information Act, TEX. GOV'T CODE, ch. 552, as hereafter amended.

3.4 Annual Report. After initial receipt of the hotel tax funds, and by December 1, CHAMBER shall furnish to CITY a completed financial report listing the expenditures made by CHAMBER, in a form and manner approved by the City Administrator or designate. Annual reports will be provided with an annual audit of receipts and expenditures. A quarterly report will be provided to provide progress updates. CHAMBER shall respond promptly to any request from the City Administrator or designate for additional information relating to the activities performed under this Agreement.

3.5 Notice of Meetings. CHAMBER shall give the City Administrator or designate reasonable advance written notice of the time and place of all meetings of CHAMBER's Board of Directors, as well as any other meeting of any constituency of CHAMBER at which this Agreement or any matter subject to this Agreement shall be considered.

IV. TERM AND TERMINATION

4.1 Term. The term of this Agreement shall commence on April 14, 2026, and the CITY and CHAMBER shall conduct an annual review on or before April 30, 2027, with an option to renew annually. Only those expenditures authorized by Chapter 351 of the Texas Tax Code and the program guidelines, which are actually incurred during the program period, for events and activities taking place within the program period, are eligible for funding under this Agreement, and any ineligible expenditures or unspent funds shall be forfeited to CITY within sixty (60) days following the termination of this Agreement.

4.2 Termination Without Cause.

(a) This Agreement may be terminated by either party, with or without cause, by giving the other party sixty (60) days advance written notice.

(b) In the event this contract is terminated by either party pursuant to 4.2(a), CITY agrees to reimburse CHAMBER for any contractual obligations of CHAMBER undertaken by CHAMBER in satisfactory performance of those activities specified in 2.1 and 2.2 above and that were approved by the Council through the budget, as noted in 3.1. This reimbursement is conditioned upon such contractual obligations having been incurred and entered into in the good faith performance of those services contemplated in 2.1 and 2.2 above, and further conditioned upon such contractual obligations having a term not exceeding the full term of this Agreement. Notwithstanding any provision hereof to the contrary, the obligation of CITY to reimburse CHAMBER or to assume the performance of any contractual obligations of CHAMBER for or under any contract entered into by CHAMBER as contemplated herein shall not exceed 66 2/3% of the current annual payment.

(c) Further, upon termination pursuant to 4.2(a), CHAMBER will provide CITY: 1) within ten (10) business days from the termination notification, a short-term budget of probable expenditures for the remaining sixty (60) day period between termination notification and contract termination. This budget will be presented to Council for approval within fifteen (15) business days after receipt by CITY. If formal approval is not given within fifteen (15) business days and the budget does not contain any expenditures that would be prohibited by the Texas Tax Code, and is within the current contractual period approved budget; the budget will be considered approved; 2) within thirty (30) days, a full accounting of all expenditures not previously audited by CITY; 3) within ten (10) business days of a request from CITY, a listing of expenditures that have occurred since the last required reporting period; and 4) a final accounting of all expenditures and tax funds on the day of termination. CHAMBER will be obligated to return any unused funds or funds determined to be used improperly. Any use of remaining funds by CHAMBER after notification of termination is conditioned upon such contractual obligations having been incurred and entered into in the good faith performance of those services contemplated in 2.1 and 2.2 above, and further conditioned upon such contractual obligations having a term not exceeding the full term of this Agreement.

4.3 Automatic Termination. This Agreement shall automatically terminate upon the occurrence of any of the following events:

- (a) The termination of the legal existence of CHAMBER;
- (b) The insolvency of CHAMBER, the filing of a petition in bankruptcy, either voluntarily or involuntarily, or an assignment by CHAMBER for the benefit of creditors;
- (c) The continuation of a breach of any of the terms or conditions of this Agreement by either CITY or CHAMBER for more than thirty (30) days after written notice of such breach is given to the breaching party by the other party; or
- (d) The failure of CHAMBER to submit a financial annual report which complies with the reporting procedures required herein and generally accepted accounting principles prior to the beginning of the next contract term, or quarterly as required by 1.3 hereof.

4.4 Right to Immediate Termination Upon Litigation. Notwithstanding any other provision of this Agreement, to mitigate damages and to preserve evidence and issues for judicial determination, either party shall have the right to terminate this Agreement upon immediate notice to the other party in the event that any person has instituted litigation concerning the activities of the non-terminating party, and the terminating party reasonably believes that such activities are required or prohibited under this Agreement.

4.5 In the event that this Agreement is terminated pursuant to 4.3 or 4.4, CHAMBER agrees to refund any and all unused funds, or funds determined by CITY to have been used improperly, within sixty (60) days after termination of this Agreement.

V. ADDITIONAL TERMS AND CONDITIONS

5.1 Social Media and Marketing. CHAMBER will manage social media and marketing for tourism, retail recruitment, and business promotion. CHAMBER will use video content to promote local businesses and tourism.

5.2 Existing Events. CHAMBER agrees to expand existing events to two days where it is possible to promote tourism.

5.3 Steinbach Haus. CHAMBER shall not be responsible for the Steinbach Haus in anyway whatsoever.

VI. GENERAL PROVISIONS

6.1 Independent Contractor. CHAMBER shall operate as an independent contractor as to all services to be performed under this Agreement and not as an officer, agent, servant, or employee of CITY. CHAMBER shall have exclusive control of its operations and performance of services hereunder, and such persons, entities, or organizations performing the same and CHAMBER shall be solely responsible for the acts and omissions of its directors, officers, employees, agents, and subcontractors. CHAMBER shall not be considered a partner or joint venturer with CITY, nor shall CHAMBER be considered nor in any manner hold itself out as an agent or official representative of CITY.

6.2 Indemnification. CHAMBER AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS OR SUITS FOR INJURIES, DAMAGE, LOSS, OR LIABILITY OF WHATEVER KIND OR CHARACTER, ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE BY CHAMBER OF THOSE SERVICES CONTEMPLATED BY THIS AGREEMENT, INCLUDING ALL SUCH CLAIMS OR CAUSES OF ACTION BASED UPON COMMON, CONSTITUTIONAL OR STATUTORY LAW, OR BASED, IN WHOLE OR IN PART, UPON ALLEGATIONS OF NEGLIGENT OR INTENTIONAL

ACTS OF CHAMBER, ITS OFFICERS, EMPLOYEES, AGENTS, SUBCONTRACTORS, LICENSEES AND INVITEES.

6.3 Assignment. CHAMBER shall not assign this Agreement.

6.4 Notice. Any notice required to be given under this Agreement or any statute, ordinance, or regulation, shall be effective when given in writing and deposited in the United States mail, certified mail, return receipt requested, or by hand-delivery, addressed to the respective parties as follows:

<u>CITY</u>	<u>CHAMBER</u>
City Administrator CITY OF CASTROVILLE 1209 Fiorella Street Castroville, TX 78009	President & CEO CASTROVILLE CHAMBER OF COMMERCE 1115 Angelo St. Castroville, TX 78009

6.5 Inurement. This Agreement and each provision hereof, and each and every right, duty, obligation, and liability set forth herein shall be binding upon and inure to the benefit and obligation of CITY and CHAMBER and their respective successors and assigns.

6.6 Application of Laws. All terms, conditions, and provisions of this Agreement are subject to all applicable federal laws, state laws, all ordinances of the City of CASTROVILLE passed pursuant thereto, and all judicial determinations relative thereto.

6.7 Exclusive Agreement. This Agreement contains the entire understanding and constitutes the entire agreement between the parties hereto concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, express or implied, between or among the parties hereto, relating to the subject matter of this Agreement, which are not fully expressed herein. The terms and conditions of this Agreement shall prevail notwithstanding any variance in this Agreement from the terms and conditions of any other document relating to this transaction or these transactions.

6.8 Duplicate Originals. This Agreement is executed in duplicate originals.

6.9 Headings. The headings and subheadings of the various sections and paragraphs of this Agreement are inserted merely for the purpose of convenience and do not express or imply any limitation, definition, or extension of the specific terms of the section and paragraph so designated.

6.10 Severability. If any section, subsection, paragraph, sentence, clause, phrase or word in this AGREEMENT, or application thereof to any person or circumstance is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this AGREEMENT, and the parties hereby declare they would have enacted such remaining portions despite any such invalidity.

6.11 Insurance. CHAMBER shall, at a minimum, provide insurance as follows:

- 1. \$500,000 Commercial General Liability, or \$1,000,000 Event Insurance, covering all events taking place on City-owned property.
- 2. \$250,000 Liquor/Dram Shop Liability for any event occurring on City-owned property where alcohol will be provided or served, and
- 3. \$500,000 Business Automobile Liability on any owned, non-owned or hired vehicles.

CITY must be named as an additional insured on all policies (except Workers' Compensation) and proof of coverage shall be submitted to CITY once per calendar year during the term of this AGREEMENT.

EXECUTED this _____ day of _____, 2026.

THE CITY OF CASTROVILLE, TEXAS

By: _____
BRUCE ALEXANDER,
MAYOR

ATTEST:

APPROVED AS TO LEGAL FORM:

By: _____
DEBRA HOWE
CITY SECRETARY

By: _____
DNRBSZ,
CITY ATTORNEY

CASTROVILLE CHAMBER OF COMMERCE

By: _____
President

ATTEST:

APPROVED AS TO LEGAL FORM:

By: _____
Secretary

By: _____



Agenda Report

Agenda of:	April 14, 2025
Department:	Administration
Subject:	Discussion and appropriate action to adopt a resolution approving the First Amendment to the Development Agreement between the City of Castroville, Texas and NP Homes, LLC, and authorizing the Mayor to execute the same.

Recommended Motion:

I move to approve a Resolution authorizing the Mayor to execute the First Amendment to the Development Agreement between the City of Castroville and NP Homes, LLC

Background:

The City of Castroville and NP Homes, LLC originally entered into a Development Agreement on March 28, 2023, for the development of approximately 35 acres known as *The Heights of Castroville*, including residential, commercial, and associated infrastructure improvements.

The proposed First Amendment reflects negotiated changes based on evolving project conditions and mutual agreement of the parties. Key provisions of the amendment include:

- **Removal of Economic Development Incentives:** Article 6 and all related grant/reimbursement provisions are eliminated, removing any City financial participation obligations.
- **PID Bond Adjustment:** Increases the maximum aggregate principal amount of PID bonds to \$6,500,000.
- **Value-to-Lien Ratio Update:** Establishes a minimum 2:1 value-to-lien ratio for financial security of the PID.
- **Maximum Tax Equivalent Rate Revision:** Caps the PID-related tax equivalent rate at \$0.7104 per \$100 valuation (exclusive of other taxing entities).
- **Construction Commencement Requirement:** Requires the developer to begin construction by December 31, 2026.
- **Utility Service Agreement Update:** Replaces Exhibit O with an updated agreement governing water and wastewater service, including capacity reservations (130 water EDUs / 128 wastewater EDUs) and developer-funded infrastructure requirements.
- **Infrastructure Improvements:** Adds obligations for improvements to Provident Road as part of authorized public improvements.
- **Land Plan Revision:** Updates the development layout, including 128 residential lots, commercial lots, and drainage/park areas.

The amendment maintains all other provisions of the original Development Agreement unless expressly modified.

STAFF RECOMMENDATION

Staff recommends approval of the amended development agreement by adoption of the proposed resolution.

Fiscal Impact: There is **no direct fiscal impact** to the City associated with this amendment. The removal of economic development incentives eliminates any prior potential reimbursement or grant obligations, and infrastructure costs remain the responsibility of the developer.

Budgeted **Requires Budget Amendment**

Source of Funding: N/A

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

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

Submitted by: R. Scott Dixon

Attachments: Resolution Approving Amendment, First Amendment to the NP Homes Development Agreement, Updated Utility Services Agreement (Exhibit O)

RESOLUTION NO. _____
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, APPROVING THE EXECUTION OF THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CASTROVILLE, TEXAS AND NP HOMES, LLC, AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Castroville, Texas (the "City") and NP Homes, LLC (the "Developer") entered into that certain Development Agreement dated March 28, 2023 (the "Development Agreement"), the recitals and terms of which are incorporated herein by reference; and

WHEREAS, the City and the Developer desire to amend the Development Agreement as set forth in the First Amendment to the Development Agreement (the "First Amendment") attached hereto as **EXHIBIT A**; and

WHEREAS, the City Council has determined that it is in the best interest of the City and its citizens to approve and authorize the execution of the First Amendment;

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

SECTION 1. The First Amendment attached hereto as **EXHIBIT A** is hereby approved, and the Mayor is authorized to execute and deliver the First Amendment on behalf of the City.

SECTION 2. The City Manager, City Secretary, City Attorney, and all other appropriate City officials are hereby authorized to take all actions necessary to carry out the purposes of this Resolution.

SECTION 3. This Resolution is effective immediately upon adoption.

Adopted this 14th day of April, 2026.

CITY OF CASTROVILLE, TEXAS

By: _____

Bruce Alexander, Mayor

ATTEST:

By: _____

City Secretary

(CITY SEAL)

EXHIBIT A

FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN CITY OF
CASTROVILLE, TEXAS AND NP HOMES, LLC

[Attached hereto.]

STATE OF TEXAS §
 §
COUNTY OF MEDINA §

**FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT
BETWEEN CITY OF CASTROVILLE, TEXAS AND NP HOMES, LLC**

This First Amendment to Development Agreement ("**First Amendment**") to be effective as of April 14, 2026, by and between the City of Castroville (hereinafter "**City**") and NP HOMES, LLC (hereinafter "**Developer**") provides as follows:

WHEREAS, on March 28, 2023, the City and Developer entered into that certain Development Agreement ("**Development Agreement**") addressing the development of approximately 35 acres of real property ("**Property**") located in Medina County, partly in the City's Extraterritorial Jurisdiction (the "**City's ETJ**"), such Property being more specifically described in the Development Agreement; and

WHEREAS, Developer is the sole owner of the Property, having closed on the Property on April 27, 2023; and

WHEREAS, on May 9, 2023, Developer submitted, and the City accepted, its Petition to Establish the City of Castroville Public Improvement District (The Heights of Castroville) (the "**Petition**") which estimated the total cost of the authorized improvements to be \$6,000,000.00 (including issuance and other financing costs); and

WHEREAS, on June 13, 2023, City authorized and created the City of Castroville Public Improvement District (The Heights of Castroville) with authorized improvements as stated in the Petition via Resolution No. R2023-018; and

WHEREAS, Developer, in accordance with the Development Agreement, voluntarily filed a petition requesting annexation and such annexation was approved on September 12, 2023, by the City; and

WHEREAS, Developer requested and received Planned Unit Development District overlay, with the underlying zoning RA: Single Family Dwelling District on June 25, 2024; and

WHEREAS, the Property is being developed as a master-planned, mixed residential and commercial use development, to include associated infrastructure and other public improvements; and

WHEREAS, the Development Agreement and all its provisions remain unchanged except as modified in this First Amendment; and

WHEREAS, the City and the Developer seek this First Amendment to amend the bonding amount as set forth in Article 5, Section 5.01(f), to amend the value-to-lien ratio requirement as set forth in Article 5, Section 5.01(f)(vii), to delete the economic development incentives provisions set forth in Article 6 and related definitions, to impose certain construction commencement obligations on the Developer, to replace the form of Utility Service Agreement (Exhibit O), to add obligations concerning improvements to Provident Road meeting the definition

of Authorized Improvements, to revise the maximum equivalent tax rate calculation, and to revise the Land Plan (Exhibit I) all due to changed circumstances and the mutual agreement of the Parties; and

NOW THEREFORE, in consideration of the terms and conditions described herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

1. Deletion of Article 6 and Related Definitions.

Article 6 of the Development Agreement, entitled "ECONOMIC DEVELOPMENT INCENTIVES" (including Sections 6.01 through 6.06), is hereby deleted in its entirety and replaced with the following:

"ARTICLE 6 RESERVED"

In addition, the following definitions set forth in Article 1, Section 1.02 of the Development Agreement are hereby deleted:

- (a) "Capital Costs";
- (b) "City Ad Valorem Taxes";
- (c) "Developer's Costs";
- (d) "Developer's Reimbursement Request";
- (e) "Final Grant Installment Payment Date";
- (f) "Financing Costs";
- (g) "Grant Funded Public Infrastructure";
- (h) "Grant Installment";
- (i) "Grant Installment Payment Date";
- (j) "Grant Proceeds Collection Account";
- (k) "Grant Reimbursement Period";
- (l) "Grants";
- (m) "Maximum Disbursement Amount"; and
- (n) "Offsite Infrastructure Completion Date."

For the avoidance of doubt, Exhibit F (Form of Developer's Reimbursement Request) and Exhibit H (Grant Funded Public Infrastructure) to the Development Agreement are hereby deleted and marked "Reserved".

2. Amendment to Aggregate Principal Amount of PID Bonds.

Article 5, Section 5.01(f)(i) of the Development Agreement is hereby amended and restated in its entirety to read as follows:

"(i) the aggregate principal amount of all PID Bonds shall not exceed \$6,500,000;"

3. Amendment to Value-to-Lien Ratio.

Article 5, Section 5.01(f)(vii) of the Development Agreement is hereby amended and restated in its entirety to read as follows:

"(vii) the Developer shall have delivered to the City (i) a certificate or report from an independent certified appraiser, appraisal firm or financial consultant, assuming completion of the Authorized Improvements, demonstrating that the ratio of the aggregate appraised value of all assessed parcels of Property to the aggregate principal amount of all PID Bonds then secured or proposed to be secured by the resultant Assessment Revenues (the "Value to Lien Ratio") is at least 2:1 (which in determining, the independent certified appraiser, appraisal firm or financial consultant may rely on builder contracts, a certificate from the Administrator identifying lots on which Structure construction has commenced or the Medina County Tax Assessor/Collector's estimated assessed valuation for completed Structures (Structure and lot assessed valuation) and estimated lot valuation for lots on which Structures are under construction);"

4. Maximum Tax Equivalent Rate.

Article 5, Section 5.02 of the Development Agreement is hereby amended and restated in its entirety to read as follows:

"The maximum tax-equivalent rate applicable to the Property, inclusive only of the tax-rate equivalent to pay the Annual Installments and exclusive of the ad valorem tax rate of any and all jurisdictions having taxing authority over the Property, shall not exceed \$0.7104 per \$100 of assessed valuation of Assessed Property in the PID."

5. Developer Commencement of Construction.

The Developer hereby undertakes and covenants to commence construction of the Project no later than December 31, 2026. For purposes of this Section 4, "commence construction" shall mean the initiation of material and continuous physical alteration of the Property necessary to facilitate Project completion, including but not limited to grading, installation of utilities, or construction of infrastructure.

6. Replacement of Form of Utility Service Agreement.

Exhibit O to the Development Agreement (Form of Utility Service Agreement) is hereby deleted and replaced in its entirety with the form of Utility Service Agreement attached to this First Amendment as **Exhibit A**.

7. Provident Road Improvements.

A new Section 3.12 is hereby added to Article 3 of the Development Agreement to read as follows:

"3.12 Provident Road Improvements. The Developer hereby undertakes and covenants to construct improvements to Provident Road as set forth in **Exhibit B** attached to the First Amendment to this Agreement. Such improvements shall be constructed in accordance with the Governing Regulations and shall be subject to inspection and acceptance by the City in accordance with Section 3.03 hereof."

The scope and specifications of the Provident Road improvements are set forth in **Exhibit B** attached hereto and incorporated herein.

8. Replacement of Land Plan.

Exhibit I to the Development Agreement (Land Plan) is hereby deleted and replaced in its entirety with the updated Land Plan attached to this First Amendment as **Exhibit C**. Developer and City acknowledge that the Land Plan and this Amendment amend the PUD in accordance with 3.01(c) of the Development Agreement.

9. Conforming Amendments.

Any references in the Development Agreement to Article 6, the Grants, the Maximum Disbursement Amount, Grant Funded Public Infrastructure, Developer's Costs, or any other defined terms deleted pursuant to Section 1 of this First Amendment are hereby deemed deleted or amended as necessary to give effect to the provisions of this First Amendment.

9. Effect of Amendment.

Except as expressly amended by this First Amendment, the Development Agreement shall remain in full force and effect in accordance with its terms. In the event of any conflict between the terms of the Development Agreement and the terms of this First Amendment, the terms of this First Amendment shall control.

10. Counterparts.

This First Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

[Signature Pages Follow]

DEVELOPER:

NP HOMES, LLC
a Texas limited liability company

By: _____

Name: Nader Karimi
Title: Director/Manager

Date: _____

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on April __, 2026, by

Nader Karimi, Director/Manager of NP Homes, LLC.

Notary Public in and for the State of Texas

CITY OF CASTROVILLE, TEXAS:

Bruce Alexander
Mayor

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on April _____, 2026, by

Bruce Alexander, Mayor of the City of Castroville, Texas.

Notary Public in and for the State of Texas

EXHIBIT A

FORM OF UTILITY SERVICE AGREEMENT

[New Form to be Attached]

UTILITY SERVICE AGREEMENT FOR NEW DEVELOPMENT

STATE OF TEXAS §
 §
COUNTY OF MEDINA §

This Utility Service Agreement for New Development ("Agreement") is entered into by and between the City of Castroville ("City") and NP Homes, LLC, a Texas limited liability company, ("Developer") together the Parties ("Parties").

Recitals

WHEREAS, the City and the Developer have entered into that certain Development Agreement (as the same is amended from time to time, the Development Agreement), pursuant to which the City and the Developer are obligated to undertake specified actions relative to the development that is the subject of the Development Agreement; and

WHEREAS, Developer has requested that the City provide municipal water, wastewater collection, transportation, treatment, and disposal services (the "Services") to an approximate 35acre tract of land (the "Tract") which is located inside the City's certificate of convenience and necessity ("CCN"), and the Developer's request does not necessitates the City's financial participation in the development of infrastructure through oversizing or unbudgeted expenditures, therefore, City Council action is not required; and

WHEREAS, the City desires to provide the Services to the Developer pursuant to this Agreement,

NOW THEREFORE, the Parties agree as follows:

Agreement

1.00 Definitions. The terms defined in the above Recitals and set forth below are incorporated herein for all purposes.

1.01 Capacity Reservation – Capacity reserved in the City System for the Tract in accordance with the terms of this Agreement, expressed as Equivalent Dwelling Unit (EDUs) for planning and tracking purposes and in the amount specified in this Agreement.

1.02 Capital Improvements Plan (CIP) – the City's multi-year plan for implementing projects that support water production and distribution and domestic wastewater collection and treatment. The CIP is a financial planning and management tool which identifies facility and equipment requirements and schedules them for funding and implementation.

1.03 Connection Fee - a charge or fee that is imposed by City for construction, installation, or inspection of a tap or connection to the City's water or wastewater facilities, including all necessary service lines and meters, or for wholesale facilities that serve such

water or wastewater facilities if the charge or fee does not exceed three times the actual cost to the City for such tap or connection; or if made to a nontaxable entity for retail or wholesale service, does not exceed the actual costs to the City for such work and for all facilities that are necessary to provide Services to such entity and that are financed or are to be financed in whole or in part by rates or revenue bonds of the City; or is made by the City for retail or wholesale service on land that at the time of platting was not being provided with wastewater service by the City.

1.04 Developer - any person who, with respect to land located within the City's Service Areas: (i) has divided or proposes to divide the land into two or more parts for the purpose of laying out a Subdivision or other Development; (ii) is planning a Development on a single large Plat; or (iii) is developing over ten residential lots whether previously platted or not.

1.05 Engineering Report – Signed and sealed report prepared for a Developer by a registered professional engineer identifying the Tract, providing details of the proposed development and phasing on the Tract, identifying the number of EDUs to be served for each phase, the proposed assignment of Capacity Reservation to each phase, if applicable; the sequence and a timetable for build-out; and specifying the On-Site and Off-Site Facilities to be constructed for each phase that would allow the development on the Tract to receive Services from the City System.

1.06 Equivalent Dwelling Unit (EDU) – A standardized measure of the consumption, use, generation, or discharge of water or wastewater attributable to a single-family residence, calculated in accordance with generally accepted engineering and planning standards for capital improvements and facilities expansion to serve new development, as defined as 240 gallons per day for wastewater.

1.07 Impact Fee – A charge or assessment imposed by the City against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to such new development and does not include any fee or charge that is a Connection Fee.

1.08 Joint Venture – A commercial enterprise undertaken jointly by two or more parties that otherwise retain their distinct identities.

1.09 Off-Site Facilities - The structures, facilities, and equipment to be constructed and located on property other than the Tract necessary for connection of water and wastewater services of the City System to the Tract.

1.10 On-Site Facilities – The structures, facilities, and equipment to be constructed by the Developer and located on the Tract necessary for connection of water and wastewater services from the Tract to the City System.

1.11 Plat – A complete and exact map representing the Tract, showing the boundaries

and location of individual lots, easements, and streets which will be approved by the City.

1.12 Project ROW – Right of way needed for the Off-Site and On-Site Facilities to be provided by the Developer in a form and manner acceptable to City as provided in Section 8.00 herein.

1.13 City – the City of Castroville, Texas, a Texas General Law Type A Municipality located in Medina County.

1.14 City Council means the City Council of the City, as its governing body.

1.15 City System or System – The central water and wastewater collection, treatment, and disposal system owned and operated by the City.

1.16 City Technical Specifications for Utility Construction – Technical specifications established by the City management for the On-Site Facilities and Off-Site Facilities, including, but not limited to, specifications of material type, sizing, and installation requirements.

1.17 City Utility Service Policies - Rules and policies adopted by the City Council of the City of Castroville governing the extension and provision of Service from the City System.

1.18 Services – Water and wastewater collection, transportation, treatment and disposal.

1.19 Site Plan – plan prepared by Developer’s engineer depicting the Tract, phases of development, the number of EDUs planned for each development phase, and the planned Off-Site Facilities and On-Site Facilities needed to serve the Tract and proposed development.

1.20 TCEQ - Texas Commission on Environmental Quality or its successor entity.

1.21 Tract – a lot or plot of land to be developed by the Developer. Boundaries are defined per the Plat submitted by the Developer and identified in the Site Plan and Engineering Report.

1.22 Utilities Manager - The Manager of the City of Castroville Utilities Department or their designated representative.

2.00 Utility Service Policies and Technical Specifications for Utility Construction. The Parties acknowledge that the Services to the Tract shall be provided in accordance with: the City’s Utility Service Policies , City’s Technical Specifications for Utility Construction, as may be amended from time to time. In the event the specific terms of this Agreement are in conflict with the above listed, the

specific terms of this Agreement shall apply. The above notwithstanding, for the specific conflicting terms to prevail, the conflict must be expressly noted in this Agreement. The Parties further acknowledge that this Agreement may be subject to future acts of the City Council or its assignee with respect to the adoption or amendment of City ordinances/resolutions governing Connection Fees and Impact Fees, in accordance with applicable law.

3.00 Capacity Reservation. The Parties agree that the purposes of this Agreement are 1) the reservation and dedication of 130 water service EDUS and 128 wastewater EDUS from available System capacity; 2) the connection to the System, and 3) provision of Services to the Tract provided 4) the Developer meets the terms and conditions of this Agreement. Unused Capacity Reservation for individual EDUs shall expire ten years from the Effective Date of this Agreement. Developer may request an extension in the same manner as extension of the Developer's obligations under the Development Agreement (which provisions are incorporated by reference as though herein reproduced), unless extended by mutual agreement, evidenced in writing, by the City and the Developer. Any rights that the Developer claims arise under Chapter 245, as amended, Texas Local Government Code or Chapter 43, as amended, Texas Local Government Code that are related to this Agreement shall be governed by the applicable provisions of the Development Agreement, particularly Section 3.01(b) thereof.

4.00 Obligation Conditioned. The obligation of the City to provide the Services is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the System and/or the utility infrastructure directly servicing the Tract. The Developer acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the execution date of this Agreement are repealed, revised or amended to such an extent that the City becomes incapable of, or prevented from, providing the Services, then no liability of any nature is to be imposed upon the City as a result of the City's compliance with such legal or regulatory mandates. The City agrees that it will use its best efforts to prevent the enactment or to mitigate the impact of such legal or regulatory mandates.

5.00 Site Plan and Engineering Report. The Developer will submit the Engineering Report as part of the plan review. **Attachment A** provides the current Site Plan for the Tract. The Parties agree that the Site Plan is a part of this Agreement for the purposes of identifying the Tract, Off-Site Facilities, On-Site Facilities and development phases until the Engineering Report is provided. The Developer shall modify and update the Site Plan and the Engineering Report as may be reasonably required by the Utilities Manager.

6.00 Infrastructure Requirements. The Developer will design and install all On-Site Facilities to serve the Tract in accordance with the City's Technical Specifications for Utility Construction solely at the Developer's cost, unless otherwise stated herein. Such On-Site include the following:

II. SANITARY SEWER IMPROVEMENTS

ITEM NO.	ITEM DESCRIPTION	QUANTITY	UNIT
1.	6" Sanitary Sewer Pipe (6'-10')	4,863	LF
2.	Sanitary Sewer Manholes	21	EA
3.	Extra Depth Manholes	64	VF
4.	6" Vertical Stacks	50	EA
5.	6" Sanitary Sewer Laterals	6,150	LF
6.	Wye Fittings	117	EA
7.	Trench Excavation Protection	4,863	LF
8.	Sewer Main Television Inspection	4,863	LF
Sanitary Sewer Improvements Total:			

Notes:

a. No Offsite Sanitary Sewer Improvements included in the above numbers.

III. WATER IMPROVEMENTS

ITEM NO.	ITEM DESCRIPTION	QUANTITY	UNIT
1.	8" PVC Water Main	7,114	LF
2.	8" Gate Valve and Box, Complete	5	EA
3.	Standard Fire Hydrant Assembly	10	EA
4.	Ductile Iron Fittings	5	TON
5.	Water Tie-In	2	EA
6.	2" Temporary Blow-Off Assembly	2	EA
7.	2" Permanent Blow-Off Assembly	2	EA
8.	Water Service	117	EA
9.	Meter Box - Residential	117	EA
10.	Hydrostatic Test	4	EA

7.00 Reserved.

7.01. Reserved.

8.00 Project ROW. The Developer shall use best efforts to provide all services necessary to acquire title to the right of way needed for the Off-Site Facilities and On-Site Facilities ("Project ROW") in a form and substance acceptable to the City in its sole discretion in the name of the City. The City requires utility easements to be twenty (20) twenty feet wide. The Developer shall acquire all Project ROW in accordance with State and Federal Law and the practices, guidelines, procedures, and methods as required by the City. Except as otherwise set forth in this Agreement, the Developer's Project ROW staff and/or Subcontractors will function as independent contractors

while acquiring Project ROW, and not as an agent, representative, or employee of the City. If the Developer is unable to acquire the necessary Project ROW and thereby fails to obtain the needed conveyance in a form acceptable to the City, the City staff may initiate acquisition efforts. The use of eminent domain by the City requires approval by the City Council, and such decision is in the City Council's sole discretion. The acquisition of all Project ROW shall be completed prior to starting construction.

If the City staff is engaged for acquisition efforts, an amendment to this agreement shall be executed to outline the terms of this effort. The Developer will reimburse the City for all costs incurred by the City in the acquisition of the Project ROW, including but not limited to land acquisition costs, survey costs, appraisal costs, staff time and legal costs. The City shall not expend more than \$0 (or determined through amendment if not able to determine at this time) in the aggregate toward the cost of acquisition of the Project ROW without the prior written approval of the Developer and the Developer agrees to deposit these funds in an escrow account agreeable to the City from which the City may draw as funds are needed to pay for any costs incurred by the City as the City deems necessary.

Developer shall also be responsible for the full and timely payment of any fees and charges imposed by a city for returning the Project ROW to the condition as it existed prior to the construction, installation, repair, replacement, upgrade, or removal of any Off-Site or On-Site Facilities needed to serve the new Development.

9.00 Reserved.

10.00 Connection Fee and Impact Fee Assessment and Payment. Connection Fees and Impact Fees will be assessed at the rates, and be payable at the times, as specified in the Code and ordinance or resolutions from time to time adopted by the City implementing or modifying the same. Impact Fees shall be payable upon, and as a condition to, the issuance of building permits.

11.00 Impact Fee Estimates Based Upon Current Charges. The following is an estimate of Connection Fees and Impact Fees for the provision of Services contemplated under this Agreement.

Type of Fee	EDUs	\$/EDU	Estimated Total
Impact Fee – Water	130	\$4,981.94	\$647,652.20
Impact Fee- Wastewater	128	\$5,985.63	\$766,160.64
Total			\$1,413,813.84

12.00 Reserved.

13.00 Dedication to City. The Developer agrees to dedicate, grant, and convey to the City all

rights, title and interest of the Developer in both the Off-Site Facilities and On-Site Facilities that the Developer constructs pursuant to this Agreement and to dedicate, grant, and convey to the City easements for such utility infrastructure in the form and manner acceptable to the City. Upon written acceptance of Off-Site and On-Site Facilities by the City, the infrastructure shall be owned, operated and maintained by the City, at which point all conveyed infrastructure will have a one-year warranty.

14.00 Design and Construction Requirements. The design and construction of all Off-Site and On-Site Utilities shall, at a minimum, comply with the requirements established by the City and if applicable, Medina County, State of Texas, and any agency thereof with jurisdiction, including but not limited to the TCEQ and the Texas Department of Health. Off-Site and On-Site Facilities shall be constructed under the inspection of City. Provision of the Services to the Tract shall not commence until the Utilities Manager has accepted and approved Off-Site and On-Site Facilities in writing.

15.00 Joint Venture Agreements. In the event the Developer enters into a Joint Venture agreement covering the costs for supplying the Services to the Tract, the Developer shall send a copy of such agreement to the attention of the Utilities Manager.

16.00 Assignment. This Agreement may not be assigned by the Developer in whole or in part without the prior written consent of the City. The Developer may assign, convey or transfer Capacity Reservation (by EDU) to buyers of portions of the Tract in accordance with Section 25 below and with the approval of the City.

17.00 Event of Foreclosure. In the event the Developer's interests in the Tract are extinguished by an act of foreclosure, and the foreclosing party has supplied sufficient evidence to the City that they are the successor in interest to the Tract as a result of such foreclosure, and that there are no lawsuits pending concerning the Tract, the City shall consider the foreclosing party a successor in interest if the foreclosing party executes a utility service agreement with the City after the Utilities Manager determines that the execution of such an agreement will not be adverse to the City's interest.

18.00 Payment for Provision of Retail Utility Service. Customers within the Tract receiving Services shall be charged the applicable rates for Service from time to time specified by ordinance or resolution adopted by the City Council. Billing and collection for charges for Service shall be the responsibility of the City.

19.00 Reserved.

20.00 City's Obligation to Provide Service. To the extent that the Developer pays all applicable fees and complies with all Off-Site Facility and On-Site Facility requirements, Developer shall be entitled to the permanent use and benefit of the Services and is entitled to receive immediate service from any existing facilities with actual capacity to serve the development for which fees were paid, subject to compliance with other valid regulations and the terms of this Agreement.

21.00 Reserved.

22.00 Plats and Engineering Report. On-Site Facilities to be installed in phases shall conform to the Engineering Report. The Developer shall also provide the City with a digital version of the City of Castroville - Utilities Service Agreement

proposed recorded Plat, as submitted for Plat recordation in a format acceptable to the City, for each phase or unit of the development project. If a phase changes in any way from the Engineering Report, except for timing or schedule (i.e. number of EDUs, geographic boundaries), an amendment to this Agreement will be required.

23.00 Conformance to Engineering Report. All On-Site Facilities and Off-Site Facilities to serve the Tract shall be designed and constructed in conformance with the approved Engineering Report. Changes in the wastewater system design shall be resubmitted to the City for written approval.

24.00 Reserved.

25.00 Capacity Reservation Assignments and Expiration. Capacity Reservations are for the Tract only and may not be transferred to other Off-Site projects. Capacity Reservation assignments to subdivided tracts within the Tract of this Agreement may be made only with prior approval of the City. The Developer shall maintain an accounting of the Capacity Reservations assigned by the Developer after the Effective Date of this Agreement to portions of the Tract. If the Developer sells a portion of the Tract and assigns part of the Capacity Reservation, such assignment must be included in the deed, bill of sale or instrument conveying the land and the Developer must require the buyer of the land who receives the assignment to record the instrument effectuating the assignment. The City will recognize the Capacity Reservation assignments within the Engineering Report so long as the City has received notice of and previously approved the assignment, the allocations are within the parameters of this Agreement, and the City is given the opportunity to amend this Agreement and/or enter into a new Utility Service Agreement with the buyer of the land who receives the assignment from Developer.

Capacity Reservation for individual EDUs shall expire upon the earlier of (1) the time a retail customer connection is set and in service at which point the EDUs associated with that connection convert to active service and the EDUs are deducted from the overall Capacity Reservation for the Tract; or ten years from the Effective Date.

In no event will the System be responsible to third-parties for providing water or wastewater services capacity beyond the total Capacity Reservation identified in this Agreement for the Tract. **THE DEVELOPER EXPRESSLY DISCLAIMS, RELEASES AND HOLDS HARMLESS THE CITY, ITS OFFICERS, EMPLOYEES, CONSULTANTS AND REPRESENTATIVES, FROM ANY LIABILITY, DAMAGES, COSTS OR FEES, AND AGREES TO INDEMNIFY CITY, ITS OFFICERS, EMPLOYEES, CONSULTANTS AND REPRESENTATIVES FOR ANY LIABILITY, INCLUDING COSTS AND ATTORNEY'S FEES, ASSOCIATED WITH ANY DISPUTE RELATED TO THE AVAILABILITY OF SERVICES TO THE TRACT.**

26.00 Term. The term of this Agreement shall be ten years from the Effective Date, if the Developer complies with the requirements this Agreement. This Agreement shall automatically expire if the Developer fails to comply with the requirements of this Agreement within the time period provided herein.

26.01 To the extent that City's obligations do not survive the expiration of this Agreement, Developer understands and agrees that a new Agreement must be entered into with City to receive City of Castroville - Utilities Service Agreement

the Services for the development project that is the subject of this Agreement.

26.02 To the extent that Developer timely pays all applicable fees and complies with all On-Site and Off-Site Facilities requirements prior to the expiration of this Agreement, the following City obligations will survive expiration of this Agreement:

- a) The City’s recognition of the EDUs referenced as the subject of this agreement as Capacity Reservation for the Tract.
- b) The City continued recognition of fee credits previously earned by the Developer.
- c) The City’s continued provision of the Services to retail customers located in the Tract, so long as such customers pay for the services and comply with the City’s regulations applicable to individual customers.

27.00 Entire Agreement. The following documents attached hereto and incorporated herein are as fully a part of this Agreement as if herein repeated in full, together with this Agreement, comprise the Agreement in its entirety:

Attachment A: Site Plan

Any of the above attachments that are created and submitted by the Developer as an attachment to this Agreement shall be limited to providing relevant engineering, planning or managing information for the purposes of setting aside or reserving wastewater service capacity as specified in the body of this Agreement. The Developer understands that this Agreement is subject to the Texas Public Information Act; and, therefore, agrees that it will not claim that any of the information contained herein is subject to any third-party exception under that Act.

28.00 Amendment. No amendment of this Agreement will be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the City and the Developer.

29.00 Recordation. The Developer acknowledges and agrees that the Capacity Reservation provided by this Agreement runs with the land and shall be an appurtenance to the Tract. The City shall record notice of this Agreement in the Real Property Records of Medina County.

30.00 Indemnity. **TO THE EXTENT ALLOWED BY LAW AND TEXAS CONSTITUTION, THE DEVELOPER AGREES TO DEFEND, FULLY INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICERS, EMPLOYEES, CONSULTANTS AND REPRESENTATIVES, SUCCESSOR AND ASSIGNS AGAINST ANY AND ALL CLAIMS, LIENS, SUITS, OR ACTIONS ASSERTED BY ANY PERSON, FIRM, OR CORPORATION ON ACCOUNT OF LABOR, MATERIALS, OR SERVICES FURNISHED TO DEVELOPER IN THE PERFORMANCE OF THIS AGREEMENT AND FROM ANY CLAIMS, SUITS, OR ACTIONS OF THIRD PARTIES ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT.**

31.00 Notices. Any notice, request, demand, report, certificate or other instrument which may be
City of Castroville - Utilities Service Agreement

required or permitted to be furnished to or served upon the parties shall be deemed sufficiently given or furnished or served, if in writing, and deposited in the United States mail, registered or certified, return receipt requested, addressed to such party at the address set forth below:

IF TO CITY:

CITY OF CASTROVILLE
1209 Fiorella Street
Castroville, Texas 78009
ATTN: City Administrator

With a copy to:

Jonathan W. Cranz
Kelly Hart
201 Main Street, Suite 2500
Fort Worth, Texas 76102
Jonathan.cranz@kellyhart.com
and

Dan Jones
Denton Navarro Rodriguez Bernal Santee & Zech, PC
2517 N Main Ave
San Antonio, Texas 78212
djones@rampagelaw.com

IF TO DEVELOPER:

NP Homes, LLC
21911 Ranier Lane
San Antonio, Texas 78260
nphomes@aol.com

With a copy to:

Rob Killen
Killen, Griffin & Farrimond
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
rob@kgftx.com

32.00 Severability. If for any reason any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect impair or invalidate the remaining paragraphs of the Agreement as a whole, but shall be confined to the specific sections, clauses, or paragraphs of this contract held legally invalid.

33.00 Effective Date. The Effective Date of this Agreement shall be the date signed by the authorized representative of the City.

34.00 Ownership. By signing this Agreement, the Developer represents and warrants that it is the owner of the Tract or has the authority of the Tract owner to develop the area.

35.00 Developer's Obligations Regarding Construction. Developer shall ensure that contractors and builders working on the Tract shall use best practices to protect the City System and the environment during their construction projects and shall be aware of and follow City's construction requirements. Developer shall be responsible for the direct and indirect costs of any damage to the City System, costs incurred by the City due to the failure of the Developer or its contractors to use best practices, or any damage to the environment caused by construction projects on the Tract.

ACCEPTED AND AGREED TO IN ALL THINGS:

City of Castroville

Signature: _____

Print Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS, COUNTY OF MEDINA §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he/she has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

Given Under My Hand and Seal of Office this _____ day of _____, 2026.

(Seal)

Notary Public

ACCEPTED AND AGREED TO IN ALL THINGS:

NP HOMES, LLC

Signature: _____

Print Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS, COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he/she has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

Given Under My Hand and Seal of Office this _____ day of _____, 2026.

(Seal)

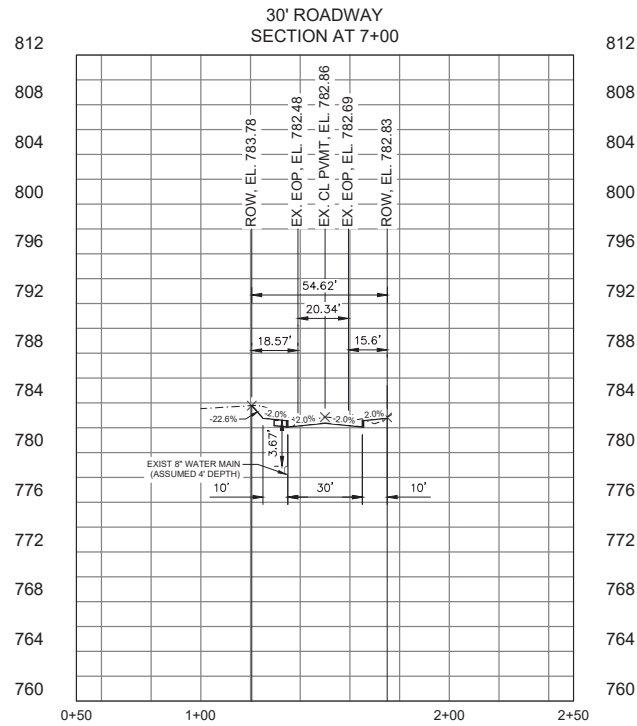
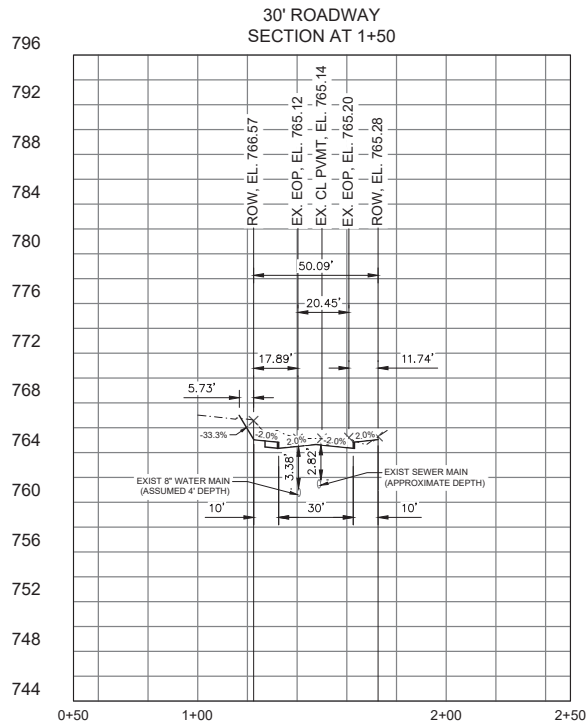
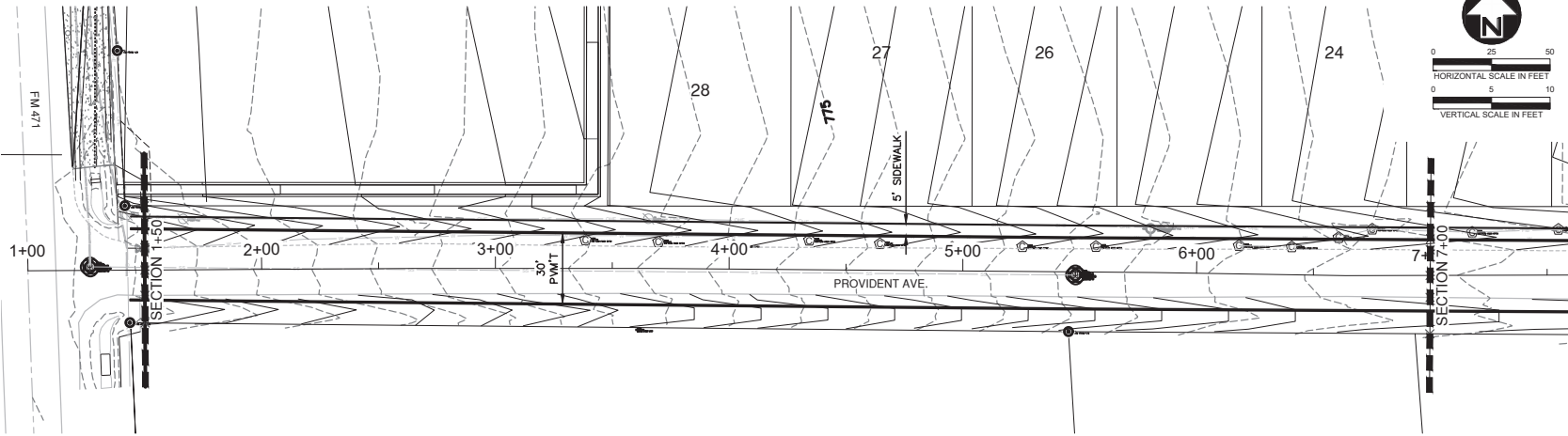
Notary Public

**ATTACHMENT A
SITE PLAN**

EXHIBIT B

PROVIDENT ROAD IMPROVEMENTS

[Scope and Specifications to be Attached]



NOTE:
1. EXISTING AND PROPOSED CONTOURS PROVIDED BY INTREPID ENGINEERING AND SURVEY BASED ON DESIGN DATED AUGUST 2025.

THE HEIGHTS AT CASTROVILLE
PROVIDENT AVE
STREET DESIGN CONCEPT
(30' PAVEMENT WIDTH)

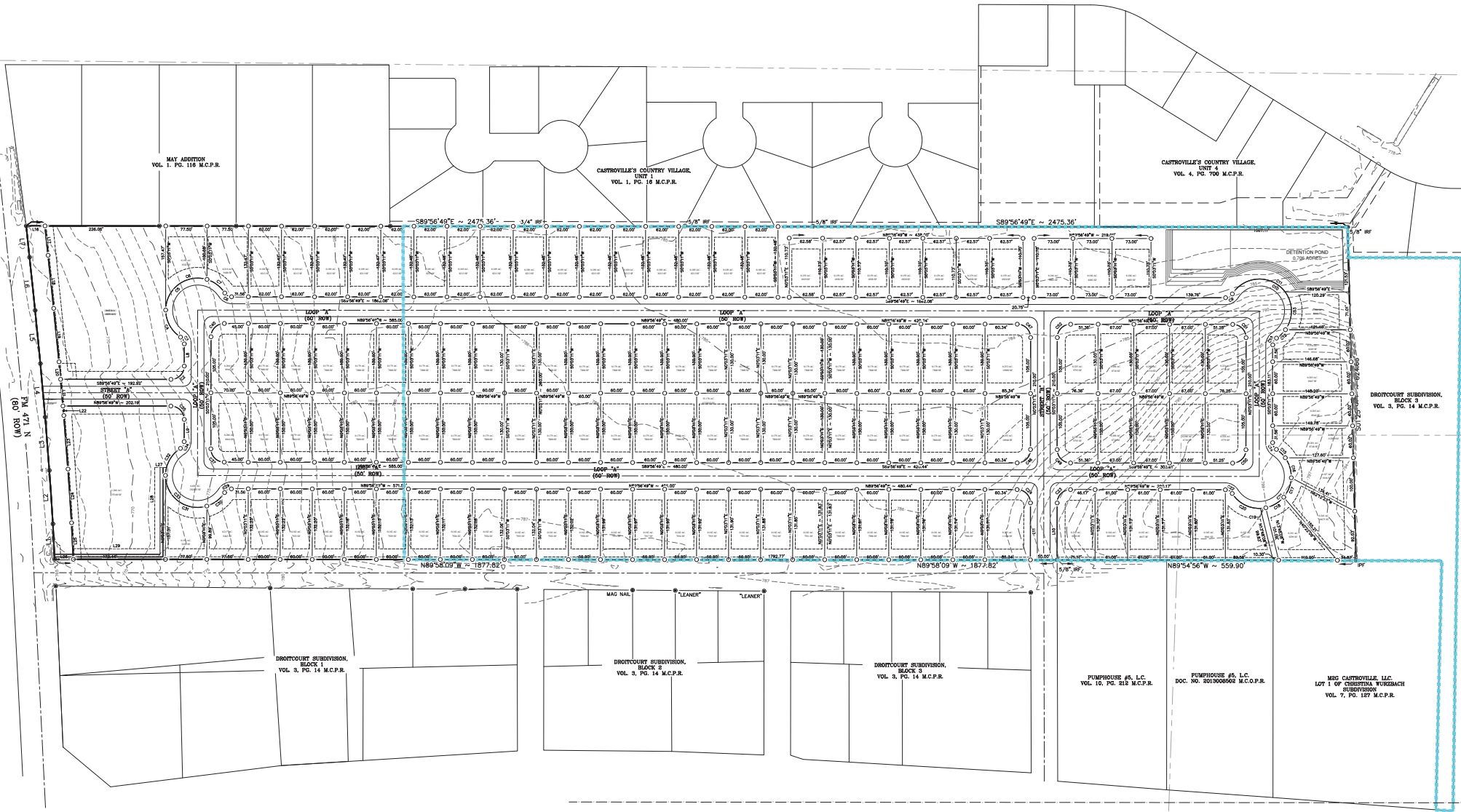
Lochner
40 NE Loop 410
Mercantile Building, Suite 545
San Antonio, Texas 78216
P 210.481.2391
TPE Firm No. 10488
www.lochner.com

NOTES	NAME	DATE
SURVEY BY		
DRAWN BY	AR	02/2026
DESIGNED BY		
CHECKED BY		
REVIEWED BY	MP	02/2026

EXHIBIT C
LAND PLAN

- TOTAL LOTS: 128 LOTS, 2 COMMERCIAL LOTS, 1 PARK/DRAINAGE AREA, 1 DRAINAGE AREA**
- BLOCK A - 28 RESIDENTIAL LOTS, 1 PARK/DRAINAGE AREA, 1 COMMERCIAL LOT
 - BLOCK B - 26 RESIDENTIAL LOTS, 1 DRAINAGE AREA, 1 COMMERCIAL LOT
 - BLOCK C - 50 RESIDENTIAL LOTS
 - BLOCK D - 24 RESIDENTIAL LOTS, 1 10' WIDE LOT TO BE RESERVED FOR SIDEWALK (LOT 900)

- **TOTAL ROADS: 7.387 ACRES, 6,223.02 LF: 4 STREETS, 1 LOOP**
- STREET "A" - ~291.43 LF
- STREET "B" - ~457.67 LF
- LOOP "A" - ~4,558.00 LF





Agenda Report

Agenda of:	April 14, 2025
Department:	Administration
Subject:	Discussion and appropriate action regarding a billing dispute for the utility account associated with 913 US Hwy 90, Medina Valley Health & Rehabilitation Center.

Recommended Motion:

N/A

EXECUTIVE SUMMARY

This item provides the City Council with a comprehensive overview of a billing dispute between the City of Castroville and Medina Valley Health & Rehabilitation (Cascade Health), including the customer's claims, staff findings, and actions taken.

The dispute originated in October 2025 when City staff, during a routine audit of commercial utility accounts, discovered that sewer charges had not been applied to the account since June 2019 due to an inadvertent billing code change. Sewer charges were subsequently reinstated in accordance with the City's adopted utility rate ordinance and billing policies, and back-billing was initiated consistent with those policies.

The customer has asserted that the back-billing was retaliatory in nature, alleging it was prompted by their inquiry into a higher-than-expected utility bill and a subsequent open records request. Staff strongly disputes this characterization and maintains that all actions were administrative, policy-driven, and consistent with standard operating procedures.

Staff acknowledges that communication regarding the reinstatement of sewer charges could have been more proactive; however, all actions taken were within the scope of established policy.

BACKGROUND & TIMELINE OF EVENTS

- **June 2019:** Sewer billing code inadvertently overridden, resulting in removal of sewer charges from the account.
- **October 2025:** Staff audit identifies missing sewer charges during review of commercial accounts.
- **November 10, 2025:** Sewer charges reinstated and reflected in billing.
- **November 2025:** Customer contacts City questioning significant increase in bill; staff explains rate structure and billing methodology.

- **November 2025:** Internal review confirms billing error originated from 2019 system change.
 - **December 2025:**
 - Customer submits open records request.
 - City responds with requested documentation.
 - Formal letter issued explaining reinstatement of sewer charges and back-billing.
 - **January 7, 2026:** Meeting held with customer and staff to review billing, rates, and concerns.
 - **January 27, 2026:** Follow-up meeting held; meter testing discussed.
 - **February 2026:**
 - Meter tested; anomalous readings identified.
 - Meter sent to manufacturer for further evaluation and replaced under warranty.
 - **March 2026:** Ongoing correspondence regarding billing dispute and request for Council consideration.
-

CUSTOMER CLAIMS

The customer has raised the following concerns:

- The significant increase in utility charges is inconsistent with historical usage patterns.
- The back-billing for prior months is perceived as punitive and retaliatory, allegedly tied to their inquiry and open records request.
- The facility’s water usage has remained stable over time and does not justify the increased charges.
- The current rate structure is unsustainable for healthcare facilities and may warrant a separate classification.

The customer has requested:

- Removal or reduction of back-billed charges.
 - Consideration of an alternative rate classification for healthcare facilities.
 - Opportunity to present their case directly to City Council.
-

STAFF FINDINGS & ACTIONS

- **Billing Error Identified:** Sewer charges were unintentionally removed in 2019 due to a system override.
- **Policy Compliance:** Upon discovery, staff reinstated sewer charges and applied back-billing consistent with City policy and Ordinance No. 2024-003.
- **Customer Communication:** Staff communicated with the customer via phone, email, formal correspondence, and in-person meetings.
- **Meter Evaluation:**
 - Meter was tested in the field.
 - Anomalous readings were detected.

- Meter was sent to the manufacturer for further testing and replaced under warranty.
 - **Administrative Position:**
 - Actions taken were administrative and policy-driven.
 - No evidence supports the claim of retaliation.
 - Staff maintained professional conduct throughout the process.
-

FISCAL IMPACT

- Potential revenue impact depending on Council direction regarding:
 - Reduction or waiver of back-billed charges (approximately \$30,000–\$61,000 range discussed).
 - No current budget amendment required; however, any adjustment would impact utility fund revenues.
-

POLICY CONSIDERATIONS

- Application and interpretation of the City’s Utility Billing Policy (Back-Billing provisions).
 - Consistency in treatment of similarly situated customers.
 - Potential consideration of alternative rate classifications (e.g., healthcare/institutional users).
-

OPTIONS

1. Uphold Staff Determination
Maintain full back-billing in accordance with existing policy.
 2. Partial Adjustment
Reduce back-billed amount as a negotiated settlement.
 3. Full Relief
Waive back-billed charges.
 4. Policy Direction
Direct staff to evaluate and propose a revised rate structure or classification.
-

RECOMMENDED ACTION

No formal action required at this time. This item is presented for discussion and policy direction from City Council.

Submitted by: R. Scott Dixon

Attachments: None.



CITY COUNCIL AGENDA REPORT

DATE: March 24, 2026

AGENDA OF: April 14, 2026

DEPARTMENT: Police

SUBJECT: Motor Vehicle Crime Prevention Authority (MVCPA) – Flock and Drone

RECOMMENDED MOTION:

Accept and approve a resolution authorizing the Castroville Police Department to apply for and accept \$66,000 in grant funding for the purchase of 1 Skydio Drone at \$30,000 and the maintenance of the existing FLOCK cameras at \$36,000.00. This grant does require a city match, which would be \$13,200.00.

BACKGROUND:

The Motor Vehicle Crime Prevention Authority (MVCPA) is currently soliciting grant applications under the SB 224 Catalytic Converter Grant Program. The grant would commence 09/01/2026 and run through 08/31/2027 while the current grant cycle ends 08/31/26. This funding opportunity is intended to support local and regional initiatives that enhance coordination among law enforcement agencies to combat catalytic converter theft and broader auto theft-related crimes. The program emphasizes strengthening collaborative efforts to deter, disrupt, and interdict criminal activity using innovative strategies and technology.

One such strategy is the implementation of the FLOCK Automatic License Plate Reader (ALPR) program. As illustrated below, the ALPR system has already demonstrated significant effectiveness in identifying suspects, recovering stolen vehicles, and supporting investigative efforts. Since its launch in late December 2025—following prior approval by the City Council—the program has contributed to resolving numerous cases that may have otherwise remained unsolved. The success of this technology highlights its value as a force multiplier for law enforcement and underscores the importance of continued investment in tools that enhance public safety and interagency collaboration.

26-00048 1/1/2026 Credit Card Abuse/Fuel Theft
 26-00044 1/2/2026 Organized Retail Theft - Felony Theft
 26-00043 1/9/2026 Vehicle Burg/Felony Theft
 26-00041 1/14/2026 Organized Retail Theft
 26-00078 1/16/2026 Credit Card Abuse/Fuel Theft
 26-00024 1/18/2026 Possession of identity docs; theft
 26-00026 1/23/2026 Warrant
 26-00078 1/23/2026 Fuel Theft/Credit Card Abuse/Fraud
 26-00018 1/25/2026 Theft
 26-00004 1/27/2026 Theft
 26-00002 1/28/2026 Aggravated Assault Family Violence Warrant

- 25-00615 1/30/2026 Stolen Vehicle Recovery
- 25-00604 2/7/2026 Theft
- 25-00593 2/11/2026 Theft; Assault on Police Officer, Felon poss. firearm; seizure \$121k
- 26-00071 2/11/2026 Stolen Vehicle Recovery
- 26-00077 2/11/2026 Fuel Theft/Credit Card Abuse/Fraud
- 25-00580 2/12/2026 Theft; criminal trespass
- 26-00082 2/17/2026 Stolen Vehicle Recovery
- 2600085 2/23/2026 Stolen Vehicle Recovery
- 2600108 3/01/2026 Evading Arrest/ Reckless Driving
- 2600110 3/02/2026 Theft
- 2600113 3/04/2026 Theft
- 2600115 3/08/2026 Car burglary/ID theft/stolen gun/drugs-meth
- 2600118 3/12/2026 Stolen vehicle recovery/ identity theft
- 2500504 3/24/2026 2 Warrants-City of Castroville and Uvalde County

Year to date 25 cases with 34 criminal offenses.

FISCAL IMPACT:

The grant allows for the reimbursement of these expenses. There is a 20% match required by the city.

20% of \$36,000.00 = \$7,200.00
 20% of \$30,000.00 = \$6,000.00
\$13,200.00

Budgeted Requires Budget Amendment

SOURCE OF FUNDING: General Fund and 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 Motor Vehicle Crime Prevention Authority (MVCPA) – SB 22 Catalytic Converter Grant Program

WHEREAS, under the provisions of the Texas Transportation Code Chapter 1006 and Texas Administrative Code Title 43; Part 3; Chapter 57, entities are eligible to receive grants from the Motor Vehicle Crime Prevention Authority to provide financial support to law enforcement agencies for economic automobile theft enforcement teams and to combat motor vehicle burglary in the jurisdiction; and

WHEREAS, this grant program will assist this jurisdiction to combat motor vehicle burglary and theft; and

WHEREAS, the City of Castroville has agreed that in the event of loss or misuse of the grant funds, City of Castroville assures that the grant funds will be returned in full to the Motor Vehicle Crime Prevention Authority.

NOW THEREFORE, BE IT RESOLVED and ordered that Randall Scott Dixon, City Administrator, is designated as the Authorized Official to apply for, accept, decline, modify, or cancel the grant application for the Motor Vehicle Crime Prevention Authority Grant Program and all other necessary documents to accept said grant; and

NOW THEREFORE, BE IT RESOLVED that John Sapper, Detective and Grant Writer, is designated as the Program Director and Leroy Vidales, Finance Director, is designated as the Financial Officer for this grant.

Passed and Approved this _____ day of _____, 2026.

Mayor
City of Castroville

ATTEST:

City Secretary



Agenda Report

Agenda of: April 14, 2026

Department: Public Works

Subject: Consideration and Possible Action on an Interlocal Agreement with the City of Boerne for Cooperative Purchasing.

Recommended Motion: Staff recommends that City Council approve the Interlocal Agreement with the City of Boerne to allow for cooperative purchasing and take appropriate action.

Background: The proposed Interlocal Agreement (ILA) between the City of Castroville and the City of Boerne is authorized under Chapter 791 of the Texas Government Code (Interlocal Cooperation Act).

This agreement allows both cities to participate in cooperative purchasing by utilizing each other’s competitively procured contracts for goods and services.

The primary benefit of this agreement is expanded purchasing flexibility, allowing the City to procure materials, particularly for street maintenance at competitive pricing without undergoing the traditional three-bid procurement process, where permitted by law. This can result in cost savings, improved efficiency, and quicker project delivery timelines.

Budgeted **Requires Budget Amendment**

Source of Funding: There is no direct fiscal impact associated with entering into this agreement.

Potential cost savings may be realized through:

- Access to competitively bid contracts
- Reduced administrative and procurement costs
- Improved pricing for materials and services

All purchases made under this agreement will be paid directly to vendors from available departmental budgets.

Attachments: ILA Agreement

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

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

Submitted by: John Gomez

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is made and entered into, by and between the CITY OF CASTROVILLE Texas (hereinafter called "CITY OF CASTROVILLE"), and the CITY OF BOERNE, Texas (hereinafter called "CITY OF BOERNE"), each acting by and through its duly authorized officials:

WHEREAS, CITY OF CASTROVILLE and CITY OF BOERNE are both governmental entities engaged in the purchase of goods and services, which is a recognized governmental function;

WHEREAS, CITY OF CASTROVILLE and CITY OF BOERNE wish to enter into this Agreement pursuant to Chapter 791 of the Texas Government Code (hereinafter "Interlocal Cooperation Act") to set forth the terms and conditions upon which CITY OF CASTROVILLE and CITY OF BOERNE may purchase various goods and services commonly utilized by each party;

WHEREAS, participation in an interlocal agreement will be highly beneficial to the taxpayers of CITY OF CASTROVILLE and CITY OF BOERNE through the anticipated savings to be realized and is of mutual concern to the contracting parties;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and obligations as set forth herein; CITY OF CASTROVILLE and CITY OF BOERNE agree as follows:

1. The purpose of this Agreement is to provide CITY OF CASTROVILLE and CITY OF BOERNE with additional purchasing options by satisfying the provisions of Section 271.102 of the Local Government Code. CITY OF CASTROVILLE and CITY OF BOERNE may cooperate in the purchase of various goods and services commonly utilized by the participants, where available and applicable, and may purchase goods and services from vendors under present and future contracts.

CITY OF CASTROVILLE and CITY OF BOERNE agree that each of the parties shall respectively designate a person to act under the direction of, and on behalf of, the designating party (the "Designated Representative"). At the request of the other party, a party that enters into a contract with a vendor for goods or services (the "First Purchasing Party") shall attempt to obtain the vendor's agreement to offer those goods and services to the other party (the "Second Purchasing Party") for the same price and on the same terms and conditions as have been offered to the First Purchasing Party. If the vendor so agrees, and if the Second Purchasing Party is agreeable to such terms and conditions, the Second Purchasing Party may enter into its own separate contract with the vendor for the purchase of such goods or services.

Unless otherwise agreed between the Designated Representatives, payments for a purchase made by the Second Purchasing Party shall be paid directly to the vendor and not to the First Purchasing Party. The Second Purchasing Party shall have the

responsibility of determining whether the vendor has complied with any provisions in its contract with the vendor, including but not limited to those relating to the quality of items and terms of delivery, and shall be responsible for enforcement of its contract against the vendor, including all cost of enforcement. This Agreement will be subject to all applicable federal, state and local laws, ordinances, rules and regulations.

2. CITY OF CASTROVILLE and CITY OF BOERNE shall each be individually responsible for payments directly to the vendor and for the vendor's compliance with all conditions of delivery and quality of purchased items under such contracts. CITY OF CASTROVILLE and CITY OF BOERNE shall each make their respective payments from current revenues available to the paying party.

3. Notwithstanding anything herein to the contrary, participation in this Agreement may be terminated by any party upon thirty (30) days written notice to the other participating party(ies).

4. The undersigned officer and/or agents of the party(ies) hereto are duly authorized officials and possess the requisite authority to execute this Agreement on behalf of the parties hereto.

5. This Agreement may be executed separately by the participating entities, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

6. This Agreement shall become effective on the day and year first written above (the "Effective Date"). The primary term of this Agreement shall be for one (1) year, commencing on the Effective Date, and shall thereafter automatically renew for successive one-year terms, unless terminated according to the terms set forth in Paragraph 3.

7. Reserved.

8 The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement.

9. The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation having the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

10. This Agreement embodies the entire agreement between the parties and may only be modified in writing executed by both parties.

11. This Agreement shall be binding upon the parties hereto, their successors, heirs, personal representatives and assigns. Neither party will assign or transfer an interest in this Agreement without the written consent of the other party.

12. It is expressly understood and agreed that, in the execution of this Agreement, neither party waives, nor shall be deemed hereby to have waived any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied other than those set forth herein, and this Agreement shall not create any rights in parties not signatories hereto.

13. The declarations, determinations and findings declared, made and found in the preamble to this Agreement are hereby adopted, restated and made part of the operative provisions hereof.

14. Pursuant to Chapter 791 and other authority, the following findings and representations are made by the parties:

- each party is a local government as defined by Chapter 791;
- each party is mutually interested in the governmental functions and services described in this Agreement;
- this Agreement describes and provides a governmental function or service that each party to the Agreement is authorized to perform individually;
- this Agreement is authorized by the governing body of each party, by and through a recorded, public vote conducted pursuant to Chapter 551 of the Texas Government Code (the Texas Open Meetings Act), and other authority;
- this Agreement states the purpose, terms, rights, and duties of the parties;
- this Agreement specifies that in paying for the performance of governmental functions or in performing such governmental functions under this Agreement, each party shall make such payments only from current revenues legally available to each party.

[signature page follows]

EXECUTED hereto on the day and year first above written.

CITY OF CASTROVILLE

CITY OF BOERNE

By: Scott Dixon, City Administrator

By: Benjamin E. Thatcher,
City Manager



Agenda Report

Agenda of:	April 14, 2025
Department:	Administration
Subject:	Discussion and appropriate action on recommendations from the Library Board and Friends of the Library for the public library expansion project.

Recommended Motion:

I move to provide direction to staff and the design-build team regarding the interior layout and utilization of the proposed library expansion, including the north and west additions as follows:
 _____(fill in the blank) _____.

Background:

City Council, through the Capital Improvement Program, authorized the expansion of the City Library to accommodate increased patron usage and programming needs.

To implement the project, the City procured a **design-build team**, consisting of:

- **Architect:** Ford Powell & Carson
- **General Contractor:** Pugh Constructors

The design-build team has completed **preliminary exterior concepts**, which:

- Maintain the architectural character of the existing facility
- Preserve the rear garden area
- Minimize impacts to existing parking
- Continue the established rooflines and building aesthetic

At this stage, the team is **continuing development of the interior design**, but progress is currently paused pending direction from:

- City staff
- Library stakeholders (including Library Advisory Board and Friends of the Library)
- City Council

It is important to note that the **original project authorization did not include full interior remodeling of the existing library space**, except where necessary to integrate the new additions at the **north and west elevations**.

CURRENT DESIGN CONCEPT:

The preliminary layout includes:

- **North Expansion:** One new office space
- **West Expansion:** Three new rooms (multi-purpose / programmatic use to be determined)

The **primary outstanding policy question** is how the City wishes to utilize this new space. Options may include, but are not limited to:

- Expanded programming/classroom space
- Meeting or community rooms
- Staff offices or administrative support space
- Dedicated youth or specialty library areas

Council previously directed that the proposed design be reviewed by the **Library Advisory Board** and the **Friends of the Library**, with feedback provided prior to final design approval.

LIBRARY STAKEHOLDER INPUT:

As directed by City Council, the proposed design was presented to both the **Friends of the Library (FOL)** and the **Library Advisory Board (LAB)** for initial feedback.

Friends of the Library (FOL):

- Expressed general support for the proposed expansion concept
- Requested consideration of the following design elements:
 - Installation of **appropriate/proper doors** for new spaces
 - Inclusion of **proper exit lighting** for safety and code compliance
 - Clarification on whether the **Children's/Program Room will include soundproofing** to minimize noise impacts on adjacent areas

Library Advisory Board (LAB):

- Meeting attendance included a limited quorum (4 members present)
- Discussion items included:
 - Consideration of a **dedicated staff restroom** within the expanded facility
 - Commitment from staff to provide **updated design renderings** at future meetings for continued review and input

While feedback to date has been generally positive, additional engagement and formalized input may be warranted as the design progresses and interior layouts are refined.

STAFF ANALYSIS:

The project is currently at a **critical decision point**. Without direction on space utilization, the design-build team cannot finalize interior layouts, which may impact:

- Project schedule
- Cost certainty

- Construction sequencing

Providing clear direction at this stage will:

- Ensure the facility aligns with Council priorities
- Avoid redesign costs or delays
- Maximize the functional value of the expansion

STAFF RECOMMENDATION

N/A Staff is seeking council direction regarding desired project scope and process.

Fiscal Impact: \$600,000

Budgeted **Requires Budget Amendment**

Source of Funding: N/A

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

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

Submitted by: R. Scott Dixon

Attachments: None.



Agenda Report

Agenda of: April 14, 2025

Department: Airport

Subject: Discussion and appropriate action authorizing a professional service agreement with Pape-Dawson for airport engineering services.

Recommended Motion:

I move to approve the contract for professional services with Pape Dawson as presented.

EXECUTIVE SUMMARY

City Council is asked to authorize a Master Services Agreement (MSA) with Pape-Dawson Consulting Engineers, LLC for the provision of airport engineering services. The Council previously selected Pape-Dawson as the City’s airport engineering consultant earlier this year following a qualifications-based selection process.

The proposed agreement establishes the general terms, conditions, and framework under which Pape-Dawson will provide professional engineering services on an as-needed basis. Specific project scopes, schedules, and costs will be defined through individual work orders issued under the agreement.

BACKGROUND / HISTORY

Earlier this year, the City Council conducted a qualifications-based selection process (RFQ) for airport engineering services in accordance with state procurement requirements for professional services. Following evaluation and Council action, Pape-Dawson Consulting Engineers, LLC was selected as the City’s preferred provider.

This agreement formalizes that selection and allows staff to begin issuing work orders for upcoming airport-related projects, including planning, design, grant administration, and construction phase services.

STAFF RECOMMENDATION

Staff recommends approval of the proposed services agreement.

Fiscal Impact: TBD.

Budgeted **Requires Budget Amendment**

Source of Funding: Airport Budget – Contracted Services 50104-413

Urgency (0-5 = Low Urgency to High Urgency): 2

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

Submitted by: R. Scott Dixon

Attachments: Master Services Agreement and exhibits

MASTER SERVICES AGREEMENT FOR PROFESSIONAL SERVICES

WHEREAS: This Master Services Agreement ("Agreement") is made and entered into on this [insert date] between PAPE-DAWSON CONSULTING ENGINEERS, LLC, hereinafter referred to as "Consultant", and _____, hereinafter referred to as "Client."

1.0 SCOPE OF WORK: Client will employ Consultant as an independent contractor to perform certain professional services as part of certain Projects for Client. Consultant's portion of each Project for which it is engaged, hereinafter referred to as the "Services", and the compensation therefor, will be agreed to in writing on a project-by-project basis via a Work Order. See attached Exhibit A example. Said writing will be incorporated into this Agreement for each Project. Consultant agrees to perform such Services under the general direction of Client.

2.0 TERM: Consultant shall be retained by Client as of the date Client executes this Agreement. This Agreement will remain in force and effect until it is terminated under provisions of Section 12.0 of this Agreement.

3.0 STANDARD OF CARE: Consultant shall perform its services consistent with the professional skill and care ordinarily provided by Consultants practicing in the same or similar locality under the same or similar circumstances. Consultant shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

Consultant makes no warranties or guarantees, express or implied, under this Agreement or otherwise in connection with the Consultant's services. In the preparation of designs, drawings and specifications, errors and omissions may inadvertently be made by Consultant. Any error or omission in the documents prepared by Consultant shall be promptly corrected by Consultant at no additional cost to Client and to not cause delay to the project.

Consultant shall familiarize itself with the nature and requirements of each Project, including the laws and regulations applicable to the Project, and shall review existing conditions and documents of the Project site and facility.

Consultant is not liable for the accuracy or completeness of its final construction documents until the construction documents bear the Consultant's seal and signature or are otherwise issued by the Consultant to Client for their intended purpose. The Consultant is aware and agrees to the intent of interim design and construction documents on an individual project and accepts the responsibility to prepare such documents in accordance with the Standard of Care.

Client recognizes that neither Consultant nor any of Consultant's subconsultants or subcontractors owes any fiduciary responsibility to Client.

4.0 PROJECT COORDINATION: Client and Consultant have mutual responsibility for coordinating the Project and the services being provided by Consultant and with any other consultant retained by Client. Consultant shall coordinate its services with those of its sub-consultants. Consultant shall make reasonable efforts to coordinate its services and the services of its sub-consultants with those services provided by any other consultant retained by Client.

The Consultant shall be entitled to rely on the accuracy and completeness of services and information furnished by the Client and/or Client's other consultants.

Consultant shall provide prompt written notice to Client if Consultant becomes aware of any error, omission or inconsistency in such services or information. Client shall promptly report to the Consultant in writing if Client becomes aware of defects or suspected defects in Consultant's work or services, in order that Consultant may take measures which, in Consultant's opinion, will minimize the consequences of such defect.

If construction phase services are included in the basic services, the Consultant shall visit the project at appropriate intervals during construction to become generally familiar with the progress and quality of the contractors' work and to determine if the work is proceeding in general accordance with the Project. The Client has not retained the Consultant to make detailed inspections or to provide exhaustive or continuous project review and observation services. The Consultant does not guarantee the performance of, and shall have no responsibility for, the acts or omissions of any contractor, subcontractor, supplier or any other entity furnishing materials or performing any work on the Project. Consultant shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by contractor(s) or the safety precautions and programs incident to the work of contractor(s).

5.0 PROJECT SCHEDULE: Consultant shall perform its Services in accordance with the project schedule for each Project on which it is engaged. The Consultant shall perform its Services in such a manner as to allow reasonable time for Client and other consultants to review Consultant's submittals. Unless agreed otherwise by the Parties, Consultant shall report weekly on the project schedule, the status of its Services relative to the project schedule, anything causing delays in the project schedule and reasons for any such delays.

Client is aware that many factors outside the Consultant's control may affect Consultant's ability to complete its Services to be provided under this Agreement in accordance with the schedule. Consultant will promptly identify to Client any factors that may compromise Consultant's ability to complete its Services in accordance with the schedule and shall request Client's approval to modify the portion of the project schedule applicable to Consultant's Services. In all circumstances, Consultant shall perform its Services with reasonable diligence and expediency consistent with the Standard of Care defined in this Agreement.

6.0 CHANGE IN THE WORK: Client may at any time, by written Amendment, make changes to the scope of work relating to Services to be performed by Consultant. If such changes cause an increase or decrease in Consultant's cost of, or time required for, performance of any services, an equitable adjustment shall be made and reflected in a properly executed Work Order.

Consultant is not obligated to begin work on a change of scope until a properly executed Amendment is signed by Client. If terms cannot be agreed to between Client and Consultant regarding the proposed changes to the scope of work, Consultant may elect to perform the Services, but shall retain the right to resolve outstanding issues pertinent to the changes to the scope of work with Client in accordance with the terms of dispute resolution defined in this Agreement.

This Agreement is based on laws and regulations in effect as of the date of execution of this Agreement by Client. Changes after this date to these laws and regulations may be the basis for modifications to Consultant's scope of Services, times of performance, or compensation. In the event that there are modifications and/or additions to legal or regulatory requirements relating to the Services to be performed under this Agreement after the date of execution of this Proposal, the scope of Services, times of performance, and compensation provided for in these Terms and Conditions, the Proposal, and any subsequent Additional Services Requests shall be reflected in an appropriate Amendment or Work Order for additional Services.

If after the commencement of work, Consultant's performance of the Services, including any individual tasks, milestone or other services is suspended at the instruction of Client for a period of three (3) cumulative months, Consultant may at its sole discretion submit to Client an invoice for all tasks and services performed prior to suspension, and Client shall pay that invoice within thirty (30) days after receipt. If Client fails to pay the invoice in full within thirty (30) days, Engineer may terminate this Agreement in accordance with the provisions of Article 12.0 herein.

3.4 Should commencement of the individual tasks or services set out in the Work Order not be initiated within three (3) months of the date of execution of the Work Order by Client, Consultant reserves the right to revise the costs, fees, and scope of work for the tasks or services not yet initiated.

7.0 PAYMENT. On or before the 5th day of each month during the performance of the Services, Consultant shall submit to Client an invoice for Services performed. Client shall make payment to Consultant within thirty (30) days after receipt of invoice.

If Client does not pay any amount due to Consultant within thirty (30) days after receipt of an invoice, Consultant may, upon three (3) additional days' verbal or written notice to Client, stop performance of the Services until payment of the amount owed has been received.

8.0 INDEMNITY: Consultant shall indemnify, defend (except for Professional Liability claims) and hold Client and the Client's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Consultant, its employees and its other consultants in the performance of professional services under this Agreement. For Professional Liability claims, in lieu of providing a defense to Client, Consultant be liable for reasonable defense costs incurred by Client but only after final adjudication and to the extent and percent that Consultant or Consultant's agents are found negligent or otherwise at fault. As used in this Agreement, final adjudication includes any negotiated settlement and release of claims, without limitation as to when a negotiated settlement and release of claims occurs.

Consultant shall not be required to indemnify Client for Client's own negligence.

9.0 LIMITATION OF LIABILITY. To the fullest extent permitted by law, the total liability of Consultant and its subconsultants and subcontractors to Client for any and all injuries, claims, losses, expenses, or damages whatsoever from any cause or causes, including, but not limited to, strict liability, breach of contract, breach of warranty, negligence, or errors or omissions (collectively "Claims") shall not exceed the the compensation paid by Client to Consultant for the Project on which the alleged Claim arises. Neither party shall be liable to the other party for indirect, consequential, special, incidental, collateral, exemplary or punitive damages, including lost profits, regardless of the form of the action or the theory of recovery, even if such party has been advised of the possibility of such damages.

10.0 RELATIONSHIP OF PARTIES: It is understood that the relationship of Consultant to Client shall be that of an independent contractor. Neither Consultant nor employees of Consultant shall be deemed to be employees of Client.

11.0 INSURANCE. Consultant shall procure and maintain, during the period that this Agreement remains in force, insurance coverage with limits of not less than those set forth in this clause.

Client shall be included as Additional Insureds on all coverages required to be furnished by Consultant except Workers' Compensation and Professional Liability.

Consultant acknowledges and agrees that it shall deliver certificates of insurance evidencing the required insurance coverage to Client prior to the commencement of performance under any Work Order issued under this Agreement or upon any renewal of such insurance during the Term of this Agreement not less than thirty (30) days prior to the expiration dates of any policy shown on the certificates then in effect, and otherwise from time to time upon request by Client.

INSURANCE COVERAGES

A. Workers' Compensation and Employers Liability
Policy Limits State and Federal Acts - Statutory Employer's Liability - \$500,000

B. Comprehensive or Commercial General Liability including coverage for Independent Contractors, Personal Injury Liability, and Broad Form Property Damage.

Policy Limits \$2,000,000 Combined Single Limit, general aggregate
\$1,000,000 per offense, personal injury
\$1,000,000 Combined Single Limit, each occurrence, bodily injury and property damage.

C. Business Automobile Liability including coverage for owned, non-owned and hired vehicles.

Policy Limits \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage.

D. Professional Liability Insurance
Policy Limits \$1,000,000 Each Occurrence, \$1,000,000 aggregate.

12.0 TERMINATION. This Agreement may be terminated without cause at any time prior to completion of Consultant's services by Client upon written notice to the Consultant. Upon receipt of written notice from

Client to discontinue work, the Consultant shall discontinue work under this Agreement immediately.

In the event Client intends to terminate the Agreement based on Client's reasonable opinion that the Consultant has failed or refused to prosecute the Work efficiently, promptly or with diligence, Consultant shall have ten (10) days, from the receipt of written notification by Client, to cure such failure to perform in accordance with the terms of this Agreement.

After termination, Client shall pay Consultant for all contracted Services rendered and expenses incurred before termination.

13.0 INTELLECTUAL PROPERTY. Consultant and Client warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

Consultant shall be deemed the author and owner of its Instruments of Service, including any drawings, specifications, or other documents or information prepared by Consultant. Consultant shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of Consultant.

Upon execution of this Agreement, the Consultant grants to the Client a nonexclusive license to use the Consultant's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project for which the Instruments of Service were prepared. The license granted under this section permits the Client to authorize Subcontractors, Sub-subcontractors, and material or equipment suppliers to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project.

Except for the licenses granted in this section, no other license or right shall be deemed granted or implied under this Agreement.

14.0 SUBCONSULTANTS. Consultant may engage such Subconsultants as Consultant deems necessary to assist in the performance or furnishing of the Services, subject to reasonable, timely, and substantive objections by Client.

15.0 NO ASSIGNMENT. Neither Consultant nor Client may assign the Agreement nor any right or obligation under it without the prior written consent of the other party.

- 16.0 AUTHORIZED REPRESENTATIVE.** Prior to commencement of its Services for any Project, Consultant will designate a representative to represent and act for Consultant and will inform Client in writing of the name, qualifications, experience and address of such proposed representatives who, upon approval by Client, will have complete authority to represent and act for Consultant.
- 17.0 ACCESS:** Client will provide Consultant with access to the Project site as required to perform the Services.
- 18.0 ENTIRE AGREEMENT:** This Agreement (including any exhibits and any Work Orders executed by both parties) contains the entire agreement between Client and Consultant and no oral statements or prior written matter shall be of any force or effect. The Subcontract may be modified only by a written document executed by both parties.
- 19.0 GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- 20.0 SEVERABILITY:** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and the Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision is not a part hereof, and the remaining provisions shall remain in full force and effect. In lieu of any illegal, invalid, or unenforceable provision, there shall be added automatically as a part of the Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.
- 21.0 SUCCESSORS AND ASSIGNS; THIRD PARTY BENEFICIARY:** The Agreement shall be binding upon Client, Consultant, and their respective legal representatives, successors, and permitted assigns.
- 22.0 MEDIATION.** Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to non-binding mediation as a condition precedent to the institution of legal proceedings by either party. If such matter relates to or is the subject of a lien arising out of the Consultant's services, the Consultant may proceed in accordance with applicable law to comply with the lien notice or

filing deadlines prior to resolution of the matter by mediation or other legal proceedings.

Each party agrees to include a similar mediation provision in all agreements with independent contractors and consultants retained for the Project and to require all independent contractors and consultants also to include a similar mediation provision in all agreements with their respective subcontractors, suppliers, and subconsultants, thereby providing for mediation as the initial method for dispute resolution between the parties to all those agreements.

The parties shall share the mediator's fee and any filing fees equally. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

Client and Consultant agree that any mediation conducted pursuant to this section shall be conducted in Bexar County, Texas, and the venue of any legal action or proceeding under the Agreement shall be exclusively in Bexar County, Texas.

- 23.0 ATTORNEY'S FEES AND COSTS:** If any action at law or in equity is necessary to enforce or interpret the Agreement, each party shall be responsible for its own legal fees and expenses. If determined by a court of law or arbitration consistent with applicable law, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which it may be entitled.
- 24.0 SURVIVAL OF PROVISIONS:** Termination of this Agreement for any reason whatsoever shall not affect (a) any right or obligation of any party that is accrued or vested prior to such termination, and any provision of this Agreement relating to any such right or obligation shall be deemed to survive the termination of the Work or (b) any continuing obligation, liability or responsibility of Consultant which would otherwise survive termination of the Agreement.
- 25.0 RECORDINGS.** If Client intends to record a meeting, including any artificial intelligence-generated recording, the Client must (1) notify Consultant that the meeting will be recorded, and (2) any recording must be supplied to Consultant contemporaneously with such recording, including any work product created from the recording.

IN WITNESS whereof the parties hereto have executed this Agreement effective the date first written above.

Pape-Dawson Consulting Engineers, LLC Signature

Client, Signature

Name

Name

Title

Title

Date

Date

Attachment:

- Example Exhibit A Work Order
- Exhibit B Rate Sheet for fees based on Time and Materials

{EXAMPLE}
EXHIBIT A

WORK ORDER NO. ____ of ____
CLIENT name _____,
FOR MASTER SERVICES AGREEMENT FOR PROFESSIONAL SERVICES

This Work Order is made pursuant to the terms and conditions of the Master Services Agreement for Professional Services (*the "Agreement"*) entered into on the [insert date] between Pape-Dawson Consulting Engineers, LLC ("Consultant") and Client, _____ ("Client").

PROJECT: Project Name (Project Number 5xxx-xx)

Part 1. *Consultant* will provide the attached services.

Part 2. The maximum amount payable for services under this Work Order without modification is \$_____.

Part 3. Payment to *Consultant* for the services established under this Work Order shall be made in accordance with Section 7.0 of the Agreement.

Part 4. This Work Order shall become effective on the date of final acceptance of the parties hereto and shall terminate on MM/DD/YYYY, unless extended by a Supplemental Work Order.

Part 5. This Work Order does not waive nor modify the parties' responsibilities and obligations provided under the Agreement.

Part 6. This Work Order is hereby accepted and acknowledged below.

CONSULTANT:

CLIENT:

Consultant Representative Signature

Client Signature

Consultant Representative Name

Name

Title

Title

Date

Date

Attachment:

- Consultant's Proposal (for scope of Consultant's services only)

EXHIBIT B
Rate Sheet

EXHIBIT A

WORK ORDER NO. Project Number
Client Name
FOR MASTER SERVICES AGREEMENT FOR PROFESSIONAL SERVICES

This Work Order is made pursuant to the terms and conditions of the Master Services Agreement for Professional Services (*the "Agreement"*) entered into on the GSA date between Pape-Dawson Consulting Engineers, LLC ("*Consultant*") and _____ ("*Client*").

PROJECT: Project Name and Number

Part 1. *Consultant* will provide the attached services.

Part 2. The maximum amount payable for services under this Work Order without modification is \$_____.

Part 3. Payment to *Consultant* for the services established under this Work Order shall be made in accordance with Section 7.0 of the Agreement.

Part 4. This Work Order shall become effective on the date of final acceptance of the parties hereto and is estimated to be complete on mm/dd/yy, unless extended by a Supplemental Work Order.

Part 5. This Work Order does not waive nor modify the parties' responsibilities and obligations provided under the Agreement.

Part 6. This Work Order is hereby accepted and acknowledged below.

CONSULTANT:

CLIENT:

Consultant Representative Signature

Client Signature

Title

Title

Date

Date

Attachment:
Consultant's Proposal (for scope of Consultant's services only)



2026 SCHEDULE OF HOURLY FEES - Aviation

Principal	\$380.00/hour
Senior Aviation Planner	\$280.00/hour
Aviation Planner IV	\$255.00/hour
Aviation Planner III	\$160.00/hour
Aviation Planner II	\$150.00/hour
Aviation Planner I	\$130.00/hour
Electrical Engineer	\$235.00/hour
Electrical Design Engineer	\$170.00/hour
Senior Project Manager	\$320.00/hour
Project Manager	\$230.00/hour
Senior Project Engineer	\$210.00/hour
Project Engineer	\$190.00/hour
Engineer IV	\$180.00/hour
Engineer III	\$160.00/hour
Engineer II	\$150.00/hour
Engineer I	\$140.00/hour
Senior Project Architect	\$290.00/hour
Project Architect	\$155.00/hour
Design Architect	\$115.00/hour
Senior Engineering Technician	\$245.00/hour
Engineering Technician	\$190.00/hour
Senior Design Technician	\$170.00/hour
Design Technician	\$105.00/hour
Project Assistant	\$160.00/hour
CAD Technician III	\$140.00/hour
CAD Technician II	\$115.00/hour
CAD Technician I	\$ 95.00/hour
Senior Project Representative	\$140.00/hour
Project Representative	\$120.00/hour
Graphic Designer	\$ 90.00/hour
Grant Administrator	\$160.00/hour
Administrative Assistant	\$110.00/hour
Secretary	\$ 70.00/hour
Three-Man Survey Crew	\$245.00/hour
Two-Man Survey Crew	\$200.00/hour
Senior Registered Surveyor	\$220.00/hour
Registered Surveyor	\$185.00/hour
Senior Survey Technician	\$130.00/hour
Survey Technician	\$115.00/hour
Mileage	\$ 0.72/mile
ATV (4-Wheeler)	\$100.00/day
GPS	\$100.00/day
Reimbursable Expenses (Travel, Lodging, Copies, Printing)	Actual Cost
Outside Consultants	Cost + 15%

NOTE: The Standard Hourly Rates and Reimbursable Expenses Schedule shall be adjusted annually to reflect equitable changes in the compensation payable to Engineer.

DATE: April 9, 2026

AGENDA OF: April 14, 2026

DEPARTMENT: City Council

SUBJECT: Discuss and take action on results of appraisal of airport land used by MVYBA

RECOMMENDED MOTION: I move that the airport be compensated Fair Market Value for the land used by the MVYBA, to include years 2024 and 2025 and that a permanent solution be determined and that the City correct the 2024 FAA compliance inspection report.

BACKGROUND

In April of 2024 the FAA did a compliance inspection of the Castroville Airport. Please read the attached inspection and required city actions. There were two **violations** and one **concern**. The **violations** were equipment parked too close to the runway and the airport not receiving fair market value (FMV) for the land used by the MVYBA. The **concern** was about the water rights lease by the city and the cost of operating and maintaining the water well.

The FAA went on to note in their letter that a copy of the lease between the City and the MVYBA was provided for review. The FAA stated the \$8,156 the airport received from the City for use of the land was a fraction (\$0.01/SF/year) of the aeronautical ground lease rate. The FAA also asked for and did not receive a real estate agreement between the City and the airport that transfers the right to sublease airport property and addresses the airport’s federal obligations.

Their recommendations were to implement a lease agreement between the City and the airport for the fair market value of the non-aeronautical use of the ballfields and, if the lease was longer than three years, to include an escalation clause. They also requested, as part of the **concern**, a copy of the water lease to the City and cost to operate and maintain the water well owned by the airport.

The City responded in August 2024 to some of the FAA’s requests including an estimated cost of \$34,534 to support the potable water system on the east side of the runway the City assumed was the responsibility of the airport but the airport was not paying that cost. In that document it says the ballfield lease is between the Parks, who pays the approximately \$8.100 a year fee for the MVYBA to use the airport property.

The City says an estimated income for land leases for 12 hangars on that land would bring in \$11,760 annually. The City makes the case that since it saves the airport from paying the water system cost the airport is ahead financially of where it would be if the ballfields were not there and they had hangar ground lease income but still had to pay the water system maintenance cost.

The City takes the position that it could be said there is an in-kind exchange for the City paying the water system maintenance for the airport and the airport not receiving FMV for the ballfields. Portion attached.

In March 2025 I learned the administration had directly responded outside council action to the FAA that the potable water system at the airport was owned by the airport but operated and maintained by Public Works at no cost to the airport in exchange for the lease money the airport should have been getting for the ballfield land. The response also said City Parks was leasing the 18 acres for the ballfields.

I informed the City Administrator that the City Public Works completely owned and operated the potable water system at the airport. Only the well was the property of the airport as it related to the potable water system. When Mayor Alexander was seated on council, he confirmed that it was not an airport owned system. That information changed the accuracy of the response to the FAA and also indicated the airport was not getting required FMV compensation for use of the ballfield property.

At the 12 August 2025, regular City Council meeting there was an agenda item to require a FAA compliant appraisal of the land used by the MVYBA to establish FMV, require airport to be paid that value, and have city council be the sole entity representing the airport on all negotiations and approval of ground leases. A 4:0 vote approved directing staff to get an appraisal in accordance with FAA guidelines and bring it back to Council for review. Attached.

Seeing no action after five months, I contacted the FAA for clarification on the inspection and also found a Texas company that did FAA compliant appraisals. I informed the City I had found an approved appraiser.

On 26 January 2026, the Airport Manager sent a letter to the FAA requesting review of community use of the airport property. If the property could qualify for community use, then the FAA could grant the airport receiving less than FMV for use of the land. Attached.

The FAA responded 9 February 2026, saying the MVYBA does not meet the criteria for local community and public use as the current use is restricted to specific users required to pay a fee to the lease holder which is the MVYBA. The FAA also noted the 2023 Airport Master Plan update amended the Airport Layout Plan removing the ballfields and reflected six large hangers and an apron area clearly identifying the need for new hangars as outlined in the Master Plan. They went on to say, **“The continued use of the 18-acres for non-aeronautical use is a violation of the airport sponsor’s federal obligations and has not been authorized by the FAA.”** **“The FAA expects the sponsor to receive no less than FMV for the non-aeronautical use of the land.”** **They also said there is no authorization to use the land now for non-aeronautical use.** **“In the event that the sponsor wants to request a non-aeronautical authorization, please forward that request to” your TXDoT assigned planner.”** Attached.

About February 2026 the City contracted Airport & Aviation Appraisals, Inc., of Bastrop, Texas, to conduct an appraisal. On 3 April 2026, the City received the appraisal of approximately 18 acres used by the MVYBA. The appraisal put the value at \$.04 a square

foot. There were a number of factors placing the value at less than \$.11 square foot the airport now receives for land leased around privately owned hangars. Currently there is not direct connection to the taxiway. Computing lease value of eighteen (18) acres is 784,080 square feet and at \$.04 per square foot for \$31,363.20. Based on the FAA compliance inspection having taken place in 2024 and the 2026 letter about having to receive FMV, the airport is due these funds this year and for at least two years back minus what was paid from the General fund in 2024 and 2025. Future city budgets need to insure they continue to receive FMV of at least this initial appraisal amount plus, inflation adjustments like the airport does for hangar rents.

Possible choices to insure the airport is in compliance with FAA requirements include applying for a time limited non-aeronautical use for the ballfields; **and if approved**, redo the lease with MVYBA to receive required compensation; pay the airport fund from the General fund the established amount; a mix of these first two choices; City pay a partial amount to the airport and also accomplish needed maintenance on airport roads and other airport areas normally paid for by the airport; waive the \$6000 a year the airport pays for administrative support to cover the past two years and future years; aggressively explore other locations for ballfields not only for the MVYBA but community/public use and, hopefully, with additional space for all the city's sports needs.

Part of my original agenda item from August 2025 was to correct our response to the FAA compliance inspection. I recommend we send a letter correcting the information once we determine the action to see the airport is made whole now and into the future.

We have the opportunity to put this airport FMV compensation issue to rest. We need to find a permanent solution that satisfies the FAA, the MVYBA and the citizens of Castroville.

Recommendation: Insure the airport receives and continues to receive FMV for the land used by the MVYBA and send a corrected response to the FAA on ownership of the water system at the airport and how the airport will receive FMV compensation for any land used for non-aeronautical purposes.

Attachments:

FAA Compliance Inspection 2024
 City Response 2024
 12 August, 2025 Council Agenda
 12 August, 2025 Council Minutes
 City January 2026 Letter to FAA
 FAA Response to City Letter February 2026
 Appraisal Report April 2026

Robert Lee
District 5



U.S. Department of Transportation
Federal Aviation Administration

Federal Aviation Administration
Airports Division, Southwest Region Safety and Standards Branch

10101 Hillwood Parkway
Fort Worth, Texas 76177

July 16, 2024

ELECTRONIC MAIL-RETURN RECEIPT REQUESTED

Breana Soto
Airport Manager
10500 Airport Blvd
Castroville, TX 78009

Subject: Airport Compliance Land Use Inspection

Dear Breana Soto:

Castroville Municipal Airport (CVB)
Land Use Compliance Inspection – April 16-18, 2024

A representative of the Federal Aviation Administration conducted a land use inspection of the Castroville Municipal Airport on April 16-18, 2024. The purpose of the inspection was to ensure that the airport is in compliance with the terms of its federal obligations dealing specifically with the use of airport property and grant assurance compliance.

The inspection included a site tour of the movement areas and paved aprons of the airport, an inspection of a few airport-owned hangars and the review of the Exhibit A/Property Map, a comprehensive review of Airport Minimum Standards, Rules and Regulations, financial information, property deeds and all aeronautical and non-aeronautical leases.

The inspection revealed a good hangar leasing policy with a consistent rate structure. The competitive agricultural lease enabled the airport to utilize buffer land for revenue from low-growing crop production. However, I found farm equipment stored in the runway object free area. The non-aeronautical ballfields complex is lacking fair market value compensation to the airport. Additionally, the airport's leasing of their well and corresponding water rights needs further investigation. During my visit, we were not able to review the lease terms for the water well and the ballfields lease to the city.

I appreciate your cooperation during the inspection. Please review the findings at the end of the report for the required actions to bring the airport into compliance with its federal obligations. If you have any questions or concerns please call Gary at (817) 222-5671 or Katie at (817) 222-4101.

Sincerely,

SARA K
FIELDS-PACK
Digitally signed by
SARA K FIELDS-PACK
Date: 2024.07.16
16:10:25 -05'00'

S. Katie Fields-Pack
Airports Compliance Specialist
FAA Southwest Region

cc: Scott Dixon
City Manager City of Castroville
1209 Fiorella Street
Castroville, TX 78009
Email: Scott.Dixon@castrovilletx.gov

ACO-100
ASW-650
TXDOT

Attachments:

- 1) Post Inspection Report

CASTROVILLE MUNICIPAL AIRPORT



II. Castroville Municipal Airport Land Background

The Castroville Municipal Airport is a surplus property airport transferred by a Deed Without Warranty from the United States of America through the General Services Administrator to the City of Castroville, Texas on July 26, 1949. The transfer deed was for approximately 458.88 acres to be used for public airport purposes.

The following is based on records and files kept by the Federal Aviation Administration (FAA) Southwest Region:

A. Federal Land Transferred to the City

July 26, 1949 Deed Without Warranty 458.88 acres

B. FAA Releases of Property

None

C. Land Releases by City Without FAA Release

<u>Release Date</u>	<u>Property ID</u>	<u>Amount</u>	<u>Revenue</u>	<u>Record Location</u>
Unknown	Ballfields	18 acres	N/A	N/A

D. Grant Acquired Land

None

E. Airport Improvement Program-Noise Compatibility Land

None

F. Sponsor Donated Land

None

G. Federal Commitment and Investment

- a. Total Airport Improvement Program (and legacy Acts) and Other Funding: \$9,260,214.
- b. Funding was used for aviation easements, runway reconstruction and extension, apron expansion, pavement maintenance, navigation aid acquisition, aviation easement acquisition, hangar construction, airport planning, airport design, terminal building construction, taxiway construction, airfield lighting, and runway and taxiway repair and rehabilitation.

c. **Funding Snapshot**

Castroville Municipal Airport
 Castroville, TX (NPLAS N/ P/ Y)
 FAA Site #: 23574.1*A
 Funding/Grant History

FYR	Agency	Local(\$)	State(\$)	Federal(\$)	Project Description
1975	TAC	0	7,000	0	Install lighting
1978	TAC	0	3,420	0	Non-directional beacon (NDB)
1996	FAA	2,289	2,289	41,205	Acquire avigation easements RPZ RW 33 (4.668 ac) & RW 15 (8.941 ac)
1996	TAC/FAA	102,023	83,172	1,497,114	Reconstruct RW 15-33 (4600 x 75), recon/realign parallel TW (5080 x 35), apron (10,200 sy), stub TW (420 x 35), hangar access TW (800 x 35); replace LIRLs w/MIRLs (4600 lf), segmented circle; replace rotating beacon; improve drainage & grading; install fencing (8300 lf)
2003	TXDOT	14,566	14,566	0	RAMP: Fog seal ramp, repair lighting, herbicide, drainage work, restroom repair, hangar lighting, renovate terminal building
2004	TXDOT	0	177,188	0	Design and construction services to construct a terminal building and aircraft ramp parking area
2004	TXDOT	3,983	35,848	0	prepare an airport layout plan
2004	TXDOT	0	278,748	0	Loan
2004	TXDOT	30,000	30,000	0	RAMP: Ramp paving, crack-seal and fog seal existing ramp pavement, taxiway and runway, herbicide, hangar taxiway drainage improvements, repair hangar roof, airport fencing, lighting and NDB maintenance, purchase GCO
2005	TXDOT	21,285	0	63,854	Install AWOS NPE 2005 \$63,854
2005	TXDOT	15,255	15,255	0	RAMP: City to contract for pavement renovation in hangar, pave ramp at commercial hangar, seal coat existing ramp and hangar paving, installation of electric service for PLASI, replacement of roll-up doors on hangars, fencing along airport road to terminal building, professional services to prepare 7460, purchase lighting supplies, herbicide
2006	TXDOT	4,994	4,994	0	RAMP: Sponsor to contract for reconstruction/repave airport road to hangars, existing drainage ditch maintenance, services to replace airport hangar roof and doors, maintenance and supplies for NDB, lighting and approach aids, installation of fencing, professional services for SPCC, construction of fuel containment area, tree trimming part 77 surfaces, AWOS NADIN fees, purchase herbicide
2006	TXDOT	9,001	0	81,007	design and construction services to pave aircraft ramp area around commercial hangar #3
2006	TXDOT	28,288	254,597	0	design to extend Runway 15 end; rehabilitate and mark Runway 15-33; rehabilitate and mark stub taxiways; rehabilitate and mark hangar access taxiways; rehabilitate and mark parallel taxiway Runway 15-33; reconstruct hangar access taxiways; rehabilitate apron; extend and mark parallel taxiway to Runway 15 end; extend medium intensity runway lights Runway 15 end; install precision approach path indicators- 2 Runway 15-33; relocate county road; install fence; prepare a traffic engineering study; and survey and appraisal services
2008	TXDOT	0	0	0	RAMP: TxDOT to contract for AWOS Maintenance, Sponsor to contract for NADIN, AWOS repairs, crack seal on airport pavements
2009	TXDOT	5,591	5,591	0	RAMP: TxDOT for AWOS maintenance; Spon. Avi-Met, AWOS repairs/parts replacement; water pump repairs; airfield lighting repairs/maintenance; and beacon repairs/maintenance

2009	TXDOT	38,310	689,587	38,310	Install PAPI-2 RW 33; Mark RW 15-33 (25,600 sf); Contingency, mobilization, RPR, etc.; Run-up Area pad at RW 15; Install PAPI-2 RW 15; Rehab & mark parallel TW RW 15-33 (4,785 x 35); Rehab & mark hangar access TWs (25,500 sy); Rehab & mark stub TWs (1,130x35); Rehab apron (10,990 sy); Construct hangar access taxilanes; Rehab RW 15-33 (4,600 x 75) SBGP-2009-57 38,310
2010	TXDOT	7,214	7,214	0	RAMP: MISCELLANEOUS-TxDOT to contract for AWOS maintenance, Sponsor to contract for AWOS AviMet Data Link, AWOS repairs/parts replacement
2011	TXDOT	15,278	15,278	0	RAMP: TxDOT Contract for AWOS Maintenance, Sponsor to perform airport general maintenance
2012	TXDOT	78,479	0	706,307	Engineering and design for Box Hangars and access pavement; Contingency, administration, RPR, etc. for Box Hangar project; Construct access pavement for Box Hangars (30x380); Construct 8 unit Box Hangars (NPE '10 & '11) SBGP-085-2013 \$599,435.51; SBGP-057-2009 \$49,366.56; SBGP-067-2010 \$9,582.52; SBGP-72-2011 \$8,509.92; PLANNING GRANT 2011-08 \$39,412.80
2012	TXDOT	23,641	23,641	0	RAMP: TxDOT to contract for AWOS Maintenance, Sponsor to contract for airport general maintenance projects
2013	TXDOT	45,988	45,988	0	RAMP: TxDOT Contract for AWOS Maintenance, Sponsor to perform airport general maintenance
2013	TXDOT	120,168	0	1,081,512	Survey, Appraisal and Environmental Studies; Acquire land for runway extension and county road relocation (31 ac) SBGP-80-2012 \$62,959; SBGP-75-2011 \$1,015,356; SBGP-87-2014 \$3,197
2014	TXDOT	260,738	2,346,641	0	Extend and mark RW 15 end (400 x75); Contingency for RW Extension; Construct Hangar Apron Pavement to new 8-unit T-hangar (32 x 320) ; Extend MIRL RW 15 end (400 lf); Reconstruct South Apron; Construction Administration, Testing, RPR, etc; Relocate PAPI RW 15 end; Install signage; Extend & mark parallel TW to RW 15 end (590x35); Relocate County Road 4711; Install fencing and gate – new boundary; Construct Permanent Run-up Area
2014	TXDOT	14,368	14,368	0	RAMP: TxDOT Contract for AWOS Maintenance, Sponsor to perform airport general maintenance
2015	TXDOT	15,352	15,352	0	RAMP: Sponsor to perform airport general maintenance
2016	TXDOT	28,919	28,919	0	RAMP: Sponsor to perform airport general maintenance
2017	TXDOT	90,190	0	270,569	Design and Install Jet A Fuel System - 2015 and 2016 NPE SBGP-096-2016 \$150,000; SBGP-097-2016 \$120,569.34
2017	TXDOT	23,696	23,696	0	RAMP: Sponsor to perform airport general maintenance
2018	TXDOT	32,139	32,139	0	RAMP: Sponsor to perform airport general maintenance
2019	TXDOT	46,595	46,595	0	RAMP: Sponsor to perform airport general maintenance
2020	TXDOT	50,000	50,000	0	RAMP: Sponsor to perform airport general maintenance
2021	TXDOT	49,950	49,950	0	RAMP: Sponsor to perform airport general maintenance

LOCAL and/or STATE \$ 5,480,336
 FEDERAL \$ 3,779,878
GRAND TOTAL ALL FUNDING SOURCES: \$ 9,260,214

III. Findings

1. Violation: **Grant Assurance 19 (Obstacles in ROFA)**

Farm equipment is being stored in the Runway Object Free Area (ROFA) near the end of Runway 16. The ROFA standards are outlined in AC 150/5300-13B. The width of the ROFA is listed on the Airport Layout Drawing in the Airport Layout Plan set.

Recommendation: Ask the agricultural lessee to relocate the farm equipment to a location at least 1 feet from the boundary of the ROFA (500 ft, 250 ft from the runway centerline.)

Target Completion Date: Complete relocation of equipment in 30 days of receipt of this report.

2. Violation: **Revenue Use Policy (Less than Fair Market Value for Nonaeronautical Use)**

A lease between the City and Medina Valley Youth Baseball (MVYB) league was provided for my review. The lease covers the exclusive use of the land for MVYB to operate a baseball league according to specific city rules. It covers 18 acres and 12 foot-acre of water from the airport well for \$8,156/year. This equates to a ground lease of \$0.01/SF/year – a rate that is a fraction of the aeronautical ground lease rate.

Additionally, I asked for but did not receive a real estate agreement between the city and the airport that transfers the right to sublease airport property and addresses the airport's federal obligations.

Recommendation: Implement a lease/agreement between the city and the airport for the fair market value of this non-aeronautical use. If the lease is for longer than a 3-year period, include an escalation clause to ensure fair market value increases over time.

Target Completion Date: Provide a corrective action plan within 30 days of receipt of this report.

3. Concern: **Water Rights Lease**

Mr. Dixon informed me that a water rights lease was signed between the airport and the city. This lease would enable the city to maintain the water well on the airport for the airport's use. After the airport's water needs and those of the agricultural lease for airport property have been met, there is a surplus of acre-feet that can be sold to outside entities. The leasing of the water rights enables the city to compensate the airport for the monetary value of the water rights that go with the land.

During the site visit I asked for a copy of this water rights lease to ensure that the airport was fairly compensated, but I have not received a copy.

Recommendation: Provide a copy of the water lease, the costs incurred for the city to maintain and operate the well, and the annual revenue generated by the water well. If the lease

is for longer than a 3-year period, include an escalation clause to ensure fair market value increases over time.

Target Completion Date: Please provide the documentation and a plan of corrective actions to this office within 30 days of receipt of this report.

Grant Assurances can be found at: https://www.faa.gov/airports/aip/grant_assurances

Sincerely,

Katie Fields-Pack
Airports Compliance Program Specialist
FAA Southwest Region (ASW-620)
10101 Hillwood Parkway
Fort Worth, TX 76177
Office: (817) 222-4101

cc: ACO-100

Excel Airport Land Lease Dadta May 2025.xlsx

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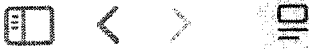
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Reveune Generated if Land was Developed as Hangars per the Master Plan - As

	A	B	C	D
1	Public Works Well Maintenance	Low End	High end	
	Our minimum daily operations of the Airport water system include chlorine residuals, meter readings, ensuring water levels, pressures are adequate, pumps/air compressor/chlorination equipment/valves are operational. This takes one employee roughly an hour to complete at a rate of \$44-75/ hr. depending on the employee.			Average
2		\$16,060.00	\$27,375.00	
3				
4	Once a month one employee will spend approximately two hours pulling a Bac-T sample and deliver to the lab. (Lab fee for analysis is \$30 per sample)	\$1,086.00	\$1,830.00	Reveune recently least six demand could pr
5				say 10,0
6	Once a month one employee will spend one hour flushing dead-end water mains.	\$528.00	\$900.00	could ea
7				to the Ci
8	Once a year we have a contractor perform tank inspections at a cost of \$500.	\$500.00	\$500.00	which th
9				executive
10	Chlorine cylinder changeouts at least once a year- minimum two employees for two hours.	\$176.00	\$300.00	site at \$
11				be made
12	Yearly meter verification at \$190 plus one employee for 1-2 hours.	\$278.00	\$340.00	of the ac
13				pays the
14	As far as amount for cost for other repairs, this can vary depending on the repair:			said that
15				the land.
16	Meter/radio leak/replacement- 1-2 employees at \$ 44-75/ hr for 1-2 hours	\$176.00	\$300.00	
17				
18	Service leak repair 2-3 employees for 1-3 hours	\$88.00	\$675.00	
19				
20	Water main repair 3-6 employees 3-4 hours for repair and additional 3-4 hours for backfill and cleanup	\$792.00	\$3,150.00	
21				
22	Emptying tank of heavily chlorinated water and flushing system 2-3 employees for 3-4 hours	\$264.00	\$900.00	
23				
24	Chlorination equipment maintenance/replacement 2-3 employees 2-3 hours	\$176.00	\$675.00	
25				
26	Hourly rate for backhoe is \$100/hr and service vehicle is \$15/hr	\$4,000.00	\$8,000.00	
27				

There are many variables and things that can go wrong including

Land lease rates MVBA at other lease rates In-kind



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Reveune Generated if Land was Developed as Hangars per the Master Plan - As

	A	B	C	D
10	Chlorine cylinder changeouts at least once a year- minimum two employees for two hours.	\$176.00	\$300.00	be made of the ac
11				pays the
12	Yearly meter verification at \$190 plus one employee for 1-2 hours.	\$278.00	\$340.00	said that
13				the land.
14	As far as amount for cost for other repairs, this can vary depending on the repair:			
15				
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17				
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23				
24	Chlorination equipment maintenance/replacement 2-3 employees 2-3 hours	\$176.00	\$675.00	
25				
26	Hourly rate for backhoe is \$100/hr and service vehicle is \$15/hr	\$4,000.00	\$8,000.00	
27				
28	There are many variables and things that can go wrong including electrical/controls issues that require hiring a contractor.	\$24,124.00	\$44,945.00	

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Revenue Generated if Land was Developed as Hangars per the Master Plan - As

D E F


1 nd Average (without any significant repairs) - \$34,534

2 '5.00

3 Revenue Generated if Land was Developed as Hangars per the Master Plan - As depicted in the recently approved FAA Master Plan for the Castroville Airport, the Airport Layout Plan (ALP) has at least six future hangars in the 18 acres leased to the City Parks department. There is continuing demand to lease ground space for building 80'x60' box hangars at the airport. Each ground lease could produce: 80' x 60' = 4800 sf, plus corresponding ramp space of equal amount (4800 sf)

4 0.00 say 10,000 sf x \$0.24 per sf = \$2400 per month, or \$28,800 per tenant annually. The 18 acres could easily accommodate at least 4-5 of these tenants with very little utility infrastructure cost to the City, but would have a large cost to move the existing road and to construct those hangars, which the Airport does not have the funds for. Another option is a ground lease, which all of our executive hangars are at this point, and they pay \$980.00 a year. For 12 potential hangars on that site at \$980.00 a year, the City would be seeing \$11,760 in revenue a year. Thus a strong case can be made that Parks should reimburse the Airport at least \$11,760 per year for the continued use of the acreage for non-aviation purposes. BUT because the lease is between the Parks (City - who pays the annual fee) and the Airport and the City does the work on the Airport well, it could be said that it could be an in-kind fee with the well maintenance and the fair market value for leasing the land.

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- k. Discussion and appropriate action on Airport Business Applications protocol.
-  l. Discussion and appropriate action to authorize an FAA compliant appraisal of airport land used by the Medina Valley Youth Baseball Association to establish fair market value; payment to airport of that value; require city council to be sole entity representing the airport to include negotiating and approving ground leases.
- m. Discussion and appropriate action on the draft proposed general fund budget.
- n. Discussion and possible action regarding the proposed Enterprise Fund budget for the City of Castroville.

XV. City Administrator Report

- a. General Fund Budget, Drainage Project Progress, Council A/V, CPSE Dispute, Community Center Project, County Emergency Management, County Streets Plan, EDC Dissolution Process, Lion's Park Spalsh Pad, Emergency Generators at Wells #2 and #3, Lion's Park Well update, ETJ Dis-annexation, Streets Planning

XVI. Discussion on Future Agenda Items

XVII. 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 August 8, 2025 before 6:00 p.m.

/s/ Debra Howe

City Secretary

Council Meeting
 Minutes August 12, 2025
 Page 7
 (Cont.)

he was good with the recommended 2.7% and the City Council needed to look at adding office space in terminal and ground leases to the City fee schedule. City Administrator Dixon said the city had to notify the tenants 60 days in advance for increase and the deadline was passing.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve a 2.7% increase on hangar rental rates effective October 1, 2025, in alignment with the June 2025 Consumer Price Index. A vote was taken (4:0 all ayes) the motion carried by all present.

k. Discussion and appropriate action on Airport Business Applications protocol

Councilmember Lee briefed the City Council on why the City adopted a background check years ago, and had a resolution in place with a business application protocol. Mr. Lee said the city just needed to follow the process. No formal action was taken.

l. Discussion and appropriate action to authorize an FAA compliant appraisal of airport land used by the Medina Valley Youth Baseball Association to establish fair market value; payment to airport of that value; require city council to be sole entity representing the airport to include negotiating and approving ground leases

Councilmember Lee briefed the City Council on the history of the Airport Deed of Trust and the April 2024 compliance inspection report from FAA findings. Mr. Lee said the FAA had concerns with the Airport not receiving a fair market value for the property used as baseball fields by the Medina Valley Youth Baseball Association and in speaking with the City Staff there was confusion on who owned the municipal water system at the Airport. Mr. Lee said the City was the owner of the Airport Municipal Water System, not the Airport and the City had responded to the FAA providing maintenance costs on the water system at the Airport as value offset for the ballfields use. Mr. Lee said the report said well maintenance but it dealt entirely with the municipal water system. Mr. Lee said the well was owned by the Airport and the Airport's responsibilities ended at the well site. Mr. Lee said he felt there had been concerns by the FAA for several years on the assessment of fair market values for the 18 acres non-aeronautical use and the city needed to have a new appraisal completed by an appraiser with knowledge of airport property as per FAA guidelines and correct the response to the FAA. City Administrator Dixon said he had met with Councilmember Lee and Mayor Alexander and received the history on the well and who owned. Mr. Lee did not want the Airport property to be shown under the Parks department. Mr. Lee was not in favor of the Airport having to pay for all the repairs to the well and he and Mayor Alexander said in the past the farmer who leased the farmland was responsible for most of the well repairs. Mr. Lee said the city did have he felt some well maintenance responsibilities due to the water being used in the municipal water system to the Airport. Former Airport Consultant Chuck Friesenhaun spoke on the value of the property where the ballfields were located saying he had completed an assessment on the property and the highest and best use would have been commercial aircraft, and with the prime location, if the ballfields had not been there, the land would have been occupied by large commercial hangars years ago. Councilmember Lee requested staff to bring back an appraisal to City Council and then find funding for payment of the fair market value based off the appraisal to be paid to the Airport. Councilmember Merz said he would like data on pro rata and the appraisal numbers.

Council Meeting
 Minutes August 12, 2025
 Page 11
 (Cont.)

A motion was made by Councilmember Lee and duly second by Councilmember Martinez to direct staff to get an appraisal, in accordance with FAA guidelines, of the Airport land used by the Medina Valley Youth Baseball Association and bring back to council for review. A vote was taken (4:0 all ayes) the motion carried by all present.

m. Discussion and appropriate action on the draft proposed general fund budget

Mayor Alexander said he had placed back on the agenda for City Council consensus on what was previously discussed related to the General Fund. Shown was a new detective position in the Police Department, the one-time expenditures were improvements to the Library, body cameras for Code Enforcement, new SCAG mower, safety equipment for Streets Dept. and \$250,000 from the General Fund reserves for street improvements. Councilmember Lee said there were several items not shown for Parks. Mr. Dixon said the budget was balanced.

n. Discussion and possible action regarding the proposed Enterprise Fund Budget for the City of Castroville

City Administrator Scott Dixon briefed the city council on the Enterprise Fund and provided information on proposed gas system expansion. Councilmember Lee said the citizens had voted to keep the gas system and to support the utility he felt the city needed to go up on rates to pay for system improvements. City Administrator Scott Dixon briefed the City Council on the Enterprise Fund and provided information on proposed expansion. Councilmember Lee said the citizens had voted to keep the gas system and to support the utility he felt the City needed to go up on rates to pay for system. Mr. Dixon provided Options #1 and #2 in the backup on possible increases. Mr. Dixon said he would also look at volume charges as another option. Mr. Dixon spoke on using Fund Balance, Gas Department Staff, proposed gas rate adjustment, Airport Budget revisions with a new personnel position and removed previously proposed Capital Improvement Projects from the FY25-26 budget cycle to better align. Councilmember Merz liked the options and liked option #2. Councilmember Lee said the city needed to look at funding for the gas system cost. Councilmember Merz said the city did not have enough to start replacement of lines. Mr. Dixon said there may be some, will have Synergy to come in and do a presentation. Mr. Dixon said the Airport Budget was more of wants than needs. The Airport Advisory Board wanted new courtesy Cars, a maintenance storage unit and the manager was going back to part-time and he would go to 30 hours per week, as of October, 1, 2025. Councilmember Lee suggested giving the Tourism/Business Director a milage stipend and taking the tourism car for the airport. Mr. Lee said it could go toward the amount the city owed the Airport for the ball field Fair Market Value.

XV. City Administrator Report

a. General Fund Budget, Drainage Project Progress, Council A/V, CPSE Dispute, Community Center Project, County Emergency Management, County Streets Plan, EDC Dissolution Process, Lion's Park Splash Pad, Emergency Generators at Wells #2 and #3, Lions Park Well update, ETJ Dis-annexation, Streets Planning

City Administrator Scott Dixon briefed the City Council on his report. Mayor Alexander said he had spoken with CPS representative and they were wanting to meet. Mr. Dixon said the Community Center building had the roof installed, the County was coming to the 26th meeting on emergency management, the Splash Pad was out of commission.

CITY OF CASTROVILLE
Little Alsace of Texas
1209 Fiorella Street



CASTROVILLE, TEXAS 78009
(830) 931-4070
(830) 931-6373

City of Castroville
Airport Manager
10500 Airport Rd
Castroville, TX 78009
719-339-5098
michael.haley@castrovilletx.gov

01/26/2026

Gary Loftus
Federal Aviation Administration
FAA Office / Southwest Region
10101 Hillwood Pkwy
Fort Worth, Texas 76117-1524

Subject: Request for FAA Review of Community Use of Airport Property

Dear Mr. Loftus:

On behalf of the City of Castroville, the sponsor and owner of Castroville Municipal Airport, FAA Airport Identifier KCVB, we respectfully submit this request for FAA review and guidance regarding community use of a limited portion of airport property.

The airport sponsor is evaluating a non-aeronautical community use of 18 acres of land outside runway protection zones. The area is not currently required for aeronautical purposes and is located outside all movement areas, runway safety areas, runway protection zones, and critical Part 77 surfaces.

Community use would consist of recreational ballfields. Any such use would be carefully structured to ensure:

- No interference with existing or reasonably foreseeable aeronautical operations
- Continued compliance with all applicable FAA safety standards
- Preservation of the airport's long-term development and aviation capacity
- Full adherence to FAA Grant Assurances, including the requirement that aeronautical use remains the airport's highest priority

The airport sponsor views this request as an opportunity to responsibly utilize airport property while strengthening community engagement and delivering public benefit, without compromising safety or

operational integrity. Appropriate controls would be implemented, including access restrictions, operational limitations, and provisions for reversion to aeronautical use should future aviation needs arise.

Accordingly, we respectfully request the FAA's guidance on the following:

1. Whether the community use may be considered compatible under current FAA policy and compliance standards; and
2. What formal actions or documentation may be required, including any non-aeronautical use approval, land-use change, or other FAA determinations.

We appreciate the FAA's continued partnership and oversight in ensuring that [Airport Name] remains safe, compliant, and capable of meeting present and future aviation demand. We welcome the opportunity to provide additional information, site plans, or supporting documentation as needed.

Thank you for your consideration.

Sincerely,



Michael P. Haley
Airport Manager
City of Castroville

CITY OF CASTROVILLE
Little Alsace of Texas
1209 Fiorella Street



CASTROVILLE, TEXAS 78009
(830) 931-4070
(830) 931-6373

City of Castroville
Airport Manager
10500 Airport Rd
Castroville, TX 78009
719-339-5098
michael.haley@castrovilletx.gov

01/26/2026

Gary Loftus
Federal Aviation Administration
FAA Office / Southwest Region
10101 Hillwood Pkwy
Fort Worth, Texas 76117-1524

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Thank you for your consideration.

Sincerely,



Michael P. Haley
Airport Manager
City of Castroville



U.S. Department
of Transportation
**Federal Aviation
Administration**

Federal Aviation Administration
Airports Division, Southwest Region
Safety and Standards Branch

10101 Hillwood Parkway
Fort Worth, Texas 76177

February 9, 2026

Mr. Michael Haley
Airport Manager
Castroville Municipal Airport
10500 Airport Road
Castroville, TX 78009
michael.haley@castrovilletx.org

Dear Mr. Haley:

Thank you for your January 26, 2026, letter requesting guidance on nonaeronautical community use consideration of airport-owned lands. Specifically, your request was regarding 18-acres of land currently being used by the Medina Valley Youth Baseball League. Designating the land community use would allow the City of Castroville, as sponsor of the Castroville Municipal Airport to provide a nonaeronautical lease at a nominal rate below the fair market value for nonaeronautical lands.

According to our files, the Medina Valley Youth Baseball League began leasing land for nonaeronautical use from the airport in 1973. At that time the FAA authorized the nonaeronautical use of the land and the approved lease was for 10 years with an additional 10 years of extensions. In 1999, the FAA Policy and Procedures on the Use of Airport Revenue was released (February 16, 1999). This policy continued the requirement for federally obligated airports to receive fair market value for all nonaeronautical land uses.

Although there is a community use provision authorizing nonaeronautical land leases for less than fair market value, the land use must meet certain requirements. The provision allows for the nonaeronautical use at a nominal fee if the use of the property meets a general public use desired by the local community and the public use does not adversely affect the capacity, security, safety or operations of the airport.

During an FAA Land Use Inspection conducted April 16-18, 2024, the FAA identified the ballfield use of the 18-acres to be a violation of the airport sponsor's grant assurances. The failure of the sponsor to charge fair market value for the nonaeronautical land use was cited as the reason for the deficiency. The use of the ballfield for Little League use does not qualify for a community use exemption to the rule as the use of the land is restricted to specific users required to pay a fee (little league) to the lease holder.

Additionally, in 2023, in response to an airport Master Plan update, the airport amended the Airport Layout Plan and removed the little league complex from the airport drawing. The result of the Master Plan and Airport Layout Plan (ultimate airport plan) introduces a parking apron and six hangars, removing the ballfield. In response to the 2024 Land Use Inspection, airport staff identified the aeronautical need for new hangars as outlined in the Master Plan.

The FAA did not release the 18-acres for nonaeronautical use beyond the original 1973 lease (expired in 1988). Although the City has continued authorizing the ballfield lease, the FAA has not authorized the continued nonaeronautical use of the airport land and now that an aeronautical need has been presented, we expect the sponsor to accommodate the aeronautical need. The continued use of the 18-acres for nonaeronautical use is a violation of the airport sponsor’s federal obligations and has not been authorized by the FAA.

During the FAA 2024 Land Use Inspection the airport staff informed this office that a two-year lease for the Medina Valley Youth Baseball League was expiring in October, 2024 since an aeronautical need had been identified in the Master Planning process. There was discussion that the sponsor might need to provide more time for the Little League to relocate, so the discussion of a three-year extension at Fair Market Value was discussed.

In closing, the use of the 18-acres does not qualify for a community use exception. The FAA expects the airport sponsor to receive no less than Fair Market Value for the non-aeronautical use of the land. Additionally, the FAA has not authorized any further nonaeronautical use of the airport land. In the event that the sponsor wants to request a nonaeronautical authorization please forward that request to your TxDOT assigned planner.

If you need further assistance or have any questions, please do not hesitate to contact this office.

Sincerely,

GARY J
LOFTUS

Digitally signed by GARY
J LOFTUS
Date: 2026.02.12
15:40:38 -06'00'

Gary J. Loftus, MBA, A.A.E.
Airports Compliance Program Manager
Southwest Region Airports Division

cc: Michael Van Vliet
Texas Department of Transportation (Aviation Division)
Michael.vanvliet@txdot.gov

ASW 620
ASW 650
ACO-100

Airport & Aviation Appraisals, Inc.

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wperkins@airportappraisals.com



April 6, 2026

Castroville Municipal Airport
City of Castroville
10500 Airport Rd.
Castroville, TX 78009

Attn: Michael Haley
Airport Manager

Dear Mr. Haley:

In accordance with your request, we submit herewith our Appraisal Report concerning the Market Rental value of the site currently licensed to, and utilized by the Medina Valley Youth Baseball Association. The property is currently improved with 8 baseball and softball fields utilized by various levels of age groups in a youth athletic program. The site is approximately 18 acres (784,080 square feet), and our appraisal assumes that the site is available and vacant for development as aeronautical property. Medina Valley Youth Baseball Association is a local organization that developed the subject site as a baseball complex approximately 36 years ago, and it is our understanding that a lease agreement was in place for the bulk of that time. Several years ago, the lease was replaced with a license. It is our understanding and we have also reviewed correspondence between the FAA and the City of Castro. The FAA has directed the city to address the issue of market value which under the Sponsor's Assurances must be obtained for various classifications of aeronautical property found on the airport. In the section of the report that determines the Highest and Best Use, we will address the position of the approximately 18 acres which comprise the supporting site of the baseball complex.

The salient facts and conclusions that relate to the subject property are summarized as follows:

Location: Castroville Municipal Airport
Castroville, TX 78009

Owner(s) of Record: Land: City of Castroville



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Improvements: Medina Valley Youth
Baseball Association

R.E. Tax Assessment: N/A

Land Area: ± 18 acres ± 784,080 Square Feet

Zoning: I-I, Industrial District

Estimated Marketing Period: 8 to 12 months by qualified personnel and organizations

Estimated Exposure Time: 7 months by qualified personnel and organizations

Three Year Sales History: The subject has not leased or sold to any third parties over the last three years

Improvements (Square Feet): N/A

Highest and Best Use: Secondary Aeronautical Land

Market Rental Value: 784,080 Sq. Ft x \$0.04 PSF = \$31,363

Date of Value: March 6, 2026

Date of Inspection: March 6, 2026

This report contains information considered relevant to both the value of the property and the method by which we have analyzed collected data to arrive at the value conclusion. Additionally, this Appraisal Report for the client, the City of Castroville, and is also for the use of the client, is governed by the Uniform Standards of Appraisal Practice regulations that apply to Appraisal Reports under Standards Rule 2, Subparagraph A. Supporting data which may help the reader more fully understand the conclusions which are presented in this Appraisal Report is present in the appraiser's files. This report cannot be fully understood without reference to this material.

The intended use of the appraisal is to assist the City of Castroville in determining an appropriate market land rental rate to be charged for the subject property. The property rights which this appraisal seeks to value are those held by the City of Castroville in fee



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simple with the assumption that the site would be sub-leased to a user/tenant. A lease interest is one of the real property interests that results from the separation of the bundle of rights by a lease, i.e. the leased fee estate or the leasehold estate. The purpose of this appraisal contained herein is to estimate the Market Rental Value of the properties as of March 6, 2026. With regard to the appropriate definition of the Market Rental Value, we have relied upon the basic concepts which are defined in USPAP regarding sales. The general assumptions are applicable for leasing land and/or improvements. For purposes of this appraisal, Market Value can be stated as follows:

The most probable price which a property brings in a competitive and open market under all conditions requisite to a fair sale; the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and each acting in what he considers his own best interest;
- a reasonable time is allowed for exposure in open market;
- Payment is made in terms of cash in U.S. dollars for in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: *Uniform Standards of Professional Appraisal Practice* as promulgated by the Appraisal Standards Board of the Appraisal Foundation, published by the Appraisal Foundation, 2024.

In undertaking and developing this appraisal report we have engaged in the following activities which are by no means all inclusive.

- * The physical inspection of the subject property and improvements.
- * We reviewed various technical data, site plans and any other pertinent structural information available with regard to the land and improvements on the subject property.
- * We examined various documents pertaining to the subject property and reviewed general data relating to the airport and the general aviation environment which surrounds the subject property's immediate area.
- * Researched and analyzed the market for airport real estate in the vicinity of the subject property and elsewhere, and interviewed various real estate, airport and aviation personnel regarding current market conditions, current pricing practices and the specific financial characteristics relating to the subject property and its position within the market place. We have not considered the value of the existing improvements.



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- * We have uncovered and confirmed pertinent market data with relation to the sale and/or lease of relevant comparable property which we believe are similar to and are useful in estimating a value for the subject.
- * Engaged in a methodical and systematic analysis of all the data collected and placed it within proper context for related property in order to develop an estimate of market value for the subject property.

The Market Data Approach is an appraisal procedure whereby comparisons between prices paid for comparable facilities are made with the subject. Due to the fact that the subject property is primarily appropriate for lease, the primary appraisal technique utilized was the Market Data Approach. This related to all classifications of market data which were pertinent to airside real estate at competitive airports. Over a number of years, we have determined that with regard to the special-purpose nature of aeronautical property, our experience is that the market for this unique component of the overall real estate landscape is that there is a tendency for potential tenants to comparison shop among a relatively specially defined competitive airports, which may not be local or in the neighborhood in a manner which is similar to other types of commercial, industrial and residential property.

The subject property is assumed to be vacant and available for any legal and appropriate use permitted under the Sponsor’s Assurances. This is a Hypothetical Condition, and *The Uniform Standards of Professional Appraisal Practice* developed by the *Appraisal Standards Board* defines a Hypothetical Condition as “that which is contrary to what exists but is supposed for the purpose of analysis.” Hypothetical Conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

AIRPORT AND FACILITY DESCRIPTION

Facility Name: Castroville Municipal
 City Name: Castroville
 County: Medina
 State Name: Texas

Ownership: Publicly Owned
 Use: Open To The Public
 Owner's Name: City of Castroville

Geographic Data

Latitude N2920.5
 Longitude W09851.1 (Estimated)
 Arpt Elevation 773ft (Surveyed)
 Magnetic Variation 04E
 2 miles SE of Castroville



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Aircraft Based on Field

General Aviation Singles	63
General Aviation Multi	7
Jet Aircraft	1
General Aviation Helicopters	1
Military Aircraft	0
Gliders	0
Ultralights	0

Runway & Approach Info for KCVB

<u>Rwy</u>	<u>Length</u>	<u>Land Dist</u>	<u>Approach</u>	<u>Rwy</u>	<u>Length</u>	<u>Land Dist</u>	<u>Approach</u>
16	5,001'x75'	5,001'		34	5,001'x75'	5,001'	

Airport Facilities

Airport Attendance Schedule	MON-FRI 0800-1200; For Aft Hrs Atndt Call Durg Bus Hrs.
Airport Status	Operational
Airport Lighting Schedule	SS-SR MIRL RWY 16/34 Preset Low Intst; To Incr Intst Actvt - CTAF.
Airport Storage Available	Tie Downs
Extra Services Available	Crop Dusting, Flight Instruction, Parachute Jumping, Aircraft Rental
Wind Indicator	Yes - (lighted)
Control Tower	No

Federal Status

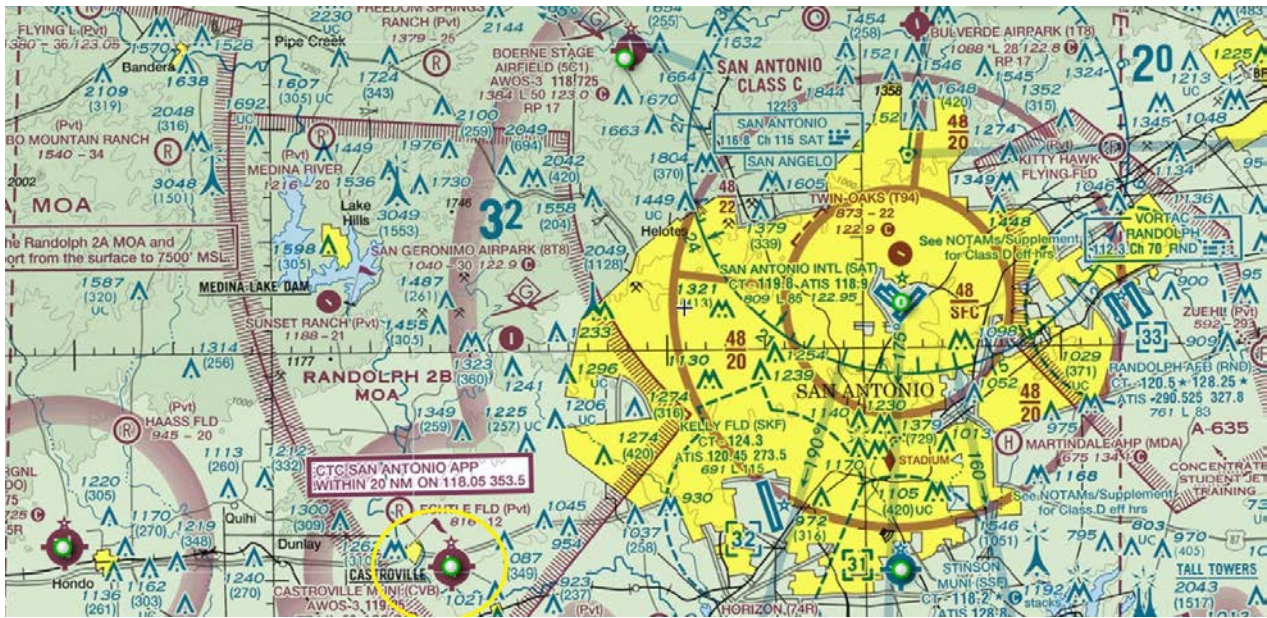
Aircraft Rescue & Firefighting Index	None
Airport of Entry	No
Custom Landing Rights	No
Joint Civil/Military	No
Military Landing Rights	Yes

Federal Agreements

National Plan of Integrated Airport Systems (NPIAS)
 Surplus Property Agreement Under Public Law 289
 Assurances Pursuant To Title VI, Civil Rights Act Of 1964



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Location of Castroville Municipal Relative to the San Antonio Class C Airspace (Circled in Yellow)



Aerial Photograph of Subject Airport with Subject Circled in Yellow

Site Description

The subject site is located on the northeast side of Airport Access Road, and is not far from the main entrance to the airport off US Route 90. The site has good visibility and is part of the airport land inventory found on the east side of Runway 16-34. The subject site is one of several which are located in various locations around the main runway and taxiway system. The overall acreage that comprises Castroville is approximately 458 acres. The property was originally constructed as an auxiliary airfield for the US Army Air Corps to support Kelly and Brooks Field in nearby San Antonio during the Second

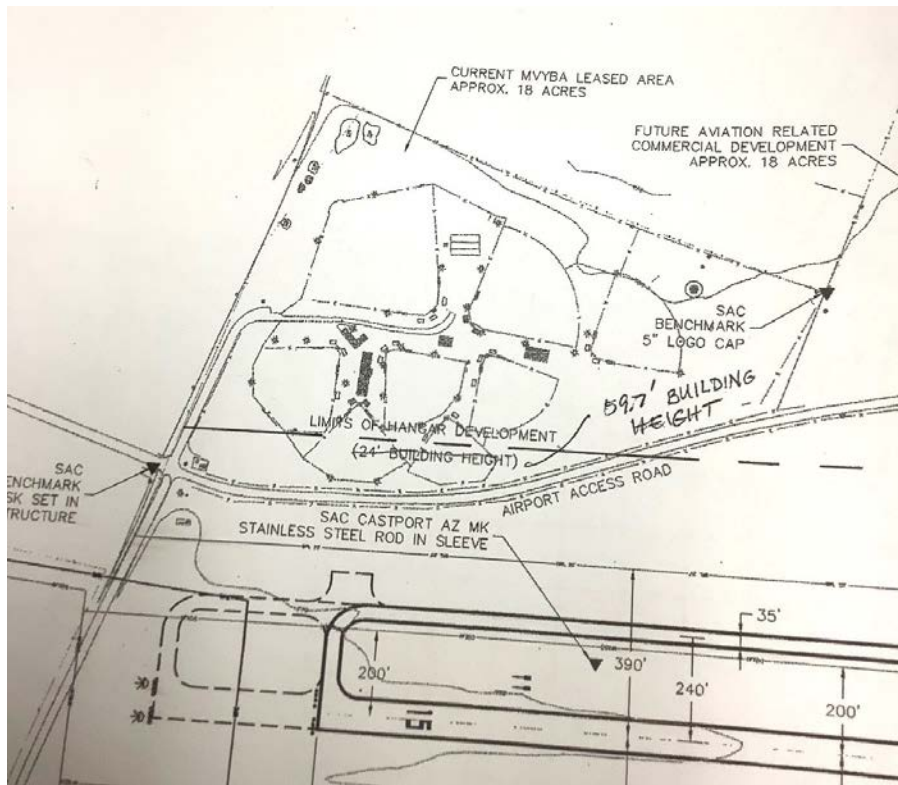


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World War. The aggregate airport was deeded over from the United States government to the city of Castroville following, and the airport is subject to the terms and conditions mandated under the Surplus Property Act of 1946. The use of the property as a public airport is mandated under this other contractual obligations.

The configuration of the subject property is designed to accommodate multiple baseball and softball diamonds. These playing fields support different levels of youth baseball and softball competition. Supporting site improvements are bleachers and grandstands for spectators and there is also parking areas for vehicles that carry players and their supporters. The majority of the playing fields appear to have lights for night games.

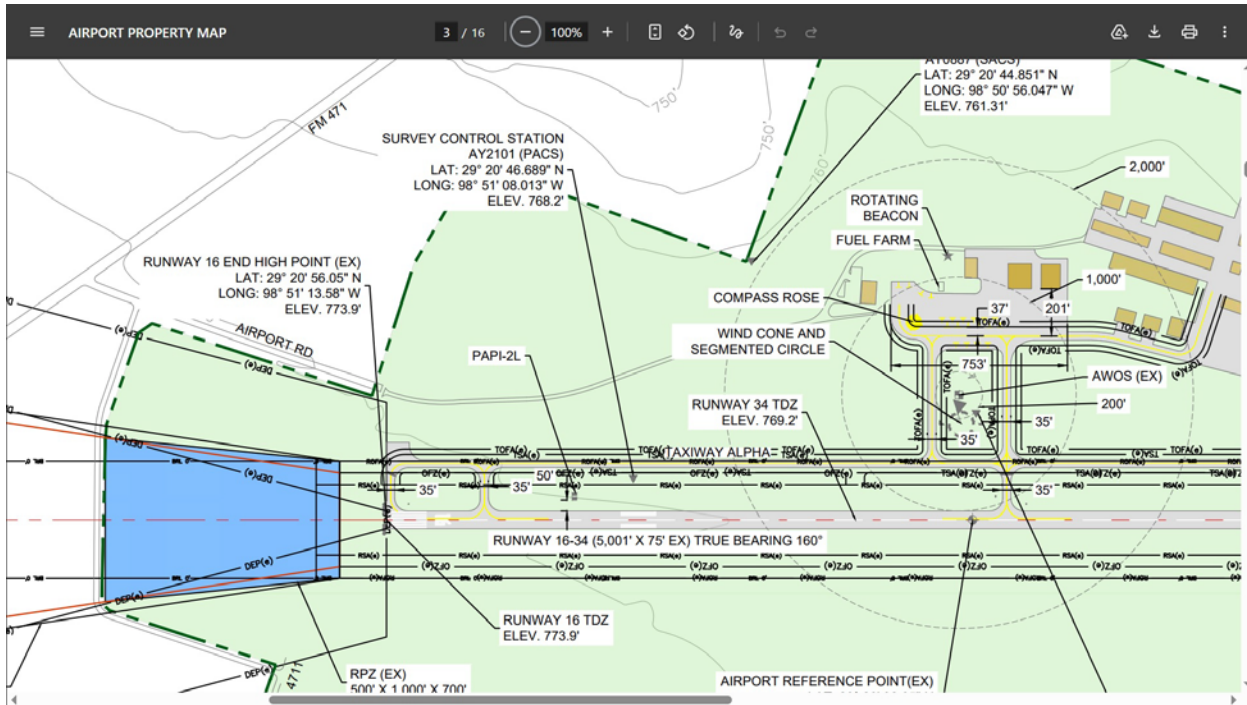
The configuration and layout of the property optimized for baseball and softball. It is therefore level and open area that can easily be re-adapted for alternative use to support alternative airside or non-airside activity if desired. The site currently does not directly connect to the runway and taxiway system which serve the airport. This characteristic has been recognized by aviation planners and based on the future representations of airside development that contemplates connection with the operational surfaces of the facility, with a preliminary conceptual plan to relocate the Airport Access Road to be moved to the East of the site utilizing a portion of the subject property which is located adjacent to the off airport property in the northeast corner of the airport. The subject's utility service consists of 3-phase electric, potable water, and a lift station.



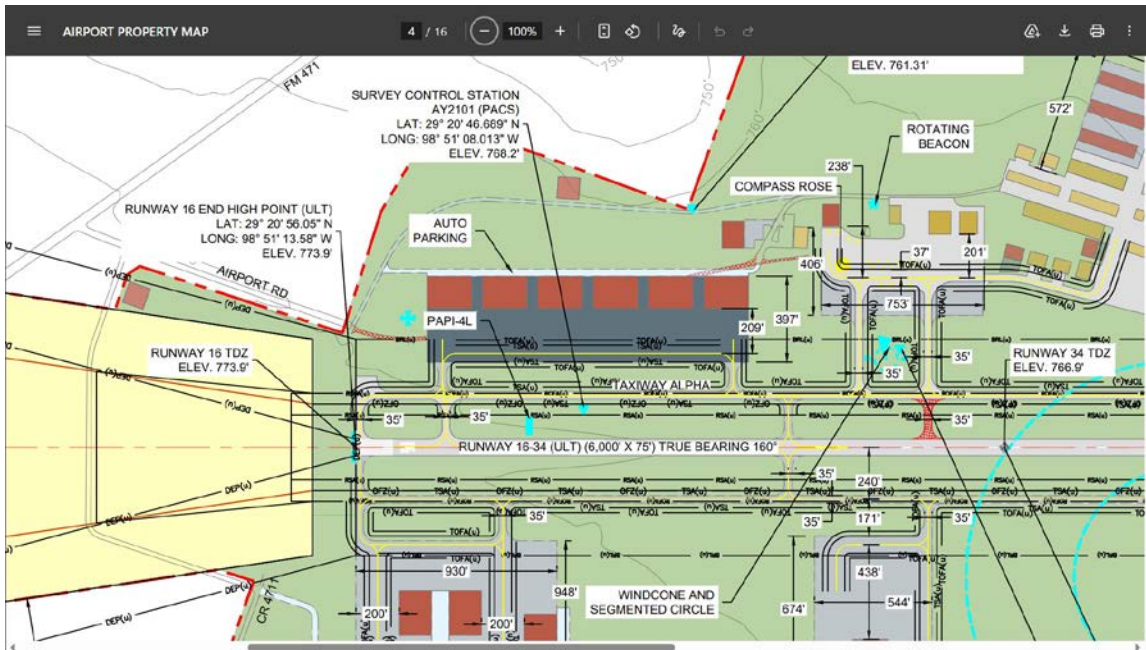
Site Plan of the Subject



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Portion of Existing Airport Layout Plan Showing Subject Site



Portion of Future Development Airport Layout Plan Showing Subject Site



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Photo of Automobile Entrance to the Subject Property



View Of Batting Cages and Perimeter Field Fencing



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View of Playing Fields and Lighting for Night Baseball



View Of The Playing Fields Looking to the West



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View Of The Access Road on the Site from Automobile Parking Area



Photograph of Lift Station



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Photo of Nighttime Game



Photo of the Subject Property Supporting Competitive Play



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View Of Batter Getting A Hit during Game



Photo of Typical Fencing Surrounding Playing Fields



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Aerial View of Subject Property Looking to the North

Sales/Lease History

The subject site has not sold or leased to any third-party purchasers within the last three years. The license which applies to the site was extended to replace the terms in the prior lease, this was essentially a continuation of the landlord/tenant relationship between the airport and the MVYBA.

Marketing Period/Exposure Time

The subject property is an example of vacant aeronautical land under the assumptions of the appraisal. The market for this type of property is user-oriented, and is limited due to the specialized nature of this type of aviation operation.

Based on the marketing period of the comparable data presented in this report, as well as discussions with informed sources in the marketplace, is our opinion that 3 to 7 months is a reasonable marketing period (by qualified personnel), for the subject. Exposure time reflects a retrospective estimate of the estimated length of time a property would have been offered on the market prior to the hypothetical consummation of a sale as of the effective appraisal date. Exposure time and marketing period are not synonymous terms. Exposure time is the time required to obtain the sale of the subject property on its date of value estimate. It precedes the date of value estimate. Marketing time corresponds to the time required to secure the sale/lease of the property at its estimated market rental value subsequent to the date of value estimate. Exposure time for the subject properties is forecast to be 7 months, assuming the same conditions.



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Zoning

The municipal zoning designation applicable to this portion of Castroville Municipal Airport is I-I, Industrial District - By its nature, the district is intended for application in areas where uses of an industrial nature that do not emit noxious odors, noises, dust, smoke, and vibrations will be compatible with other districts having proximity.

Like land on many airports, the subject property is not particularly impacted by the local zoning ordinance which tends to govern property development outside of the airport's boundaries. Airports which elect to participate in the FAA's Airport Improvement Program are obligated to comply with the regulations contained within Part 77. This set of specifications governs the areas around the airport and serves to protect the approaches to the runway environment. In addition to any specifications which apply to vertical penetration, the distances of improvements from the airport's runway system based on the type of operations which occur are also a factor.

Assessment and Real Estate Taxes

As is consistent with the policy which is followed by the City of Castroville, neither the land nor the improvements which are contained within the subject property's leasehold are subject to specific advalorem property taxes.

Highest and Best Use

An important factor in any valuation of real property is the determination of the Highest and Best Use of that property. This determination is based on the correlation of the factual data which is extracted from the market and applying it to the specific physical, legal and financial parameters which are applicable to the property which is being appraised.

For purposes of this appraisal, the Highest and Best Use of the subject is considered to be:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, legally permissible, financially feasible, and that results in the highest value.

Source: The Dictionary of Real Estate Appraisal, published by the Appraisal Institute.

A Highest and Best Use analysis attempts to address the subject property in the context of the supporting land as vacant and as also as improved as of the date of the appraisal. The former consideration allows for the possibility that the existing improvements may in fact not be the Highest and Best Use, and that a more productive and desirable improvement could be constructed and therefore produce an enhanced financial return given the constraints and character of a particular market.



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The market driven conclusions which can be applied to the Highest and Best Use analysis in both contexts provide the logic and the financial underpinning for the valuation which takes place subsequently in the appraisal report. The evaluation of the subject property in a theoretical and a practical context allows the appraiser to analyze not only the ideal improvements which are desirable for the site as though unimproved, but also to address any shortcomings or obsolescence which is applicable to the subject property's existing improvements as of the date of the appraisal.

As Vacant and Improved

Legally Permissible:

The improvements consist of a facility. The present zoning ordinance contains no use or density requirements to which the property as presently developed does not conform, and as such it is a legal use. Although it is not an aeronautical purpose, the facility is in an area where non-aeronautical activities are pursued on land which is leased from the airport. With approvals, this is permitted by the FAA.

Physically Possible:

As designed, the subject is best suited for multi-playing field baseball/softball complex. The supporting site contains enough space to pursue the sports, and also provides ancillary areas for parking, viewing the competition and limited supporting structures for amenity purposes. Castroville Municipal Airport is a former military facility that is designed for the operational characteristics of a wide variety of general aviation aircraft. The airport has a large amount of acreage, and the part of the airport where the subject property is located has been continually used as non-aeronautical recreational area since 1989. Other non-aeronautical property around the subject is employed for non-aeronautical use.

Financially Feasible:

Of the legally permissible and physically possible uses, only some may be financially feasible. The improvements contribute substantially to value. They are well constructed and maintained and have an estimated remaining economic life of 20 years. The subject is basically well designed and laid out.

Maximally Productive:

The subject property, due to the fit and finish of the playing fields and activity support areas and the position of the access road which leads in to the subject and other properties is very good. The subject site is conveniently located to the main network of roads which serve the area. As previously mentioned, the subject property is in basically good condition, and also has a site configuration and purpose which is conducive to leasing to single entities or multiple entities. The current user is also anticipated to be the lessee should a mutually acceptable agreement be reached with the City of Castroville. It is our understanding that it is a club and not open to a large cross-section of the public. Its continued use as a multi-playing field baseball/softball complex for Association members and reasonable numbers of the public should continue to be feasible. Additionally, the property could be converted to large open area on which a variety of vehicles, equipment or other compatible elements that require open outdoor storage. This is a common element of larger airports that have land that can be conveyed under limited leases on an interim basis.



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Based on the foregoing, we consider that the existing Highest and Best Use for the subject property as improved is for continued utilization as a multi-playing field baseball/softball complex with restricted and/or limited access that does not compromise the security of all airport environment which surrounds it. The subject property as vacant and unimproved is Secondary Airside Property which lacks complete infrastructure to access the airport operational surfaces, but is subject to the Sponsor's Assurances and represents the commitment to utilize the subject as aeronautical property long-term when appropriate and feasible aviation -related demand materializes. The site also can be used for relatively short term storage applications that involve non-aeronautical use.

MARKET DATA APPROACH

The Market Data Approach is based on the premise that the market rental value of a property is directly related to the prices or rental rates of comparable, competitive properties. This analysis focuses on differences in the legal, physical, locational, and economic characteristics of similar properties and the subject property. It also focuses on the differences in the real property rights conveyed, the dates of leases, the motivations of lessors and lessees, and the financing arrangements for each lease transaction, which can account for variations in rental rates. Four major principles of real estate are inherent in the Market Data Approach.

The principle of supply and demand and its relationship affects prices as buyers constitute market demand and the properties offered for sale make up the supply. Shifts in either one of these elements may cause prices to vary.

The principle of substitution as applied in the Market Data Approach holds that, "The value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability" *Appraisal Institute, Dictionary of Real Estate Appraisers*. Or, should substitute properties not be available in the marketplace, less reliability can be placed on this approach to valuation.

The principle of balance is implied in the Market Data Approach in the relationship between land and improvements, between a property and its environment, and between the forces of supply and demand.

Finally, the principle of the externalities, such as the neighborhood and the economy, can affect the property value positively or negatively.

These four principles are also considered in arriving at the Highest and Best Use as improved for the subject property. Through the Market Data Approach, an indication of a market for similar type properties lends support for the Highest and Best Use as improved and for the existing improvements to be maintained for the same use.

The Market Data Approach is applicable to all types of real property interests and depends upon the availability of sufficient data, the recent reliable transactions indicating



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value patterns, and the nature and stability of economic conditions affecting the marketplace. When valuing an income producing property, such as the subject properties, it can be used in conjunction with the Cost and Income Approaches to value and to test the reasonableness of the values derived from each of these approaches.

A systematic procedure for applying the Market Data Approach involves:

- 1) Researching the market for data on the prices or rents of comparable properties the context of existing leases and offerings to the marketplace.
- 2) Verifying the data is accurate and representative of arm's-length transactions.
- 3) Determining relevant units of comparison.
- 4) Comparing the subject with the comparables and adjusting the comparables for differences.
- 5) Reconciling the multiple value indications into a single value or a range of values.

The examination of relevant market rental data will attempt to reconcile the existing conditions in the marketplace for similar facilities, the physical nature of the subject property and the overall demand for facilities given the size and the scope of Castroville Municipal Airport, and competitive airports. Our examination of data will allow that the overriding operational requirement for this market is the operational availability of an adequate array of taxiway and runway surfaces on which to operate sophisticated turbine powered airplanes. This will effectively define the overall market universe for comparable facilities.

We have surveyed the marketplace to collect comparable data which we believe represents a balance between the unique characteristics pertinent to the situation at Castroville Airport, and that also reflect the general expectations of the marketplace for land leases in what we believe, is a comparable general region and area to the subject airport. These are presented as follows:

San Antonio International Airport, San Antonio Texas, TX- Longest Runway: 8,505 CT

Unimproved Airside Land Rental Rate: \$0.40 Psf

Comments: Comments: The airport has a wide variety of mostly larger industrial type applications, although there was a recent transaction for a corporate hangar which reverted to the airport. San Antonio has a unique system of developing rentals for hangar tenants. The typical lease will have a rental rate for the supporting site added to a separate rental rate for the hangar structure on a per square foot basis. The recent corporate hangar which reverted to the airport was negotiated with the following rent structure:



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<u>Leased Premises</u>	<u>Sq. Ft.</u>	<u>Annual Rate Per Sq. Ft.</u>	<u>Annual Rental</u>	<u>Monthly Rental</u>
Hangar With Office	26,896	\$ 8.50	\$ 228,616	\$ 19,051.33
Ground Space	108,900	\$ 0.40	\$ 43,560	\$ 3,630.00
TOTAL RENTAL				\$ 22,681.33

On an annualized basis, this rental rate works out to \$10.12 PSF of hangar space. Additionally, the lessee as required to invest \$1 million over an eight year period in order to get a 10 year term and a five year extension at a renegotiated base rental and an additional \$500,000 capital investment. The impact would increase the rental rate. Industrial-MRO hangar leases are similarly constructed, but they have a lower rent attached to the hangar component due to the fact that those types of hangar facilities are older, and subject to the increased wear and tear that maintenance operation imposes on the improvements. This particular hangar is a high-end corporate facility owned by a substantial entity with plenty of money. Due to the fact that San Antonio International is the main air carrier facility for a large metropolitan area, and also the high degree of operational capacity with regard to navigational aids in the presence of the sophisticated air traffic control system and control tower, the rental rate for the comparable's land component should be adjusted downward.

Stinson Municipal Airport, San Antonio Texas, TX- Longest Runway: 5,000 CT

Unimproved Airside Land Rental Rate: \$0.20

Comments: This is an offering for the smaller general aviation oriented type hangar at Stinson Municipal. As is the case with the property at San Antonio International that preceded, it has the same system that applies to the larger corporate hangar at more sophisticated and generally more expensive air carrier oriented location. The City of San Antonio is the Airport Sponsor for both facilities, and with the exception of large aeronautical/industrial projects, most of the comparable property to the land being considered at Castroville is leased on a "rates and charges" approach. The breakdown of the three main components of the offering is as follows:

Hangar 8	sq. ft.	Rate	Annual Rents	Monthly Rents
Hangar	2,488	\$ 2.10	\$ 5,224.80	\$ 435.40
Ramp	5,800	\$ 0.25	\$ 1,450.00	\$ 120.83
Ground	2,488	\$ 0.20	\$ 497.60	\$ 41.47
Total \$			7,172.40	\$ 597.70

The comparable this is similar type airport as Castroville, that has an additional crosswind runway and control tower. It is a competitive environment and the Stinson rental rate is representative of a general aviation airport which has the advantage of being in the area of the major metropolitan city.

New Braunfels National Airport, New Braunfels Texas, TX- Longest Runway: 6,503 CT

Unimproved Airside Land Rental Rate: \$0.22-\$0.28 psf

Comments: New Braunfels is a comparable location because of its geographic location of the facility between Austin and San Antonio. The airport also has lately seen a spurt of new ground leases, and the construction of a number of medium-sized corporate flight department type facilities, with 28 foot door heights. Castroville Airport is inferior in terms of its operational characteristics primarily due to the runway length and the other desirable characteristics such as the presence of the control tower. The city of New Braunfels also owns and operates the fixed



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base operation, and has for approximately 15 years. The airport added length to its runway system approximately 10 years ago, and has recently attracted third-party developers that have spec built general aviation type hangars which have demonstrated the capacity to generate rental rates at are competitive with those found at major general aviation area in the Austin-San Antonio region. The rental rates at New Braunfels should be adjusted downward for various advantages we have noted.

Austin-Bergstrom International Airport, Austin Texas, TX- Longest Runway: 12,248 CT

Unimproved Airside Land Rental Rate: +/-\$.30 psf to +/-\$.80

Comments: Austin Bergstrom has a wide range of rental rates that are applicable to various tenants on the airport. The above range encompasses two specific land lease transactions. The \$0.80 per square foot lease applies to the site that supports 2 belly cargo buildings are located on this property. The rent presented represents current rental and is a result of a recent “market study” undertaken by the airport to adjust the rental rate under the provisions of the lease. The tenant is a knowledgeable development entity that specializes in airport property, and the original lease was signed before Bergstrom opened in 1999. The City and AFCO entered into a new agreement and replace the old one for AFCO to lease the Airline Belly Freight Facilities and to lease and construct improvements to the Ground Services Equipment Maintenance Facility in March of 2023. The ground rent at that time was \$.54 per square foot.

The \$0.30 per square foot rental rate pertains to the newest fixed base operator facility operating as part of the Million Air chain at ABIA, providing additional hangar facilities for private jet aircraft and on approximately 40 acres of land. This is a combination of properties at the south end of the general aviation portion of the airport. The property was originally leased by an entity that wanted to build only hangars. The lease was taken over by an entity that built the third FBO at the facility, to compete with Signature and Atlantic. The presented lease relates to a significant expansion to the existing FBO. New hangars will be constructed along with a parking lot and detention basins. This will be a very large FBO and the acreage will almost double in size. The new lease also extended the original lease due to the commitment of the lessee to invest \$65 million.

The developmental suitability of the site is inhospitable. It abuts delineated wetlands and there was substantial amounts of fill required to develop the first phase of the FBO. This is still the case with the expansion parcel. The original lease which was signed in 2007 was for \$0.25 per square foot. As is the case with land at San Antonio International, and to a lesser extent Kelly Field, this type of transaction at an air carrier oriented facility is typical when you consider regional data that typically surrounds general aviation airports like Castroville Municipal. The higher rental rates that are applicable are logical given the complexity and size of air carrier facilities.

Kerrville Muni Kerrville, TX - Longest Runway: 6,080

Unimproved Airside Land Rental Rate: \$0.11-\$0.24 psf

Comments: Kerrville, like a number of airports, has had a low basis for ground rentals over the past 20 years, and is now marketing land at higher rates. There are a few is one smaller pad type leases at the \$0.24 per square foot rate, however there are older leases also present on the airport at the lower range of the spectrum. The airport is aware that the ground rent structure does not reflect the excellent demographic around the airport, and its importance with regard to the San Antonio metropolitan area. The airport is asking rental rates in the neighborhood of \$0.30 per square foot to \$0.35 per square foot for smaller parcels in prime locations around the Sponsor -



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owned terminal building. The asking rental rates should be adjusted downwards to reflect the physical advantages of the longer runway and the position of Kerrville to the further northwest of the Metropolitan San Antonio location.

Hondo Airport, Hondo, TX - Longest Runway: 6,002

Unimproved Airside Land Rental Rate: \$.23 psf

Comments: Hondo is now marketing land at this rate, and reports a higher level of interest in the post pandemic environment. The location is inferior to Castroville insofar as the demographic applies, but the level of airport infrastructure is superior. Hondo is located nearby to the west of San Antonio and also represents a direct and reasonable commuting distance. It also has large expanses of concrete apron and has attracted industrial type users such as entities that salvage scrap from older airliners. The City of Hondo also owns and operates the fixed base operation. The airport is well-managed, and has steadily built up its airside facilities over the last 15 years. The airport also has land that can be used for non-aeronautical applications which offers the capacity to diversify revenues in to the industrial and commercial realm should demand warrant it. The rental rate should be adjusted slightly upward to reflect Castroville's superiority with regard to proximity to San Antonio.

Kelly Field, San Antonio Texas, TX- Longest Runway: 11,550 CT

Unimproved Airside Land Rental Rate: \$0.53 psf (3% automatic annual escalator)

Comments: The comparable site is optimized for a large-size fuel storage facility. It is enclosed by fencing, and is improved in a manner which facilitates on-loading and off-loading of large quantities of aviation fuel. The facility was built by Trajan Holdings, Inc., and is currently operated by that entity which purchased the Trajan assets in support of its fixed base operation activities at Kelly Field.

The comparable site is 3.7 acres and optimized for a large-size fuel storage facility. It is enclosed by fencing, and is improved in a manner which facilitates on-loading and off-loading of large quantities of aviation fuel. The facility was built by Trajan Holdings, Inc., and is currently operated by that entity which purchased the Trajan assets in support of its fixed base operation activities at Kelly Field.

The main fuel tanks which are used to hold the mostly Jet A product are above-ground, and are augmented by other above and below ground operational elements of the fuel farm. There is a below ground storage tank to handle runoff, and it is equipped with an oil water separator. While the site is mostly improved with good quality concrete, some portions of the site are grassed. The overall location of the property is very good with regard to the improvements that are located to the north and also to the south, and the access for both aircraft and trucks is a positive feature of the site. Atlantic Aviation operates an FBO out of a facility leased from the airport sponsor located to the north of the fuel farm site. Kelly Field is a specialized form of large industrial type property that also enjoys synergy with Boeing and the surrounding Air Force assets which are located on the field. Its location with regard to the city of San Antonio is superior, and the extensive nature of the operational improvements are also inferior. The market rental for this comparable should be adjusted downward.



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San Marcos Municipal Airport, San Marcos Texas, TX- Longest Runway: 6,330 CT Unimproved Airside Land Rental Rate: \$0.22-\$0.40 psf

Comments: Sam Marcos is a comparable location with regard to the geographic location of the facility between Austin and San Antonio, however it has not shown the same level of growth as New Braunfels, and the general Austin area. It does have a good location with regard to a fairly significant midsized city, and San Marcos benefits from the presence of Texas State University. There are a lot of potential sites available on San Marcos, and the privatized airport management operation will negotiate individual rental rates with individual tenants depending on location, infrastructure and the capital investment that would be committed to the airport in the case of the ground lease. The rental rates should be adjusted downward to account for the superior location and demographic of the comparable Airport compared to the size of Castroville as of the date of the appraisal.

San Angelo Regional Airport, San Angelo, TX- Longest Runway: 7,203 CT Unimproved Airside Land Rental Rate: \$0.12 psf

Comments: San Angelo Regional Airport is located to the northwest of Castroville and is located in a relatively low density population area of the state of Texas. The airport was a substantial military facility through the balance of the Vietnam War, and it has considerable infrastructure and some air carrier service in the well-appointed terminal facility. In 2024, a fixed base operation on the airport expanded into an older military hangar and completely rehabbed with all of the features that an FBO would want on an airport of the size and scope. The lease that applies to the comparable is complicated and involves some Sponsor financing. For the portions of the site that are not common concrete apron area, the rental rate for the land is \$0.12 per square foot. The concrete ramp is 2.9 acres, and is also the location where great deal of transient and airline related fueling can potentially take place. The aggregate site is also well located immediately adjacent to the terminal facility. We have examined other similar leaseholds at San Angelo in the following information applies to four other hangar leases on the facility. This information is summarized as follows:

San Angelo Regional Airport - Appraisal Comps						
Hangar Designation	Lease Term	Land Lease	Land Lease Rate (Per Sq. Ft.)	Bldg Size	Bldg. Sq. Ft Lease Rate	Riverted to Airport Authority
USCBP (North Hangar)	20 Years	15,865 sq. ft.	.12 sq/ft/yr	69,780 sq. ft.	\$2.70 sq/ft/yr	Yes
USCBP (North Hangar)	20 Years	220,721 sq. ft.	.12 sq/ft/yr	96,331 sq. ft.	\$3.54 sq/ft/yr	Yes
Vertex/L3	5 Years + (2) 3 Year Options	35,959 sq. ft.	.12 sq/ft/yr	12,000 sq. ft.	\$5.89 sq/ft/yr	Yes
FedEx	Operating under 5 year extension	27,181 sq. ft.	.12 sq/ft/yr	10,000 sq. ft.	\$5.47 sq/ft/yr	Yes

These are various sized hangars located elsewhere on the airport. The structure of the deal with regard to each of them is very similar to the subject comparable. All of these tenants are essentially cost center tenants such as the United States Border Patrol and L3, a large defense contractor. For purposes of our analysis it is clear that \$0.12 per square foot is a prevailing rate on the airport. The lower rental rate is typical for West Texas and is mirrored in locations such as Lubbock, Abilene and other substantial facilities. The rental rate should be adjusted upward to reflect the demographic in which the Castroville Municipal Airport competes to the east of San Angelo.



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Victoria Airport, Victoria, TX -Longest Runway: 9,111 CT

Unimproved Airside Land Rental Rate: \$.25-\$.30 psf

Comments: Victoria is located on the outer edge of the Houston Metropolitan area, but the airport has one of the longest runway of the non-air carrier facilities that have been surveyed for this appraisal. Some limited air carrier operations are conducted out of Victoria and connect with Bush Intercontinental. The airport has more leased land in an industrial and commercial context that is located on the airport than new airside land leases. There are still, a number of sites that could be leased on the facility for aviation purposes of all sizes. Victoria also is a Sponsor owned and operated FBO. The land rates should be adjusted downward to reflect the superiority of Victoria in a number of key areas. There are also subtle differences with regard to the Houston climate which makes the Houston area airports unsuitable for MRO activities which can frequently take place outdoors. Because of the high humidity, outdoor storage and other work performed on aircraft is adversely impacted because of the effect of moisture-induced corrosion on the airframes.

Victoria Airport also has a relatively large component that involves non-aeronautical real estate. The scope of various uses run the gamut from industrial properties for a variety of manufacturing and storage purposes, some commercial type buildings, specialized uses which utilize some of the infrastructure left behind by the military, a skeet shooting club and a complex of soccer fields. Summaries of several existing and proposed leases are as follows:

Lease 1- Dyna Energetics US- This is essentially a small land lease that involves a fenced area of 10,000 square feet. The lease is year-to-year and involves an annual payment of \$4,311. This involves the lessee bringing a secure storage unit onto the site in which explosive material used in construction is stored. The lease yields a per square foot rental of \$0.43 per annum. This is a relatively small ground lease and commands a premium which would be inapplicable to property on the subject, particularly with regard to the 45 acres to the east of the property which serves as a buffer zone beyond the main trap shooting area.

Lease 2-Ranger Energy- This is another 10,000 square-foot ground lease which involves a lessee who also stores construction related explosives in their own container. The rental rate is also \$4,311 per year and has the same unit value to the lessor of \$0.43 per square foot. This likewise reflects the premium for a relatively small parcel of land and the specialized use. The lease rate should also be adjusted downward for any land leased in connection with the subject property.

Lease 3-Ralston Cattle- This land lease involves 338 acres. The land is used for grazing purposes and livestock owned by the lessee are supported upon the site. In addition to rent which is payable to Victoria County, the lessee also provides mowing services to airport management for various areas on the airport and does so when management requests that the service be provided. We are informed that the lease document quantifies the dollar value of this aspect of the lease. The base rent for the property is established at \$31.05 per acre. This results in an annual rental and \$11,833.38. This yields a per square foot rental rate of \$.000713 per square foot. Cattle grazing land is typically expressed as a dollar amount per acre. This lease should be adjusted upward for the larger size of the comparable lease, and the value of the grass mowing services performed by the lessee.

Proposed Lease 4- Sparkman Industries- This proposed lease pertains to property which is located in the section of the airport where a number of properties are leased for both commercial and industrial purposes. This particular property is industrially oriented. It involves approximately



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76,154.84 feet of land which is leased for a unit rental of \$.295 per square foot of land, combined with a 3,950 square foot structure leased for \$4.00 per square foot per annum. The property's location is superior to the subject, and the combination of the supporting site in the building have an appeal to a larger spectrum of the marketplace than the subject. We believe that both the land rent and building rent should be adjusted downward to account for the character of the improvements and the location of the site which supports the subject property.

Victoria Airport's aeronautical and non-aeronautical land is affected by the higher demand which results from Victoria's proximity to the densely populated Houston area and a good system of high-speed roads that allow access to the facility from the Metro area. Both the size and scope of this facility is superior to Castroville Airport, and the City of Victoria also owns and operates the FBO on the field. Downward adjustments for both aeronautical and non-aeronautical property should be adjusted downward due to these factors.

Castroville Municipal Airport, Castroville, TX -Longest Runway: 5,000

Unimproved Airside Land Rental Rate: \$.20 per square foot

Comments: The last ground leases that we will examine are those that are located on the subject airport. These basically exist in two categories of aeronautical land and also agricultural lease of the type exhibited at Victoria. They are as follows:

Four "pad leases" for identically sized small executive type hangars that consists of 4,800 square-feet. This size of the parcels coincide with the 80 foot wide by 60 foot deep footprints offered by all of the existing lessees. All deals were done roughly around the 2020 to 2022 timeframe. The annual rent applicable to each site is \$960 per annum, which yields a per square foot rental rate of \$.20 per square foot. These leases are subject to CPI adjustments applied every five years.

A medium-sized corporate hangar is on a parcel of land which consists of 26,650 square-feet. The parcel supports both the basic building footprint along with an exclusive ramp area adjacent to the infrastructural taxiway system built on the airport. The hangar building consists of approximately 7,600 square-feet. The original lease was entered into in 2012, and featured a bifurcated rental rate with a lower ground rent applied to the apron portion of the leasehold. When the lease began, the average rental was \$0.16 per square foot. The current rental which has been subject to several escalations, is +/- \$0.17 per square foot.

The agricultural lease consists of both irrigated and non-irrigated land and is located to the Southwest of the subject site and most of the development on the airport. The tenant uses the land for agricultural purposes and pays \$18,558 per annum and leasehold consists of 332 total acres. The land rental rate is also bifurcated with a higher rental being charged for the 236 acres of irrigated land and a lower per acre rental rate for dryland. The per square foot rental rate is .001283. This assemblage was put out for bid and the successful bidder was given a five year lease with a five year option. This lease was initiated in 2020.

We have presented a fairly wide variety of comparable data to provide an overview of the marketplace as of the date of the appraisal. As a practical matter, the Metropolitan San Antonio region to the north and west is a unique environment with regard to the majority of airports both in its immediate geographic area, and also within the state of Texas and a larger portion of the region. The nature of the military operations in the region, combined



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with the specific interface that the area has with a number of multimodal transportation and freight applications, is a strong capability that is somewhat singular.

Ultimately, Castroville has the potential over time to attract a variety of categories of users. The most significant marketing limitations apply to sizable aeronautical-industrial facilities which tend to gravitate to the South and Southwest area of the country. These are very difficult deals to consummate, and Castroville does have potential future areas where eventual assemblages that for exceed those which apply to the subject property that is currently under appraisal.

The gap that exists with regard to land rentals between large air carrier facilities such as Austin, San Antonio DFW, Houston Intercontinental and other similar intermediate airline-oriented facilities, and the large number of sizable general aviation airports that are found in the surrounding area, is common throughout the United States. Many of the surrounding airports are also sizable ex-military facilities, but their orientation is much stronger toward general aviation users, and as a result, have a range of relevant rental rates which are basically homogenous.

The subject site is capable of supporting improvements that we feel represent optimum types of hangars for the Castroville environment. The long-range plans to accommodate them, and also make the subject site accessible for aircraft operations on the nearby taxiway and runway system. The location is also good with regard to visibility from the operational surfaces, and is surrounded by desirable aviation related infrastructure. which is mostly represented by the apron system which exists to the north of the site. .

All of the aforementioned characteristics of the subject site and the general airport environment are subject to what has been a rather consistent factor that developed during, and after the Covid 19 pandemic of 2020 through the recovery period that ranged from mid-2021 to the middle of 2022. The increase in construction costs that pertain to on airport type structures has lessened some of the demand for airside property. Larger hangars are approximately 20 to 25% more expensive to construct. This does not mean that the effect of the various factors that created this condition has depressed relevant markets and caused rental rates for airside property to decline, rather it means that absorption rates of property has been extended. In other words, value is eventually realized by the lessor, but as of the date of the appraisal, it takes longer to find and secure tenants. Ready, willing and able tenants have a solid concept of the inherent value of well-located parcels like the subject on larger operationally capable airports.

Based on the foregoing analysis, it is our opinion that because the infrastructure to support operational aircraft act is not yet in place with regard to the subject property, it is necessary to apply a discount to the aviation market on Castro Municipal, and also recognize that the general marketplace for non-aeronautical property when a reasonable demand exists for it, reflects the fact that historically, the best policy to pursue with non-aeronautical land that is not earmarked for substantial and immediate capital investment is to offer it to users that require bulk space for equipment that is not subject to a long-



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term lease and recognizes that the long-term plan for land that resembles the subject is for eventual conversion to aeronautical use. As discussed in the Highest and Best Use, there appears to be a credible long-term plan to eventually integrate the baseball complex into the realm of revenue producing airside property that represent the long-range goals for the airport’s development. The size of the property also warrants a considerable discount, and as was discussed in the Highest and Best Use section, the body of evidence that pertains to very large parcels of airside property with appropriate access to the operational surfaces of an evolved airport facility, are heavily discounted. Additionally, they almost always involve a potential tenant that is of a size and financial strength to justify a major expansion of the airport. Securing this type of end user may take many years, and not a small amount of luck to achieve. Based on the data produced by general aviation airports with runway systems of 4,000 feet or better, (which are fairly common in this part of Texas that was largely built as a response to the Second World War) large parcels of land leased to non-aeronautical users on relatively short term leases should reflect the lower end of the marketplace where data is available for comparison. We have therefore determined that a market rent for the subject’s 18 acres as of the date of the appraisal would be \$.04 per square foot. The overall rental would be as follows:

$$784,080 \text{ Sq. Ft} \times \$0.04 \text{ PSF} = \$31,363$$

We hereby certify to no present or contemplated financial interest in the property and that our employment and compensation are in no way contingent upon the value estimate.

Respectfully submitted,

Winthrop D. Perkins

Winthrop D. Perkins, CRE
President



Airport & Aviation Appraisals, Inc.

CERTIFICATION OF THE APPRAISER

The undersigned does hereby certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. I have not performed any appraisal services with regard to the subject property within the last three years.
4. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
5. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
6. The undersigned individual made a personal inspection of the property that is the subject of this report.
7. No one other than the undersigned prepared the analyses, conclusions, and opinions concerning real estate that are set forth in this appraisal report.
8. The undertaking of this appraisal assignment was not based on a requested minimum valuation or specific valuation or approval of a loan.
9. Based upon the descriptions, definitions, assumptions, data, and conclusions presented herein, it is our opinion that the market rental value of the subject property as of March 6, 2026 is:

$$784,080 \text{ Sq. Ft} \times \$0.04 \text{ PSF} = \$31,363$$

Winthrop D. Perkins

Winthrop D. Perkins, CRE



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ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions.

1. No responsibility is assumed for matters of a legal nature affecting title to the properties nor is an opinion of title rendered. The title is assumed to be good and merchantable.
2. No survey of the properties has been made by the appraiser and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the properties.
3. Public information and industry and statistical information are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information, and have accepted the information without further verification.
4. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The properties are appraised as though under responsible ownership and competent management.
5. The forecasts, projections, and operating estimates contained in this report are based upon current market conditions, anticipated short term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes in future conditions.
6. It is assumed that there are no hidden or unapparent conditions of the properties, subsoil, or structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover such factors.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.

It is further assumed that any mechanical and electrical equipment, which is considered part of the real estate, is in proper operating condition except when noted herein. These include, but are not limited to, such items as the heating, air conditioning, plumbing, sprinkler (if any), and electrical systems.

8. While it is believed the information, estimates, and analyses given and the opinions and conclusions drawn from them are correct, Airport & Aviation Appraisals, Inc. does not guarantee them. We believe the information



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which was furnished to us by others is reliable, but we assume no responsibility for its accuracy.

9. In the event this appraisal is used for a sale price, financing, or tax purposes, no responsibility is assumed for the inability to negotiate favorably on the basis of the values expressed herein.

10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report.

11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the properties described and that there is no encroachment or trespass unless noted within the report.

12. The distribution of the total valuation in this report between land and improvements applies only under the reported Highest and Best Use of the properties. The allocation of value for land and improvements must not be used in conjunction with any other appraisal and is invalid if so used.

13. Neither all nor any part of the contents of this report should be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent and approval of Airport & Aviation Appraisals, Inc.

14. In accordance with recognized professional ethics, the professional fee for this service is not contingent upon our conclusion of value, and neither Airport & Aviation Appraisals, Inc. nor any of its employees has a present or intended financial interest in the properties.

15. The opinion of value expressed herein is valid only for the stated purpose and date of the appraisal.

16. Financial statements and other information provided by the Client or its representatives in the course of this investigation have been accepted, without further verification, as correctly reflecting the properties' business conditions and operating results for the respective periods, except as specifically noted herein.

17. The conclusions are based upon the assumption that present management would continue to maintain the character and integrity of the enterprise through any sale, reorganization, or diminution of the owners' participation.



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18. Future services regarding the subject matter of this report, including, but not limited to, testimony or attendance in court, shall not be required of Airport & Aviation Appraisals, Inc., unless previous arrangements have been made therefore in writing.

19. This report and the conclusions arrived at herein are for the exclusive use of our client. Furthermore, the report and conclusions are not intended by the author, and should not be construed by the reader, to be investment advice in any manner whatsoever. The conclusions reached herein represent the considered opinion of Airport & Aviation Appraisals, Inc., based upon information furnished to them by the Client and other sources. The extent to which the conclusions and valuations arrived at herein are relied upon should be governed and weighed accordingly.

20. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of these properties to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the properties, together with a detailed analysis of the requirements of the ADA, could reveal that the properties are not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the properties. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the properties.

21. This appraisal is predicated on the assumption that hazardous substances do not exist at the subject properties. Hazardous substances cover any material within, around, or near a property that may have a negative effect on its value, including, without limitation, hazards that may be contained within the properties, such as friable asbestos, and external hazards, such as toxic waste or contaminated ground water. No apparent evidence of contamination or potentially hazardous materials was observed on the date of inspection. Members of this appraisal office are not qualified to determine the existence of, nor is any certification made as to the presence or absence of, any hazardous substances. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

22. This Appraisal Report is governed by the Uniform Standards of Appraisal Practice regulations that apply to Appraisal Reports under Standards Rule 2, Subparagraph A. Supporting data which may help the reader more fully understand the conclusions which are presented in this summary report is present in the appraiser's files. This report cannot be fully understood without reference to this material.



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23. The subject property is assumed to be vacant and available for any legal and appropriate use permitted under the Sponsor’s Assurances. This is a Hypothetical Condition, and *The Uniform Standards of Professional Appraisal Practice* developed by the *Appraisal Standards Board* defines a Hypothetical Condition as “that which is contrary to what exists but is supposed for the purpose of analysis.” Hypothetical Conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.



Airport & Aviation Appraisals, Inc.

ADDENDA

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QUALIFICATIONS OF

WINTHROP D. PERKINS, CRE

PROFESSIONAL POSITION

Founder and Principal of:

a.) Airport & Aviation Appraisals, Inc, (1987-Present). Specialists in the appraisal of aviation-related real estate and businesses.

b.) MMU-FTC, LLC (1984-2019). Developers and owners of 75,000 sq. ft. of hangar space for corporate jets and a 23,000 sq. ft. FBO/flight training center at Morristown Airport, Morristown, NJ. Developers and owners of 40 T-hangars at Morristown Airport, Morristown, NJ. Suppliers of Phillips 66 aviation fuels at Morristown Airport, Morristown, NJ. Sold to Lynx FBO, a national FBO chain owned by Sterling Group of Houston, TX in September 2019 for \$14,000,000. Now owned by Atlantic Aviation.

AFFILIATIONS AND SPECIAL CERTIFICATION

Member, The Counselors Real Estate
Certified General Appraiser State of Texas

EDUCATION

Noble & Greenough School, Dedham, Massachusetts 1971
B.A., Harvard University, Cambridge, Massachusetts 1975

Courses conducted by the Appraisal Institute: Real Estate Appraisal Principles, Basic Valuation Procedures, Standards of Professional Practice Parts A & B, Capitalization Theory and Techniques Parts A & B, Advanced Applications, Report Writing & Valuation Analysis. Others.

EXPERT TESTIMONY

Mr. Perkins has appeared as an expert witness in the valuation of aviation properties in courts in Pennsylvania, Ohio, Kentucky, New Hampshire and North Carolina, and the US Court of Federal Claims.

EXPERIENCE – CLIENTS SERVED

Mr. Perkins has completed over 750 aviation and aerospace real estate appraisal assignments.

Previous Experience on Similar Projects
List of Previous Experience

Airport & Aviation Appraisals, Inc. has performed over +750 aviation real estate appraisal assignments. The following is a partial listing of recent engagements which all involved the value of aviation property.

Teterboro Airport, Teterboro, NJ (Port Authority NY & NJ) Appraisal of all airside land and improvements totaling over ½ million sq. ft of buildings on a 800 acre general aviation airport (largest and busiest in the world) to determine new lease rates.

Allaire Airport, Belmar, NJ - Retained by owner to appraise entire airport, in aggregate for potential sale. This 670 acre general aviation airport is one of the largest privately owned, public use airports in the United States.

Morristown Municipal Airport, Morristown, NJ (D.M. Airport Developers) – Appraisal of an entire 637 acre privately leased public airport, for financing purposes.

Youngstown Municipal Airport, Youngstown, OH (City of Youngstown). Valued entire 1,400 acre airport in aggregate and evaluated potential "privatization" and sale of facility. Additionally, was also retained by Western Reserve Port Authority to negotiate leases and airport use agreements with fixed base operator, all airlines and United States Air Force Reserve.

South Jersey Regional Airport, Lumberton, NJ (Fleet Bank) Appraisal of an entire 689 acre privately-owned public airport facility in aggregate. Included land improvements and going concern value of fixed base operation for financing purposes, and sale to public sponsor.

Appraisal Report concerning the value of the Leasehold interest of Virginia Aerospace, LLC/Love Terminal Partners, L.P. at 7701 Lemmon Avenue and 7777 Lemmon Avenue, Dallas Love Field, Dallas, Texas.

Market Rental value of the complex of land and multiple structures which were formally occupied by the Air National Guard, comprising a portion of Lambert-St. Louis International Airport.

Appraisal Report concerning the market rental values for various parcels of airside land at New Bedford Regional Airport, in a number of locations surrounding the airport's operational surfaces.

Appraisal Report pertaining to the former U.S. Army Reserve Center located on an airside location at the Niagara Falls International Airport in Niagara Falls, New York at 9400 Porter Road.

Appraisal Report concerning 12517 Wildcat Way, 12525 Wildcat Way, 12609 Wildcat Way, 12617 Wildcat Way, 12635 Wildcat Way and 13745 Wing Way at Ft. Worth Spinks Airport, Ft. Worth, Texas.

Appraisal Report concerning the Dulles Jet Center hangar facility located at 23825 Wind Sock Drive, Dulles International Airport, Dulles, Virginia, consisting of approximately 240,000 square feet of existing hangar, office and terminal area on a site of approximately 20 acres.

Appraisal Report pertaining to the leasehold interest held by Million Air Medford on airside property at concerning the land and improvements leased by Million Air Medford, located at 2000 Milligan Way, 2040 Milligan Way, and 2080 Milligan Way, 2060 Milligan Way, a number of smaller hangars and two fuel farms at Rogue Valley International Airport, Medford, Oregon.

Retrospective Appraisal Report concerning TxAeroSport Aerodrome, located in the Howe, Texas. Appraisal Report of the FBO facility operated by Rocket Aviation, at Plainview/Hale County Airport, Plainview, Texas.

Market Rent Analysis Report pertaining to a variety of improved and unimproved air side real estate on Malden Rd., Tuskegee Road, Cobra Lane and Col. Eileen Collins Blvd. at the Syracuse Hancock International Airport in Syracuse, New York.

Appraisal Report of the FBO facility operated by McKinney Airport Partners, Inc. at Collin County Regional Airport, McKinney, Texas.

Eagles Nest Airport, Eagleswood, New Jersey. Appraisal of entire airport in aggregate, for potential sale.

Market Value of the Fee Simple interest of the Regal Acquisition, LLC, B.M. Oates, MLT Development Co. and Wylie Drive, LLC on the Dallas Love Field, Dallas, Texas.

Bult Field, Monee, Ill. (Illinois Department of Transportation) Appraisal of entire general aviation airport for potential acquisition by public sponsor.

Hilton Head Airport, Hilton Head, South Carolina Valuation of business, airside land and improvements occupied by a fixed base operation.

Appraisal Report concerning Olive Branch Airport, located in City of Olive Branch, DeSoto County, Mississippi.

Appraisal Report concerning Hangar 10 S, and the supporting site at 412 Gulfstream Rd., Unit 10 S, Ft. Worth Meacham International Airport, Ft. Worth, Texas.

Appraisal Report concerning Hangar 3-W, and the supporting site at 4051 Lincoln Ave., Ellington Airport, Houston, Texas.

Bayport Aerodrome, Bayport, New York.— Appraisal of concerning an office structure and supporting airside property along with a T hangar complex.

Sussex County Airport, Georgetown, Delaware - Valuation of six separate parcels of vacant and improved land.

George Bush Intercontinental Airport, Houston TX/(BankOne)-- Valuation of an air cargo facility of 169,010 sq. ft. on 8.398 acres of land.

Appraisal Report of the FBO facility operated by Texas Aero, 7815 Karl May Dr. at Waco Regional Airport, Waco, Texas.

David Wayne Hooks Memorial Airport, Spring, Texas – Appraisal of an entire 718 acre privately owned public airport, with 430,00 square feet of improvements for possible sale.

Northampton Airport, Northampton, Mass - Appraisal of entire airport for purchase by third party.

Fort Lauderdale-Hollywood International Airport, Fort Lauderdale, Florida (BankOne)- Appraisal of complex of buildings located on the northern airside land inventory at Fort Lauderdale-Hollywood International Airport. The complex is an amalgam of pre-existing aviation related structures such as an open bay hangar, and a now abandoned motel, and more modern, dedicated airside cargo buildings used for cargo sortation. The complex is located on 22.55 acres of airside property, and also includes a large ramp area on which large air carrier type aircraft can be parked while cargo is enplaned and deplaned.

JFK Int'l Airport, New York, NY (Japan Airlines). Age life study of Hangar 14. Appraisal conducted for rehabilitation and reconstruction of 700,000 square foot maintenance hangar to state of the art cargo facility/office building.

Various airports (Federal Express) Appraisal of air cargo facilities at, Hartsfield-Atlanta Int'l Airport, Anchorage Int'l Airport and Chicago O'Hare Airport totaling 250,000 square feet. Provided valuation and consulting services with regard to disposition of airport cargo properties in three key metropolitan locations.

Various airports (Trans-World Airlines) - Appraisal of TWA hangars, terminals, flight kitchens, cargo buildings and maintenance structures totaling 1.5 million square feet at JFK Int'l Airport, Chicago O'Hare Airport, Philadelphia International Airport and Boston Logan Airport.

Rickenbacker Int'l Airport, Columbus, OH - Provided valuation and consulting services to Turner Construction Company with regard to Flying Tigers' 275,000 sq. ft. air cargo hub and valuation of entire 5,000 acre all cargo/military use airport in aggregate.

Groton-New London Airport, Groton, Connecticut (Salem Five Bank) -Appraisal of fixed base operation's real estate assets.

Flying M Aerodrome, Germansville, Pennsylvania. – Appraisal of a facility, which consists of +/- 62.5 acres and a variety of other operationally necessary aeronautically, related improvements.

Spitfire Aerodrome, Pedrickstown, NJ – Appraisal of privately owned public airport consisting of +/- 41 Acres and airside improvements such as a terminal structure, T

hangars and a variety of other operationally necessary aeronautically related improvements.

Summit Airpark, Middletown, DE- Appraisal of entire 520 acre airport and fixed base operation/maintenance business under the ownership of Summit Aviation, located at Summit Airport in Middletown Delaware.

North Central Airport, Smithfield, Rhode Island- Appraisal of vacant airside parcels for future development and airside improvements on the airport for leasing.

Harrisburg International Airport, Harrisburg, PA -Appraisal of a corporate hangar of approximately 12,000 square feet located on 1.3 acres on the north side of Harrisburg International Airport.

Stewart Int'l Airport, Newburgh, NY (DM Airports Int'l) - Appraised entire 2,000 acre air carrier/air cargo/military/industrial airport in aggregate, for potential privatization. Airport property included vacant airside and industrial/commercial land, a new 100,000 sq. ft. airline terminal, cargo buildings, corporate hangars, FBO hangars, auto parking facility, garages, FBO hangars, office buildings, vehicle maintenance structures, airport rolling stock, Crash-Fire-Rescue equipment, 260 acre C-5A/C-130 military leasehold, fuel farm, control tower, aircraft parking ramps and 700,000 square foot industrial park. Assignment also included extensive analysis of lessees' property tax burden after consummation of lease with State of New York.

Philadelphia International Airport, Philadelphia, Pennsylvania- Appraisal of corporate aircraft hangar of approximately 26,095 square feet located on 1.254 acres on the southwest side of Philadelphia International Airport.

St. Louis Regional Airport Authority, East Alton, Illinois- Appraisal of various Supplemental Type Certificates (STC'S) held by Premier Aircraft, LLC, for the Falcon 50-4 Performance Upgrade, and to update the primary flight displays on Falcon 20/200 aircraft.

T.F. Green Airport, Providence, Rhode Island- Appraisal of a complex consisting of two older open bay hangars with integrated office space and supporting airside land .

T.F. Green Airport, Providence, Rhode Island- Appraisal of a complex of hangars, terminal and airside land located on T.F. Green Airport, occupied by an FBO, Northstar Aviation.

Trenton-Robbinsville Airport, Washington Township, New Jersey- Appraisal of entire facility that consists of +/- 41.83 Acres for tax appeal.

Orange County Airport (MGJ), Montgomery, New York- Appraisal of unimproved land on the north side of Runway 26, and unimproved airside land on the northwest side of Route 211, and two medium sized open bay hangars.

New Braunfels Municipal Airport, New Braunfels, Texas. -Appraisal of all T hangars, various parcels of vacant and unimproved land, a parcel of improved land supporting an FBO, and four open bay hangar structures.

Myrtle Beach International Airport, Horry County, South Carolina- Appraisal of “Myrtle Beach International Commerce Park Planned Unit Development”, a tract of land owned by Horry County, containing 467 acres.

Antilles Seaplanes, LLC Gibsonville, North Carolina- Appraisal of Type Certificate No.4A24 (ATC) and various Supplemental Type Certificates (STC'S) SA59WE, SA4-1467, SA-4-1055, SA4-1109, SA4-683, SA-682, SA4-680, SA4-678, SA4-677, SA4-1551, SA4-681, SA2317WE, SA1969WE, SA1589WE, SA1751WE, SA4-1550, SA355WE, SA108WE and SA101WE, held by Atlantic Coast Seaplanes, LLC pertaining to Manufacture of airplane models G-21C, G-21D, G-21E, and G-21G.

Sussex County Airport, Georgetown, Delaware- Appraisal of six separate parcels of vacant and improved land located that have airside access. The parcels contain a total of approximately 4.2 acres of airside land and some were vacant and immediately available for aviation development, while others are improved with hangar structures.

Ellington Airport, Ellington, CT.- Appraisal of a facility that consists of +/- 125 Acres, located in the jurisdictional border of the Town of Ellington, which is a general aviation airport, improved with one paved runway system, and airside improvements such as a terminal structure, and several open bay hangars.

Valuation report concerning unimproved land on the Myrtle Beach International Commerce Park Planned Unit Development at Myrtle Beach International Airport, Myrtle Beach, South Carolina.

Appraisal report concerning the hangar facility located an assemblage of hangar, shop and office space, 11.2 acres of land and 55,293 square feet of improvements, and is currently occupied at 18500 Edison Avenue, Spirit of St. Louis Airport, Chesterfield, Missouri. The structure contains an assemblage of hangar, shop and office space,

Spirit of St. Louis Airport in Chesterfield, Missouri. The aggregate property of approximately 3 acres of land and 21,880 square feet of improvements, occupied by Monsanto Company, a large multi aircraft corporate flight department.

Appraisal Report concerning market value of of approximately 29.48 acres of land and other improvements comprising a portion of Brookline Airport in Brookline, New Hampshire.

Proposed avigation easement over the property at 2406 South Section Line Road, Delaware, Ohio

Valuation Report concerning Cargo Building C-4 at Perimeter Service Road, Philadelphia International Airport, Philadelphia, Pennsylvania, partially leased by American Airlines, Inc.

Real Estate and Business Enterprise Value of Lake Texoma Jet Center, including aircraft engines, inventory of parts and various machinery and equipment at North Texas Regional Airport, Dennison, Texas.

Valuation Report concerning Upshur County Regional Airport (W22), City of Buckhannon, Upshur County, West Virginia.

Appraisal Report concerning the hangar facility located at 18200 Edison Avenue, Spirit of St. Louis Airport, Chesterfield, Missouri

Capitalization Rate Study For Airside Property At Various General Aviation Reliever Airports

Valuation Report concerning Hangar 14 and Hangar 15, located at Roanoke Regional Airport at Roanoke, Virginia.

Appraisal of the market value of the 11 hangars owned by Profile Aviation Center, Inc., located on Hickory Regional Airport, in Hickory, North Carolina.

Restricted Use Appraisal Report concerning the GE hangar facility located at 169 Route 17K, Stewart International Airport, Newburgh, New York.

Summary Appraisal Report concerning the hangar facility located at Rogers Municipal Airport, Rogers, Arkansas.

Valuation report concerning Ridgely Airpark, located in the Ridgely, Maryland.

Valuation report concerning Hangar 85-176, office and hangar complex at Bradley International Airport Windsor Locks, Connecticut.

Appraisal Report of the FBO facility operated by McKinney Airport Partners, Inc. at Collin County Regional Airport, McKinney, Texas.

Summary Appraisal Report concerning the hangar facility located 49 Clarks Barn Road, Castanea, PA.

Summary Appraisal Report pertaining to the market value of 17 Airpark Road, office and hangar complex at Lebanon Municipal Airport Lebanon, New Hampshire

Market rent analysis report pertaining to the New York Army Air Guard Aviation facility at Long Island Mac Arthur Airport.

Appraisal Report of Sundance Airpark, Oklahoma City, Oklahoma.

Appraisal Reports concerning the hangar facility and land located at 18064 Edison Avenue and 18086 Edison Avenue, and the hangar facility located at 18004 Edison Avenue Spirit of St. Louis Airport, Chesterfield, Missouri.

Valuation report concerning four hangars and leasehold comprising a portion of Westfield Barnes Airport.

Market rent analysis report pertaining to the Signature Flight Support leasehold area located on an airside location at the Lambert-St. Louis International Airport in St. Louis, Missouri at 5995 James S. McDonnell Boulevard.

Assistance to Ohio State University with an appraisal relating to the aviation and aeronautically related property, and Business Enterprise Value at Ohio State University Airport in Columbus, Ohio.

Valuation report concerning both improved and unimproved condition at Danielson, Hartford Brainard, Waterbury Oxford, Groton and Waterbury- Oxford Airports.

Three parcels of vacant land adjacent to both the east and west side of Louisiana Regional Airport consisting of approximately 202 Acres located in the unincorporated portion of Ascension Parish, Louisiana.

Summary Appraisal report concerning the value of the Leasehold interest of Virginia Aerospace, LLC/Love Terminal Partners, L.P. at 7701 Lemmon Avenue and 7777 Lemmon Avenue, Dallas Love Field, Dallas, Texas.

Columbia Air Services, Lakeland Linder Regional Airport, Lakeland, Florida - Appraisal of a fixed base operation consisting of approximately 65,504 square feet of existing hangar, office and terminal area and several large ramp and tie down areas. The FBO was created from merging the existing assets of two existing fixed base operations on the facility.

Central Texas Airport, Bastrop County Texas- Proposed 1,800 acre general aviation airport.

Spirit of St. Louis Airport, Chesterfield, Missouri- Appraisal of a hangar, office and shop facility located on the midfield area of the airside. The aggregate property consists of approximately 9 acres of fee simple land and 100,170 square feet of improvements.

Lakeland-Lindner Regional Airport, Lakeland, Florida- Appraisal of hangar and office facility located on the west side of the airside property inventory. The property consisted of approximately 33,142 square feet (0.76 acres) of land and 8,830 square feet of improvements.

Driggs- Reed Memorial Airport, Driggs, Idaho - Appraisal of hangar and office facility located on the southwest side of the airside property inventory. The property consisted of approximately +/- 1.043 Acres (45,440 Square Feet) of land and 11,020 square feet of improvements.

Orlando International Airport (Aeroterm.) – Appraisal of 9.1 acres of airside land for air cargo operation.

Toledo Express International Airport, Toledo, OH– Appraisal a structure of approximately 34,021 square feet located on 2.51 acres on the north side of Toledo Express International Airport.

Woodbine Airport, Woodbine, NJ – Appraisal of a number parcels of airside land for future development by the airport sponsor.

Cape Girardeau Regional Airport, Cape Girardeau, Missouri - Valuation of a 52,000 square foot hangar and supporting site.

Atlantic City International Airport, Egg Harbor, New Jersey - Valuation of one parcel of land, consisting of 123,750 square feet (2.84 acres) improved with a 50,000 square foot hangar.

Lane Aviation, Columbus, OH - Appraisal of Lane Aviation Facility to determine market rental rate upon reversion of the structure to the Columbus Airport Authority.

Bismarck Airport, Bismarck, North Dakota - Appraisal of a complex of hangars, terminal and airside land, pieces of equipment and a fuel farm.

Reese Airpark, Lubbock, Texas - Appraised entire 1,766 acre /military/industrial airport in aggregate, for potential privatization. Airport property included vacant airside and industrial/commercial land, hangars, auto parking facility, garages, office buildings, vehicle maintenance structures, farm, control tower, aircraft parking ramps and industrial park.

Solberg Airport, Reddington, NJ – Appraisal of an entire 597 acre privately owned public airport, for possible sale.

Princeton Airport - Valuation of entire airport.

Randall Airport, Middletown, New York - Valued entire 229 acre airport in aggregate and evaluated the development potential of the facility.

Spirit of St. Louis Airport, Chesterfield, Missouri – Appraisal of a complex of hangars, offices and shop facility consisting of approximately 5.19 Acres of land and 32,800 square feet of improvements.

North Las Vegas, Nevada (Nevada State Bank)– Appraisal of approximately 3.4 acres improved as a heliport with three structures totaling approximately 22,460 square feet.

Du Page Airport, Chicago, Ill. – Appraisal of vacant airside parcels for future development.

Salem Air Park, Salem, OH – Appraisal of Salem Air Park consisting of +/- 35 Acres airside improvements such as a terminal structure, T hangars and a variety of other operationally necessary aeronautically related improvements.

Bismarck Airport, Bismarck, North Dakota - Appraisal of Corporate Hangar (Building 45) at 2301 University Drive. Analyzed the value in the context of the existing supporting ground lease, and also with a new 20-year ground lease at the current market ground rental.

Hobby Airport, Houston, TX (HCC Service Company)– Market Value of corporate hangar of approximately 38,588 square feet located on 2.34 acres on the south side of William P. Hobby Airport.

Norwood Airport, Norwood, Massachusetts– Appraisal, for financing purposes, of a large FBO facility consisting of contiguous parcels of underlying land with aeronautically related improvements constructed upon them.

Driggs- Reed Memorial Airport, Driggs, Idaho (Anheuser-Busch Companies) – Appraisal of /corporate hangar facility.

Oakland International Airport, Oakland, California. (Bank of Texas) – Appraisal, for financing purposes, of an existing and proposed new FBO facility.

North Central Airport, Smithfield, Rhode Island (CommerceBank) – Appraisal of charter/corporate hangar facility.

Stennis International Airport, Bay Saint Louis, Mississippi -Market rental relating to real estate comprising two open bay hangars, and a T hangar complex to be constructed at Stennis International Airport. Developed recommendations regarding contractual stipulations pertaining to land lease extensions for lessee constructed improvements. Analyzed though-the-fence possibilities at this facility, and provide a variety of approved documentation relating to similar agreements at other airports subject to Sponsor's Assurances.

St. Louis Regional Airport, Alton, Illinois- Appraisal of entire real estate assets including through the fence land of a heavy maintenance/ fixed base operations in order to determine market rental rates.

Camden County Airport, Berlin NJ – Appraisal of entire airport (in aggregate) for potential sale and financing .

New Castle County Airport, Wilmington, DE (Delaware Skyways.) – Appraisal of leasehold interests, fixed assets, inventory, and intangibles; also including all equipment, machinery, and aircraft located at New Castle County Airport, Wilmington, Delaware.

Chester County Airport, Coatesville, Pennsylvania- Market Rental Value for various T-hangars.

Rutland State Airport, Clarendon, Vermont - Valuation of leasehold interests in hangar.

Boulder City Airport, Boulder City, Nevada - Market rent analysis report concerning two vacant airside land areas.

Bar Harbor Airport, Trenton, Maine - Valuation of fixed base operation consisting of approximately 24,130 square feet of existing hangar, office and terminal area and a large ramp and tie down area.

Lakeland Linder Regional Airport, Lakeland, Florida - Valued fixed base operation consisting of approximately 7,178 square feet of existing hangar, office and terminal area and a large ramp and tie down area.

T.F. Green State Airport, Providence, RI (Rhode Island Airport Corp). Valued leasehold interest of air-carrier's position in Old Terminal Building as a part of a buyout leading to the construction of a New Terminal of 200,000 sq. ft. on the same site.

San Jose International Airport, San Jose, CA - Market Value appraisal of underlying site of Hewlett Packard Corporate Hangar to update and escalate lessee's ground rent payments.

New Castle County Airport, Wilmington, DE – Appraisal of all vacant parcels of airside land for future development by the airport sponsor.

Trenton-Mercer County Airport, Trenton, NJ – Appraisal of all vacant parcels of airside land for future development by the airport sponsor.

Millville Municipal Airport, Millville, NJ – Appraisal of all vacant parcels of airside land for future development by the airport sponsor.

Lambert-St. Louis Int'l Airport, St. Louis MO (St. Louis Air Cargo Services, Inc.) – Appraisal of 31 acres of airside land for air cargo operation.

Francis S. Gabreski Airport, Westhampton Beach, NY (Suffolk County) Valuation of all airside land and improvements plus landside industrial land and improvements on 1,500 acre general aviation/military airport. Valuation used to determine market rental rate. Valuation included feasibility study and analysis of absorption and Highest and Best Use analysis for all airside real estate.

Roanoke Regional Airport, Roanoke, VA – Appraisal of a heavy maintenance operation, an FBO, a Charter Operation, and a corporate aviation hangar.

Queen City Municipal Airport, Allentown, PA – Appraisal of a large maintenance hangar.

Missoula International Airport, Missoula, MT - Valuation of on airport parcel to determine market value as a part of a transaction involving a land swap between the airport and another governmental agency.

Cape May Airport, Cape May, NJ – Appraisal of all vacant parcels of airside land for future development by the airport sponsor.

Midway Airport, Chicago, IL - Valuation of a large stand alone corporate aviation facility and a small maintenance hangar to determine market rental rate for land and improvements.

Colorado Springs Airport, Colorado Springs, CO - Market Value of corporate hangar to assist airport during negotiations after the reversion of the facility upon expiration of the underlying ground lease.

Davenport Municipal Airport, Davenport, IA - Valuation of three separate vacant parcels of general aviation land to determine market rental rates.

Reading Regional Airport, Reading PA - Valuation of three older open bay hangar facilities to determine Fair Market Rental Rates by fixed base operators.

Lancaster Airport, Lancaster, PA - Appraisal of Armstrong World Industries hangar to determine market rental rate upon reversion of the structure to the Lancaster Airport Authority.

Lakefront Airport, New Orleans, LA (Orleans Levee Board/MillionAir) - Appraisal of leasehold to determine fair market rental rate.

Tinticum Fuel Farm, Philadelphia International Airport, Philadelphia, PA - Valuation of airline consortium's leasehold interest of a 1,000,000 gallon fuel farm to determine market rental rates.

Cape May Airport, Cape May, NJ – Appraisal of FBO’s leasehold.

Westfield-Barnes Airport, Westfield MA – Appraisal of fueling rights and unexpired leasehold interest advantage of multi-hangar FBO facility.

Trenton Mercer Airport, West Trenton, NJ – Appraisal of vacant airside parcel for development with a corporate flight department.

Wilkes County Airport, North Wilkesboro, NC (Tyson Foods) – Appraisal of corporate flight department hangar.

New Castle County Airport, Wilmington, DE (Hercules)– Market Value of corporate hangar.

Manchester Airport, Manchester, NH (BankBoston/Wiggins Airways) – Appraisal, for financing purposes, of a large proposed new FBO facility

Palm Beach Int’l. Airport, Palm Beach, FL (BankBoston) – Appraisal, for financing purposes, of an existing and proposed new FBO facility.

Sikorsky Airport, Bridgeport, CT (BankBoston) – Appraisal of charter/corporate hangar facility.

Rentschler Airport, East Hartford, CT (United Technologies). Appraisal of entire 800 acre airport in aggregate, for potential sale. This was a major airport facility that was owned and operated by United Technologies.

Braden Airport, Easton, PA (Leigh-Northampton Airport Authority) Appraisal of entire general aviation airport for potential acquisition by public sponsor.

Luton Int'l Airport, Luton, England (Garrett Turbine Engines/Allied-Signal) Valuation of market rental rate for airside land and improvements occupied by a fixed base operation.

Cape May Airport, Cape May, NJ – Appraisal of an FBO for buyout by the airport sponsor.

Lakefront Airport, New Orleans, LA (Orleans Levee Board) - Valuation of all airside improvements on the airport.

Rickenbacker Int'l Airport, Columbus, OH - Provided valuation and consulting services to Turner Construction Company with regard to Flying Tigers' 275,000 sq. ft. air cargo hub and valuation of entire 5,000 acre all cargo/military use airport in aggregate.

New Castle County Airport, Wilmington, DE (MBNA)– Market Value of corporate hangar.

Delaware Airpark, Dover, DE - Appraisal of entire airport for purchase by the State of Delaware.

Colorado Springs Airport, Colorado Springs, Colorado - Appraisal of land and buildings to determine market rental rate for a fixed base operation.

Business Jet Center, Love Field, Dallas, Texas (Wells Fargo Bank) -Appraisal of fixed base operation's real estate assets (150,000 sq. ft. – 17 Acres) and business enterprise value for Wells Fargo Bank.

Summit Airpark, Middletown, DE- Appraisal of entire 520 acre airport for Commerce Bank.

Lancaster Airport, Lancaster, PA -Appraisal of 7,000 square foot corporate hangar to determine market rental rate.

St. Louis Regional Airport, Alton, Illinois- Appraisal of entire real estate assets of a heavy maintenance/ fixed base operations in order to determine market rental rates.

Sikorsky Airport, Bridgeport, CT - Appraisal of entire airport, in aggregate, for possible privatization.

New Castle County Airport, Wilmington, DE (Krapf, Inc.) – Appraisal of unexpired leasehold estate and leasehold interest advantage of three hangar complex (corporate and FBO) for potential purchase.

Monroe Municipal Airport, Monroe, NC (W.F. Harris Development LLC) – Appraisal of a 13 acre airside adjacent parcel for a potential “thru-the-fence” operation.

Austin-Bergstrom Intl’l Airport, Austin, TX – Appraisal and market rental rate study of unexpired leasehold estate of a heavy maintenance operation.

Long Island Mac Arthur Airport, Islip, NY (Chase Manhattan Bank) – Appraisal of a charter operation hangar (1998) and an FBO facility (1999) for financing purposes.

Allentown Airport, Allentown, PA - Valued fixed base operation for airport authority. Ascertained impact of fuel flowage, tie-down rentals, hangar rentals, concessions and other income-producing components to develop a value for the facility.

Port Columbus Int’l Airport, Columbus, OH – Valuation consulting services of vacant airport-related land.

New Castle County Airport , Wilmington, DE (Atlantic Aviation/DuPont) - Valuation of leasehold interests in hangar.

Lancaster Airport, Lancaster, PA - Valuation of corporate hangar facility for purchase by fixed base operator. (1991)

Lakefront Airport, New Orleans, LA (Orleans Levee Board) - Evaluation of all airside improvements on the airport.

Bismarck Airport, Bismarck, North Dakota - Review appraisal report concerning the Building 2 at Bismarck Airport and the appraisal performed in connection with it.



Agenda Report

Agenda of: April 14, 2025

Department: Airport

Subject: Discussion and appropriate action regarding proposed capital improvements to the Castroville Municipal Airport.

Recommended Motion:

I move to set the date for the airport capital planning meeting for _____.

EXECUTIVE SUMMARY

The purpose of this item is to provide the City Council with an overview of identified capital improvement projects (CIP) for the Castroville Municipal Airport and to establish a future date for a dedicated capital planning workshop.

Staff, in coordination with the City’s airport engineering consultant and the Texas Department of Transportation (TxDOT) Aviation Division, has compiled a list of short-, mid-, and long-term projects based on the Airport Layout Plan (ALP) and ongoing coordination with state and federal funding programs. These projects address safety, regulatory compliance, capacity expansion, and long-term operational sustainability.

The Council is not being asked to approve specific projects at this time. Rather, this item is intended to:

- Provide situational awareness of identified airport needs
- Introduce available external funding opportunities
- Set a future meeting date to prioritize projects and align them with Council goals

BACKGROUND / ANALYSIS

The Castroville Municipal Airport participates in state and federal aviation funding programs administered through the **TxDOT Aviation Division**, which acts as the intermediary for Federal Aviation Administration (FAA) funding for non-primary airports.

TxDOT utilizes a centralized online project management system to:

- Track project eligibility and prioritization
- Score projects based on safety, capacity, and system impact
- Coordinate federal and state funding allocations

Recent project activity reflects this coordination. For example:

- A **Drainage Study (IIJA-funded)** for approximately \$200,000 has been approved for FY 2023
- Future phases of **airfield lighting improvements** are currently in TxDOT’s review and scoring process for FY 2027–2028

Additionally, the Airport Layout Plan identifies a long-range capital program exceeding \$22 million, including runway, taxiway, lighting, and land acquisition projects across multiple time horizons .

These projects are categorized generally as:

- **Short-Term (0–5 years):** Safety and compliance improvements (lighting, fencing, taxiways)
- **Mid-Term (6–10 years):** Capacity enhancements (apron expansion, access improvements)
- **Long-Term (10+ years):** Major infrastructure expansion (runway extension, parallel taxiway)

FUNDING SOURCES

The following funding programs are available to support airport capital improvements:

- **Infrastructure Investment and Jobs Act (IIJA)** – Federal funding for infrastructure modernization
- **Non-Primary Entitlement (NPE)** – Annual FAA allocation for eligible general aviation airports
- **Apportionment Funding** – Formula-based FAA funding distributed through TxDOT
- **Discretionary Funding** – Competitive FAA funding for high-priority projects
- **Routine Airport Maintenance Program (RAMP)** – TxDOT cost-sharing for maintenance projects
- **Airport Facilities Development Program (AFDP)** – State program supporting development projects
- **AFDP Restored Funds** – Reallocation of unused or lapsed funding

These programs typically require a local match (commonly 5–10%), making advance planning critical to position the City for funding opportunities.

FISCAL IMPACT

No immediate fiscal impact is associated with this item.

Future CIP projects will require:

- Identification of local match funding
- Multi-year financial planning
- Potential use of reserves, grants, or debt issuance

STRATEGIC CONSIDERATIONS

- Aligns with long-term infrastructure planning and economic development goals
- Positions the City to maximize state and federal funding opportunities
- Supports airport safety, compliance, and future growth capacity
- Ensures Council-driven prioritization of capital investments

OPTIONS

1. **Set a date for a dedicated Airport CIP workshop** (Recommended)
 2. Provide direction to staff regarding specific project priorities
 3. Request additional information or input from the airport advisory board prior to scheduling a workshop
 4. Take no action
-

STAFF RECOMMENDATION

Staff recommends that the City Council **schedule a dedicated capital planning workshop** to review, prioritize, and provide policy direction on airport capital improvement projects and associated funding strategies.

Budgeted **Requires Budget Amendment**

Source of Funding: N/A

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

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

Submitted by: R. Scott Dixon

Attachments: List of projects in the TxDOT system, List of projects with cost estimates in the Airport Layout Plan (ALP)

Section X, Item h.

Facility	UPIN	Airport ID	Associated City	State Project Nu	Title	Requested Yr	Requested Amo	Status	Allocated Ye:	Allocated Amount	Nation
Castroville Muni	BCA0011912	CVB	CASTROVILLE	2515CASTR	Drainage Study (IIJA)	2025	\$199,983.00	Open	2025	\$200,000.00	0
Castroville Muni	BCA0012602	CVB	CASTROVILLE		(Design) Airfield Lighting System (IIJA)	2027	\$250,000.00	Review/Scoring Complete			79
Castroville Muni	BCA0012603	CVB	CASTROVILLE		(Construct) Airfield Lighting System	2028	\$1,600,000.00	Review/Scoring Complete			79
Castroville Muni	BCA0011933	CVB	CASTROVILLE		Design for Drainage Improvement	2030	\$150,000.00	Begin Application			41

RECOMMENDED PLAN AND IMPLEMENTATION

TABLE 6.5 – PROJECT COST SUMMARY

Project Description	Justification	Total Cost
Short-Term (0-5 Years)		
Relocate AWOS to the West Side of Runway 16/34	Safety/Standards	\$250,000
Construct 11,230 lf. of 8' Wildlife/Security Fencing	Safety	\$575,460
Property Acquisition (Existing Runway 34 RPZ) 11.21 Acres	Safety	Fair Market Value*
Construct Two (2) Taxiway Connectors to Runway 16/34	Safety/Standards	\$1,255,967
Demolish Existing Midfield Taxiway Connector	Safety/Standards	\$371,020
Replace Runway 16/34 Lighting with LED MIRL	Safety	\$51,000
Construct Taxiway Lighting with LED MITL	Safety	\$1,549,658
Mid-Term (6-10 Years)		
Construct Relocated Airport Entrance Road	Safety/Capacity	\$1,461,635
Construct General Aviation Apron Expansion (12,000 sq. yds.)	Capacity	\$2,889,539
Construct 3" Structural Overlay of Existing Runway 16/34	Safety/Capacity	\$2,149,494
Conduct EA for Runway/Taxiway Extension	Capacity	\$200,000
Property Acquisition (Ultimate Runway 16 RPZ) 47.89 Acres	Safety	Fair Market Value*
Property Acquisition (Ultimate Runway 34 RPZ) 47.58 Acres	Safety	Fair Market Value*
Long-Term (11-20 Years)		
Extend Runway 16/34 999' South (6,000' Ultimate Length)	Capacity	\$2,902,110
Replace PAPI 2 Units with PAPI 4	Safety	\$210,000
Extend Parallel Taxiway 999' South	Capacity	\$1,718,239
Construct West-Side Full-Length Parallel Taxiway	Capacity	\$7,388,356
Property Acquisition (Future Aero Development) 24.42 Acres	Capacity	Fair Market Value*
TOTAL		\$22,972,478

Source: KSA, November 2022

*Property Acquisition costs should be estimated using Fair Market Value



Agenda Report

Agenda of: April 14, 2026

Department: Public Works

Subject: Update on Citywide Streets and Drainage Maintenance & Staffing Recommendation.

Recommended Motion: Staff recommends that City Council discuss and consider approval of adding (2) additional positions and equipment rental, leases or purchase, and provide direction as needed.

Background: Public Works has been actively maintaining city streets and drainage infrastructure, including routine roadway repairs, drainage improvements, and right-of-way upkeep. As development continues and system demands increase, current staffing and equipment levels are becoming insufficient to maintain service levels and proactively address maintenance needs.

To support the ongoing maintenance plan and improve overall system performance, additional resources are needed to enhance efficiency and response times. **Staff recommends adding two (2) staff members and one (1) street sweeper to support streets and drainage maintenance operations.**

Budgeted Requires Budget Amendment

Source of Funding: Estimated costs include personnel (salary and benefits) and capital equipment purchase. Funding is anticipated to come from the Streets budget.

Attachments:

Attachment A- High Priority Drainage Ditches

Attachment B- Plan of Action

Attachment C- Mile After Mile Program

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

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

Submitted by: Ricky Carrasco

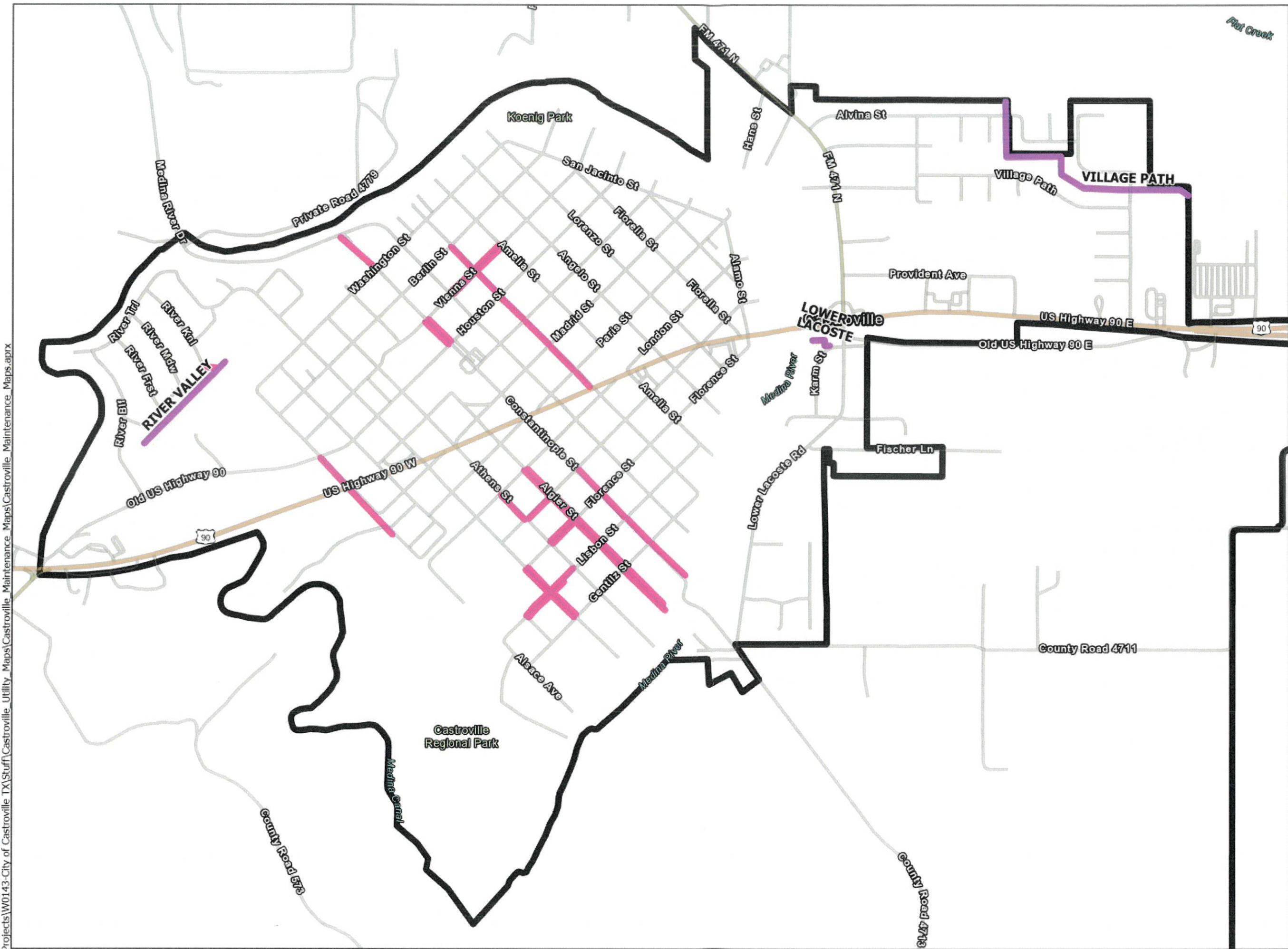
- Legend
- Ditches
 - Projects
 - City Limits

CITY OF CASTROVILLE
PRIORITY DRAINAGE
PROJECTS



0 1,000
 Feet
 1 inch = 1,000 ft

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MEMORANDUM

Date: April 9, 2026

To: Ricardo Carrasco – Asst. Public Works Director

From: Abe Salinas, PE, CFM

Re: Updated CIP Cost Estimates – Drainage Master Plan & Ditch Maintenance Implementation Guide

This memorandum provides two deliverables to support the City’s drainage program:

1. **Updated CIP Cost Estimates** – Revised opinions of probable cost for the drainage Capital Improvement Projects identified in the 2023 Drainage Master Plan, updated with current unit pricing and market conditions.
2. **Ditch Maintenance Implementation Guide** – A field-ready reference for Public Works crews to execute in-house ditch regrading, organized around what work can proceed immediately, what needs a quick check, and what requires engineering support.

UPDATED CIP COST ESTIMATES

Basis of Update

The updated estimates build on the original 2023 master plan costs and incorporate revised unit prices based on current TxDOT average bid price data, City of San Antonio unit costs, and engineering judgment informed by recent market conditions. Select bid items and quantities were also adjusted where appropriate to better reflect current assumptions regarding project scope, constructability, and anticipated field conditions.

Land acquisition costs were updated using current appraisal data with a 1.7x multiplier applied to appraised values. This multiplier reflects standard acquisition practice, accounting for anticipated negotiation premiums, potential condemnation risk, and relocation costs consistent with comparable municipal land acquisitions in the region.

A 30% contingency has been maintained due to the planning-level nature of the estimates. Costs include allowances for professional services (surveying, design, and construction phase services). All costs are provided in current-year dollars. Itemized cost estimate spreadsheets for each project are attached.

Updated CIP Cost Summary

Rank	ID	Project Name	2023 Estimated Cost	2026 Estimated Cost
1	L-05	River Valley Drainage Improvements	\$507,652	\$1,063,186
2	D-05	Village Path & Flat Creek Tributary	\$400,395	Design by Others
3	D-03	Garcia Creek Channel Stabilization	\$799,747	Design Phase
4	D-02	Athens Street South (all phases)	\$19,208,814	\$19,117,219
5	D-04	Naples Street North (all phases)	\$22,703,676	\$20,239,021
6	D-01	Lorenzo Street North	\$11,647,488	\$10,058,855
7	L-03	Lower LaCoste Road	\$632,169	\$566,146
8	L-02	Provident Avenue Storm Drain	\$732,145	Design by Others
9	L-01	Valley Mobile Home Park Flooding	\$5,638,674	\$7,505,193
10	L-04	Castroville Airport Erosion Hazard	\$84,188	\$133,671

Project rankings remain unchanged from the 2023 master plan. Actual project costs may vary based on inflation, final design, utility conflicts, and site-specific conditions. Estimates should be refined as projects advance into design.

The table above presents both the original 2023 master plan estimates and the current 2026 updated estimates for comparison. The most significant cost increases are associated with Project L-01 (Valley Mobile Home Park, +33%), driven primarily by updated land acquisition costs, and Project L-05 (River

Valley, +109%), reflecting revised scope assumptions including updated quantities for channel work, riprap removal, and professional services. Project L-04 (Airport Erosion Hazard, +59%) increased due to updated excavation unit pricing. Projects D-01 and D-04 decreased 14% and 11% respectively, primarily due to unit price adjustments in pipe, paving, and earthwork items. Project D-02 remained essentially unchanged (+0.5%).

Project Development Pathway

As projects advance toward implementation, additional engineering analysis will be required to refine scope, confirm feasibility, and optimize design. As general reference, projects with an estimated construction cost exceeding approximately \$5 million, or those involving significant drainage system modifications, multiple alternatives, or potential community impacts, should proceed through a Preliminary Engineering Report (PER) phase prior to final design.

The PER process evaluates alternatives, confirms hydraulic performance, identifies constraints such as utilities and right-of-way, and develops a recommended solution with improved cost reliability. This step provides the City with greater confidence in project scope, cost, and constructability before committing to full design and construction.

DITCH MAINTENANCE IMPLEMENTATION GUIDE

Overview

The 2023 Drainage Master Plan identified roadside ditch rehabilitation as a cost-effective strategy for improving stormwater conveyance within the Old City of Castroville. Many streets lack curb and gutter and rely on roadside bar ditches as the primary conveyance system. Over time, these ditches have filled with sediment, vegetation, and debris, significantly reducing their capacity. In addition, past pavement resurfacing activities may have incrementally increased roadway elevations relative to adjacent ditches in some areas, which can further reduce available conveyance capacity and make it more difficult to maintain positive drainage, particularly in flat terrain.

This guidance is intended to support Public Works staff in executing in-house ditch regrading activities. It defines the scope of work that can be performed by City crews, identifies conditions that require engineering coordination, and establishes procedures and documentation to support implementation and minimize unintended impacts. Maintenance activities should be revisited periodically, as sediment and vegetation will continue to accumulate over time.

For purposes of this guidance, the work is organized into three categories: work that Public Works can execute independently, work that requires engineering coordination prior to proceeding, and work that requires formal engineering support before construction.

Program Limitations and Expected Outcomes

This ditch regrading program is a maintenance-level effort intended to restore existing conveyance and improve drainage performance for frequent, lower-intensity storm events. It does not significantly increase overall system capacity and will not eliminate flooding associated with larger storm events.

These improvements focus on removing sediment, vegetation, and localized obstructions to improve flow continuity and reduce standing water. In flat terrain, achieving consistent positive drainage may be limited, and some locations may continue to experience ponding even after regrading.

Improving conveyance without corresponding downstream capacity can shift or concentrate flows and may introduce localized impacts if not carefully managed. The engineering coordination framework included in this guide is intended to identify and address these conditions before work proceeds.

Long-term flood risk reduction will require larger-scale capital improvements identified in the Drainage Master Plan, including system upgrades, regional conveyance improvements, and potential detention solutions. These maintenance activities should not be considered a substitute for those improvements.

Work Authorization Framework

Work Public Works Can Perform Independently

The following work can be performed by City crews without additional engineering review, provided crews follow the Standard Ditch Section and Step-by-Step Procedure described later in this guide. This scope of work represents the core of the in-house maintenance program and is intended to produce visible, measurable drainage improvements within existing operational capabilities.

- Mowing and clearing vegetation, sediment, trash, and debris from roadside ditches within existing fence lines (apparent right-of-way)
- Regrading ditches to a shallow maintenance section (typically on the order of ~6 inches depth with 2:1 max. side slopes), with adjustments as needed to maintain continuous positive drainage, along high-priority streets where a downstream outfall is confirmed to be free-draining (no standing water at the outlet during dry conditions and no visible blockage or tailwater influence)
- Replacing existing driveway culverts where the replacement matches existing pipe size and invert elevations in the field and does not require adjustment to upstream or downstream ditch grades. Where feasible, a minimum culvert diameter of 15 inches is recommended to reduce the potential for clogging and improve long-term maintenance performance. Culverts smaller than this size are more prone to obstruction. Any increase in pipe size should be reviewed through engineering coordination prior to installation.
- Cleaning and jetting existing culverts at driveways and intersections
- Seeding, mulching, and stabilizing exposed soil after grading
- Documenting conditions with before/after photos and field notes for each segment

Work Requiring Engineering Coordination Before Proceeding

The following situations require coordination with the City's engineer before work begins. In most cases, this can be resolved through a phone call, field photo review, or short site visit rather than a full design effort. The intent is to confirm that field conditions support the proposed work without risk of unintended impacts.

- Spot improvements requested by Council or residents where the downstream outfall has not been field-verified
- Flat terrain segments where positive grade is uncertain and grade control points are required to confirm drainage direction
- GPS grading in areas where vertical control cannot be confirmed with field verification (e.g., laser level or grade rod)
- Driveway culvert replacements involving changes in pipe size, invert elevation, or potential utility conflicts
- Ditch alignments that cannot be regraded within existing fence lines. Fence relocation or removal should not occur without a boundary or right-of-way survey confirming the work is within City-owned right-of-way
- Locations where the downstream outfall is not clearly defined as a constructed conveyance feature (ditch, culvert, or channel), rather than overland or uncertain flow paths

Work That Must Not Proceed Without Engineering Support

The following conditions represent situations where proceeding without engineering analysis could worsen flooding, create liability, or result in work that must be removed and redone. Public Works crews should document these conditions and contact City's engineer for evaluation before any work begins.

Geneva Street North of Florence Street. The master plan specifically identified that restoring bar ditches along Geneva Street between Florence Street and US 90 could increase southbound flow and create new adverse flooding impacts to residential properties that already experience flooding. Do not regrade ditches in this segment. General maintenance including mowing and keeping the street clear of sediment is appropriate. This restriction is based on hydraulic analysis and is not subject to field judgment.

- Any street intersection modification beyond minor surface shaping, including valley gutters, pavement tie-ins, or culvert crossings that require survey, grading design, or pavement layout
- Work in or adjacent to a known flooding problem area where increased conveyance could worsen conditions downstream
- Utility conflicts (water, sewer, gas) with proposed ditch grade that cannot be resolved by adjusting the ditch alignment in the field
- Adjacent property encroachments within the right-of-way that cannot be easily resolved
- Any location where the ditch alignment passes through or adjacent to an area with documented flooding complaints, where increasing conveyance efficiency could shift or intensify impacts to downstream properties
- Locations where a downstream restriction (undersized culvert, blockage, or flat segment) is observed that would prevent continued flow

Public Works crews should not proceed with grading in areas where a downstream outfall or continuous positive drainage path cannot be confirmed in the field. These locations should be documented and referred for engineering evaluation prior to construction.

If there is uncertainty about which category a specific situation falls into, it should be treated as requiring engineering coordination. The cost of a brief consultation is significantly less than the cost of correcting unintended consequences.

General Approach

Ditch regrading should generally follow a downstream-to-upstream approach to maintain positive drainage and avoid unintentionally creating new flooding conditions. This sequencing is important because each upstream segment relies on a functioning downstream outlet. If upstream areas are improved first without a clear downstream path, runoff can be conveyed more efficiently to a location that cannot yet receive it, which can worsen localized flooding or create standing water conditions.

The master plan categorized ditches into high, medium, and low priority based on their significance to the overall drainage system. Crews should focus on high-priority streets first, which generally run north to south and serve as primary stormwater conveyance paths toward the Medina River. These improvements are intended to function as maintenance-type conveyance improvements that can generally be completed within existing fence lines and apparent available right-of-way, rather than full reconstruction of the roadside drainage system.

Spot Improvements in Response to Council or Resident Concerns

The City may elect to address isolated problem areas in response to Council or resident concerns

outside of the primary downstream-to-upstream sequencing. Spot work can be effective where there is a clearly functioning downstream outfall and the limits are short and self-contained. However, spot improvements require verification, as they can create unintended grade conflicts or shift drainage impacts downstream if not tied into a verified flow path.

Deviations from the downstream-to-upstream sequencing carry increased risk. Council and staff should understand that directing spot fixes ahead of sequence may require additional engineering review and may produce less predictable outcomes than work performed in the recommended order.

Spot improvements may proceed under the independent work authorization described above only when all of the following can be confirmed in the field through observation and simple field grade verification:

- A defined downstream outfall exists and is functioning (no standing water, blockage, or tailwater conditions)
- A continuous positive grade can be maintained from the improvement limits to that outfall
- No intermediate controls (driveway culverts, roadway crossings, utility conflicts, or encroachments) will restrict or reverse flow
- The limits are short and self-contained, generally not extending beyond a single block or drainage reach
- The work does not increase flow toward a known downstream problem area without prior evaluation

If any of the above cannot be confirmed, the spot improvement requires engineering coordination before proceeding. Document any areas where spot work is requested but conditions are uncertain, and refer those locations for follow-up evaluation.

Priority Streets for Ditch Work

The following streets were identified as high-priority conveyance corridors:

- Algiers Street
- Lorenzo Street
- Naples Street
- Constantinople Street
- Athens Street
- Geneva Street (**south of Florence Street only – see restriction above**)

Houston Street ditches feeding into the Naples Street system should also be prioritized for sediment and debris removal.

Standard Ditch Section

Revised target dimensions based on available right-of-way, existing fence lines, typical encroachments, trees, and utilities:

- Depth: Target approximately 6 inches where feasible; however, depth should be adjusted as needed to maintain positive drainage and avoid conflicts with driveway culverts, roadway crossings, utilities, and existing ground constraints
- Side slopes: 2:1 maximum (horizontal to vertical)
- Top width: approximately 4 feet, adjusted as needed to fit field conditions
- Grade: Maintain continuous positive slope toward a defined downstream outfall; achieving

drainage continuity takes precedence over maintaining a uniform depth

A shallow ditch section is recommended because it is generally sufficient to restore drainage conveyance while remaining practical for maintenance by City crews. This approach also minimizes impacts to adjacent property and reduces conflicts with roadside obstructions and utilities.

Where feasible, crews should maintain a consistent positive slope, with a typical target on the order of approximately 0.2% to 0.5% for maintenance-level improvements. However, achieving continuous drainage is more important than meeting a specific slope value. In very flat areas, attempting to impose a uniform slope may result in excessive ditch depth at one end of the segment or conflicts with existing driveways, intersections, utilities, adjacent grades, or culvert tie-ins.

In these locations, crews should follow the existing street profile to maintain drainage continuity and document any areas where a consistent positive slope cannot be achieved. These segments should be referred for engineering evaluation.

Pilot Implementation and Grade Control

Given the use of GPS-enabled grading equipment, the City has an opportunity to improve consistency and establish better control of ditch elevations during maintenance activities. It is recommended that the City initiate a pilot ditch segment where additional engineering support is provided to:

- Establish grade control points (inlet and outlet elevations)
- Confirm positive drainage along the full segment
- Identify constraints such as utilities, driveways, and encroachments
- Provide target flowline elevations compatible with GPS grading

The pilot should be located on a high-priority street with a clearly functioning downstream outfall, relatively flat grades, and typical roadside constraints. A segment of 2 to 3 blocks is sufficient. Engineering support for the pilot may include limited survey and development of a simple grading profile or control points for field use.

GPS-based grading should be verified with independent field checks (laser level or equivalent) at control points to confirm vertical accuracy. Following completion of the pilot segment, the City and City's engineer should reassess constructability using GPS-guided grading, the level of engineering effort required for future segments, and whether additional segments warrant similar control or can proceed under the general guidance provided in this document. This phased approach allows the City to right-size engineering involvement while building confidence in field execution and demonstrating early results.

The pilot implementation should be treated as a field calibration and learning exercise. While grade control points and target flowline elevations will be established in advance, field adjustments will be required to respond to actual conditions encountered, including driveway culverts, roadway crossings, utilities, and localized grade constraints.

Minor deviations from target grades are expected where needed to maintain continuous drainage and constructability. These adjustments should be documented and used to refine grading approaches, tolerances, and level of engineering involvement for subsequent segments. Field adjustments should maintain downstream control elevations and not introduce new grade breaks without engineering coordination.

Step-by-Step Crew Procedure

1. **Start at the downstream end.** Begin ditch work at a confirmed downstream outlet and work upstream where feasible. This ensures that each improved segment has a functioning drainage path. If work begins upstream without a clear downstream outlet, improved conveyance can move water more efficiently into areas that cannot yet drain, potentially creating or worsening flooding conditions. If the outlet is submerged, backwatered, or not free-draining, stop work and refer for engineering evaluation.
2. **Review the work area in the field.** Before grading, walk the ditch alignment and identify obstructions including driveway culverts (note size and condition), mailboxes and utility poles within the ditch footprint, fences or walls at the work limits, and existing culvert crossings at intersections. Document conditions with photos. Confirm that all proposed work is within existing fence lines.
3. **Clear vegetation and debris.** Mow the ROW and remove brush, sediment, trash, and any obstructions impeding flow. Where driveway culverts are undersized or nonfunctional, replacement with a minimum 15-inch culvert may be performed only where existing invert elevations can be matched in the field and pipe size is not increased. Otherwise, coordinate with engineering prior to installation.
4. **Regrade the ditch.** Regrade the ditch to a shallow maintenance section consistent with the Standard Ditch Section. Maintain continuous positive drainage from downstream to upstream. Verify slope using a laser level, grade rod, or equivalent at regular intervals (approximately every 100–200 feet) and at all driveway and roadway crossings. Do not create new low points or sags, particularly at driveway culverts or intersections.
5. **Address roadway intersections selectively.** Because ditch regrading may lower the flowline relative to the roadway pavement, each crossing should be evaluated in the field. Where feasible, use valley gutters or minor surface shaping to maintain continuous drainage across the roadway. Work at roadway intersections should be limited to minor surface shaping necessary to maintain drainage continuity, without altering the roadway profile or cross slope. Regrading of the roadway or pavement structure is not recommended without engineering review due to potential impacts to drainage performance, safety, and constructability. Do not introduce a control point, meaning a condition that causes water to slow, back up, or pond upstream compared to existing conditions. Avoid creating low points or abrupt grade breaks at the crossing. Cross culverts should be used selectively. If a pipe is needed, if adequate cover cannot be achieved, or if continuous drainage cannot be maintained with minor shaping, stop work and refer for engineering review.
6. **Stabilize and revegetate.** Seed and mulch exposed soil immediately after grading. In areas with steeper slopes or higher velocities, consider erosion control blankets. Maintain vegetation at a mowable height going forward.
7. **Document and report.** Record the limits of work, before/after photos, culvert sizes installed, and any conditions requiring further engineering review. This documentation supports future CIP planning and Council reporting.

Recommended Equipment

Typical equipment for in-house ditch regrading includes:

- Mini excavator or skid steer with grading bucket
- Small dozer or motor grader for longer continuous runs, where space allows
- Dump truck for spoil removal
- Laser level, grade rod, and basic survey equipment for grade verification
- Brush cutter or chain saw for vegetation clearing, as needed
- Hydro-jetting equipment for culvert cleaning
- Plate compactor or roller if spoil is spread and compacted outside the ditch footprint
- Erosion control materials, including seed, mulch, and blankets

Ongoing Maintenance After Regrading

Once ditches are regraded, maintaining their capacity is critical. The master plan recommends the following routine activities:

- Mow ROW vegetation frequently to maintain ditch capacity and prevent sediment buildup from decaying organic material.
- Inspect driveway and intersection culverts quarterly for sediment accumulation or structural damage. Clean as needed.
- After major storm events, inspect all regraded ditches for erosion, scour, or sediment deposition. Clear debris from culvert inlets.
- Document recurring problem areas for future capital improvement evaluation.

Coordination with City's Engineer (Lochner)

Lochner is available to support the City with field observations, engineering review of specific ditch segments, and prioritization as this work progresses. We recommend a periodic check-in to review completed work, evaluate crew feedback, and adjust priorities as conditions in the field are better understood.

Recommended next steps:

- Schedule a field walk-through with Public Works and Lochner to identify the pilot ditch segment and confirm the first phase of priority streets
- Distribute a one-page laminated quick-reference card summarizing the crew procedure and work authorization categories for field use
- Establish a quarterly check-in cadence to review completed work, evaluate crew feedback, and adjust priorities

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
RIVER VALLEY DRAINAGE IMPROVEMENTS
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (15%)	1	LS	\$ 112,000	\$ 112,000
SURVEY (5%)	1	LS	\$ 37,400	\$ 37,400
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 149,400

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV CONC (RIPRAP)	3,333	SY	\$ 13	\$ 41,733
EXCAV (CHANNEL)	1,500	CY	\$ 26	\$ 39,001
RIPRAP (CONC)(6 IN)	722	CY	\$ 515	\$ 371,944
EMBANK (FNL)(DC)(TY B)	600	CY	\$ 50	\$ 30,000
REVEGETATION	3,333	SY	\$ 4	\$ 13,333
BARRICADES, SIGNS, AND TRAFFIC HANDLING	3	MO	\$ 10,000	\$ 30,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 5,270	\$ 5,270
MOBILIZATION (8%)	1	LS	\$ 42,600	\$ 42,600
SUBTOTAL				\$ 573,882
CONTINGENCY (30%)				\$ 172,165
TOTAL CONSTRUCTION COSTS:				\$ 746,047

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES	8	MO	\$ 15,000	\$ 120,000
LEGAL	7	PARCEL	\$ 6,000	\$ 42,000
INSURANCE AND BOND (1%)	1	LS	\$ 5,739	\$ 5,739
TOTAL OTHER COSTS:				\$ 167,739

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 1,063,186
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN**

Section X, Item i.

**ATHENS STREET SOUTH DRAINAGE IMPROVEMENTS - PHASE 1
OPINION OF PROBABLE COST**

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (12%)	1	LS	\$ 1,638,300	\$ 1,638,300
SURVEY (5%)	1	LS	\$ 682,700	\$ 682,700
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 2,321,000

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOVING STAB BASE AND ASPH PAV(0"-16")	11,387	SY	\$ 27	\$ 303,158
EXCAV (ROADWAY)	9,650	CY	\$ 17	\$ 163,834
RC PIPE (CL III)(24 IN)	1,194	LF	\$ 107	\$ 128,277
RC PIPE (CL III)(36 IN)	947	LF	\$ 169	\$ 160,135
RC PIPE (CL III)(42 IN)	218	LF	\$ 212	\$ 46,144
RC PIPE (CL III)(48 IN)	509	LF	\$ 271	\$ 137,995
RC PIPE (CL III)(60 IN)	493	LF	\$ 408	\$ 201,168
CONC BOX CULV (4 FT X 4 FT)	19	LF	\$ 477	\$ 9,067
CONC BOX CULV (6 FT X 6 FT)	1,791	LF	\$ 930	\$ 1,665,839
CONC BOX CULV (7 FT X 6 FT)	483	LF	\$ 902	\$ 435,787
CONC BOX CULV (8 FT X 6 FT)	746	LF	\$ 1,140	\$ 850,656
CONC BOX CULV (8 FT X 7 FT)	385	LF	\$ 1,250	\$ 481,250
CONC BOX CULV (8 FT X 8 FT)	379	LF	\$ 1,254	\$ 475,185
CONC BOX CULV (9 FT X 8 FT)	989	LF	\$ 1,400	\$ 1,384,600
INLET (COMPL)(PCO)(SINGLE EXTENSION)	66	EA	\$ 8,236	\$ 543,576
WINGWALL (FW - S) (HW=6 FT)	2	EA	\$ 21,753	\$ 43,505
WINGWALL (FW - S) (HW=8 FT)	1	EA	\$ 28,724	\$ 28,724
RIPRAP (STONE PROTECTION)(30 IN)	80	CY	\$ 177	\$ 14,180
REMOVE EXIST SAN SWR PIPE (12")	2,190	LF	\$ 39	\$ 84,534
SANITARY SEWER (8 IN) (PVC) (SDR 26)	1,800	LF	\$ 105	\$ 188,190
SANITARY SEWER (12 IN) (PVC) (SDR 26)	390	LF	\$ 250	\$ 97,500
PIPE WATER MAIN (PVC)(8")	2,600	LF	\$ 135	\$ 351,000
PIPE WATER MAIN (PVC) (12")	20	LF	\$ 297	\$ 5,941
WATER MAIN REMOVAL (16"& SMALLER)	3,100	LF	\$ 83	\$ 257,300
PIPE WATER MAIN (PVC) (6")	480	LF	\$ 100	\$ 48,000
WTR SERVICE REPLACE AND RECONNECT	33	EA	\$ 3,000	\$ 99,000
ADJUST EXIST SAN SWR CONNECTION	25	EA	\$ 1,800	\$ 45,000
TRENCH EXCAVATION PROTECTION	6,012	LF	\$ 18	\$ 108,216
RECONSTRUCTION OF DRIVEWAYS	48	EA	\$ 3,500	\$ 168,000
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	4,270	LF	\$ 161	\$ 687,470
CONCRETE CURB & GUTTER	8,540	LF	\$ 30	\$ 256,200
REVEGETATION	9,489	SY	\$ 4	\$ 37,956
BARRICADES, SIGNS, AND TRAFFIC HANDLING	12	MO	\$ 10,000	\$ 120,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 96,280	\$ 96,280
MOBILIZATION (8%)	1	LS	\$ 777,900	\$ 777,900
SUBTOTAL				\$ 10,501,565
CONTINGENCY (30%)				\$ 3,150,470
TOTAL CONSTRUCTION COSTS:				\$ 13,652,035

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	12	MO	\$ 25,000	\$ 300,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 105,016	\$ 105,016
TOTAL OTHER COSTS:				\$ 405,016

OPINION OF PROBABLE TOTAL PROJECT COST: \$ 16,378,051

THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN**

Section X, Item i.

**ATHENS STREET SOUTH DRAINAGE IMPROVEMENTS - PHASE 2
OPINION OF PROBABLE COST**

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (12%)	1	LS	\$ 263,900	\$ 263,900
SURVEY (5%)	1	LS	\$ 110,000	\$ 110,000
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 373,900

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV STR (PIPE)	120	LF	\$ 20	\$ 2,380
REMOV STR (HEADWALL)	2	EA	\$ 2,463	\$ 4,925
REMOVING STAB BASE AND ASPH PAV(0"-16")	4,667	SY	\$ 27	\$ 124,245
EXCAV (ROADWAY)	913	CY	\$ 17	\$ 15,501
CEM STABIL BKFL		CY	\$ 103	\$ -
RC PIPE (CL III)(24 IN)	552	LF	\$ 107	\$ 59,304
RC PIPE (CL III)(36 IN)	346	LF	\$ 169	\$ 58,508
RC PIPE (CL III)(48 IN)	346	LF	\$ 271	\$ 93,804
RC PIPE (CL III)(60 IN)	819	LF	\$ 408	\$ 334,192
INLET (COMPL)(PCO)(SINGLE EXTENSION)	22	EA	\$ 8,236	\$ 181,192
SAN SEWER PIPE (PVC)(SDR-35)(15")	40	LF	\$ 191	\$ 7,644
REMOVE EXIST SAN SEWER PIPE (15")	40	LF	\$ 25	\$ 1,016
REMOVE EXIST SAN SWR PIPE (8 IN)	160	LF	\$ 26	\$ 4,200
SANITARY SEWER (8 IN) (PVC) (SDR 26)	160	LF	\$ 105	\$ 16,728
PIPE WATER MAIN (PVC)(8")	60	LF	\$ 135	\$ 8,100
WATER MAIN REMOVAL (16"& SMALLER)	240	LF	\$ 83	\$ 19,920
PIPE WATER MAIN (PVC) (6")	180	LF	\$ 100	\$ 18,000
WTR SERVICE REPLACE AND RECONNECT	15	EA	\$ 3,000	\$ 45,000
ADJUST EXIST SAN SWR CONNECTION	11	EA	\$ 1,800	\$ 19,800
TRENCH EXCAVATION PROTECTION	1,165	LF	\$ 18	\$ 20,970
RECONSTRUCTION OF DRIVEWAYS	15	EA	\$ 3,500	\$ 52,500
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	1,750	LF	\$ 161	\$ 281,750
CONCRETE CURB & GUTTER	3,500	LF	\$ 30	\$ 105,000
REVEGETATION	3,889	SY	\$ 4	\$ 15,556
BARRICADES, SIGNS, AND TRAFFIC HANDLING	6	MO	\$ 10,000	\$ 60,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 15,510	\$ 15,510
MOBILIZATION (8%)	1	LS	\$ 125,300	\$ 125,300
SUBTOTAL				\$ 1,691,044
CONTINGENCY (30%)				\$ 507,313
TOTAL CONSTRUCTION COSTS:				\$ 2,198,358

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	6	MO	\$ 25,000	\$ 150,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 16,910	\$ 16,910
TOTAL OTHER COSTS:				\$ 166,910

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 2,739,168
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN**

Section X, Item i.

**NAPLES STREET NORTH DRAINAGE IMPROVEMENTS - PHASE 1
OPINION OF PROBABLE COST**

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (12%)	1	LS	\$ 1,358,300	\$ 1,358,300
SURVEY (5%)	1	LS	\$ 566,000	\$ 566,000
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 1,924,300

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV STR (PIPE)	245	LF	\$ 20	\$ 4,860
REMOV STR (HEADWALL)	14	EA	\$ 2,463	\$ 34,476
REMOVING STAB BASE AND ASPH PAV(0"-16")	16,800	SY	\$ 27	\$ 447,282
EXCAV (ROADWAY)	3,676	CY	\$ 17	\$ 62,410
CEM STABIL BKFL		CY	\$ 103	\$ -
RC PIPE (CL III)(24 IN)	1,144	LF	\$ 107	\$ 122,905
RC PIPE (CL III)(36 IN)	1,292	LF	\$ 169	\$ 218,473
RC PIPE (CL III)(42 IN)	233	LF	\$ 212	\$ 49,319
RC PIPE (CL III)(48 IN)	945	LF	\$ 271	\$ 256,198
RC PIPE (CL III)(60 IN)	1,356	LF	\$ 408	\$ 553,314
RC PIPE (CL III)(72 IN)	138	LF	\$ 661	\$ 91,273
CONC BOX CULV (6 FT X 5 FT)	383	LF	\$ 650	\$ 248,950
CONC BOX CULV (6 FT X 6 FT)	788	LF	\$ 930	\$ 732,932
CONC BOX CULV (8 FT X 7 FT)	1,732	LF	\$ 1,250	\$ 2,165,000
INLET (COMPL)(PCO)(SINGLE EXTENSION)	75	EA	\$ 8,236	\$ 617,700
WINGWALL (FW - S) (HW=8 FT)	1	EA	\$ 28,724	\$ 28,724
RIPRAP (STONE PROTECTION)(30 IN)	80	CY	\$ 177	\$ 14,180
REMOVE EXIST SAN SWR PIPE (12")	80	LF	\$ 39	\$ 3,088
WTR(PIPE WTR MAIN)PVC ASTM D2241(3")	80	LF	\$ 25	\$ 2,000
SANITARY SEWER (8 IN) (PVC) (SDR 26)	20	LF	\$ 105	\$ 2,091
SANITARY SEWER (12 IN) (PVC) (SDR 26)	60	LF	\$ 250	\$ 15,000
PIPE WATER MAIN (PVC)(8")	600	LF	\$ 135	\$ 81,000
WATER MAIN REMOVAL (16"& SMALLER)	2,070	LF	\$ 83	\$ 171,810
PIPE WATER MAIN (PVC) (6")	1,470	LF	\$ 100	\$ 147,000
WTR SERVICE REPLACE AND RECONNECT	23	EA	\$ 3,000	\$ 69,000
ADJUST EXIST SAN SWR CONNECTION	15	EA	\$ 1,800	\$ 27,000
TRENCH EXCAVATION PROTECTION	5,575	LF	\$ 18	\$ 100,350
REMOVE EXIST WATER PIPE (3")	80	LF	\$ 5	\$ 400
RECONSTRUCTION OF DRIVEWAYS	42	EA	\$ 3,500	\$ 147,000
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	6,300	LF	\$ 161	\$ 1,014,300
CONCRETE CURB & GUTTER	12,600	LF	\$ 30	\$ 378,000
REVEGETATION	14,000	SY	\$ 4	\$ 56,000
BARRICADES, SIGNS, AND TRAFFIC HANDLING	12	MO	\$ 10,000	\$ 120,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 79,830	\$ 79,830
MOBILIZATION (8%)	1	LS	\$ 645,000	\$ 645,000
SUBTOTAL				\$ 8,706,867
CONTINGENCY (30%)				\$ 2,612,060
TOTAL CONSTRUCTION COSTS:				\$ 11,318,927

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	12	MO	\$ 25,000	\$ 300,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 87,069	\$ 87,069
TOTAL OTHER COSTS:				\$ 387,069

OPINION OF PROBABLE TOTAL PROJECT COST: \$ 13,630,296

THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN**

Section X, Item i.

**NAPLES STREET NORTH DRAINAGE IMPROVEMENTS - PHASE 2
OPINION OF PROBABLE COST**

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (12%)	1	LS	\$ 336,700	\$ 336,700
SURVEY (5%)	1	LS	\$ 140,300	\$ 140,300
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 477,000

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOVING STAB BASE AND ASPH PAV(0"-16")	6,627	SY	\$ 27	\$ 176,428
EXCAV (ROADWAY)	980	CY	\$ 17	\$ 16,638
CEM STABIL BKFL		CY	\$ 103	\$ -
RC PIPE (CL III)(24 IN)	699	LF	\$ 107	\$ 75,097
RC PIPE (CL III)(30 IN)	216	LF	\$ 120	\$ 26,000
RC PIPE (CL III)(36 IN)	323	LF	\$ 169	\$ 54,618
RC PIPE (CL III)(42 IN)	388	LF	\$ 212	\$ 82,128
RC PIPE (CL III)(48 IN)	55	LF	\$ 271	\$ 14,911
RC PIPE (CL III)(60 IN)	836	LF	\$ 408	\$ 341,129
INLET (COMPL)(PCO)(SINGLE EXTENSION)	25	EA	\$ 8,236	\$ 205,900
HEADWALL (CH - FW - 0) (DIA= 60 IN)	1	EA	\$ 9,000	\$ 9,000
RIPRAP (STONE PROTECTION)(30 IN)	80	CY	\$ 177	\$ 14,180
REMOVE EXIST SAN SWR PIPE (12")	560	LF	\$ 39	\$ 21,616
WTR(PIPE WTR MAIN)PVC ASTM D2241(2")	20	LF	\$ 22	\$ 440
WTR(PIPE WTR MAIN)PVC ASTM D2241(3")	40	LF	\$ 25	\$ 1,000
SANITARY SEWER (8 IN) (PVC) (SDR 26)	120	LF	\$ 105	\$ 12,546
SANITARY SEWER (12 IN) (PVC) (SDR 26)	440	LF	\$ 250	\$ 110,000
PIPE WATER MAIN (PVC)(8")	270	LF	\$ 135	\$ 36,450
WATER MAIN REMOVAL (16"& SMALLER)	330	LF	\$ 83	\$ 27,390
PIPE WATER MAIN (PVC) (6")	60	LF	\$ 100	\$ 6,000
WTR SERVICE REPLACE AND RECONNECT	9	EA	\$ 3,000	\$ 27,000
ADJUST EXIST SAN SWR CONNECTION	7	EA	\$ 1,800	\$ 12,600
TRENCH EXCAVATION PROTECTION	1,279	LF	\$ 18	\$ 23,022
REMOVE EXIST WATER PIPE (3")	40	LF	\$ 5	\$ 200
RECONSTRUCTION OF DRIVEWAYS	15	EA	\$ 3,500	\$ 52,500
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	2,485	LF	\$ 161	\$ 400,085
CONCRETE CURB & GUTTER	4,970	LF	\$ 30	\$ 149,100
REVEGETATION	5,522	SY	\$ 4	\$ 22,089
BARRICADES, SIGNS, AND TRAFFIC HANDLING	6	MO	\$ 10,000	\$ 60,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 19,790	\$ 19,790
MOBILIZATION (8%)	1	LS	\$ 159,900	\$ 159,900
SUBTOTAL				\$ 2,157,757
CONTINGENCY (30%)				\$ 647,327
TOTAL CONSTRUCTION COSTS:				\$ 2,805,084

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	6	MO	\$ 25,000	\$ 150,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 21,578	\$ 21,578
TOTAL OTHER COSTS:				\$ 171,578

OPINION OF PROBABLE TOTAL PROJECT COST: \$ 3,453,662

THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
NAPLES STREET NORTH DRAINAGE IMPROVEMENTS - PHASE 3
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (15%)	1	LS	\$ 367,100	\$ 367,100
SURVEY (5%)	1	LS	\$ 122,400	\$ 122,400
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 489,500

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV STR (PIPE)	820	LF	\$ 20	\$ 16,266
REMOV STR (HEADWALL)	1	EA	\$ 2,463	\$ 2,463
REMOVING STAB BASE AND ASPH PAV(0"-16")	3,440	SY	\$ 27	\$ 91,586
EXCAV (ROADWAY)	1,210	CY	\$ 17	\$ 20,543
RC PIPE (CL III)(24 IN)	278	LF	\$ 107	\$ 29,867
RC PIPE (CL III)(30 IN)	91	LF	\$ 120	\$ 10,954
RC PIPE (CL III)(36 IN)	96	LF	\$ 169	\$ 16,233
RC PIPE (CL III)(42 IN)	84	LF	\$ 212	\$ 17,780
RC PIPE (CL III)(48 IN)	44	LF	\$ 271	\$ 11,929
RC PIPE (CL III)(60 IN)	38	LF	\$ 408	\$ 15,506
CONC BOX CULV (6 FT X 6 FT)	792	LF	\$ 930	\$ 736,652
INLET (COMPL)(PCO)(SINGLE EXTENSION)	22	EA	\$ 8,236	\$ 181,192
WINGWALL (FW - S) (HW=6 FT)	1	EA	\$ 21,753	\$ 21,753
RIPRAP (STONE PROTECTION)(30 IN)	80	CY	\$ 177	\$ 14,180
REMOVE EXIST SAN SWR PIPE (12")	366	LF	\$ 39	\$ 14,128
SANITARY SEWER (8 IN) (PVC) (SDR 26)	366	LF	\$ 105	\$ 38,265
WATER MAIN REMOVAL (16" & SMALLER)	466	LF	\$ 22	\$ 10,252
PIPE WATER MAIN (PVC) (6")	466	LF	\$ 100	\$ 46,600
WTR SERVICE REPLACE AND RECONNECT	3	EA	\$ 3,000	\$ 9,000
ADJUST EXIST SAN SWR CONNECTION	3	EA	\$ 1,800	\$ 5,400
TRENCH EXCAVATION PROTECTION	958	LF	\$ 18	\$ 17,244
RECONSTRUCTION OF DRIVEWAYS	6	EA	\$ 3,500	\$ 21,000
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	1,290	LF	\$ 161	\$ 207,690
CONCRETE CURB & GUTTER	2,580	LF	\$ 30	\$ 77,400
REVEGETATION	2,867	SY	\$ 4	\$ 11,467
BARRICADES, SIGNS, AND TRAFFIC HANDLING	8	MO	\$ 10,000	\$ 80,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 17,260	\$ 17,260
MOBILIZATION (8%)	1	LS	\$ 139,500	\$ 139,500
SUBTOTAL				\$ 1,882,110
CONTINGENCY (30%)				\$ 564,633
TOTAL CONSTRUCTION COSTS:				\$ 2,446,742

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	8	MO	\$ 25,000	\$ 200,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 18,821	\$ 18,821
TOTAL OTHER COSTS:				\$ 218,821

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 3,155,064
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
LORENZO STREET NORTH DRAINAGE IMPROVEMENTS
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (12%)	1	LS	\$ 994,400	\$ 994,400
SURVEY (5%)	1	LS	\$ 414,400	\$ 414,400
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 1,408,800

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV STR (PIPE)	930	LF	\$ 20	\$ 18,448
REMOV STR (HEADWALL)	5	EA	\$ 2,463	\$ 12,313
REMOVING STAB BASE AND ASPH PAV(0"-16")	13,773	SY	\$ 27	\$ 366,700
EXCAV (ROADWAY)	3,978	CY	\$ 17	\$ 67,537
RC PIPE (CL III)(24 IN)	1,461	LF	\$ 107	\$ 156,962
RC PIPE (CL III)(36 IN)	986	LF	\$ 169	\$ 166,730
RC PIPE (CL III)(42 IN)	540	LF	\$ 212	\$ 114,302
RC PIPE (CL III)(48 IN)	230	LF	\$ 271	\$ 62,355
RC PIPE (CL III)(60 IN)	386	LF	\$ 408	\$ 157,507
CONC BOX CULV (5 FT X 5 FT)	391	LF	\$ 676	\$ 264,465
CONC BOX CULV (6 FT X 5 FT)	297	LF	\$ 650	\$ 193,050
CONC BOX CULV (7 FT X 5 FT)	886	LF	\$ 955	\$ 846,185
CONC BOX CULV (9 FT X 6 FT)	565	LF	\$ 1,294	\$ 731,055
INLET (COMPL)(PCO)(SINGLE EXTENSION)	76	EA	\$ 8,236	\$ 625,936
WINGWALL (FW - S) (HW=6 FT)	1	EA	\$ 21,753	\$ 21,753
RIPRAP (STONE PROTECTION)(30 IN)	80	CY	\$ 177	\$ 14,180
REMOVE EXIST SAN SWR PIPE (12 IN)	1,050	LF	\$ 25	\$ 26,513
REMOVE EXIST SAN SWR PIPE (8 IN)	120	LF	\$ 26	\$ 3,150
WTR(PIPE WTR MAIN)PVC ASTM D2241(2")	385	LF	\$ 22	\$ 8,470
WTR(PIPE WTR MAIN)PVC ASTM D2241(3")	160	LF	\$ 25	\$ 4,000
SANITARY SEWER (8 IN) (PVC) (SDR 26)	120	LF	\$ 105	\$ 12,546
SANITARY SEWER (12 IN) (PVC) (SDR 26)	1,050	LF	\$ 125	\$ 131,250
PIPE WATER MAIN (PVC)(8")	1,030	LF	\$ 135	\$ 139,050
WATER MAIN REMOVAL (16"& SMALLER)	1,790	LF	\$ 83	\$ 148,570
PIPE WATER MAIN (PVC) (6")	375	LF	\$ 100	\$ 37,500
WTR SERVICE REPLACE AND RECONNECT	14	EA	\$ 3,000	\$ 42,000
ADJUST EXIST SAN SWR CONNECTION	15	EA	\$ 1,800	\$ 27,000
TRENCH EXCAVATION PROTECTION	3,295	LF	\$ 18	\$ 59,310
REMOVE EXIST WATER PIPE (3")	160	LF	\$ 5	\$ 800
RECONSTRUCTION OF DRIVEWAYS	19	EA	\$ 4,000	\$ 76,000
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	5,165	LF	\$ 161	\$ 832,000
CONCRETE CURB & GUTTER	10,330	LF	\$ 30	\$ 309,900
REVEGETATION	11,478	SY	\$ 4	\$ 45,911
BARRICADES, SIGNS, AND TRAFFIC HANDLING	12	MO	\$ 10,000	\$ 120,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 58,440	\$ 58,440
MOBILIZATION (8%)	1	LS	\$ 472,200	\$ 472,200
SUBTOTAL				\$ 6,374,087
CONTINGENCY (30%)				\$ 1,912,226
TOTAL CONSTRUCTION COSTS:				\$ 8,286,314

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES, LIMITED INSPECTION	12	MO	\$ 25,000	\$ 300,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 63,741	\$ 63,741
TOTAL OTHER COSTS:				\$ 363,741

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 10,058,855
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
LOWER LACOSTE ROAD DRAINAGE IMPROVEMENTS
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (20%)	1	LS	\$ 80,500	\$ 80,500
SURVEY (5%)	1	LS	\$ 20,200	\$ 20,200
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 100,700

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
REMOV STR (PIPE)	60	LF	\$ 20	\$ 1,190
REMOVING STAB BASE AND ASPH PAV(0"-16")	667	SY	\$ 27	\$ 17,749
EXCAV (ROADWAY)	45	CY	\$ 17	\$ 764
EXCAV (CHANNEL)	127	CY	\$ 26	\$ 3,302
RC PIPE (CL III)(24 IN)	68	LF	\$ 107	\$ 7,306
RC PIPE (CL III)(30 IN)	119	LF	\$ 120	\$ 14,324
RC PIPE (CL III)(36 IN)	53	LF	\$ 169	\$ 8,962
INLET (COMPL)(PCO)(SINGLE EXTENSION)	3	EA	\$ 8,236	\$ 24,708
RIPRAP (STONE PROTECTION)(18 IN)	12	CY	\$ 285	\$ 3,415
REMOVE EXIST SAN SWR PIPE (12")	250	LF	\$ 33	\$ 8,250
SANITARY SEWER (12 IN) (PVC) (SDR 26)	250	LF	\$ 212	\$ 53,000
WATER MAIN REMOVAL (16" & SMALLER)	250	LF	\$ 22	\$ 5,500
PIPE WATER MAIN (PVC) (6")	250	LF	\$ 100	\$ 25,000
TRENCH EXCAVATION PROTECTION	50	LF	\$ 18	\$ 900
RECONSTRUCTION OF DRIVEWAYS	2	EA	\$ 3,500	\$ 7,000
FULL-WIDTH (24') PAVEMENT RECONSTRUCTION	250	LF	\$ 161	\$ 40,250
REVEGETATION	510	SY	\$ 4	\$ 2,040
BARRICADES, SIGNS, AND TRAFFIC HANDLING	6	MO	\$ 10,000	\$ 60,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 2,840	\$ 2,840
MOBILIZATION (8%)	1	LS	\$ 23,000	\$ 23,000
SUBTOTAL				\$ 309,501
CONTINGENCY (30%)				\$ 92,850
TOTAL CONSTRUCTION COSTS:				\$ 402,351

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES	6	MO	\$ 10,000	\$ 60,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 3,095	\$ 3,095
TOTAL OTHER COSTS:				\$ 63,095

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 566,146
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.

**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
VALLEY MOBILE HOME PARK FLOODING
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ -

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
PURCHASE LOT 10602	1	EA	\$ 2,974,099	\$ 2,974,099
PURCHASE OF LOT 10601	1	EA	\$ 215,475	\$ 215,475
PARTIAL PURCHASE OF LOT 10607	1	EA	\$ 258,094	\$ 258,094
PURCHASE OF LOT 10606	1	EA	\$ 538,594	\$ 538,594
PARTIAL PURCHASE OF LOT 10625	1	EA	\$ 1,719,992	\$ 1,719,992
SUBTOTAL				\$ 5,706,254
CONTINGENCY (30%)				\$ 1,711,876
TOTAL CONSTRUCTION COSTS:				\$ 7,418,130

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
LEGAL	5	PARCEL	\$ 6,000	\$ 30,000
INSURANCE AND BOND (1%)	1	LS	\$ 57,063	\$ 57,063
TOTAL OTHER COSTS:				\$ 87,063

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 7,505,193
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**CITY OF CASTROVILLE
DRAINAGE MASTER PLAN
CASTROVILLE AIRPORT EROSION HAZARD
OPINION OF PROBABLE COST**

Section X, Item i.

ENGINEERING AND SURVEYING				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
ENGINEERING (20%)	1	LS	\$ 16,500	\$ 16,500
SURVEY (5%)	1	LS	\$ 4,200	\$ 4,200
TOTAL ENGINEERING AND SURVEYING COSTS:				\$ 20,700

CONSTRUCTION COSTS				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
EXCAV (CHANNEL)	1,000	CY	\$ 26	\$ 26,001
RIPRAP (STONE PROTECTION)(18 IN)	10	CY	\$ 285	\$ 2,846
REVEGETATION	4,800	SY	\$ 4	\$ 19,200
BARRICADES, SIGNS, AND TRAFFIC HANDLING	1	MO	\$ 10,000	\$ 10,000
TEMPORARY EROSION & SEDIMENT CONTROLS (1%)	1	LS	\$ 590	\$ 590
MOBILIZATION (8%)	1	LS	\$ 4,700	\$ 4,700
SUBTOTAL				\$ 63,337
CONTINGENCY (30%)				\$ 19,001
TOTAL CONSTRUCTION COSTS:				\$ 82,338

OTHER				
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
CONSTRUCTION PHASE SERVICES	3	MO	\$ 10,000	\$ 30,000
LEGAL	0	PARCEL	\$ 5,000	\$ -
INSURANCE AND BOND (1%)	1	LS	\$ 633	\$ 633
TOTAL OTHER COSTS:				\$ 30,633

OPINION OF PROBABLE TOTAL PROJECT COST:	\$ 133,671
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THIS DOCUMENT IS AN OPINION OF PROBABLE COST AND NOT TO BE USED FOR BID PURPOSES.



Kinloch
Equipment & Supply, Inc.

P.O. Box 4919
Pasadena, TX 77502
Tel: 713.473.6213 Fax: 713.473.7858
Toll Free: 800.231.6929

Section X, Item i.

A graphic consisting of two grey diagonal lines pointing downwards from a central point, with a vertical yellow and black dashed line in the center.

MILE AFTER MILESM
Turnkey Leasing
Solution

Proposal For
The City of Castroville



CASTROVILLE
the little Alsace of Texas

As an alternative to the traditional equipment acquisition model, we offer a turnkey “cradle to grave” equipment acquisition and operation solution that achieves the best of both worlds.....high productivity and low cost of ownership and operation. We call this program **Mile After Mile™**.

We are pleased to offer our proposal based on the Elgin Pelican three-wheel mechanical sweeper. Elgin is the longest tenured manufacturer of sweepers in North America as well as being the market leader. The Pelican features:

- Market leader offering 360 degrees of operator visibility
- Rear steer for outstanding maneuverability
- Front mounted, variable high dump 3.6 yd³ (2.8 m³) hopper
- Elgin exclusive chevron conveyor belt

Essentially, this is what this program offers:

- New and Unused Equipment built to the attached specifications.
- A four (4) year bumper-to-bumper warranty for both the entire unit.
- All repairs & maintenance included (except brooms)
- Guaranteed minimum 95% equipment availability supported by free of charge loaner equipment in the event of protracted downtime

This again is designed to offer a low, fixed cost of operation and a correspondingly high level of equipment availability. This yields a lower cost of ownership per productive hour which will be explained and quantified later in this proposal.

This program is offered as a four (4) year lease with your choice of monthly or annual payments, a balloon payment at the end of the term with a guaranteed repurchase amount from Kinloch Equipment & Supply equivalent to the amount of the balloon payment resulting in net zero out of pocket to the City of Castroville.

AQUISTION OPTIONS

Model	Pelican
Debris Body Capacity	3.6 Cubic Yards
Water Tank Capacity	220 Gallons
Conveyor System	Chevron Rubber Belt
Brooms	Dual 36” Side Brooms; 66” Main Broom
Capital Cost	\$292,990.
Mile After Mile™ Program	
Four (4) Year Bumper to Bumper Warranty	Included in Payment
Four (4) Year Repair & Maintenance Agreement	Included in Payment
Free Loaner Equipment	Included in Payment



Payment Schedule	
Four (4) Annual Payments of	\$67,766.
OR	
Forty-Eight (48) Monthly Payments of	\$5,803.
Purchase Option	
Upon the conclusion of the four (4) year lease term, the City of Castroville has first option to purchase this equipment for \$142,298. The City is under no obligation to exercise this option and can opt to return the equipment to Kinloch Equipment & Supply, Inc. with no further financial obligation.	

COST PER PRODUCTIVE HOUR

Assumptions:

- 8 hours in a normal single shift workday.
- 52 weeks in a year equals 2,080 normal work hours.
- ~10 days per year (80 hours) of Federal holidays.
- Net 2,000 normal work hours per year or 8,000 total hours over four (4) year program term.
- Minimum of 95% guaranteed equipment availability equates to a minimum of 7,600 available hours of use over the four (4) year program term.

Payment Frequency	Cost Per Productive Hour
Annual	\$35.67
Monthly	\$36.65

Under Texas Transportation Code Chapter 502, street sweepers are exempt from the requirement of titling, registering and plating in the State of Texas. As such, our proposal has made no such provisions or accommodations to provide these non-mandated services.

Prices quoted herein are in accordance with Sourcewell Cooperative Purchasing Contract # 093021-ELG. City of Castroville Sourcewell Member # 119594.

Prices quoted herein are firm until June 20, 2024.

Sincerely,

Daniel J. Federico
 Sales Manager

SIGNED BY:

Date: _____

Pelican®



ELGIN[®]

Subsidiary of Federal Signal Corporation



GREATER MANEUVERABILITY, RELIABILITY AND VISIBILITY—IT IS EASY TO SEE THE **ADVANTAGES OF A PELICAN**

Continually improved since 1914, the Pelican mechanical sweeper offers a unique combination of performance advantages. It delivers superior cleaning action with easier operation and servicing. It is designed to sweep up everything from dust particles to the heaviest, most compact dirt and bulky debris. All while delivering greater efficiency and economy.



Operators will discover a rugged, reliable machine that is cleaner, quieter, easier to operate, more maneuverable and more comfortable. From the brooms to the chassis and inside the cab, the Pelican is engineered with innovative features that deliver years of dependable service.

As you explore all it has to offer, you will understand why the Elgin Pelican sets the standard of excellence in cleaning performance and why we can offer an industry-leading one-year, unlimited hours warranty.

EASY OPERATION AND SERVICING MAKE PELICAN AN EASY CHOICE



Even the best equipment is only as good as an operator's ability to master it. That is why the Pelican is engineered with ease of operation in mind.

It begins with a comfortable, quiet cab matched with outstanding maneuverability that includes a tight turning radius for precise sweeping performance and variable dump height for optimal material handling. To minimize downtime, the Pelican offers easy access to all key service points. Its many advantages include:

- Large windows and see-through doors allow 360° visibility and make navigating streets simpler and safer
- Roomy cab offers superior ergonomics with filtered fresh air conditioning and a standard heater/defroster
- The cab includes dual steering, a rear view camera and in-cab monitor
- Single-engine, three-wheel design creates a compact frame for maximum maneuverability and stability
- All controls and gauges are logically laid out so operators can focus on the road and their work
- Updated swing-arm rear suspension, designed with shock absorbing coils, enhances ride quality and comfort
- Low-maintenance drive system has a unique wheel motor design for superior performance with minimal maintenance
- Most service points are positioned at ground level



EXCLUSIVE MEMORY SWEEP® DRIVES PRODUCTIVITY EVEN HIGHER

To enhance operator performance this unique feature allows the operator to resume all previous sweeper settings with one touch control.

It incorporates a multi-screen display highlighting engine hours and water tank level, as well as system diagnostics and optional broom features.

CLEANER STREETS START WITH A SUPERIOR CLEANING SYSTEM

Cleaner streets have never been more important, and the Pelican is designed with a unique sweep system that easily handles the heaviest, most compacted dirt and debris. Beyond its powerful cleaning action, the Pelican incorporates advanced technology, including a large hopper with optimal capacity that allows sweep time maximization, superior maneuverability, and safe operations.



- 120 in (3048 mm) sweeping path for maximum cleaning efficiency (two side brooms)
- Hydraulically-driven, free-floating main and side brooms work as a system to efficiently sweep material from the curb and street into the hopper
- Main broom measures a generous 35 in x 66 in (889 mm x 1676 mm) and features standard variable speeds and down pressure for optimal sweeping in changing conditions
- Main broom and side brooms are protected by a system that automatically raises them when the sweeper is in reverse
- Each rugged side broom measures 36 in (914 mm) in diameter and protrudes up to 9 in (229 mm) beyond the outside of the tire while sweeping to capture more gutter debris
- Standard no-jam, belt-type conveyor with angled, molded-in, full-width cleats to carry large and small debris more efficiently into the center of the hopper preventing jamming while maximizing hopper capacity
- High steering angle and tight turning radius allow operators to sweep close to obstacles and precisely follow curb lines

VARIABLE HEIGHT FRONT DUMP HOPPER IMPROVES PERFORMANCE

This system is ideal for single-lane dumping, ensuring minimal traffic interruption. The hopper can be dumped from ground level up to 9 ft 6 in (2895 mm) high. Loads are easily observed from the cab and the hopper's 3.5 cu yd (2.7 m³) and 9,000 lb (4082 kg) capacity assures maximum sweep time.

* 3.5 cu yd (2.7m³) volumetric capacity of hopper



DESIGNED TO DELIVER YEARS OF RUGGED RELIABILITY

Quality that endures. That is what the Pelican delivers. It is designed to provide you with superior performance day in and day out, year after year, in the most punishing of environments. From the broom to the engine to the chassis to the cab, you will find innovative engineering matched to heavy-duty construction:

- Durable, purpose-built chassis includes a compact frame for a tight turning radius and years of low maintenance operation
- Balanced design provides stable sweeping and dumping while the hopper load is positioned low for added stability and safety
- Reliable, single engine power from a proven John Deere 4045T 4.5 L, 4-cylinder turbocharged diesel capable of operating on bio-diesel up to B20
- Integrated sensors in the drive system precisely measure road speed and adjust power requirements based on the load
- Heavy-duty brake system features twin-caliper, power disc brakes with a dynamic braking design that significantly reduces wear
- Controlled by engine RPM and operated independently of direction and ground speed, the Pelican's broom speed provides effectiveness at slow or zero ground speeds
- Corrosion-resistant water system supplies the dust control system with 220 gal (833 L) of water
- Exclusive Elgin water pump can run dry without damaging the machine's water system



THE RIGHT MODEL FOR YOUR UNIQUE SPECIFICATIONS

To handle a wide range of sweeping applications, the Pelican can be customized in a variety of ways. We can help you select the right options and accessories to create a machine that meets your specific needs for years to come. In addition, your Pelican can come in a variety of configurations:



Industrial Pelican

This powerful waterless model is designed to meet the needs of industrial customers who sweep heavy, dry materials and need to keep dust emissions to a minimum. It offers the same patented waterless dust control system as our Waterless model, plus:

- Patented filtration system that directs the majority of airborne dust into the debris hopper with only a fraction of the dust making it to the filter
- Full filters can be mechanically cleaned with an on-board cleaning system that allows sweeping to continue
- Fully sealed cab includes a filtered fresh air intake and re-circulation
- Conveyor launch ramp aids in picking up fine debris types
- Dirt shoe “wings” allow for effective sweeping on rail crossings
- 3.5 cu yd (2.30 m³) high front dumping hopper is ideal for unloading sweepings into containers or dump trucks

Waterless Pelican

Where water conservation is a concern, the Waterless Pelican offers all the performance and features that set our equipment apart. Its offers you:

- Patented waterless dust control system includes a dust skirting system, dust separator in the hopper, and a dust control fan with a maintenance-free filter that work together to control fugitive dust without the use of spray water
- Improved pick-up of fine particles over traditional wet dust control sweepers
- Proven year-round sweeping including freezing weather conditions
- Elimination of mud buildup on components
- More uptime by eliminating the need to repeatedly fill the water tank for traditional dust control

Alternative Fuel Pelican

Hybrid - The plug-in hybrid electric Pelican is another example of Elgin Sweeper’s ongoing commitment to help customers reduce their carbon footprint, improve air quality, and mitigate climate change.

- Uncompromised performance
- Always available - no range limitations
- Reduced fuel consumption
- Seamless and automatic transition between hybrid and conventional modes
- Charge on-the-go or with a Level 2 (240 VOC) SAE J1772 charging receptacle
- Lithium-ion battery for long duty cycle operation



OUR COMMITMENT TO QUALITY ONLY BEGINS WITH OUR EQUIPMENT

The Elgin Pelican is manufactured in a 208,000 sq ft (19,350 m²) ISO:9001 certified, state-of-the-art industrial plant that employs the latest technology. To build the most reliable equipment, Elgin utilizes advanced CNC equipment, high-precision laser cutters, and a sophisticated powder coating system.

Because we build a better product, we back it up with a full one-year, unlimited hours warranty. Elgin also backs up your investment with superior, 24/7 local service and support. Our goal is to keep your machine—and your entire operation—up and running.

Through our international dealer network, we maintain a vast inventory of spare and maintenance parts and offer fast shipment to all corners of the world.

Altogether, the rugged, reliable Elgin Pelican is easy to operate, easy to maintain, and an easy choice when you are looking for quality equipment that is built to last.



Pelican® - 3-Wheel, Mechanical Sweeper Specifications

Drive System	Electrical System	Dust Control System	Hopper	Conveyor
<p>Make John Deere 4045 Tier 4 Final Type 4 cylinder Displacement 276 cu in (4.5 L) Horsepower 74 hp (55kW) @ 2,400 RPM Torque 274 ft-lbs (372 Nm) @ 1,400 RPM Aspiration Turbo charged</p>	<p>Wires Hot stamped and color coded wiring, alternator/regulator-unitized, 95 A Battery 12 volt, group 31, 925 CCA, 180 min. reserve. Lights Halogen sealed multiple beam headlights, combination stop and tail lights, adjustable side broom lights, directional signals with hazard switch. Safety horn, electronic back up alarm, sweep flashers.</p>	<p>Tank Construction Polyethylene Tank Capacity 220 gal (832 L) Fill Hose 16 ft 8 in (5080 mm) with hydrant coupling Pump Diagram with run dry capability Spray Nozzles Atomizing, adjacent to each broom</p>	<p>Sweep System Pump Variable displacement Capacity 13.6 GPM Fittings O-ring face seal type Reservoir Capacity 33 gal (106 L) Inlet Strainer 100 mesh Return Filter 10 micron absolute, full flow</p>	<p>Type Chevron cleat reinforced rubber belt Speed Variable with engine RPM Flexibility 9 in (229 mm) oscillation for large object passage Drive Hydraulic motor, chain and sprocket drive Bearings Sealed self-aligning, re-lube</p>

PELICAN®

DURABLE.
MANEUVERABLE.
RELIABLE.
UNBEATABLE.

The Elgin® Pelican® broom sweeper is a three-wheel mechanical sweeper based on one of the original street sweeper designs, which has been continuously improved since 1914, meeting the highest sweeper standards. Maneuverability, visibility, economy, serviceability, and single-lane dumping with a sweep system that easily handles heavily compacted dirt and bulky debris are all features of the Elgin Pelican. An isolation-mounted cab provides a cleaner, quieter operation, and the improved 360-degree visibility and easier access for service and maintenance make the Elgin Pelican an industry leader in street sweepers.

- Incredible ease of operation with 360° visibility
- Simplified maintenance with access to service points
- Isolation-mounted cab for cleaner, quieter, more comfortable operation
- An industry leading warranty
- Strong, local service and support



Elgin Sweeper • 1300 West Bartlett Road, Illinois 60120 USA
Phone 847-741-5370 | Parts & Service 877-800-1111

Specifications subject to change without notice. Some products shown with optional equipment. Elgin® is a registered trademarks of Elgin Sweeper. Products may be covered by one or more United States Patents and/or pending patent applications. Elgin Sweeper is a subsidiary of Federal Signal Corp. | Federal Signal Corp. is listed in the NYSE by the symbol FSS.



CITY COUNCIL AGENDA REPORT

DATE: April 8, 2026

AGENDA OF: April 14, 2026

DEPARTMENT: Administration

SUBJECT: Discussion and appropriate action regarding sales and property tax collections at the Castroville Municipal Airport.

RECOMMENDATION:

This item is presented for discussion. No action is required at this time; however, Council may provide direction to staff regarding continued review, coordination with external agencies, or potential policy considerations relating to airport operations.

BACKGROUND:

At the request of Councilmember Lee, staff has initiated a review of potential sales and property tax implications associated with operations at the Castroville Municipal Airport.

Sales Tax:

Sales tax is administered and enforced by the Texas Comptroller of Public Accounts. The City of Castroville does not collect or enforce sales tax. Businesses engaged in taxable activities are responsible for collecting and remitting sales tax directly to the Comptroller.

Certain airport-related activities—such as aircraft sales, leases, rentals, and some non-instructional services—may be subject to sales tax. However, other activities, including flight instruction and agricultural aviation services, may be exempt depending on the nature of the operation. As such, not all airport-related business activity is taxable.

Property Tax:

Property tax determinations, including valuation and taxable location, are the responsibility of the Medina County Appraisal District. Aircraft and privately constructed improvements such as hangars may be subject to property tax; however, inclusion on the appraisal roll is determined by the appraisal district based on applicable laws and usage criteria. The City does not determine taxability or placement on the tax roll but receives revenue based on the certified appraisal roll.

Current Status:

Staff have begun gathering information related to airport operations; however, verification of tax applicability and compliance is still in progress and requires coordination with external agencies.

- Staff is working to identify all businesses currently operating at the airport and the nature of their activities to determine potential sales tax applicability.
- Verification of sales tax permit status, where applicable, is being conducted through the Texas Comptroller
- Staff is coordinating with the Medina County Appraisal District to determine whether any aircraft based at the airport are currently reflected on the appraisal roll

- Staff is also requesting confirmation regarding the tax treatment of privately constructed hangars located on leased airport property.

Because tax administration and enforcement are overseen by state and county agencies, confirmation of compliance is outside the City’s direct authority and requires interagency coordination.

Based on preliminary review, staff have not identified active sales tax collection or property tax accounts directly associated with airport operations; however, verification with the Texas Comptroller and Medina County Appraisal District is ongoing.

FISCAL IMPACT/SOURCE OF FUNDING:

Unknown at this time. Potential fiscal impact is dependent on verification of taxable activities and property currently subject to taxation by the appropriate agencies.

ATTACHMENTS/ADDITIONAL INFORMATION:

N/A

Submitted and approved by:

_____ Finance Director



Agenda Report

Agenda of: April 14, 2026

Department: Community Development Department

Subject: Discussion and appropriate action on authorizing Mayor Alexander to sign a letter of community support for Texas Water Development Board (TWDB) grant-funded drainage studies of the Flat Creek and Kemp Creek watersheds.

Recommended Motion:

“I move to authorize the Mayor to execute the Community Interest Affirmation forms for the Texas Water Development Board Flood Management Evaluation studies for Flat Creek and Kempf Creek.”

Background:

The City of Castroville has been working with HDR Engineering in coordination with the Texas Water Development Board (TWDB) Region 12 Regional Flood Plan on two proposed Flood Management Evaluation (FME) studies: the Flat Creek Study (FME ID No. 12-51-0000000092) and the Kempf Creek Watershed Study (FME ID No. 12-51-0000000095) .

As part of the TWDB process, the City is required to submit signed Community Interest Affirmation forms confirming participation in the studies. These forms must be completed and returned by April 22, 2026.

The proposed FME studies were identified through the Region 12 Regional Flood Planning process as priority projects to better understand and address flood risks within the Castroville area.

A memorandum prepared on behalf of the City outlines the need for both studies and provides supporting data and background information . Key findings include:

- Flat Creek is currently the most critical flood risk system in Castroville, with expanding floodplain conditions, upstream development pressures, and limited regional conveyance south of US 90.
- Kempf Creek represents a significant long-term risk due to rapid upstream development, lack of defined drainage systems, and limited regulatory control outside city limits.

Both studies are intended to:

- Evaluate existing and future flood risks
- Develop watershed-scale hydrologic and hydraulic models

- Identify regional detention and conveyance solutions
- Support long-term planning and development coordination

Importantly, the TWDB will fully fund these studies, and the City is not responsible for any portion of the cost.

Execution of the Community Interest Affirmation forms formally indicates the City’s willingness to participate in the studies and coordinate with TWDB, HDR, and the Regional Flood Planning Group.

Participation in these studies will:

- Provide critical technical data to guide future development decisions
- Support floodplain management and infrastructure planning
- Help mitigate long-term flood risks associated with growth in and around Castroville
- Position the City for future funding opportunities tied to identified projects

Failure to submit the forms may result in removal of the studies from the TWDB program.

Fiscal Impact:

There is **no direct cost to the City** associated with these studies. The FME program is fully funded by the Texas Water Development Board.

Budgeted **Requires Budget Amendment N/A**

Source of Funding: Account Code: N/A

Attachments:

- Community Interest Affirmation Form – Flat Creek Study (FME ID No. 12-51-0000000092)
- Community Interest Affirmation Form – Kempf Creek Watershed Study (FME ID No. 12-51-0000000095)
- City of Castroville Response Memorandum (Lochner) – April 7, 2026

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

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

Submitted by: Breana Soto

Flood Management Evaluation (FME¹) for Small Communities Community Interest Affirmation

Please Note: Study information submitted in this document must be consistent with the details submitted by the Regional Flood Planning Group (RFPG). By submitting this affirmation, you understand and confirm that the information provided is true and correct to the best of your knowledge and further understand that the failure to submit this affirmation may result in the withdrawal of the Study from the TWDB list of FMEs being performed. These FMEs are funded through the TWDB, and the community is not responsible for a percentage of the cost associated with the performance of this study.

GENERAL INFORMATION

Entity Name	City of Castroville
Entity Type	Municipality, Type A General Law City
A Citation of the Law Under Which the Political Subdivision Operates and was Created	
<small>The City of Castroville is a Type A General Law municipality incorporated and operating under the laws of the State of Texas, including Chapters 6 and 22 of the Texas Local Government Code.</small>	
Entity's Physical Address (e.g., central office address)	1209 Fiorella St. Castroville, TX 78009
Entity's Mailing Address	1209 Fiorella St. Castroville, TX 78009

Official Representative The Community's official study representative with authorized signatory authority.	Name	Bruce Alexander
	Title	Mayor
	Phone	830-931-4070
	Email	mayor@castrovilletx.gov
	Address	1209 Fiorella St. Castroville, TX 78009

Primary Contact The Community's primary study contact for day-to-day study implementation.	Name	Breana Soto
	Title	Community Development Director
	Phone	830-931-4090
	Email	breana.soto@castrovilletx.gov

¹ Flood Management Evaluation (FME) is a proposed study to identify and assess and quantify flood risk or identify, evaluate, and recommend flood risk reduction solutions.

	Address	703 Paris St. Castroville, TX 78009
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GENERAL STUDY INFORMATION (PROPOSED STUDY)

Study Name (as referred to by Community)	Flat Creek Study
Full Name of FME as presented to the RFPG	Flat Creek Study
Regional Flood Planning Group (01-15)	12
Regional Flood Planning Areas Benefitting from Study	Castroville and surrounding areas
Unique 14-digit FME ID Number(s) from the associated RFPG	12-51-0000000092

PROPOSED STUDY

1. **Scope of Work.** Please review the attached Scope of Work as identified and developed by your Regional Flood Planning Group (RFPG) that will be performed on behalf of your community by the Texas Water Development Board. Please provide feedback, if any, on the scope of work including if you would like any changes or have additional information.

See attached memo for details.

2. **Description of why this study was selected for the FME Small Communities.** Please explain in your own words why the study should be performed by TWDB. (for example, the study would benefit from financial assistance from the state, any previous loss of life, critical facilities in flood hazard area, high risk area of flooding, need to address a specific flooding issue etc.).

Please see attached answers

3. **Please affirm that the community does not have the resources to perform the study and will benefit from state funding.**

Please see attached answers

Please confirm the following related to this study:

4. **Redundant Funding.** Would redundant funding for activities already performed and/or funded through another source? Has the proposed study, in part or in whole, been awarded funds by another funding program (e.g., Clean Water State Revolving Fund (CWSRF), Community Development Grant (CDBG), Hazard Mitigation Grant Program (HMGP), Flood Infrastructure Fund (FIF), Texas Department of Transportation (TXDOT), US Army Corps of Engineers (USACE), etc.)?

Yes
 No

5. **Documentation.** Does the Community wish to provide any relevant documents or information that will be supportive of this study (example: previous studies, survey etc.)? If yes, please list below and attach with the form.

Please see attached answers

6. Is the Community **committed to being responsive and engaged** with the RFPG, TWDB, and TWDB's Contractor - including participating in Monthly Study Progress Meetings - over time and as needed, to ensure successful completion of this study?

Please see attached answers

I, Bruce Alexander (Name),

Serving as the Authorized Representative of
the City of Castroville (Entity)

Hereby certify that the City of Castroville (Entity)

has reviewed the attached Scope of Work and confirms that the entity would like Texas Water

Development Board to perform the Flood Management Evaluation (Study) with FME ID No.

12-51-0000000092 on behalf of the community.

Signature

Bruce Alexander

Printed Name

Mayor

Title

Date

MEMORANDUM

Date: April 7, 2026
 To: HDR – TWDB Region 12 Regional Flood Plan
 From: Abe Salinas, PE, CFM
 Re: Kempf Creek and Flat Creek FME Studies – Available Data and Background Information

This memo is prepared on behalf of the City of Castroville in response to HDR’s request for information related to the Kempf Creek Watershed Study (FME 12-51-000000095) and Flat Creek Study (FME 12-51-000000092) being recommended through the TWDB Region 12 Regional Flood Plan. The information below is organized per the five discussion items identified by HDR.

1. Specific Areas of Needed Evaluation

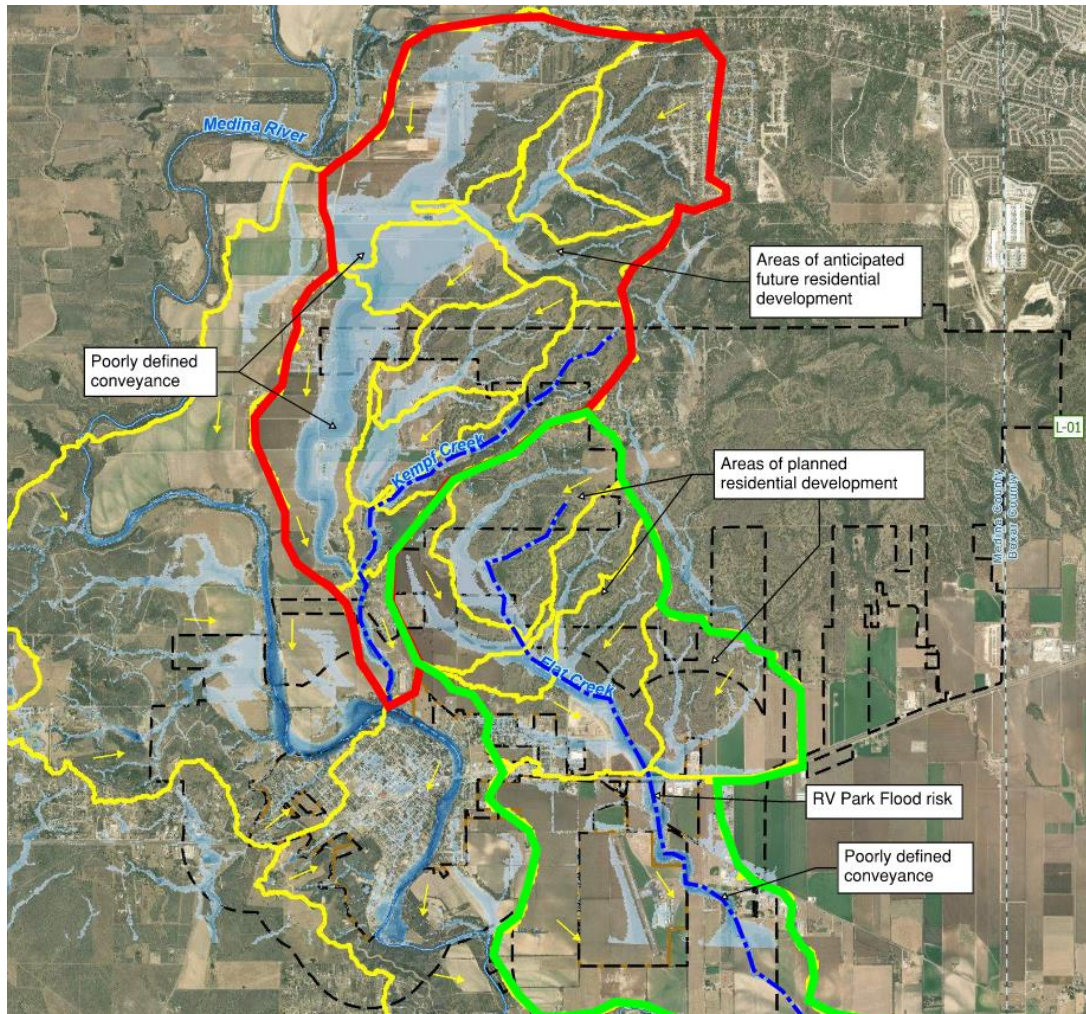


Figure 1 - Approximate Study Areas for Evaluation (Kempf & Flat Creek)

Kempf Creek

Kempf Creek currently presents limited direct flood risk to existing structures relative to Flat Creek; however, it represents a significant long-term flood risk driver due to ongoing and anticipated development within its contributing watershed.

No effective hydrologic or hydraulic models exist for Kempf Creek. The current FEMA study dates to 1978 utilizing HEC-1/HEC-2 methodologies. The City's 2023 Drainage Master Plan (DMP) developed preliminary floodplain mapping using a 2D rain-on-mesh InfoWorks ICM model with Atlas 14 rainfall; however, a comprehensive watershed-scale hydrologic and hydraulic study has not been completed.

Key characteristics of the watershed include:

- Large contributing drainage area outside City limits in unincorporated Medina County
- Predominantly flat terrain with poorly defined or discontinuous conveyance systems
- Limited regulatory control over upstream development

As development continues within this watershed, these conditions are expected to result in:

- Increased runoff volumes and peak flows without coordinated detention
- Progressive formation of inefficient or unstable drainage paths
- Expansion of floodplain extents and emergence of new flood risk areas and erosion hazards

Upstream of FM 471, the absence of a defined primary conveyance system results in diffuse flow conditions and poorly constrained hydraulic controls. This creates high uncertainty in hydraulic behavior, limiting the ability to:

- Predict future flood risk with confidence
- Evaluate cumulative development impacts
- Identify effective regional mitigation strategies and subdivision development requirements

While current structural impacts are limited, Kempf Creek represents a high-risk future condition scenario, where lack of early planning will result in more costly and reactive mitigation as development progresses.

A watershed-scale FME is needed to:

- Establish baseline hydrology and hydraulics under existing and ultimate conditions
- Define primary conveyance corridors and floodplain limits
- Evaluate regional detention and conveyance strategies
- Provide a framework for coordinated development and flood risk management

Kempf Creek represents a watershed where a coordinated, watershed-scale solution can still be implemented prior to full buildout.

Flat Creek

Flat Creek represents the most critical flood risk system within Castroville based on the City's DMP and preliminary Atlas 14 remapping, which indicates significant expansion of floodplain extents, particularly north of US 90.

The effective FEMA study also dates to 1978 (HEC-1/HEC-2), though multiple recent LOMRs have been processed, including:

- LOMR 23-06-2481P (effective 9/20/2024)
- LOMR 24-06-0782P (effective 8/22/2025)
- LOMR 21-06-1723P (effective 8/05/2022)

While these revisions reflect localized updates, they do not resolve system-wide deficiencies.

Key areas of concern include:

- Tributary flooding near Village Path subdivision
- Rapid upstream development east of the Medina River and north of US 90
- Increasing runoff and floodplain expansion under Atlas 14 conditions
- Risk of increased flood risk to Valley Mobile Home RV Park

Most critically, south of US 90 there is no well-defined regional conveyance system extending to the Medina River. Flow transitions from channelized conditions to broad sheet flow with multiple ineffective flow paths. This condition:

- Reduces hydraulic efficiency and increases flood depths
- Creates uncertainty in floodplain limits and regulatory mapping
- Limits the ability to manage downstream impacts or support development

This reach represents a primary regional constraint and a high-value opportunity for FME-level evaluation of conveyance, detention, and floodplain management strategies.

2. Available Data

The following data are available from the City's 2023 Drainage Master Plan and may be provided to support the FME scoping effort:

- TNRS 2018/2019 USGS LiDAR (1-meter resolution) and 3-ft DEMs
- InfoWorks ICM 2D hydraulic models (city-scale and watershed-scale)
- HEC-HMS model for Flat Creek (updated with Atlas 14 rainfall)
- Available subdivision development plans and models within the watersheds

3. Previously Proposed Flood Mitigation Solutions

The DMP identified 10 prioritized CIP projects. Those most directly relevant to the Kempf Creek and Flat Creek watersheds include:

- D-05: Village Path and Flat Creek Tributary Drainage Improvements – channel widening/regrading and new culvert crossing (\$400,395 est.). Construction of some of these improvements is in progress.
- L-01: Valley Mobile Home Park Flooding – land acquisition and drainage easement establishment in the Kempf Creek/Flat Creek area (\$7.5M est.)
- L-04: Castroville Airport Erosion Hazard – channel stabilization measures conveying runoff to Flat Creek (\$130k est.)

The DMP also includes regional planning recommendations that are directly relevant to these FMEs: evaluation of mandatory detention for all new development north of US 90 and east of the Medina River; establishing floodplain easements along Flat Creek from US 90 to the Medina River; constructing

regional stormwater conveyance infrastructure in the southeast portion of the city; and pursuing/reevaluating an interlocal agreement with Medina County to regulate development in the contributing watershed with respect to flooding impacts.

4. Community Affirmation

Pending coordination with City of Castroville to identify the appropriate signatory for the community affirmation form.

5. Additional Information

The City of Castroville is experiencing rapid growth and land development within the city limits, the ETJ, and surrounding areas of Medina County. A critical concern is that much of the contributing watershed for both Flat Creek and Kempf Creek lies outside city limits in unincorporated Medina County, where development is not subject to the same regulatory requirements. Upstream development is increasing runoff to both creek systems without equivalent stormwater controls, which underscores the urgency of these FME studies and the need for regional flood conveyance planning.

City of Castroville

Flood Management Evaluation (FME)

Proposed Response Language

Prepared for the Community Interest Affirmation form

Form Section	Proposed Response
Question 2: Why this study should be performed	<p>The City of Castroville selected these studies due to increasing flood risks within the Flat Creek and Kempf Creek watersheds and the City's limited ability to evaluate these systems at a regional scale. Flat Creek presents current flooding concerns and expanding floodplain conditions, while Kempf Creek represents a significant long-term risk due to rapid upstream development and lack of defined drainage infrastructure. Much of the contributing watershed lies outside City limits, where development is not subject to the same stormwater controls, increasing downstream impacts. Without a comprehensive watershed-level study, the City cannot effectively predict future flood risks or implement coordinated mitigation strategies. These studies require technical expertise and resources beyond the City's capacity, making them well-suited for TWDB support. State funding will allow Castroville to proactively plan for growth, reduce flood risk, and protect public safety and infrastructure..</p>
Question 3: Affirmation of need for state funding	<p>The City of Castroville affirms that it does not have the financial or technical resources to perform a watershed-scale flood study of this magnitude. Completion of this study would require advanced modeling, regional coordination, and funding beyond the City's current capacity. The City will significantly benefit from state funding, which will allow for a comprehensive evaluation of flood risks and the development of effective, long-term mitigation strategies to support continued growth and protect public safety.</p>
Question 5: Supporting documentation	<p>Yes. The City will provide any available records or documents in its possession to assist with that review.</p>
Question 6: Commitment to participate	<p>Yes. The City of Castroville affirms its commitment to actively participate in the study process and will remain responsive with the Regional Flood Planning Group, TWDB, and TWDB's contractor. The City will participate in monthly progress meetings and provide coordination, data, and feedback as needed to support the successful completion of the study.</p>

Flood Management Evaluation (FME¹) for Small Communities Community Interest Affirmation

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	Title	Mayor
	Phone	830-931-4070
	Email	mayor@castrovilletx.gov
	Address	1209 Fiorella St. Castroville, TX 78009

Primary Contact The Community's primary study contact for day-to-day study implementation.	Name	Breana Soto
	Title	Community Development Director
	Phone	830-931-4090
	Email	breana.soto@castrovilletx.gov

¹ Flood Management Evaluation (FME) is a proposed study to identify and assess and quantify flood risk or identify, evaluate, and recommend flood risk reduction solutions.

	Address	703 Paris St. Castroville, TX 78009
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GENERAL STUDY INFORMATION (PROPOSED STUDY)

Study Name (as referred to by Community)	Kempf Creek Watershed Study
Full Name of FME as presented to the RFPG	Kempf Creek Watershed Study
Regional Flood Planning Group (01-15)	12
Regional Flood Planning Areas Benefitting from Study	Castroville and surrounding areas
Unique 14-digit FME ID Number(s) from the associated RFPG	12-51-0000000095

PROPOSED STUDY

1. **Scope of Work.** Please review the attached Scope of Work as identified and developed by your Regional Flood Planning Group (RFPG) that will be performed on behalf of your community by the Texas Water Development Board. Please provide feedback, if any, on the scope of work including if you would like any changes or have additional information.

See attached memo for details.

2. **Description of why this study was selected for the FME Small Communities.** Please explain in your own words why the study should be performed by TWDB. (for example, the study would benefit from financial assistance from the state, any previous loss of life, critical facilities in flood hazard area, high risk area of flooding, need to address a specific flooding issue etc.).

Please see attached answers

3. **Please affirm that the community does not have the resources to perform the study and will benefit from state funding.**

Please see attached answers

Please confirm the following related to this study:

4. **Redundant Funding.** Would redundant funding for activities already performed and/or funded through another source? Has the proposed study, in part or in whole, been awarded funds by another funding program (e.g., Clean Water State Revolving Fund (CWSRF), Community Development Grant (CDBG), Hazard Mitigation Grant Program (HMGP), Flood Infrastructure Fund (FIF), Texas Department of Transportation (TXDOT), US Army Corps of Engineers (USACE), etc.)?

Yes
 No

5. **Documentation.** Does the Community wish to provide any relevant documents or information that will be supportive of this study (example: previous studies, survey etc.)? If yes, please list below and attach with the form.

Please see attached answers

6. Is the Community **committed to being responsive and engaged** with the RFPG, TWDB, and TWDB's Contractor - including participating in Monthly Study Progress Meetings - over time and as needed, to ensure successful completion of this study?

Please see attached answers

I, Bruce Alexander (Name),

Serving as the Authorized Representative of
the City of Castroville (Entity)

Hereby certify that the City of Castroville (Entity)

has reviewed the attached Scope of Work and confirms that the entity would like Texas Water

Development Board to perform the Flood Management Evaluation (Study) with FME ID No.

12-51-0000000095 on behalf of the community.

Signature

Bruce Alexander

Printed Name

Mayor

Title

Date

MEMORANDUM

Date: April 7, 2026
 To: HDR – TWDB Region 12 Regional Flood Plan
 From: Abe Salinas, PE, CFM
 Re: Kempf Creek and Flat Creek FME Studies – Available Data and Background Information

This memo is prepared on behalf of the City of Castroville in response to HDR’s request for information related to the Kempf Creek Watershed Study (FME 12-51-000000095) and Flat Creek Study (FME 12-51-000000092) being recommended through the TWDB Region 12 Regional Flood Plan. The information below is organized per the five discussion items identified by HDR.

1. Specific Areas of Needed Evaluation

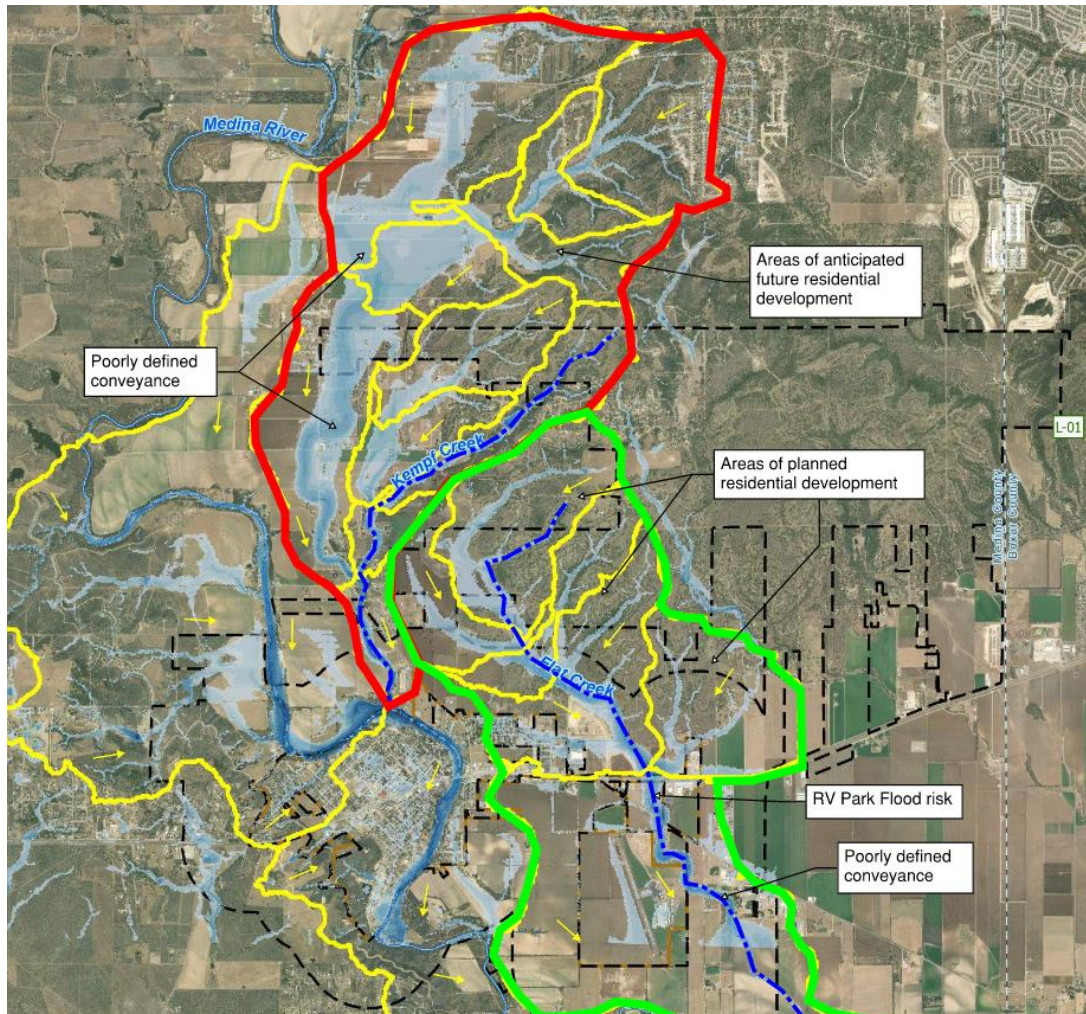


Figure 1 - Approximate Study Areas for Evaluation (Kempf & Flat Creek)

Kempf Creek

Kempf Creek currently presents limited direct flood risk to existing structures relative to Flat Creek; however, it represents a significant long-term flood risk driver due to ongoing and anticipated development within its contributing watershed.

No effective hydrologic or hydraulic models exist for Kempf Creek. The current FEMA study dates to 1978 utilizing HEC-1/HEC-2 methodologies. The City's 2023 Drainage Master Plan (DMP) developed preliminary floodplain mapping using a 2D rain-on-mesh InfoWorks ICM model with Atlas 14 rainfall; however, a comprehensive watershed-scale hydrologic and hydraulic study has not been completed.

Key characteristics of the watershed include:

- Large contributing drainage area outside City limits in unincorporated Medina County
- Predominantly flat terrain with poorly defined or discontinuous conveyance systems
- Limited regulatory control over upstream development

As development continues within this watershed, these conditions are expected to result in:

- Increased runoff volumes and peak flows without coordinated detention
- Progressive formation of inefficient or unstable drainage paths
- Expansion of floodplain extents and emergence of new flood risk areas and erosion hazards

Upstream of FM 471, the absence of a defined primary conveyance system results in diffuse flow conditions and poorly constrained hydraulic controls. This creates high uncertainty in hydraulic behavior, limiting the ability to:

- Predict future flood risk with confidence
- Evaluate cumulative development impacts
- Identify effective regional mitigation strategies and subdivision development requirements

While current structural impacts are limited, Kempf Creek represents a high-risk future condition scenario, where lack of early planning will result in more costly and reactive mitigation as development progresses.

A watershed-scale FME is needed to:

- Establish baseline hydrology and hydraulics under existing and ultimate conditions
- Define primary conveyance corridors and floodplain limits
- Evaluate regional detention and conveyance strategies
- Provide a framework for coordinated development and flood risk management

Kempf Creek represents a watershed where a coordinated, watershed-scale solution can still be implemented prior to full buildout.

Flat Creek

Flat Creek represents the most critical flood risk system within Castroville based on the City's DMP and preliminary Atlas 14 remapping, which indicates significant expansion of floodplain extents, particularly north of US 90.

The effective FEMA study also dates to 1978 (HEC-1/HEC-2), though multiple recent LOMRs have been processed, including:

- LOMR 23-06-2481P (effective 9/20/2024)
- LOMR 24-06-0782P (effective 8/22/2025)
- LOMR 21-06-1723P (effective 8/05/2022)

While these revisions reflect localized updates, they do not resolve system-wide deficiencies.

Key areas of concern include:

- Tributary flooding near Village Path subdivision
- Rapid upstream development east of the Medina River and north of US 90
- Increasing runoff and floodplain expansion under Atlas 14 conditions
- Risk of increased flood risk to Valley Mobile Home RV Park

Most critically, south of US 90 there is no well-defined regional conveyance system extending to the Medina River. Flow transitions from channelized conditions to broad sheet flow with multiple ineffective flow paths. This condition:

- Reduces hydraulic efficiency and increases flood depths
- Creates uncertainty in floodplain limits and regulatory mapping
- Limits the ability to manage downstream impacts or support development

This reach represents a primary regional constraint and a high-value opportunity for FME-level evaluation of conveyance, detention, and floodplain management strategies.

2. Available Data

The following data are available from the City's 2023 Drainage Master Plan and may be provided to support the FME scoping effort:

- TNRS 2018/2019 USGS LiDAR (1-meter resolution) and 3-ft DEMs
- InfoWorks ICM 2D hydraulic models (city-scale and watershed-scale)
- HEC-HMS model for Flat Creek (updated with Atlas 14 rainfall)
- Available subdivision development plans and models within the watersheds

3. Previously Proposed Flood Mitigation Solutions

The DMP identified 10 prioritized CIP projects. Those most directly relevant to the Kempf Creek and Flat Creek watersheds include:

- D-05: Village Path and Flat Creek Tributary Drainage Improvements – channel widening/regrading and new culvert crossing (\$400,395 est.). Construction of some of these improvements is in progress.
- L-01: Valley Mobile Home Park Flooding – land acquisition and drainage easement establishment in the Kempf Creek/Flat Creek area (\$7.5M est.)
- L-04: Castroville Airport Erosion Hazard – channel stabilization measures conveying runoff to Flat Creek (\$130k est.)

The DMP also includes regional planning recommendations that are directly relevant to these FMEs: evaluation of mandatory detention for all new development north of US 90 and east of the Medina River; establishing floodplain easements along Flat Creek from US 90 to the Medina River; constructing

regional stormwater conveyance infrastructure in the southeast portion of the city; and pursuing/reevaluating an interlocal agreement with Medina County to regulate development in the contributing watershed with respect to flooding impacts.

4. Community Affirmation

Pending coordination with City of Castroville to identify the appropriate signatory for the community affirmation form.

5. Additional Information

The City of Castroville is experiencing rapid growth and land development within the city limits, the ETJ, and surrounding areas of Medina County. A critical concern is that much of the contributing watershed for both Flat Creek and Kempf Creek lies outside city limits in unincorporated Medina County, where development is not subject to the same regulatory requirements. Upstream development is increasing runoff to both creek systems without equivalent stormwater controls, which underscores the urgency of these FME studies and the need for regional flood conveyance planning.

City of Castroville

Flood Management Evaluation (FME)

Proposed Response Language

Prepared for the Community Interest Affirmation form

Form Section	Proposed Response
Question 2: Why this study should be performed	<p>The City of Castroville selected these studies due to increasing flood risks within the Flat Creek and Kempf Creek watersheds and the City's limited ability to evaluate these systems at a regional scale. Flat Creek presents current flooding concerns and expanding floodplain conditions, while Kempf Creek represents a significant long-term risk due to rapid upstream development and lack of defined drainage infrastructure. Much of the contributing watershed lies outside City limits, where development is not subject to the same stormwater controls, increasing downstream impacts. Without a comprehensive watershed-level study, the City cannot effectively predict future flood risks or implement coordinated mitigation strategies. These studies require technical expertise and resources beyond the City's capacity, making them well-suited for TWDB support. State funding will allow Castroville to proactively plan for growth, reduce flood risk, and protect public safety and infrastructure..</p>
Question 3: Affirmation of need for state funding	<p>The City of Castroville affirms that it does not have the financial or technical resources to perform a watershed-scale flood study of this magnitude. Completion of this study would require advanced modeling, regional coordination, and funding beyond the City's current capacity. The City will significantly benefit from state funding, which will allow for a comprehensive evaluation of flood risks and the development of effective, long-term mitigation strategies to support continued growth and protect public safety.</p>
Question 5: Supporting documentation	<p>Yes. The City will provide any available records or documents in its possession to assist with that review.</p>
Question 6: Commitment to participate	<p>Yes. The City of Castroville affirms its commitment to actively participate in the study process and will remain responsive with the Regional Flood Planning Group, TWDB, and TWDB's contractor. The City will participate in monthly progress meetings and provide coordination, data, and feedback as needed to support the successful completion of the study.</p>



CITY COUNCIL AGENDA REPORT

DATE: 2026/03/18

AGENDA OF: 2026/04/14

DEPARTMENT: District 4 Councilmember

SUBJECT: Consider and take appropriate action on establishing committee to investigate potential regional park or youth sports complex.

RECOMMENDED MOTION: Please provide a recommended motion for the related item.

I move to approve the creation of a committee consisting of _____ to investigate funding and/or land for the creation of a new regional park or youth sports complex.

BACKGROUND:

There is currently no park east of the Medina River able to support major events or youth sports. As our existing parks struggle to meet demand for youth sports, and absent substantial parkland dedications from in-progress developments, it would benefit the city to begin actively scouting for potential funding or locations for a new regional park or youth sports complex. It would also be beneficial to have somewhere to play baseball, other than the airport. A committee should be formed to investigate options, possibly including councilmembers, Parks board members, and/or citizen volunteers with relevant experience.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

ATTACHMENTS: Action from Parks & Rec Board

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

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

Submitted by: David Merz, Jr.

March 18, 2026

Re: Youth Sports Complex Committee

To Mayor and City Council,

The Castroville Parks and Recreation Advisory Board strongly recommends that Council form a committee to find funding and/or location for a youth sports complex east of the Medina River, as is already outlined in the Parks Master Plan (see pages 23 and 61). More effort is required because of the growing population and demand for youth sports. The City does not have enough space or amenities to support youth sports to the fullest extent in both Regional Park and Lions Park. The Parks Boards wants to see youth sports continue to grow in the region.

We recommend having committee members from the school district, council, sports leagues, staff, and this board, at the minimum.

Sincerely,

Adriana Arrington-Calk

Parks and Recreation Advisory Board, Chair

Castroville, Texas



Agenda Report

Agenda of: April 14, 2026

Department: Community Development Department

Subject: Discussion and possible action on the adoption of the Development Agreement Policy

Recommended Motion:

I move to recommend approval of the Development Agreement Policy.

Background

The proposed Development Agreement Policy is intended to provide clear guidance for applicants and decision-makers regarding expectations, evaluation criteria, and the process for entering into development agreements.

The Planning and Zoning Commission recommended approval, with the added recommendation that the public engagement process language include participation by the developer.

Fiscal Impact

There is no direct fiscal impact associated with adoption of the policy. However, implementation of development agreements may have fiscal implications on a case-by-case basis depending on negotiated terms related to infrastructure, reimbursements, or incentives.

Recommendation

Staff recommends the Council approves the Development Agreement Policy.

Attachments

- Draft Development Agreement Policy
- Board Action



DEVELOPMENT AGREEMENT POLICY

Welcome to the Little Alsace of Texas. Castroville has a history going back to the mid-1800s when settlers from the Alsace region of France came here to build new lives. The homes they built 150 years ago still stand today. We expect your standard to be a home and development that incorporates standards of solid construction, quality materials, energy efficiency, desirable design, safe for families and is very pleasing to the homeowner and community as those original homes are. Your development reflects the core values of your company and will leave a legacy of those values fulfilled for many years to come. We expect your development to be a draw to this community and be priced to incorporate the features in this document that will fulfill community desires and continue to make Castroville unique.

When the City of Castroville enters into Development Agreements, our goal is to shape growth in a way that strengthens the community today while protecting its future. These agreements are not just contracts with developers — they are commitments to our residents. We seek to ensure that new growth reflects community priorities, upholds fiscal responsibility, and supports long-term sustainability. Through this process, we aim to preserve the character of Castroville, provide the infrastructure and services that families and businesses depend on, and create neighborhoods that remain vibrant, connected, and financially resilient for generations to come.

Annexation. We believe new developments should become part of Castroville. Annexation ensures fairness in taxation that supports city parks, police protection, libraries, city facilities, coordinated infrastructure, and the ability to uphold community standards.

Design & Building Standards. We expect high-quality, energy efficient, durable building materials and thoughtful architectural character that go beyond the state minimums, strengthening neighborhood identity and long-term value with new property owners pleased with their choices for years to come.

Fiscal Stewardship. We are committed to development that sustains itself over time. Projects should add value without creating financial burdens or unfunded liabilities for the City and its residents.

Civic Space. We value the dedication of land within neighborhoods for community benefit — such as schools, public safety, libraries, or civic facilities — in addition to required parkland. Setting aside adequate space to serve the development creates opportunities for residents to gather, connect, and access shared spaces that strengthen community life. Parkland should initially come with at least covered gathering areas and play equipment.

Connectivity. We value neighborhoods that are well-connected internally and seamlessly linked to surrounding streets, sidewalks, trails, and nearby commercial areas. Developments should avoid isolation and instead strengthen circulation that links homes, businesses, and community spaces. That connectivity is reflected in the original Castroville settlement and is overwhelmingly desired by our residents. Your development should be reflective of that winning connected design.

Underground Utilities. We expect new quality developments to have underground utility installation, including capacity for future broadband, to improve aesthetics, customer satisfaction, safety, and reliability.

Neighborhood Services. We believe neighborhoods are stronger when daily needs can be met close to home. Small-scale retail, services, or community amenities help create complete communities.

Dark Skies. We expect lighting practices that preserve Castroville’s rural night skies, reduce glare, and respect the character of our community.

Community Character. We expect features that elevate the look and feel of neighborhoods — upgraded street signage, tree-lined streets with lighting and irrigation, native landscaping, natural buffers instead of high walls, and trail systems that link open spaces.

Housing Variety. We believe in neighborhoods that avoid monotony. A mix of home styles and facades add character and long-term resilience to the housing market.

Process.

We believe Development Agreements should be guided by a transparent process. Each proposal begins with a staff review to ensure alignment with City policy, followed by a public engagement process that includes the developer and provides

residents the opportunity to learn about the project, ask questions, and share input. The Planning & Zoning Commission then reviews agreements for consistency with subdivision and zoning standards before forwarding a recommendation to City Council. Final approval rests with Council, ensuring that adopted agreements reflect community priorities and long-term goals.

Incentives.

The City may have additional desires for some development and will work with developers that demonstrate clear voluntary alignment and compliance with the values outlined in this policy. Projects are expected as a baseline to incorporate annexation, higher-quality design, civic space dedication, connectivity, underground utilities, and other elements described in this policy that advance community priorities.

CITY OF CASTROVILLE
PLANNING AND ZONING COMMISSION ACTION
March 25, 2026

The City of Castroville Planning and Zoning Commission is considering the following:

Discussion and possible action on the Development Agreement Policy.

RECOMMENDATION:

Approved, including involving the developer in the process section



Chairperson
Planning and Zoning Commission

3/25/26

Date



CITY COUNCIL AGENDA REPORT

DATE: March 3, 2026

AGENDA OF: March 10, 2026

DEPARTMENT: Councilmember Merz

SUBJECT: Consider and take appropriate action on creating Institutional Zoning

RECOMMENDED MOTION:

I move to direct staff to draft amendments to the CZO to create an Institutional Zone and begin the necessary series of notices and hearings so that the Planning and Zoning Commission can make a recommendation.

BACKGROUND:

The Comprehensive Zoning Ordinance currently does not have a zoning district for religious, educational, and governmental uses. Instead, these uses are variously allowed across various residential and commercial zoning districts. Unfortunately, this limits the city in several ways. Creating an “Institutional” zoning district for religious, educational, governmental, and community uses would solve several issues for the city.

It would allow the city to, for example, permit a school or church without also permitting various commercial uses. It would also allow locations of parks in future developments to be easily locked in earlier in the process by marking them with a zoning that cannot be turned to homes.

For this reason, I propose the addition of an institutional zoning district to the CZO. Among other things, it should allow government, educational, religious, and community uses. Among other things, it should limit private housing or permanent commercial uses. I think that it should also be somewhat more permissive on height limits, setbacks, and parking requirements than other zoning districts. Exact details can be found in the attached draft changes.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

As an amendment to the CZO, this will require notices to be mailed out, as well as hearings, which will entail some cost. It will likely also require some staff work in order to update and post the CZO document on the website. If individual properties are being rezoned, that may require additional hearings.

ATTACHMENTS:

- a) Suggested draft of changes to add Institutional Zoning District

Urgency (0-5 = Low Urgency to High Urgency): 2

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

Section X, Item n.

Submitted by: **David Merz, Jr.**

Article I: General Provisions

Section 10. Group Housing

Section 10. Group Housing

In instances where more than one residential building is permitted on a site, all such buildings shall be erected and maintained in conformity with a development plan which shall clearly indicate and depict the following relative to the location and arrangement of such buildings as well as their attendant facilities on the site:

- (1) The size, height, spacing, extent of use, access and circulation for vehicles and pedestrians, relationship to easement and/or to streets, parking areas, yards, and open spaces, landscape treatment, and the general relationship of the development to adjacent property.
(2) Dimensions and other pertinent information relative to the arrangement that may be deemed necessary with respect to the supplying of municipal facilities or services and/or maintenance.

In all districts permitting more than one residential building on a site, the minimum horizontal distance(s) between any two buildings (referred to as building A and building B) shall vary according to the length and height of such buildings. Such minimum distances, except as may be provided for elsewhere in this section, shall be the distance required under the following formula:

S = (LA plus LB plus 2(HA plus HB)) / 6 where:

S = REQUIRED MINIMUM HORIZONTAL DISTANCE - Between any wall, or the imaginary extension thereof, of Building A, at any given level, and any wall, or the extension thereof, of Building B, at any given level.

LA = EFFECTIVE LENGTH OF BUILDING A - The effective length of Building A is the length of that portion of its wall, or walls, from which perpendicular lines drawn in a horizontal plane will intersect any wall of Building B. Where Building A has a curved or irregular surface, such surface shall be enclosed within an imaginary rectangle having its side nearest to Building B parallel with Building B, and all measurements shall be made from said imaginary rectangle.

LB = EFFECTIVE LENGTH OF BUILDING B - The effective length of Building B is the length of that portion of its wall, or walls, from which perpendicular lines drawn in a horizontal plane will intersect any wall of Building A. Where Building B has a curved or irregular surface, such surface shall be enclosed within an imaginary rectangle having its side nearest to Building A parallel with Building A, and all measurements shall be made to said imaginary rectangle.

HA = HEIGHT OF BUILDING A - The height of Building A is the height above natural grade of any portion of any wall at any given level along the effective length of Building A.

HB = HEIGHT OF BUILDING B - The height of Building B is the height above natural grade of any portion of any wall at any given level along the effective length of Building B.

In all Districts where buildings are erected less than three (3) stories in height, the minimum separating distance shall be ten (10) feet or the distance prescribed by the formula, whichever is greater.

In all Districts where building(s) are erected in excess of three (3) stories in height, and "LA plus LB" is equal to zero, the formula set forth shall not apply, and the minimum separating distance shall be thirty-six (36) feet. However, the minimum required distance between two (2) buildings on a single zoning lot, as derived from the formula set forth in this Section, shall be reduced by 12 1/2% in the event that:

- (1) One of the said two (2) buildings has a height of two stories or less, and the other has a height of six stories or more, and
(2) The difference in height between the said two (2) buildings is sixty (60) feet or more.

These regulations shall not apply to lots zoned INS - Institutional Zoning. Section 11. Yard Encroachments

Section 13. Buffer Yards and Landscaping

Section 13. Buffer Yards and Landscaping

(1) APPLICABILITY – Buffer Yards

- a) When required. A buffer yard consisting of an area without buildings or structures that contains a landscaped buffer strip and masonry wall or wood fence that screens or blocks vision, noise, pollutants, and other negative by-products shall be provided and maintained along the entire length of the boundary line between different zoning districts as specified in this section.
- b) Activities subject to Regulations. This section shall apply to any of the following, except where exempted pursuant to subsection C below:
 - i. The construction or erection of any new occupiable building or structure with a floor area equal to or greater than one thousand (1,000) square feet for which a building permit is required.
 - ii. Any enlargement of a building or structure by more than two thousand five hundred (2,500) square feet.
 - iii. Any construction of a new parking lot regardless of size.
 - iv. Any enlargement of an existing parking lot by more than two thousand five hundred (2,500) square feet.
- c) Exemptions. This section shall not apply to the following situations:
 - v. Agricultural uses.
 - vi. One-family and two-family residential uses adjoining other one-family and two-family residential uses of the same zoning classification.
 - vii. Multi-family residential uses adjoining other multi-family residential uses of the same zoning classification.
 - viii. Mobile home park uses adjoining other mobile home park uses of the same zoning classification.
 - ix. Nonresidential uses adjoining other nonresidential uses of the same zoning classification.
 - x. Any use, building or structure for which only a change of use is requested, and which use does not increase the existing building square footprint by more than two thousand five hundred (2,500) square feet.
 - xi. Contiguous commercial parcels or land under the same ownership.
 - xii. Occupied one-family and two-family dwellings, and lots zoned H-E, R-A, or INS
 - xiii. Non-occupiable buildings or structures regardless of size such as cellular communication equipment and utility systems, sign support structures, sign monuments, or retaining walls that serve a utility or public infrastructure purpose. However, buildings or structures that serve a utility or public infrastructure purpose shall be screened if visible from a public street with vegetation.
 - xiv. Uses adjacent to a river or creek, power transmission or other easement where such right-of-way or easements are at least fifty (50) feet in width, or public street right-of-way at least fifty (50) feet in width.

Table 1.13.1 – Insert new row and column for INS, with “None” in every location in that row and column.

Section 15. Exclusions from Height Limits

Section 15. Exclusions from Height Limits

The following regulations shall apply:

(1) HEIGHT LIMITS

- a) Scenery lofts, towers, cupolas, steeples, domes, flag poles, airplane beacons, chimneys, stacks, tanks, and roof structures, used only for ornamental or mechanical purposes, not exceeding ten (10) percent of the roof area, shall be excluded from the height of the building in determining setbacks and lot coverage. twenty-five (25) percent
- b) Parapet walls may extend not more than five (5) feet above the allowable height of a building.

Section 17. Zoning Districts Established

Section 17. Zoning Districts Established

The City of Castroville is hereby divided into twelve (12) zoning districts. The use, height and area regulations as set out herein are uniform within each district. The twelve districts established are herein described and shall be known as:

...

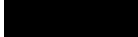




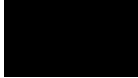








- (11) M-H, MANUFACTURED HOME PARK - This district is intended to be applied to areas of the City where use of the land is dictated by previous use or previous zoning for Manufactured Home Park, obtained by Gilliam Mobile Home Park and excluding all others, for areas where the establishment of a Manufactured Home Park will provide additional economical housing for the citizens of the community and where such development may be appropriate in order to realize a reasonable development of vacant land within the City.

(12) INS, INSTITUTIONAL DISTRICT - This district allows a variety of public, religious, and non-profit uses which require unique structures, such as government buildings, parks, hospitals, schools, religious uses, and community centers. It is designed to better accommodate the unique characteristics of these uses for the enrichment of the community.

Article II. Use Regulation Districts

Section 1. Use of Land and Buildings

Add this column to the use table:

Use	INS
PRIMARY RESIDENTIAL USES	
One Family Dwelling Detached	(N)
One Family Dwelling Attached	(N)
Two Family Dwelling	(N)
Multiple Family Dwelling	(N)
Community Unit Development	S
Boarding or Rooming House	(N)
Hotel / Motel	(N)
Manufactured Housing	(N)
Manufactured Home or Mobile Home Park	(N)
Secondary Residential Structure	S
ACCESSORY AND INCIDENTAL USES	
Accessory Building	
Community Center (Private)	S
Farm Accessory Building	S
Off Street Parking Incidental to Main use	
Servant or Caretakers Quarters	
Swimming Pool (Private)	(N)
Home Occupation	(N)
INSTITUTIONAL AND SPECIAL SERVICES USES	
Airport, Heliport, or Landing Field	(N)
Cemetery or Mausoleum	
Church or Rectory	
Country Club (Private)	S
Convent or Monastery	
Day Nursery or Kindergarten	
Fairgrounds or Exhibition Area	(N)
Farm, Garden, Orchard, or Nursery	(N)
Fraternity or Sorority Lodge or Civic Club	N/S
Home for Alcoholic, Narcotic, or Psychiatric Patients	S
Hospital (General, Acute Care)	
Hospital (Chronic Care)	
Institutions of Religious or Philanthropic Nature	
Library or Museum	
Park, Playground, or Community Center (Public)	
Public Administration Office	
Residence Home for the Aged	

Private School, Collage (sic), or University
Public School
Tennis Club

[REDACTED]

(N)

UTILITY AND RELATED SERVICE AREAS

Electrical Substation
Electric Power Generating Plant
Fire Station
Gas Transmission and Metering Station
Local Utility Distribution Lines
Radio or Television Towers, or Dish Antennas
Radio or Television Transmission Stations
Sewage Pumping Station
Sewage Treatment Plant (Private)
Railroad Track and Right-of-Way
Telephone Business Office
Telephone Exchange Switching Relay and Transmitting Equipment
Utilities, public or private, not listed
Utility Shops, or Storage Yards and Buildings
Water Treatment Plant (Private)
Water well, Reservoir Pumping Station or Storage

S
(N)
[REDACTED]
S
(N)
[REDACTED]
(N)
S
(N)
(N)
(N)
S
(N)
(N)
[REDACTED]

RESORT AND RELATED RECREATIONAL USES

ALL USES, EXCEPT:
Concessions, Temporary
Camper Park

(N)
S
[REDACTED]

AUTOMOBILE RELATED USES

ALL USES, EXCEPT:
Parking Lot or Structure - Auto

(N)
[REDACTED]

RETAIL AND RELATED SERVICE USES

ALL USES, EXCEPT:
Laboratory Medicine or Dental
Mortuary

(N)
S
[REDACTED]

COMMERCIAL AND RELATED SERVICE USES

ALL USES, EXCEPT:
Banquet/Event Center

(N)
[REDACTED]

Article III. Height, Yard, Lot Area, Lot Width, and Lot Depth Regulations

Section 1. Table of Requirements

Add this to the table as a row for INS. The first three numbers copy C-G, while the next four numbers copy the more restrictive limits for C-H East and West.

Minimum Front Yard	0 ft
Minimum Side Yard	5 ft
Minimum Rear Yard	10 ft
Minimum Lot Area	6,000 sq ft
Maximum Height	40 ft / 3 stories
Minimum Lot Width	40 ft
Minimum Lot Depth	100 ft

Article V. Off-Street Parking and Loading

Section 2. General Requirements

(3) SPECIAL PROVISIONS FOR C-G (HISTORIC) CENTRAL BUSINESS DISTRICT, C-H CENTRAL COMMERCIAL DISTRICT, HISTORIC DISTRICTS, AND HISTORIC LANDMARKS. Properties within the C-G (Historic) Central Business District, within the C-H Central Commercial District, within a designated Historic District, or designated as Historic Landmarks are unique in terms of parking and:

Add INS INSTITUTIONAL DISTRICT to both the title and the body

- a) Are exempt from Section 3: Off-Street Parking - Design and Construction Standards, J. Landscaping;
- b) Are exempt from Section 8: Off-Street Loading Requirements for Non-Residential Properties;
- c) Receive a reduction of up to ten (10) of the minimum required off-street parking spaces referenced in Section 7, Table 5-2 Table of Parking Requirements.



CITY COUNCIL AGENDA REPORT

DATE: 2026/04/14

AGENDA OF: 2026/04/14

DEPARTMENT: City Council District 4

SUBJECT: Consider and take appropriate action on changing agenda item submission rules

RECOMMENDED MOTION: Please provide a recommended motion for the related item.

I move to direct staff to draft an ordinance amending Chapter 2 – ADMINISTRATION to change the agenda item submission deadline to _____ and to reduce the council-override on agenda placement from “a majority of council” to “two councilmembers”.

BACKGROUND:

The agenda submission process currently suffers from two frustrations that result from a misalignment between our ordinances and state law.

First, our ordinances currently state that the deadline for agenda item submission by councilmembers is 5 PM on the fourth business day before a council meeting. However, due to recent legislative changes, that is now the point at which the agenda must be posted. I recommend changing this deadline to the fifth business day before a meeting (one week before, except in the case of holidays).

Second, our ordinances currently state that a mayor can choose to push any agenda item submitted to a later agenda, even if it was submitted on time and with appropriate backup. Our ordinance currently states that a majority of council can override and place it on the next agenda. However, it is difficult to legally accomplish that majority. I believe that this section needs several changes: require a mayor to specify what is lacking in the item as submitted, require that notice to be given at least one day before the agenda is posted, and require only two councilmembers to override.

I have submitted draft changes to section 2-4.(h), although changes in other places may also be necessary.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

ATTACHMENTS: Section 2-4 of the Castroville Code of Ordinances, with example changes.

Urgency (0-5 = Low Urgency to High Urgency): 2

Impact (0-5 = Low Impact to High Impact): 2

Submitted by: David Merz, Jr.

Sec. 2-4. Council policy and rules of procedure.

- (a) *Council's role:* In order to ensure the proper discharge of duties for the improvement of democratic local government, councilmembers will display a level of behavior that demonstrates independent, impartial review of all matters addressed by them, and be duly responsible to the citizens of Castroville and each other in their relationships.
- (b) *Mayor's role:* The presiding officer of the council is responsible for conducting the meeting. When present and participating, the mayor shall serve as presiding officer at meetings of council. The mayor may participate in discussions of all matters coming before council. After each general election, council shall elect from among councilmembers a mayor pro tempore who shall act as mayor during the absence or disability of the mayor. If neither the mayor nor the mayor pro tempore are able to serve, the remaining councilmembers may be majority vote designate a councilmember to preside. The mayor shall preserve order and decorum during council meetings and shall require councilmembers engaged in debate to limit discussion to the question under consideration. The mayor is the spokesperson for the council on all official city occasions unless absent, at which time the mayor pro tempore will assume the role. The mayor will guide council discussions, respond to council questions, summarize issues and call items for council action. The mayor will encourage all councilmembers to participate in discussion and give each member an opportunity to speak before any member can speak again on the same subject. The total time an individual councilmember may speak on a discrete issue during a meeting will be limited to no more than 15 minutes, unless additional time is provided to the councilmember by a majority council vote.
- (c) *Council meetings:*
- (1) *Regular meeting.* Council shall meet regularly at such place and times as prescribed by council, but no less frequently than twice each month unless otherwise resolved by council. Council shall adopt a resolution specifying the scheduled date/time/location and may amend the resolution as may be required from time to time.
 - (2) *Quorum.* Council must have a quorum to meet, deliberate, debate, and decide on any city business.
 - a. A quorum for a regular meeting is three councilmembers.
 - b. A quorum for a special meeting is four councilmembers.
 - (3) The mayor may call a special meeting on the mayor's own motion and shall call a special meeting on the application of three aldermen. Each member of the governing body, the city secretary, and the municipal attorney must be notified of the special meeting. The notice may be given personally or left at the person's usual place of residence.
 - (4) *Workshops.* A workshop is considered a regular meeting if held on the regularly established meeting date and time and a special meeting if called by the mayor on the mayor's own motion or on the application of three aldermen. A council workshop may be held on any day of the week to consider, in detail, a particular subject or problem of city interest. Workshops emphasize interaction between mayor, council and staff in order to exchange information and develop approaches and possible positions for future council action. Council meeting rules and procedures may be relaxed during a workshop at the discretion of the mayor or presiding officer or by a majority of councilmembers. Notice of the workshop must be posted in compliance with the Texas Open Meetings Act.
 - (5) *Agenda.* An agenda for a regular or special called meeting shall be posted at least 72 hours in advance of the meeting in compliance with the Texas Open Meetings Act. When the agenda item requires a public hearing, the mayor or presiding officer shall request staff comment, allow for questions by council, open the public hearing for public comment, and close the public hearing.

- (6) *Attendance.* Councilmembers are expected to attend all meetings and workshops and stay in attendance during each meeting. If for any reason a councilmember desires to leave a meeting or workshop prior to its termination, he/she will request the presiding officer grant a recess, adjournment or if a quorum of council members are present the meeting may continue. Council may compel the attendance of its members as set forth in V.T.C.A. Texas Local Government Code § 22.038.
- (7) *Conflicts of interest.* A councilmember prevented from voting due to a conflict of interest shall abstain from the debate, shall not vote in the matter, and shall otherwise comply with state law and ordinances concerning conflicts of interest.
- (8) *Participation.* During council meetings and workshops, councilmembers shall assist in preserving order and decorum and shall neither by conversation or otherwise delay or interrupt the proceedings nor refuse to obey the rules of the council.
- (9) *City staff.* Administrative staff and city employees shall observe the same rules of decorum applicable to councilmembers. All persons addressing councilmembers, including the city administrator, shall be recognized by the presiding officer and shall limit remarks to the matter under discussion. All remarks and questions addressed to the council shall be addressed to the council as a whole and not to any individual member.
- (d) *Persons addressing the council:*
- (1) *Addressing the council.* At council meetings, council may hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual councilmembers, staff, or members of the audience; stand at the podium, speak clearly into the microphone and state name and residential address before speaking. If the speaker is speaking on behalf of an organization or group, the speaker shall identify the group. Only one person may address the council at any time unless otherwise allowed by council majority. Persons addressing council shall do so in a respectful and orderly manner without shouting or argumentative behavior or making personal, impertinent, slanderous, or profane remarks about any councilmember, city staff member, or a member of the general public. Speakers shall address council and staff respectfully and no shouting or argumentative behavior will be tolerated.
- (2) *Time to speak.* Citizen comments will be permitted only at times specified on the published council agenda; speakers will be allowed a maximum of three minutes to speak; additional time may be extended by a council majority. The council, in its discretion may allow citizens comments at any other time as determined necessary.
- (3) *Lines of communication.* The mayor and council encourage citizen input regarding their city concerns, questions, and suggestions. Council strongly suggests that citizens contact the city administrator and their district councilmember concerning specific issues prior to speaking at council meetings.
- (e) *Members of the audience:* No person in the audience at a meeting of council shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening, or abusive language, whistling, stamping of feet, eating or drinking, using tobacco or tobacco products, or other acts which disturb, disrupt, or otherwise impede the orderly conduct of any council meeting. Cell phones shall be turned off or set to silent or vibrate mode. Hats will not be worn in council chambers.
- (f) *Rules of enforcement:*
- (1) *Warning.* The mayor or the presiding officer shall request that a person breaching any part of subsection (i), (d) or (e) above cease the disruptive conduct. If, after receiving a warning from the mayor or the presiding officer, the person persists in disturbing the council meeting, the mayor, the presiding officer, or a majority of council shall order the person to leave the council meeting. If such person does not remove himself, the mayor or the presiding officer shall first call for a ten minute

- recess to regain order; if order is not regained, the mayor or presiding officer may direct any on-duty law enforcement officer to remove that person or persons from council chambers.
- (2) *Removal of member of audience.* Any on-duty law enforcement officer shall carry out all reasonable orders and instructions given by the mayor or the presiding officer for the purpose of maintaining order and decorum at council meetings.
 - (3) *Removal of councilmember.* A councilmember may only be removed from the council meeting after a vote is taken of the city council. If the vote is in favor of the councilmember, the councilmember shall be at liberty to proceed.
 - (4) *Civil and criminal penalties.* The city may enforce the provisions of this article by injunctive relief as well as prosecution for applicable criminal violations. An offense under this article is a misdemeanor and any person violating this article shall, upon conviction, be fined a sum not exceeding \$200.00. Each instance that a provision of this article is violated shall constitute a separate offense.
- (g) *Agenda item submission:* Any councilmember may submit an item for placement on a council meeting agenda. The submitted item must be specific, contain an explanation of purpose, include background information, and state the date of the council meeting the councilmember wishes the item to be placed. An item for placement on the agenda must be submitted in person or electronically to the city secretary at city hall no later than 5:00 p.m. on the ~~fourth~~ **fifth** business day prior to the date of the next council meeting. Items submitted to the city secretary after that time will normally be held over until the next regularly-scheduled council meeting, unless the item is of such importance that the mayor elects to place the item on an earlier agenda or calls a special city council meeting.
- (h) *Placement on agenda:* The mayor, working with the city administrator, will determine, using his best judgment, the most important items received for placement on the agenda. Any item that has been properly and timely submitted by a councilmember as described above shall be placed on the agenda of the council meeting. If the mayor, in his discretion, finds that there is insufficient background information submitted to adequately address the issue, he will so notify the councilmember **in writing of the deficiency at least one day before the date agendas must be posted** and delay placement on the agenda until sufficient information is provided to the city secretary; ~~a council majority~~ **any group of two councilmembers** may nevertheless place the item on the agenda for consideration during the next regularly scheduled meeting. Councilmembers are encouraged to contact the mayor or city secretary regarding any questions they may have about items that have been placed on an agenda.
- (i) *Notification:* Notification of meetings shall be compliant with the Open Meetings Act and Public Information Act. The city secretary shall transmit notice of a meeting to city council members, interested persons who have requested copies of a meeting notice, post a notice on the exterior public notice board at city hall, and post the meeting notice on the homepage of the city's official website.
- (j) *Agenda item consideration:*
- (1) Ordinarily the mayor or other presiding officer will follow the agenda as posted; however, the mayor or the presiding officer generally maintains the option of addressing agenda items out of order to facilitate guests, reduce costs, or other factors. In addition, the mayor or presiding officer shall address agenda items out of order, table, or postpone any agenda item on the motion and majority vote of council.
 - (2) Persons under retainer agreement or contract with the city for professional services (e.g., attorneys, engineers, auditors, etc.) shall only attend council meetings when specifically requested by the mayor, city administrator, or majority of councilmembers. These professionals shall be scheduled as early as possible on council meeting agendas to ensure a minimal expense to the city.
- (k) *Minutes:* Minutes of each council meeting, workshop, and public hearing shall be prepared by the city secretary and submitted to a subsequent council meeting for approval. The city secretary may distribute

copies of the proposed minutes for review to the mayor and councilmembers prior to the council meeting. The minutes shall contain a brief narrative of council's deliberations, record all motions, and note council vote on each item. The city secretary shall maintain both a paper and electronic record of the approved minutes. Electronic copies of approved minutes will be posted on the city's official web site as soon as practicable.

(Ord. No. 2009-006, § I, 1-7-09; Ord. No. 2016-003, 10-27-15; Ord. No. 2020-0013, § 1(Exh. A), 7-14-2020)

City Administrator’s Report



To: Mayor Alexander & City Council
CC: Staff
From: R. Scott Dixon, City Administrator
Date: April 10, 2026
Re: City Administrator’s Report

Mayor and Council,

The items outlined below are provided to keep you informed on ongoing projects, initiatives, and operational priorities. My intent with this report—and all communications to Council—is to ensure that you have timely, accurate, and decision-useful information as you carry out your policy-making and oversight responsibilities.

In light of recent feedback provided by Council regarding communication, reporting, and follow-through, I want to be intentional in improving both the clarity and usefulness of the information provided. To that end, I welcome your continued input on how these updates can better support your needs.

If there are specific projects, details, or formats that you would like to see included—or if additional context, data, or analysis would be helpful for decision-making—please do not hesitate to let me know. Clear direction from Council is essential to ensuring that staff efforts are aligned with your expectations, and I remain committed to providing information in a manner that is both responsive and actionable.

In addition, at the request of the Mayor, several items originally scheduled as standalone agenda items have been incorporated into this report for discussion and potential direction during this portion of the meeting. These items are included below with supporting attachments to allow for a more consolidated discussion of related infrastructure and capital planning matters.

Drainage Projects

Geneva Channel

Vegetation establishment is progressing, with some grass now beginning to take hold along the channel. Staff is monitoring site conditions and plans to hydroseed remaining bare areas once the ground conditions are sufficiently dry to support heavy equipment.

Following successful vegetation establishment, installation of the Flexamat is anticipated approximately **two to three weeks thereafter**, pending confirmation from the manufacturer and contractor.

Weather conditions will continue to be a significant factor in the project timeline. While recent rainfall has contributed to delays, it has also been beneficial in promoting vegetation growth, which is a critical component of the channel stabilization process. Staff will continue to monitor progress and adjust the schedule accordingly.

Garza Creek

Per Council direction, staff has re-issued the request for design-build proposals for the Garza Creek drainage project. The revised solicitation incorporates several refinements intended to improve clarity, competitiveness, and overall value to the City.

Key updates to the RFP include:

- Clarification that the City will provide the existing **K Friese 30% design plans in CADD format** to the selected team
- Confirmation that the City will be responsible for acquisition of all required easements
- Defined project limits consistent with the previously developed 30% plans
- Emphasis on **cost-efficient solutions**, including encouragement of value engineering and alternative design approaches
- Removal of requirements for a hydrologic/watershed study to reduce unnecessary cost drivers
- Refinement of scope language to focus on design advancement and construction execution

In addition, the evaluation criteria were revised to place greater emphasis on overall value, with weighting as follows:

- Cost Proposal and Overall Value – 40%
- Firm Qualifications and Relevant Experience – 20%
- Project Understanding and Technical Approach – 20%
- Project Schedule and Delivery Strategy – 15%
- References and Past Performance – 5%

These revisions are intended to better align the procurement with Council’s direction to prioritize affordability while maintaining technical quality. Staff will return to Council with a recommendation following proposal evaluation.

Athens-Area Drainage / Country Village Channel

No Change - Staff will continue to make bar ditch improvements from the drainage basin on the south side and work “upstream” in the direction of flow.

One of the primary constraints affecting this timeline is the City’s current staffing structure. The same public works crew currently performs both street repair, Right-of-Way maintenance

(mowing) and drainage maintenance. As a result, only one of these activities can be pursued at any given time. Staff recommends that Council consider expanding this crew to allow for dedicated right-of-way maintenance and drainage personnel so that street repairs and improvements can be addressed simultaneously.

BMA Trail Access

Staff has received four (4) quotes ranging from approximately **\$6,744 to \$15,982** for installation of controlled-access gates and operators. Staff is coordinating with BMA's legal counsel regarding the previously approved agreement and will return with a recommended vendor and final agreement for consideration.

Streets, Maintenance, and Paving Plan

Staff continues to advance a coordinated street maintenance and rehabilitation strategy, supported by the attached mapping and recent coordination with engineering and planning consultants.

Based on current analysis, staff has identified a **cost-effective approach to addressing priority roadway needs**, particularly within the historic downtown area. This approach focuses on preserving roadway conditions where feasible while avoiding unnecessary reconstruction in areas without utility conflicts.

Key elements of the proposed approach include:

- **\$200,000 in targeted improvements** focused on higher-priority roadways, including areas such as Country Village and Westheim
- **\$400,000 in resurfacing work within the historic downtown**, specifically targeting streets that do not have underlying utility conflicts and can be addressed without triggering additional infrastructure work
- Continued coordination with Medina County to explore partnership opportunities where feasible

This strategy is intended to maximize the impact of available funding while aligning with the broader coordinated infrastructure plan. Pending Council concurrence with this approach, staff will present a **comprehensive, citywide streets plan** at the April 28, 2026 meeting, including prioritization, phasing, and funding considerations.

WWTP Pond Closure

Staff recently met with Mayor Alexander and Lochner (Michael Persyn) to discuss an expedited approach to resolving the wastewater treatment plant pond and associated dam compliance concerns.

The conceptual approach discussed includes:

- Accelerating efforts to bring the pond to the **minimum compliant depth of approximately six (6) feet** as an initial step

- Pursuing **formal closure of the pond** following stabilization at the required depth
- Incorporating **detention areas on both sides of the treatment plant** to manage flows and support long-term drainage function

Implementation of this approach is expected to require:

- Construction of a drainage culvert
- Relocation of the existing force main
- Reconstruction of the plant entrance road

Lochner is currently preparing draft plans reflecting this approach. Staff will bring forward additional details, including cost estimates and implementation considerations, as this work progresses.

Multimodal Planning Effort

The City’s multimodal (Alternative Transportation Plan) effort continues to advance in coordination with Toole Design and TxDOT.

Key progress updates include:

- The **draft plan has been completed and reviewed by staff**, with no substantive revisions identified at this time
- The consultant team is preparing to upload the draft plan to the project website to facilitate public access and feedback
- A **public engagement event is scheduled for April 22, 2026**, from 7:00 AM to 10:00 AM, in the vicinity of September Square (near the Magnolia Filling Station), to gather community input on the draft plan
- Project materials, including graphics and outreach content, are being finalized for inclusion in the City newsletter and online platforms

This effort represents a key step in developing a coordinated transportation strategy that aligns with state requirements and supports future grant eligibility. Staff will continue to coordinate public outreach and will bring the final plan forward for Council consideration upon completion.

Community Center at Regional Park (Construction)

Construction of the Community Center is currently approximately **84% complete**. Substantial completion is anticipated by mid-May; however, staff continues to monitor schedule performance closely given prior delays and remaining work.

Lion’s Park Splash Pad

No Change. Repairs remain underway. The sewer line has been repaired and several internal system components have been addressed. However, a control valve failure was identified during

the repair process and must be replaced before final plumbing connections can be completed. Staff will continue to monitor progress and provide updates as repairs advance.

Hwy 90 TxDOT Construction Project

The project remains in design, and staff continues to coordinate closely with TxDOT and the City’s engineering partners regarding anticipated impacts. While the project was previously estimated at approximately 30% design, staff is still awaiting updated design plans to confirm the current level of completion.

Based on preliminary coordination, the project presents **utility conflicts across all major systems**, including water, wastewater, gas, and electric. The City has engaged **Respec** (water and sewer) and **SEnergy** (gas and electric) to assist in identifying and evaluating these conflicts.

At this stage, the total cost of utility relocations remains uncertain; however, staff estimates a **potential cost range of approximately \$1.2 million to \$1.5 million**, subject to refinement as design progresses. Final cost responsibility will be determined through the Advanced Funding Agreement (AFA) with TxDOT once 90–100% design plans are available.

The current project schedule anticipates:

- Draft AFA development beginning August 2026
- Final plans and cost estimates by November 2026
- Council consideration of the AFA in late 2026
- Funding to be provided to TxDOT no later than **February 6, 2027**
- Project letting anticipated April 2027

Staff will continue to monitor design progress and will provide updates as additional information becomes available.

County Streets Plan

No Change. Staff continues to coordinate with Medina County officials following Mayor Alexander’s discussions with Judge Lutz and Commissioner Sittre. Both have expressed a willingness to partner with the City on coordinated street improvement efforts.

Staff has previously provided a list of priority projects and associated cost estimates to the County and will continue working with County leadership to identify opportunities to initiate joint projects.

Coordinated Infrastructure Plan and Process

Staff is presenting the attached RESPEC memorandum outlining recommended priorities for streets, drainage, water, and wastewater improvements. The memorandum reflects prior planning efforts and integrates them into a coordinated, phased implementation strategy.

Council direction is requested regarding:

- Project prioritization

- Funding allocation strategy
- Desired pace and sequencing of implementation

Staff will be seeking Council direction on prioritization, funding strategy, and implementation approach as part of the April 14 meeting.

Gas Expansion Cost Evaluation

Staff has coordinated with Engineered Utility Solutions to develop preliminary cost evaluation proposals for expanding the City’s natural gas system to serve existing and future development areas. The analysis will evaluate system capacity, infrastructure requirements, and financial feasibility, including cost versus projected revenue impacts .

Council is requested to review the proposed scope of work and provide direction regarding whether to proceed with the cost analysis.

Steinbach Hus Repairs

Staff obtained a proposal for roof repairs at the Steinbach Haus and Visitor Center to address damage to ridge and hip tiles. The estimated cost for the base repair is **\$13,000** with additional costs possible if further damaged tiles are identified during construction .

Council direction is requested regarding authorization to proceed with the repairs.

As noted above, several items included in this report are presented for Council discussion and direction. Staff will proceed in accordance with Council’s guidance and will incorporate that direction into future reports, project planning, and implementation efforts.

There continues to be a significant level of activity across multiple City projects and operational areas, and staff remains focused on advancing Council priorities in an efficient and coordinated manner.

As noted above, I am committed to continuously improving the quality, clarity, and responsiveness of the information provided to Council. If there are items in this report that do not fully address your expectations, or if there are specific examples where additional detail, follow-up, or a different format would be beneficial, I respectfully request that those be clearly identified so that I can ensure alignment moving forward.

Your feedback is important, and the more specific that direction is, the more effectively staff can respond and deliver the level of service and support that Council expects.

If I have omitted any items or if additional information is needed on any topic included in this report, please let me know and I will ensure it is addressed promptly.

It is my privilege to serve the residents and elected officials of Castroville.

Thank you,

A handwritten signature in blue ink, appearing to read "R. Scott Dixon".

R. Scott Dixon, MPA, CGFO, ICMA-CM

City Administrator, Castroville, TX



City of Castroville

BMO MEASUREMENTS BY STREET

Street/Subdivision	BMO SY
Alamo St	2,694
Alsace Ave	2,776
Amelia St	7,357
Angelo St	6,516
Athens St	4,897
Berlin St	8,090
Constantinople St	4,548
Fiorella St	6,359
Geneva St	3,792
Houston St	8,850
Isabella St	2,412
Lafayette St	2,703
London St	4,178
Lorenzo St	6,662
Madrid St	9,064
Mexico St	5,337
Naples St	5,448
Paris St	7,423
Petersburg St	8,338
San Jacinto St	5,434
Vienna St	6,400
Washington St	7,584
Jackson St	3,377
Algiers St	2,219
Total BMO	132,458

CITY OF CASTROVILLE

BMO PROJECT MAP





EXTERNAL MEMORANDUM

To: Scott Dixon
City Manager
City of Castroville
1209 Fiorella Street
Castroville, Texas 78039

cc: Project Central File WO14326009

From: Jeffrey Tondre, P.E.
Principal Consultant
RESPEC
1201 Fiorella, Suite A
Castroville, TX 78009

Date: April 8, 2026

Subject: CAPITAL IMPROVEMENT PROGRAM RECOMMENDATIONS

Following the February 25, 2026 CIP Workshops, City staff asked RESPEC to review the Capital Improvement Program and provide recommendations regarding projects that may be advanced using funds currently allocated or potentially available. This memorandum summarizes the prior planning efforts used in that review, refines the currently understood funding limitations and restrictions, and provides recommended priorities for spending across streets, drainage, water and sanitary sewer. The recommended projects identified herein currently exceed the available budget and are therefore intended to support phased decision-making.

The City of Castroville has engaged consultants over time to evaluate major infrastructure investment needs for streets, drainage, water, and sanitary sewer. In addition, City staff perform annual assessments related to renewal of the gas system as required by the Texas Railroad Commission. These planning efforts provide a solid foundation for decision-making, but they were prepared independently and do not fully address coordination across infrastructure categories. The following Master Plan reports listed in Table 1, together with consultation with City staff, were used in preparing this summary:

1201 FIORELLA STREET, SUITE A
CASTROVILLE, TX 78009
210.570.5962
TEXAS REGISTERED FIRM F-17502



TABLE 1

PROGRAM	REPORT	CURRENT VERSION
STREETS	Pavement Assessment Report and Management Plan by Good Roads	2026 (Additional info pending)
DRAINAGE	Drainage Master Plan by K Friese	2023 (Update pending)
WATER	Water & Wastewater Master Plan by RESPEC	2023
SEWER	Water & Wastewater Master Plan by RESPEC	2023
GAS *	Distribution Integrity Management Program (DIMP)	Annual Plan

* Review of gas system information is still pending receipt of additional information from City staff. Accordingly, gas-related recommendations are not included in this memorandum at this time and should be deferred until that information is available and can be evaluated.

BUDGET

A CIP budget was presented as part of the February 25, 2026 CIP Workshops. While that information provides an overall funding picture, further definition of limitations and requirements on individual funding sources is necessary. For example, impact fees are restricted by state law to defined capital improvements that expand utility capacity, and water impact fees may only be used for water-related capacity improvements. Texas Water Development Board funds are generally tied to specific projects unless formal reallocation is approved for other eligible purposes. City funds may be reallocated at the discretion of Council. At the time of this memorandum, full confirmation with City financial staff is still pending, but the following reflects our current understanding of the budget items discussed in the workshop materials and follow-up review as presented in TABLE 2.

TABLE 2

Fund	Amount	Restrictions/Allocations
STREETS (From General Fund)	\$600,000	Annual Budget, plus an increase approved Feb 26, 2026
DRAINAGE 2024 Bond (Unencumbered)	\$1,318,196	Slated for Garcia Creek Drainage Improvements, balance available for other projects
WATER Bond 2025 (Unencumbered)	\$912,734	2025 issuance was authorized to support improvements to the Flat Creek (East Castroville Water Production Facility), budget shown after Change Order #2 approved.
WATER Impact Fees	\$724,860	Restricted to capital improvements that expand system capacity in Capital Plan
SEWER Impact Fees	\$1,234,157	Restricted to capital improvements that expand system capacity in Capital Plan



SEWER CWSRF Bond Series 2015 (BOK)	\$600,000	TWDB - Proceeds from prior State Revolving Fund (SRF) allocated to the Eastside Waste Water Outfall and Lift Station
GAS * Replacement		From General Allocation
Bank Funds listed as DWSRF or CWSRF, but TWDB says was Paid	\$1,293,919	Currently shown as TWDB funds, but close out paperwork needed to make available for other projects.
Reserve Funds for DWSRF / CWSRF	\$892,541	TWDB Funds listed as Reserve, waiting on confirmation with TWDB if the Reserve funds can be allocated, and the limitations.

GENERAL CIP APPROACH

In general, the recommended capital improvement strategy should focus on projects that address immediate public safety, operational, or system reliability concerns; coordinate street and utility work where practical; improve the function of key travel routes and critical public infrastructure; and phase larger system needs into manageable multi-year programs that can be aligned with available funding, grants, bonds, or low-interest loan opportunities.

STREET MAINTENANCE

The recommended street program should focus first on improving streets that serve the most important travel paths and community destinations, coordinating street work with planned water and drainage improvements where feasible, preserving flexibility to address unusually high-cost problem areas through separate strategies, and balancing sound pavement management practices with visible improvements to streets that residents use every day. Good Roads completed an assessment of current pavement conditions in 2026 and provided recommended repair methods for each street segment. Good Roads also developed annual prioritization scenarios based on budgets in the range of approximately \$200,000 to \$300,000 per year, while noting that street improvements should be coordinated with utility work where practical.

The Good Roads approach appropriately includes preventive maintenance on streets that currently have relatively high PCI values. That is consistent with sound pavement management practice because preserving streets in fair-to-good condition can avoid substantially higher reconstruction costs later.

However, from a practical community standpoint, that approach can also delay visible improvements on streets that carry heavier traffic and are already in poorer condition. For that reason, this recommendation blends pavement condition data with observed travel patterns, community destinations, and coordination with other infrastructure needs. Consideration was given to traffic associated with schools, the town square, Regional Park, local businesses, and key routes to and from Highway 90. When those travel patterns are considered together with areas where drainage work and initial water system improvements are anticipated, a more practical first-



phase street network emerges. This approach emphasizes connected routes that serve higher traffic volumes and important destinations rather than isolated street segments. It does not reach every home in the first phase, but it is intended to improve the most functionally important portions of the street system first. Streets that received seal coats or similar stabilizing treatments in 2024 and now generally show higher PCI values are not recommended for the initial phase of improvements.

The River Bluff neighborhood is among the poorest street areas in the City. However, unlike Old Town, these streets are newer and appear to be failing more due to underlying soil conditions than age alone. That means River Bluff will likely require a more intensive and costly reconstruction approach than typical street repairs. The recommendation is not to ignore River Bluff, but to address it through a separate strategy so limited near-term funds can improve a broader portion of the City’s street system first.

A first-priority street network is provided in **Attachment 1**. These recommended improvements are intended to follow planned utility and drainage work where coordination is beneficial and then focus on strengthening connectivity along the City’s most heavily used travel routes. Final cost information for this program is still pending additional data from Good Roads as of the date of this memorandum, but the overall street program is expected to require phased implementation over multiple years as funding becomes available.

DRAINAGE

The recommended drainage program should focus first on localized projects that address known flooding, erosion, or maintenance issues and that can be realistically advanced within available funding levels. Near-term emphasis should be placed on projects that protect existing infrastructure, address recurring nuisance flooding, and improve ditch and channel function in targeted areas. K Friese completed a Drainage Master Plan in 2023, and a draft update is currently pending. The location of the drainages projects from the K Friese report is in **Attachment 2**. Based on that planning work, the following drainage projects are recommended for consideration.

- **GARCIA CREEK CHANNEL STABILIZATION**, with a planning-level cost of approximately \$800,000, is intended to protect Geneva Street and adjacent utilities from downstream erosion and is currently being rebid.
- **LOWER LACOSTE ROAD AT KARM ROAD**, with a planning-level cost of approximately \$600,000, would address localized street flooding in the Steinbach Haus area.
- **OPERATIONS AND MAINTENANCE DITCH EXCAVATION** should also be considered in targeted areas such as Geneva, Naples, and Constantinople, where the work may be better suited for implementation by City staff or through equipment rental rather than through a major capital construction project.
- **VILLAGE PATH AND FLAT CREEK DRAINAGE IMPROVEMENTS**, with a planning-level cost of approximately \$400,000, would provide minor drainage improvements intended to reduce yard and street flooding in an area where existing ditches have reportedly been partially filled by adjacent property owners.



- **RIVER VALLEY DRAINAGE IMPROVEMENTS**, with a planning-level cost of approximately \$500,000, would address limited conveyance at or upstream of the engineered channel that allows flows to spill onto River Valley Road.

These projects are expected to exceed the amount of the 2024 Drainage Bond currently available, and additional funding from future budgets will likely be necessary.

Three major underground storm drainage improvement projects identified in prior drainage planning documents are not recommended at this time because their estimated costs exceed \$50 million and are not currently considered financially attainable in the near term. The current recommendation is therefore to pursue smaller, targeted drainage projects first while preserving the larger system needs for future long-range planning and potential external funding opportunities, including a future bond program.

WATER SYSTEM

The recommended water system program should focus first on systematic replacement of aging asbestos-cement water lines in Old Town, starting with the highest priority segments, together with continued advancement of major water supply improvements needed for long-term reliability and to support new development in the eastern portion of the City. Priority should be given to projects that reduce risk associated with aging infrastructure and improve operability. Replacement of the older water lines should also be coordinated with street improvements where practical.

- **OLD TOWN WATER LINE REPLACEMENT** should be advanced as a priority program. Old Town Castroville and portions of FM 471 North are served by approximately 22,000 feet of asbestos-cement water line, much of which is now more than 50 years old and beyond its typical service life. Based on City staff input, approximately 11,000 feet has been identified as priority line due to leak history and condition, at a planning-level replacement cost of approximately \$2.8 million **Attachment 3**.

Although pipe left undisturbed in place is not the primary concern, excavation and handling of asbestos-cement water line require special care because of the potential for asbestos exposure to workers. Trenchless replacement methods are available, but they still require excavation at service connections and at regular intervals. In many cases, the more practical and generally accepted approach is to abandon the existing main in place and install a new PVC line on a new alignment. Where site conditions allow, trenchless methods may still be considered. At a planning level, replacement in a new alignment is estimated at approximately \$250 per foot, increasing by about \$75 per foot if removal of the old asbestos-cement line is required. The City should continue to pursue grant funding for replacement of aging infrastructure and verify whether any unassigned TWDB funds may be available to support this work.

- **FLAT CREEK WATER PRODUCTION FACILITY** should remain a major long-term water priority. Water service to the eastern portion of the City is currently provided by two production facilities, one at the Airport and another near the Victory Lane/Castroville State Bank area. Existing commitments have effectively consumed the remaining available capacity of these facilities. As a result, additional water infrastructure is needed to support future growth within the eastern portion of the City's water service area.



To serve this area, a new water production facility is proposed north of Flat Creek. The ultimate planned improvements include a new well, elevated storage tank, pumps, chlorination equipment, and related appurtenances. The well has already been drilled, and the pumps have been ordered. The next major phase is construction of storage and chlorination facilities. The total project budget remains under review, but the overall cost is expected to be on the order of \$18 million. Approximately \$1.6 million is currently available or being pursued through existing funds and grant applications, but completion of the full project will likely require additional financing.

Development activity in the area is creating pressure for an interim solution consisting of temporary ground storage tanks and high-capacity booster pumps. If the City does not take action toward a permanent improvement strategy, developers are likely to pursue that temporary approach in order to obtain service. While that option may address immediate short-term needs, it would not advance the City's long-term infrastructure goals and would function largely as a temporary system rather than a durable public investment. Accordingly, the preferred approach is to direct available funding, developer participation, or other financing mechanisms toward a long-term solution consisting of an elevated storage tank, pumps, chlorination, and supporting equipment to serve the area. This approach would create infrastructure that supports both current development needs and the City's broader long-term water system objectives.

Revision of the City's impact fee ordinance should also be considered so that, over time, impact fees may be used to fund all or a portion of these improvements if legally appropriate and properly incorporated into the City's capital planning framework.

SANITARY SEWER SYSTEM

The recommended sanitary sewer program should focus first on projects that reduce infiltration and inflow, improve reliability of critical facilities, and establish a phased approach to rehabilitating aging sewer lines in Old Town. The greatest near-term return is expected from projects that reduce wet-weather impacts to the wastewater treatment system and address known deficiencies already affecting operations. Based on currently known conditions and prior engineering work, the following sanitary sewer projects are recommended.

- **REGIONAL PARK LIFT STATION AND INTERCEPTOR SEWER**, with a planning-level cost of approximately \$2,000,000, was previously advanced to about 90 percent design before being paused pending funding. Replacement of the lift station would improve flood protection, provide additional storage capacity, and reduce surcharging in the inflow interceptor, which should in turn reduce maintenance demands on the system. The project also includes repair of the interceptor sewer leading to the lift station. This project appears eligible for use of sewer impact fees, but those funds are not expected to cover the full cost. Additional funding may be available from currently unassigned Texas Water Development Board funds, subject to confirmation of availability and any applicable restrictions.
- **EAST SIDE INTERCEPTOR SEWER OUTFALL** remains a known concern because the project was not constructed in accordance with plan specifications. Crews observe significant



groundwater inflow during and after rainfall events, increasing loading at the wastewater treatment plant. Based on prior evaluations, the first phase of corrective work should focus on sealing priority manholes, potentially using pressure grouting or similar rehabilitation techniques, while improvements to certain pipe sections are deferred pending additional funding. There is currently \$600,000 in TWDB grants allocated for this project, which should more than cover this project, and the balance can likely be reallocated to another sewer project.

- **OLD TOWN SEWER LINE REHABILITATION** should be advanced as a long-term program. Old Town contains approximately 46,000 feet of clay sewer pipe, much of which predates the 1970s and is therefore more than 50 years old. A phased rehabilitation program addressing approximately 10 percent of the system per year over a 10-year period is recommended. Much of this work can likely be completed using cured-in-place pipe, or CIPP, at a planning-level cost of approximately \$95 per foot. This method can extend service life by approximately 30 years or more and should be prioritized based on flow importance, maintenance history, and observed defects.

NATURAL GAS SYSTEM

The Texas Railroad Commission regulates gas systems in Texas and requires annual reports and evaluations of system integrity, including a plan for system renewal. Review of the City’s current gas system information is still pending, so detailed recommendations are not included in this memorandum at this time.

However, as water lines are replaced and shifted to new alignments in order to abandon existing asbestos-cement lines in place, impacts to existing gas mains are likely in some areas. Based on the age of infrastructure in those corridors, some of these lines may be older steel mains that should also be considered for replacement. Accordingly, where practical, gas main replacement should be coordinated with water line replacement projects unless other priorities are identified through the pending gas system review.

OVERALL RECOMMENDATION

Taken together, these recommendations are intended to provide the City with a practical phased capital improvement approach rather than an all-at-once program that is not currently financially achievable. For streets, the recommendation is to focus first on connected routes that serve daily travel demand and can be coordinated with utility and drainage work. Addressing River Bluff streets remains important; however, the level of reconstruction likely needed is beyond current funding availability and should be pursued through a separate strategy tailored to the area’s underlying conditions.

For drainage, the recommendation is to advance smaller, targeted improvements that address known flooding and erosion issues while deferring major underground systems that are currently beyond realistic funding levels.



RESPEC

For water, the recommendation is to begin systematic replacement of priority asbestos-cement water lines and continue advancing the Flat Creek Water Production Facility as a major long-term utility investment. Gas improvements will follow water line improvements unless other priorities are identified.

For sanitary sewer, the recommendation is to focus on lift station reliability, inflow and infiltration reduction, and phased rehabilitation of aging Old Town sewer lines.

This coordinated, phased approach will allow the City to make visible progress across multiple infrastructure categories while also positioning larger projects for future grant, bond, or low-interest loan funding.

- Legend
- Proposed Improvements
 - 0 - 35 PCI
 - 35 - 50 PCI
 - 55 - 70 PCI
 - 70 - 100 PCI
 - City Limits
 - 2024 Seal Coat

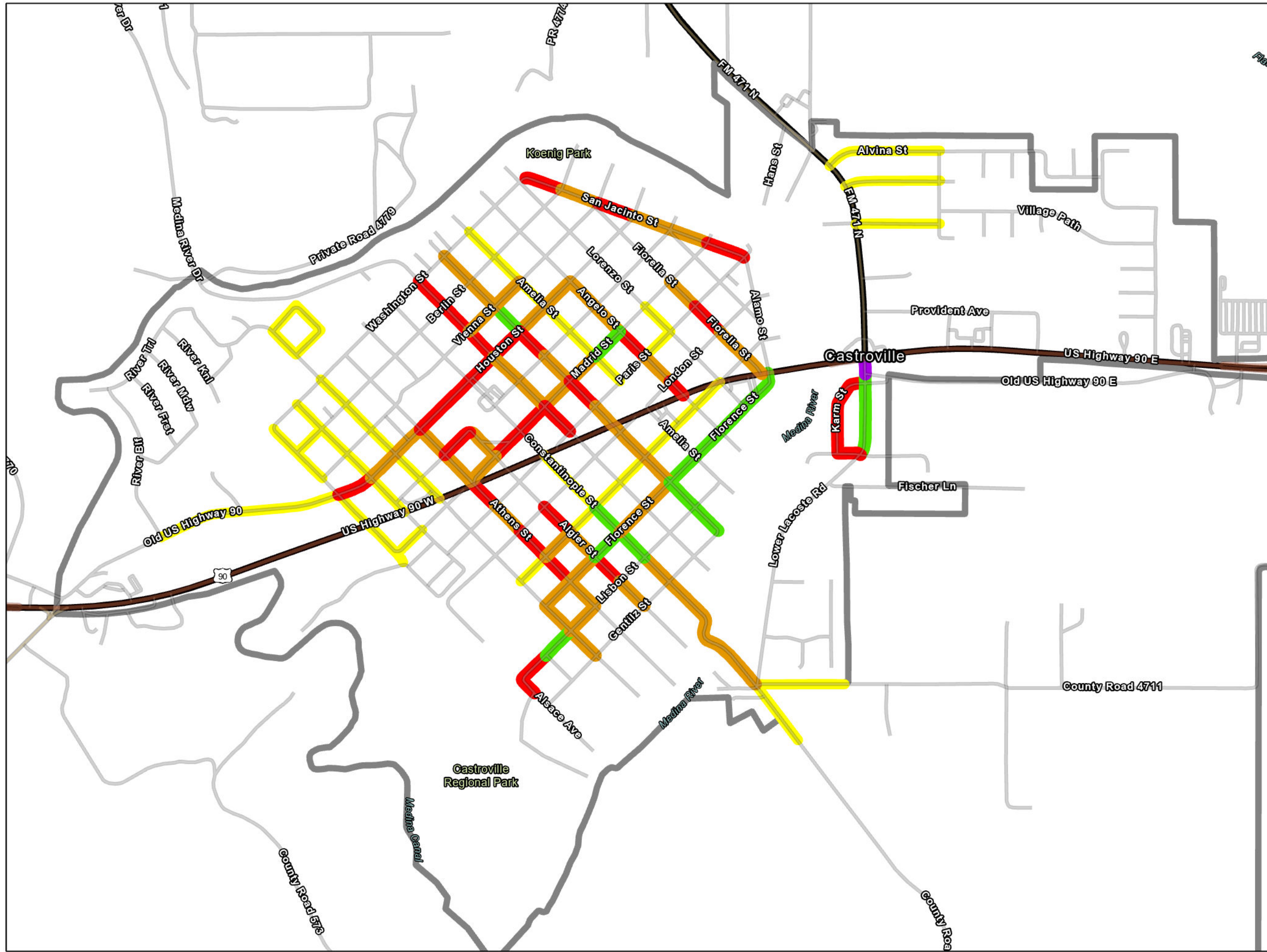
EXHIBIT 1
SUGGESTED STREET
PRIORITIES



0 1,000 Feet
1 inch = 1,000 ft

4/8/2026

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CASTROVILLE, TEXAS 78009
TBPE FIRM NO. F-17502
WWW.RESPEC.COM




Legend

-  Ditches
-  Projects
-  City Limits

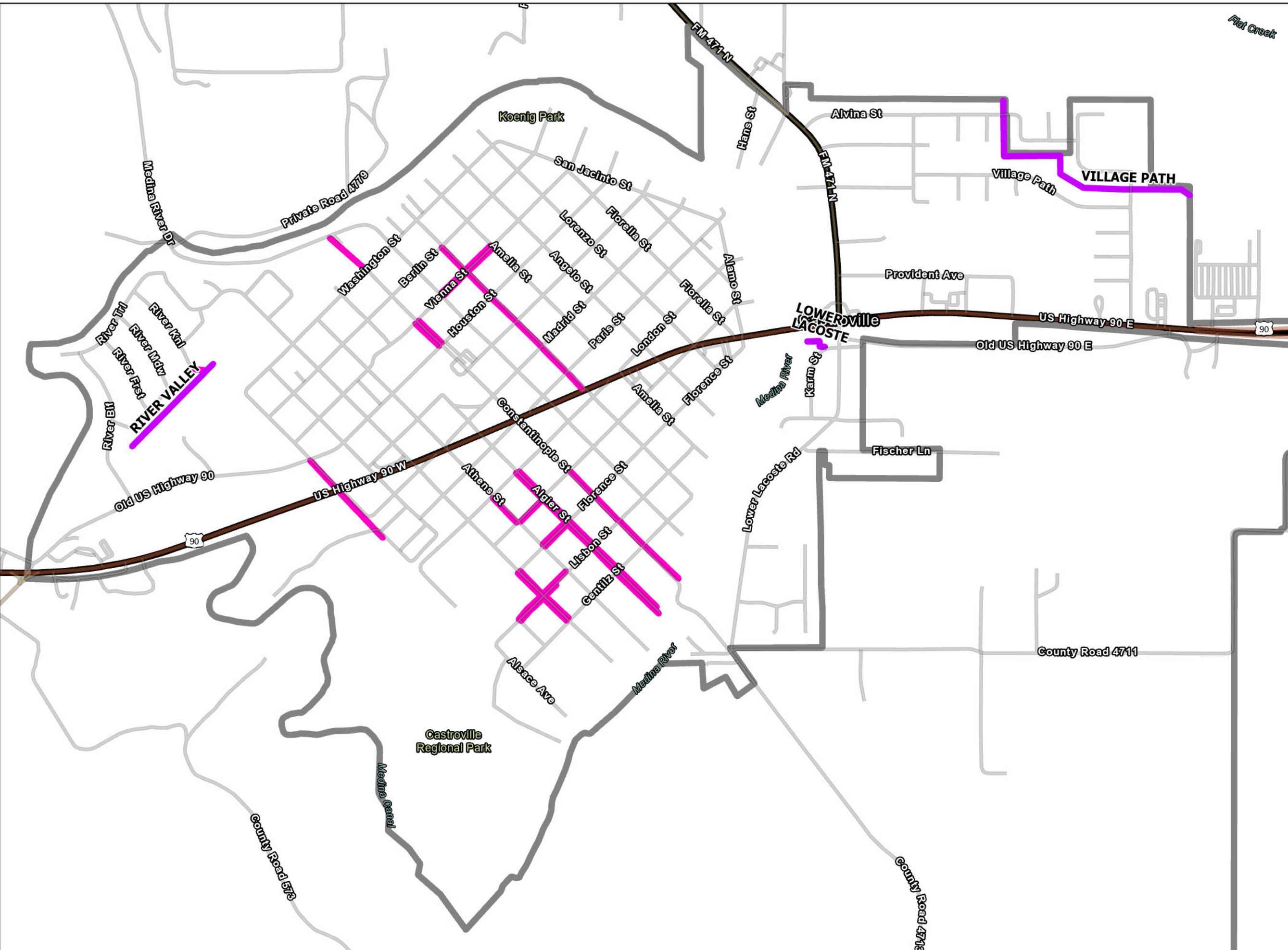
EXHIBIT 2
PRIORITY DRAINAGE
PROJECTS



0 1,000

 Feet
 1 inch = 1,000 ft

4/8/2026

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 CASTROVILLE, TEXAS 78009
 TBPE FIRM NO. F-17502
 WWW.RESPEC.COM



- Legend
- █ Priority Water
 - City Limits
 - █ Existing AC Water Lines
 - █ Existing Water Lines

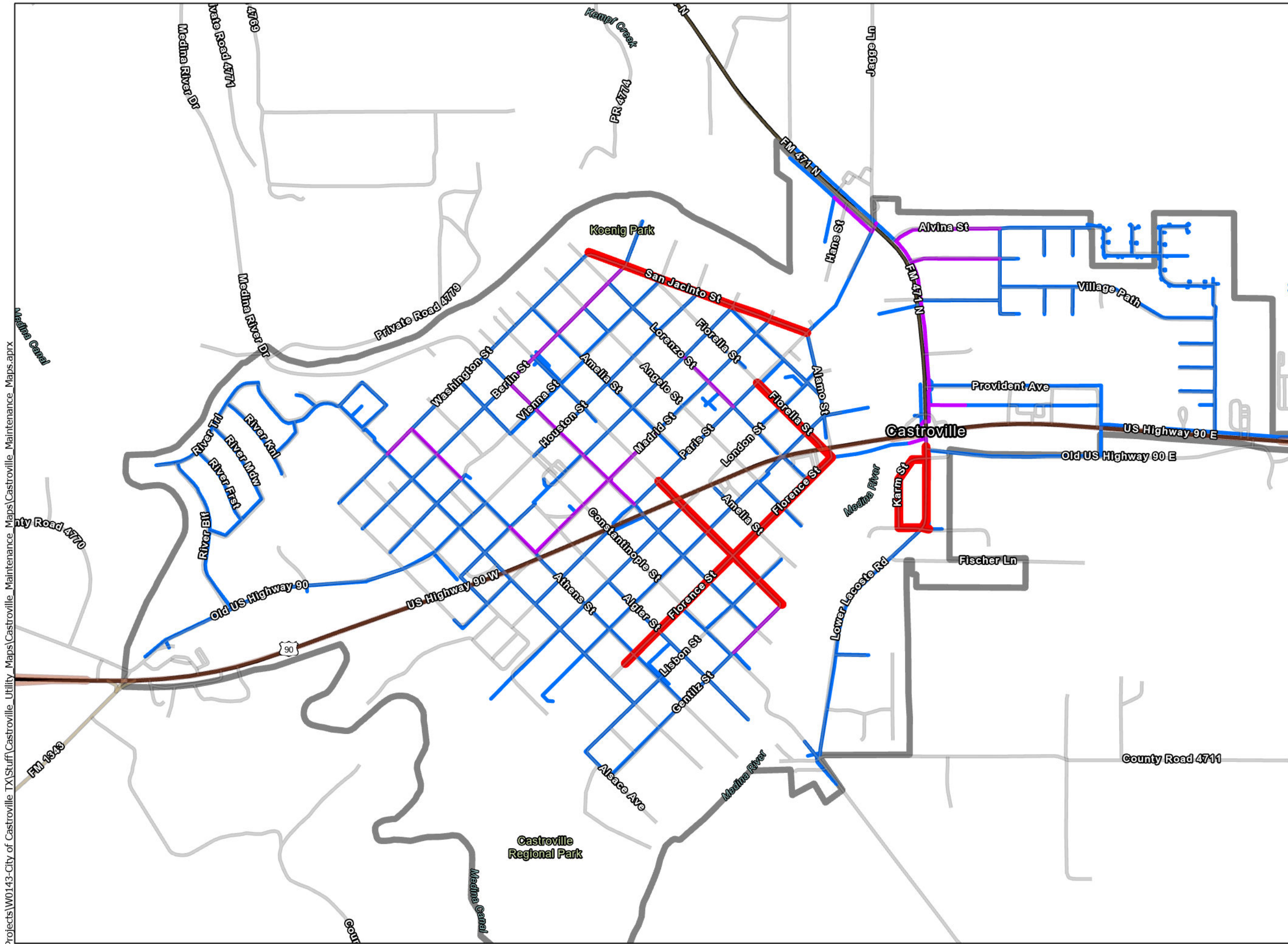
**EXHIBIT 3
PRIORITY WATER
PROJECTS**



0 1,000
 Feet
 1 inch = 1,000 ft

4/8/2026

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 TBPE FIRM NO. F-17502
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Agenda Report

Agenda of: April 14, 2026

Department: Public Works

Subject: Discussion and Possible Action on Gas System Expansion Cost Analysis for CCN Areas done by Engineered Utility Solutions, Inc.

Recommended Motion: Staff recommends that City Council discuss the gas system expansion cost analysis and provide direction on next steps, and take any appropriate action.

Background: At a previous City Council meeting, staff was directed to coordinate with the City’s consultant to develop cost estimates for expanding the natural gas system to support future growth, including areas within the City’s Certificate of Convenience and Necessity (CCN).

This item is being brought forward as a follow-up to that direction, with the intent to review preliminary cost information and discuss potential next steps and approval of cost.

Budgeted **Requires Budget Amendment**

Source of Funding: Cost for engineering gas expansion provided by Engineered Utility Solutions, Inc.

Attachments:

Attachment A- Castroville Gas Current Development Cost Analysis_Proposal

Attachment B- Castroville Gas Future Development Cost Analysis_Proposal

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

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

Submitted by: John Gomez



April 7, 2026

R. Scott Dixon, MPA
City Administrator
City of Castroville
1209 Fiorella Street
Castroville, TX 78009

Re: Cost Evaluation—Current Development Impacts to Natural Gas System

Dear Mr. Dixon:

Thank you for allowing our firm to offer professional engineering services to the City of Castroville to assist the City with a cost evaluation for their natural gas system. It is our understanding the City requires our services to determine the impact of serving the new developments that are in progress. Our deliverables will be used by the City to evaluate the profit versus cost for providing natural gas service for the new developments.

We plan to rely on the use of the hydraulic baseline model our firm developed for the City of Castroville's natural gas network as a key resource for efficiently modeling and forecasting the impact the developments will have on the natural gas system. The planned developments account for 2500 "Living Equivalent Units" (LUEs). We recommend the following scope of work which has been divided into tasks:

- Task 1: Research and Schematic—this activity accounts for the necessary research to confirm the site development locations and plans. Our team will work with the City and appropriate developers to obtain their site plans to confirm the layouts that account for the 2500 LUEs. This information will be compiled into a single platform so that a schematic piping plan can be generated. The concept will be shared with the City Gas Department to ensure the final schematic plan meets the City's expectations before we proceed with the next task. This task is essentially a preliminary schematic plan.
- Task 2: Modeling and Results Analysis—the general piping plan will be transferred to the model, and a few load conditions will be processed to determine the impact of the new loads on the system. We anticipate an iterative process to confirm mainline pipe sizes and connections are optimized to provide the City with the most operationally effective concept. The results of this

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City of Castroville
Current Development Impacts to Natural Gas System
Page 2 of 3

activity will also be shared with the City Gas Department to communicate our findings and update the City on any changes to the schematic layout. Additionally, once the iterative process is complete, it is likely that our team will discover that there are needed modifications at the City Gate, District Regulator Station, and/or to the maximum allowable operating pressure of some portions of the system may be necessary in order to support the new customer loads. If this is the case, this task includes presenting these recommendations to the City Gas Department for consideration and discussion. This task produces, in essence, a final schematic plan; our team will work closely with the City Gas Department to ensure the final schematic plan meets the City's expectations before we proceed with the next task.

- Task 3: Report and Cost Estimate—for the final task, our team will generate a report and cost estimate. The report will include all model results and system recommendations. The final schematic plan will also be included in the final report. Costs that will be estimated include engineering and construction to construct the final schematic plan. Note, construction costs will account for the associated materials, labor and equipment.

Please note the cost estimate will not report any maintenance monies. Also, the deliverables for our scope will be schematic and estimated costs only. The final items will not be at the level needed to issue for bids or construction.

This scope of work can be performed by our team at a cost of Twenty-One Thousand Five Hundred and Thirty-Five Dollars (\$21,535.00). Our work can begin one week following authorization to proceed. We estimate scope of work requires approximately four to six (4-6) weeks to complete.

Please review this at your leisure and let us know if you would like to discuss this further or if you have any questions.

Regards,



Diana Perossa, PE
President | Chief Engineer

- c: Jeff Rogers, PE
- John Gomez
- Ricardo Carrasco

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April 7, 2026

R. Scott Dixon, MPA
City Administrator
City of Castroville
1209 Fiorella Street
Castroville, TX 78009

Re: Cost Evaluation—Future Development Impacts to Natural Gas System

Dear Mr. Dixon:

Thank you for allowing our firm to offer professional engineering services to the City of Castroville to assist the City with a cost evaluation for their natural gas system. It is our understanding that the City requires our services to determine the impact of serving the proposed developments stated in the Master Plan within the City of Castroville and the City ETJ. Our deliverables will be used by the City to evaluate the profit versus cost for providing natural gas service for the new developments.

We plan to rely on the use of the hydraulic baseline model our firm developed for the City of Castroville's natural gas network as a key resource for efficiently modeling and forecasting the impact the developments will have on the natural gas system. The planned developments account for an ultimate 5000 "Living Equivalent Units" (LUEs). We recommend the following scope of work which has been divided into tasks:

- Task 1: Research and Schematic—this activity accounts for the necessary research to confirm the site development locations and plans. Our team will work with the appropriate developers to obtain their site plans to confirm the layouts that account for the ultimate LUEs. This information will be compiled into a single platform so that a schematic piping plan can be generated. The concept will be shared with the City Gas Department to ensure the final schematic plan meets the City's expectations before we proceed with the next task. This task is essentially a preliminary schematic plan.
- Task 2: Modeling and Results Analysis—the general piping plan will be transferred to the model, and a few load conditions will be processed to determine the impact of the new loads on the system. We anticipate an iterative process to confirm mainline pipe sizes and connections are optimized to provide the City with the most operationally effective concept. The results of this

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City of Castroville
Future Development Impacts to Natural Gas System
Page 2 of 3

activity will also be shared with the City Gas Department to communicate our findings and update the City on any changes to the schematic layout. Additionally, once the iterative process is complete, it is likely that our team will discover that there are needed modifications at the City Gate, District Regulator Station, and/or to the maximum allowable operating pressure of some portions of the system may be necessary in order to support the new customer loads. If this is the case, this task includes presenting these recommendations to the City Gas Department for consideration and discussion. This task produces, in essence, a final schematic plan; our team will work closely with the City Gas Department to ensure the final schematic plan meets the City's expectations before we proceed with the next task.

- Task 3: Report and Cost Estimate—for the final task, our team will generate a report and cost estimate. The report will include all model results and system recommendations. The final schematic plan will also be included in the final report. Costs that will be estimated include engineering and construction to construct the final schematic plan. Note, construction costs will account for the associated materials, labor and equipment.

Please note the cost estimate will not report any maintenance monies. Also, the deliverables for our scope will be schematic and estimated costs only. The final items will not be at the level needed to issue for bids or construction.

This scope of work can be performed by our team at a cost of Thirty-Three Thousand Four Hundred and Thirty Dollars (\$33,430.00). Upon authorization to proceed this scope of work can begin within one week of completion of the Current Developments Evaluation. We estimate scope of work requires approximately six to eight (6-8) weeks to complete.

Please review this at your leisure and let us know if you would like to discuss this further or if you have any questions.

Regards,



Diana Perossa, PE
President | Chief Engineer

- c: Jeff Rogers, PE
- John Gomez
- Ricardo Carrasco



GUY CHIPMAN CONSTRUCTION, L.P.
 215 Elizabeth Road
 San Antonio, Texas 78209
 (210) 822-CHIP fax (210) 822-5480
 Web: guychipmanconstruction.com

CONSTRUCTION INVOICE / ESTIMATE

Estimate/Invoice No. 263 Section XI, Item a.

Customer

Name	City of Castroville - Debra Howe	Date	April 1, 2026
Address	1209 Fiorella Street	Job No.	2638
		Steinbach Haus & Castroville Visitor Center – Caulking and Beam Repairs	
City	Castroville, Texas 78009	Job Name	Beam Repairs
Phone:	(830) 931-6373 Fax	Job Address	100 Karm St, Castroville, TX 78009
email:	debra.howe@castrovilletx.gov		

Scope of Work

Item No.	Title	Materials, Labor and Subcontractor Expense Description	Material	Labor	Sub Contractor amt./ Unit Price	Contractor's Fee on Mtl. and Sub	TOTAL
1	Caulking and plaster repair	Remove failing caulking between beams and plaster, re-caulk with a dark colored NP-1 caulking to minimize water infiltration. Perform minor plaster repairs to waddle and daub between exposed timbers. Perform minor paint touch-ups to damaged areas on exterior only. Due to differential fading and age of paint, a consistent color match may not be possible without painting the entire exterior (not included).					\$0.00
2	Timber Repairs	Replace up to 3 half timber due to extensive deterioration. Repair will be to outer half of timber only. Red oak to be used for the repairs. Remove debris. Prime and paint new wood.					\$0.00
3		Total for Repairs Above			\$12,468.75	\$0.00	\$12,468.75
4	Exclusions	Excludes painting of entire exterior beams or plaster infill. Excludes repairs in excess of items noted above.					\$0.00

5		Note: No matter through the sealing of the exterior is performed, strong winds and blowing rains can force water into cracks in the aging wood and plaster and result in leaks that would not occur in a regular rainstorm. We will do our best to seal is many entry points as possible while maintaining historical integrity.					\$0.00
Totals			\$0.00	\$0.00	\$12,468.75	\$0.00	

Cost of Work	\$12,468.75
Sales Tax Exempt	\$0.00
Total Cost of Work	\$12,468.75
Down Payment Requested	\$6,234.38
Balance Due if Paid by Cash or Check	\$6,234.38

Project Time

Change Order Start Date
 Estimated Project Time in Work Days
 Estimated Number of Rain Days and Added Days
Estimated Completion Date

To be determined
 25
 To be determined
 To be determined

Signed: Guy W. Chipman, III

Date: April 1, 2026

Owner's Signature:

Date:



GUY CHIPMAN CONSTRUCTION, L.P.
 215 Elizabeth Road
 San Antonio, Texas 78209
 (210) 822-CHIP fax (210) 822-5480
 Web: guychipmanconstruction.com

CONSTRUCTION INVOICE / ESTIMATE

Estimate/Invoice No. 263 Section XI, Item a.

Customer

Name	City of Castroville - Debra Howe	Date	April 3, 2026
Address	1209 Fiorella Street	Job No.	2638
		Steinbach Haus & Castroville	
City	Castroville, Texas 78009	Job Name	Visitor Center – Roof Repair
Phone:	(830) 931-4090 Debra Mobile (817) 919-4820	Job Address	203 US-90, Castroville, TX 78009
email:	debra.howe@castrovilletx.gov		

Scope of Work

Item No.	Title	Materials, Labor and Subcontractor Expense Description	Material	Labor	Sub Contractor amt./ Unit Price	Contractor's Fee on Mtl. and Sub	TOTAL
1	Roof Repair	Caulk broken roof hip tiles and ridge tiles previously damaged by hail. Inspect roof for additional damaged tiles. Field tile replacement will be an added cost per tile.			\$1,150.00	\$230.00	\$1,380.00
2	Exclusions	Excludes additional tiles other than stated above. If additional tiles are found to be broken and need to be replaced there will be an additional			\$0.00	\$0.00	\$0.00
3					\$0.00	\$0.00	\$0.00
Totals			\$0.00	\$0.00	\$1,150.00	\$230.00	
						Cost of Work	\$1,380.00
						Sales Tax Exempt	\$0.00
						Total Cost of Work	\$1,380.00
						Down Payment Requested	\$0.00
						Balance Due if Paid by Cash or Check	\$1,380.00

Project Time

Change Order Start Date	To be determined
Estimated Project Time in Work Days	5
Estimated Number of Rain Days and Added Days	To be determined
Estimated Completion Date	To be determined

Signed: Guy W. Chipman, III

Date: April 3, 2026

Owner's Signature: _____

Date: _____