



City Council Regular Called Meeting Agenda

COUNCIL CHAMBERS - 1209 FIORELLA STREET

Tuesday, February 24, 2026

5:00 PM

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

I. Call to Order

II.

Executive Session

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

a. 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

III. Reconvene in open session

IV. Roll Call

V. Pledge of Allegiance

VI. Invocation

VII. Citizen Comments

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

VIII. Consent Agenda:

a. Minutes for January 29, 2026 Special Called Meeting

b. Minutes for February 10, 2026 Regular Called Meeting

- b. Approve a Resolution for the Police Department to submit an application for Operation Stonegarden Grant.
- c. Approve an updated Castroville Municipal Airport Courtesy Vehicle Policy and Use/Indemnification Agreement.

IX. City Council Liaison Report:

- Airport - February 3, 2026 - Martinez
- P & Z /Council - February 11, 2026 - Marchman
- Library - February 12, 2026 - Lee
- HLC - February 17, 2026 - King
- Parks and Rec - February 18, 2026 - Merz

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

XI. Discussion and Action Items

- a. Discussion and possible action to adopt a resolution authorizing a contract for services with the Castroville Area Chamber of Commerce.
- b. Discussion and possible action to establish a committee to evaluate the City Hall, Steinbach Hus, Display Structure at the Stenbach Hus.
- c. Discussion and possible action to authorize clean up and the installation of a safety fence along the back of the Steinbach Hus property.
- d. Discussion and appropriate action to identify and fund street and drainage maintenance projects.
- e. Discussion and appropriate action to identify and fund street paving projects.
- f. Discussion and appropriate action to authorize and establish funding and a timeframe for closure of the wastewater treatment plant effluent ponds in compliance with TCEQ.
- g. Discussion and appropriate action to identify and fund waterline replacement projects.
- h. Discussion and appropriate action to authorize the installation of a pump, motor, and electrical components for the recently drilled Flat Creek municipal water well.
- i. Discussion and appropriate action to obtain an engineering cost estimate to rebuild the underground electric distribution system in the Country Village subdivision.
- j. Discussion and possible action on a Franchise Agreement with West Texas Gas (WTG Energy).

XII. City Administrator Report

- a. Drainage Projects
- b. BMA Trail Access
- c. Streets, Maintenance and Paving Plan
- d. WWTP Ponds
- e. CPS Energy Dispute
- f. Community Center Construction

- g. Lions Park Splash Pad
- h. Facilitated Council Workshop
- i. Hwy 90 TxDOT Construction Project
- j. County Streets Plan
- k. Multimodal Planning Effort
- l. TxDOT Hwy 90 Improvements
- m. Warrant Roundup
- n. Departmental Reports

[Animal](#) Control Monthly Report

[Code](#) Enforcement Monthly Report

[Community](#) Development Monthly Report

[Library](#) Monthly Report

[Parks](#) and Recreation Monthly Report

[Police](#) Department Monthly Report

[Public](#) Works Monthly Report

XIII. Discussion on Future Agenda Items

XIV. Adjourn

Accessibility Statement

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

Non-Discrimination Statement

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

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

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, Castroville, Texas on February 18, 2026 before 6:15 p.m.

/s/ Debra Howe

City Secretary

**CITY OF CASTROVILLE CITY COUNCIL
SPECIAL CALLED COUNCIL MEETING/WORK SESSION
1209 Fiorella
City Council Chamber
January 29, 2026
Thursday
10:00 a.m.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 10:02 a.m.

II. ROLL CALL

Present:

Mayor Bruce Alexander	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Houston Marchman	Leroy Vidales, Finance Director
Councilmember Phil King (late arrival)	Jim Kohler, Police Chief
Councilmember David Merz	John Gomez, Public Works Director
Councilmember Robert Lee	Breana Soto, Community Development Director
	Jonah Chang, Parks and Recreation Director

Others in attendance:

Sierra Christa-Oberhauser, Public Works Assistant (Presenter)
Utility and Police Employees

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.

IV. DISCUSSION AND ACTION ITEMS

a. Implementation of the adopted capital plan including a review of completed and in-progress projects

Mayor Alexander recognized several employees from various departments in attendance. City Administrator Scott Dixon introduce Sierra Christa-Oberhauser, Public Works Administrative Assistant who would be providing an overview of completed projects and community survey results. Ms. Christa-Oberhauser provided an over of the current completed projects including budgeted amounts and with actual costs. The projects were: Lions Park Improvements – Budgeted \$406,824, Actual \$427,555; Regional Park - Budgeted \$430,300, Actual - \$417,744; September Square – Budgeted \$35,000,

Actual - \$15,000; Smart Meter Program – Budgeted \$2,690,881, Actual \$3,055,092; Water and Wastewater Master Plan – Budgeted \$175,650, Actual \$125,050; Regional Park Lift Station Secondary Pump – Budgeted \$135,000, Actual \$43,727; Country Village Lift Station – Budgeted \$862,000, Actual \$681,837; Lafayette Water Line Replacement – Budgeted \$640,562, Actual \$623,148; River Bluff Improvements - Budgeted \$2,070,275, Actual \$2,328,434; Capacity (Gas) Analysis Modeling - Budgeted \$360,000, Actual \$37,500; and Impact Fee and Drainage Master Plan – Budgeted \$245,470, Actual \$372,520. Ms. Christa-Oberhauser,, presented the In Progress Projects (no dollar amounts shown) as: Community Center – completion date of May 2026, remaining items for completion – roof, doors, interior fixtures, and site work (including sidewalks, parking lot); Wastewater Supervisory Control and Data Acquisition (SCADA) – Cross Hill Main Lift Station – Antenna and Data Panel installed, waiting for DFS to transfer information over; Public Works Yard – Antenna and Data Panel installed, DFS requested power supply – waiting on future electric; Koenig Park – Data Panel installed, pending Antenna installation; Riverside, East Lift Station – Antenna installed, Data Panel Pending; and Country Village Lift Station – Site was under construction so no equipment was ordered, working on gathering information. Councilmember Lee asked if the new SCADA System was on all the utilities. Mr. Dixon said it was not funded for all utilities as of now, only wastewater. Geneva Drainage Project – project started June 2025 with next steps being installation of outlet and inlet, and installation of Flexi Mat for soil stability. A mid-year completion date was projected. Garza/Garcia Drainage Project – staff had developed the design- build bid specifications for the drainage project with the Request for Proposals published 20th with the proposals due on March 2nd. Mayor Alexander said the city needed to protect what the city had and identify the issues with the area. City Administrator Dixon said a contract would be brought to a March meeting for City Council to approve to move forward. Councilmember Lee asked about the foundation of the wastewater treatment plant if the ponds are drained and the moisture in the soil was gone. Mr. Dixon said he did not think it was an issue but would speak to the City Engineer. Mayor Alexander asked what had the City already committed to on projects. Mr. Dixon said they would speak more on funding during the next agenda item. Ms. Christa-Oberhauser said there had been a survey sent out for community participation with 300 responses received but only 177 were counted. Surveys not fully filled out were rejected. Councilmember Merz said there was confusion with citizens who lived outside of the city limits with a Castroville address thinking they were part of the City but they did contribute to the sales tax revenues and used City amenities and the City should look at those responses. Councilmember Marchman clarified the 177 surveys that were counted out of the 300 that responded were properly filled out and anything left blank caused the survey to be void. Ms. Christa-Oberhauser said that was correct. Councilmember Lee said he had reviewed and felt there should be an opt-out feature for questions the participant did not wish to answer. Mr. Lee asked for the data on those that were rejected. Mr. Merz questioned the percentage of homeowners (90%) verses renters (10%) taking the survey and asked if the survey was done in-house. Mr. Dixon said yes, they did have the software now and in the future they could hire outside company to conduct. Mr. Merz said the data showed him what to work on in the future. Ms. Christa-Oberhauser provided a summary of the Goals and Objectives of the survey to help staff and City Council to understand the community perceptions of City services, the facilities, and amenities.

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Also helping to identify strengths in current operations and service delivery. Look at areas for improvement and future investment to help with planning, budgeting and capital improvements. Ms. Christa-Oberhauser said the results showed the participants were happy overall with the City Departments with some dissatisfaction with electric rates and drainage. Mayor Alexander said the rates were a fixed cost but with growth would help to spread over more accounts in the future. City Administrator Dixon said it was the cost of operations to support the system. Councilmember Lee said the City had known for a long time the utilities were being supplemented by the electric and this could not continue. Mr. Lee said the other utilities needed to support themselves which would cause rate increases. Councilmember Merz said new development would not need any maintenance for 30 years but would happen at some point with costs going up. Council appreciated the updates and the presentation provided.

b. Discussion and prioritization of funded and unfunded projects including facilities, utilities, drainage, streets, parks, vehicles and equipment and other capital investments

Finance Director Leroy Vidales briefed the City Council on the City finances. Mr. Vidales said the City was having the annual audit conducted with results to be provided at a future council meeting. Mr. Vidales presented the Bond Issuances showing the Bond Series 2023 – CO’s for \$5,000,000 – Utility Fund – for Wastewater Treatment Plan Improvements; Bond Series 2024 – CO’s for \$1,500,000 – General Fund – for Drainage Improvements; and Bond Series 2025 – CO’s for \$3,500,000 – General Fund, and \$3,500,000 – various projects listed on issuance and Utility Fund – for Water and Sewer System Improvements. City Administrator Dixon said the City had a AA Bond rating with the City wanting to keep 90 to 120 days in reserves. Mayor Alexander asked how much the city had currently. Mr. Dixon said over a year in each fund. Mayor Alexander said the funds should spent and be reinvested back into the City. Councilmember Lee asked if the \$4,549,075 shown in General Fund had the new bond payment built in. Mr. Dixon said it did not and it would come out of the General Fund reserves. Mr. Vidales provided a list of the City’s current commitments from the General Fund including Police Department – Tahoe (\$80,000), Streets – Attenuator (\$27,045), Streets – Street Repairs & Paving (\$250,000), Parks/Rec – Community Center (\$540,000) for completion of contract. From the Utility Fund for Generators (\$337,500) and Mandatory relocation of Gas/Water Lines (TxDOT) (\$750,000). Mr. Dixon said he did not recommend borrowing every year and each time the City did there were fees attached if over the Bank Qualify# of \$10,000,000 so they tried to stay under to save on fees. Mayor Alexander said the new homes would help on the tax rolls and the City’s I & S rate was higher and a portion of the O & M Rate was returned to Alsatian Oaks as per agreement but the City did receive all of the I & S. Mr. Dixon said the Bond Issuances totaled \$13.5 million funded from General and Utility Funds. Mr. Dixon said there were some funds left over and could be used to buy a pump for the new Water Well or whatever the City Council wants. Mayor Alexander said the City Council could use the reserves to do all but the elevated water tank. Mr. Dixon said if bonds were issued for \$20,000,000 the annual payment was \$1.4 million per year. Councilmember Lee asked the cost of the elevated tank. Mr. Dixon said approximately \$22,000,000.

Mayor Alexander recessed the meeting for a lunch break at 12:02p.m.
 Mayor Alexander reconvened in open session at 12:36 p.m.

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After the break Department Directors presented to the City Council projects associated with their departments.

Public Works Director John Gomez provided information on possible projects with estimated costs including: a new public works facility (\$4.2 million), public works needed more space; San Jacinto Water Line Replacement (\$1.5 million), 60% designed; Mayor Alexander asked if this line had been missed when the waterlines were replaced in a previous project. Water Supervisor Jeremial Jacobs said no and clarified the previous project had been to replace undersized lines and some asbestos lines were found and replaced. Councilmember Merz clarified this would go through the replacement program. Mr. Dixon said it would but the city had not been able to do the original program set out at \$6 million to complete identified sections each year. Mr. Merz asked the percentage of aged infrastructure with Mr. Jacobs saying 50-60% were 30 years or older. Mr. Merz wanted to see the replacement program funded each year. Manhole Rehab Program (\$200,000 per year), Mr. Gomez said there had been water infiltration and the manholes needed to be replaced or repaired. Councilmember Merz asked if the City would be replacing with the same customized manhole covers being installed in the new subdivisions. Mr. Gomez said they would not as the new manholes in the subdivisions were larger and they could not retro fit. Mr. Merz asked if this amount was enough to complete the project. Mr. Gomez said this would be an ongoing program. Councilmember Lee said there had been a program in the past with latches installed on the lids to keep from popping off in floods. Councilmember Martinez asked if the replacements would be built up higher than the road surface. Mr. Gomez said they would not. Mr. Gomez said for Vehicle and Equipment – F350 Truck (\$86,000) would be for use in the Gas Department. Mr. Dixon said there was \$120,000 currently budgeted for gas equipment and if the City Council wished this could be purchased now. Mayor Alexander asked about a list of current vehicles and equipment with data on mileage, wear rating, and replacement dates. The departments had this list available. Vehicle and Equipment - Combo Truck (\$377,000) for a combination sewer cleaning truck to support wastewater treatment and collection system operations. This truck would be used to clean and vacuum manholes, lift stations, wet wells, and wastewater lines, as well as remove debris, sediment, grease, and sludge. Mr. Gomez said this truck could be used in other departments including Water, Streets, and Parks. Councilmember Lee asked if the department needed a new vehicle or could they find a used model. Mayor Alexander asked about going through Buyboard for purchase or lease to own options. Mayor Alexander asked if they could contract out for lease per year. Mr. Gomez said the trucks lasted on average six to eight years. Councilmember Lee said the truck would last longer but only the equipment would need replacing at six to eight years. There was question asked on how often would the larger truck be used and Mr. Gomez said two to three times per week plus the smaller one. Councilmember Lee asked the capacity, Mr. Gomez said 5,000 – 10,000 gallons. Councilmember King asked the cost to lease the truck. Mr. Gomez said it was \$5,000-\$6,000 per day. Country Village Electric System Improvements (\$3.0 million), Councilmember Lee said this subdivision system problems and outages were rare and it was not the same as River Bluff and asked if the replacement was for age of system or due to failures. Councilmember Merz said he had experienced relatively few outages until last year there had been several. He said mainly flickering of lights, but no outages. New Non Potable Water System (\$750,000), Mr. Gomez said this system needed to be replaced due to the City having issues with the company, Tiger, that installed this system at the wastewater treatment plant. Mr. Gomez said they would not respond to service the equipment now and the plant had outgrown the capabilities of the system. Public Works Assistant Director Rick Carrasco said the current system would help with irrigation at the park and could be used as a backup if they were able to upgrade. Water SCADA System Upgrade (\$300,000), Mr. Gomez said this would provide upgrades to Scada System to

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support current and future water system operations. This upgrade would include wastewater and electric and support new and improved wells intergraded into the City's operation network. Mr. Dixon said all facilities outside of the wastewater plant were customizable and could add users. Councilmember Lee questioned if they needed to add electric to the system and felt they should do all systems and look at cost within the city. Gas GIS System Upgrades (\$40,000), Mr. Gomez said the City needed upgrades to the GIS system for mapping of the gas system. Mr. Dixon said the City had reached out to Uvalde on their use of the GIS system. Mayor Alexander asked if the City had a GIS System in place. Mr. Dixon said yes, and with upgrade they could use to track the cost associated with the Gas System and this would be an add-on to the current system. Vehicle and Equipment – Roll-Off Truck (\$400,000) for the wastewater treatment plant operations. Mr. Gomez said this purchase would allow the staff to manage the sludge removal and disposal on an as-needed basis and reduce contracted weekly collection services. A question was asked if this was the public works priority list. Mr. Dixon said it was on the original list the staff had prepared that had started with 180 projects and had to go back and prioritize from high to low. City Council wished to see public works to prioritize the projects with money they have identified. Creation of Well #4 (\$11 million), Mr. Gomez said this would replace Well #1 that was capped due to poor condition and would be a dedicated backup water supply to help with the current limited backup capabilities. Mr. Dixon said City Council could look at tying in the Airport Well and not build a new well but it could be a costly to rebuild. Councilmember Lee said the Airport could help pay for the refurbishment of the well. Vehicle and Equipment – Motor Grader (\$250,000), Mr. Gomez said this purchase for be for the Streets Department to perform various roadway maintenance, drainage improvements, and preparation for overlays and repairs. Mr. Gomez said they now rent a grader at \$10,000 per month and this would reduce the City's need to rent or contract for equipment. Repurposing Existing Digester (\$2 million), Mr. Gomez said this would repurpose the exiting oversized digester to one-half it's size, to be used for storage of irrigation water and to support the development of a proper sized digester for the current and projected system requirements. Wastewater Supervisor Daniel Paxton said the digester was used for sledge storage, not it's intended purpose. Councilmember King asked if the City needed to build an additional tank to equalize flow. Mr. Paxton said no, the plant had an EQ Basin.

Mayor Alexander recessed the meeting for a brief break at 2:10 p.m.
 Mayor Alexander reconvened in open session at 2:16 p.m.

Street Overlay and Maintenance (\$400,000), Mr. Dixon said the City had hired Radar Roads to help with the street projects along with working with the County. These projects would be based on yearly funding. Mayor Alexander said he was in favor of allotting funds but wanted to see what the projects would be. City Hall Renovations Option A (\$4,447,628), included rear addition to the building. Option B – (\$3,147,628) included renovation to interior only, no addition with reconfiguring existing spaces. New Public Safety Building (\$3.9 - \$5 million), Mr. Dixon said they had contracted with Brinkly Sargent for a feasibility study. Library Addition Option A (\$1,380,000), Mr. Dixon said this option would be a change to the roof line with additions to the south and west sides of the library along with interior renovations to improve functionality of existing space for current and future needs. Option B (\$548,559), included an addition on the west side front of the existing library but no renovations to the interior spaces. The City Council had agreed on option #2 at a previous meeting. Animal Services Building (\$2.2 million), Mr. Dixon said they had looked at the city property behind the Chevrolet Dealership as a site. Mr. Dixon said it was in a flood zone but it would be easier for the public to visit yet back off the highway. Mr. Dixon

said the cost could be less with having the building out of metal. Councilmember Lee suggested saving and building a complex for the public works, police department, and animal services near the County yard. Houston Square Improvements (\$250,000-\$1.5 million), Mr. Dixon said the Houston Square improvements could be grant eligible depending on the scope of the project. Mr. Dixon said they were looking to improve the surface with treatments and with site features. The cost would depend on the project design. Library Off-Street Parking (\$150,000-\$250,000), Mr. Dixon said the Library currently had insufficient parking and the project would be to put a retaining wall for head-in parking on the east street side of the property. Mr. Dixon said if the Library removed the dumpster they currently had it would free up two parking spaces. Steinbach Haus (\$30,000), Mr. Dixon said this project would help address the ongoing drainage issues in the area near the Steinbach Haus and along Lower LaCoste Road. Mr. Dixon said the scope of work was to improve the current drainage system to help with stormwater run-off, reduce localized flooding, and protect adjacent roadways and nearby properties. Councilmember Lee said the City had some drainage funds saved and to prioritize a schedule. Lions Park Playscapes (\$469,367), Parks and Recreation Director Jonah Chang briefed the City Council on the Lions Park Playscapes project. Mr. Chang said the City had recently been awarded a grant for \$846,399 (50/50 match) with the City's portion being \$469,367 for a modern, safe, and all-accessible play features to enhance the park for families. The City Council would still need to accept the grant for the project to move forward. Regional Park Swimming Pool Restroom and Shower Building (\$205,000), Mr. Chang said the Parks Board was looking at a HOA style building for the pool building. Mr. Dixon said that was not a style and would need to look at. Mr. Chang said the board wanted more restrooms, showers, and changing areas and felt the pool needed a separate building, not connected to the Community Center. Councilmember King said the building did not need to be based on swim meet attendance, more of regular attendance. Mr. King said the original building had four men's toilets, two women's toilets, and eight showers for a cost of \$205,000 proposed by Frontier contractors. Councilmember Martinez asked if the showers could be outside. Mr. Chang said they could be but the students sometimes took showers before school and changing areas were outside. Regional Park Irrigation Improvements (\$375,000 - \$705,000), Mr. Chang said this project was to improve the irrigation system and watering of the fields while supporting the City's long-term goal of eliminating the effluent ponds. Mr. Dixon said the Park could help pay for improvements and the City could partner with the Park and consign the irrigation waters for future uses. Splash Pad Water Reuse System (\$50,000), Mr. Chang said the Parks Board recommended having a re-use water system at the Splash Pad to be used for irrigation purposes. Mr. Chang said this system would benefit the environment and have financial benefits to the community. Mr. Dixon said the reuse system was cost prohibited. Mayor Alexander was in favor of the feature. Councilmember Lee asked if there was a need for a second system. Mr. Dixon said there wasn't a need. Mr. Lee recommended purchasing water rights and designate for park irrigation in the future. Vehicle and Equipment Maintenance – Mini Skid Steer (Parks)(\$45,000), Mr. Chang said the purchase of the mini skid steer would be used for landscaping, material handling, trenching, site preparation, and routine maintenance in the parks, trails, and other public areas. Regional Park Playscapes (\$100,000), Mr. Chang said this project would replace Playground #2 at Regional Park with a new playscape and a shade structure. Mr. Chang said this playscape was on a smaller scale and was not an all-inclusive playground. Regional Park Parking Lot Installation (\$100,000 - \$200,000), Mr. Chang said with the increase in park patrons the need for an additional parking lot was needed. Mr. Chang said this would benefit those coming to the park by making it easier to reach the areas. Pool Fencing (\$40,000), Mr. Chang said the fencing on the south, east, and west side were scalable and needed to be replaced as recommended

by TML, the City’s Insurance Company, for safety purposes. In the discussion council asked that the Community Center Project be checked to make sure fencing was not already included.

Pool Structure Improvements (\$150,000), Mr. Chang said this project was to address the structural improvements needed to stabilize the structural elements, addressing the deteriorated deck conditions, and to support a safe operation and long-term use of the pool. Lions Park Pavilion (\$50,000), Mr. Chang said this project was for the construction of a pavilion for community gatherings, recreational use, and park activities. Lions Park Hard Court (\$100,000), Mr. Chang said this project was to construct a multi-purpose hard court for a variety of activities. The court would be used for basketball, pickleball, volleyball, and fitness use. Lions Park Fencing Replacement (\$50,000), Mr. Chang said this project was to replace the old fencing around the softball field including the dugout and backstop areas for safety reasons. Councilmember Lee wanted the staff to prioritize their projects. Councilmember King agreed. City Administrator Dixon said he had always received direction from the City Council on what they felt was most important and he would then bring back a financial plan on funding for those projects.

c. Discussion of future funding mechanisms including bond issues, use of fund reserves, grants, and developer contributions

This item was not discussed in depth.

Mayor Alexander appreciated the work put in by staff on their presentations and there were some budgetary items included with a lot of information to review. Mayor Alexander felt they should have had information on the amount of funds available from General Fund and Enterprise Fund to know what they can do. Councilmember Merz said he had already prioritized his items and some were budgetary mixed in with projects. Mr. Merz wanted data on what amount of funding could the City do without raising rates. Councilmember Lee said they needed to look at raising rates to meet income needs to fix the infrastructure issues. Mr. Lee felt infrastructure improvements were a priority. Mayor Alexander and Councilmember Marchman did not support raising rates at all. Mr. Lee said the City needed to do the maintenance that was necessary and provide funding. Councilmember Martinez said the infrastructure had to be fixed and the City could not afford not to do this to get back on track. Some members of council wanted the departments to name their number one project. Councilmember Merz said the new developments would not be paying for improvements as their infrastructure was new but this would come and the City needed to look at a plan for the future. Councilmember Marchman said he was disappointed in the meeting and felt he did not get what he needed for this workshop. Mr. Marchman had thought he would get a list of projects with funding sources for the proposed projects discussed. Councilmember Lee said they were responsible to take care of what the City had in place. Councilmember King felt the City should spend what they had now, using current funds, then look at the tax rates and possible tax increases.

V. DISCUSSION ON FUTURE AGENDA ITEMS

None were discussed.

VI. ADJOURN

Mayor Alexander adjourned the meeting at 3:43 p.m.

Mayor

ATTEST:

City Secretary

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
February 10, 2026
Tuesday
5:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Alexander called the meeting to order at 5:02 p.m.
Mayor Alexander acknowledged a quorum was present.

Mayor Alexander recessed into executive session at 5:03 p.m.

II. EXECUTIVE SESSION

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

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

Opened: 5:03 p.m.

Closed: 5:32 p.m.

III. RECONVENE IN OPEN SESSION

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

IV. ROLL CALL

Present:

Mayor Bruce Alexander

Mayor Pro Tem Sheena Martinez

Councilmember Houston Marchman

Councilmember Phil King

Councilmember Robert Lee

Scott Dixon, City Administrator

Debra Howe, City Secretary

James, Kohler, Police Chief

John Gomez, Public Works Director

Breana Soto, Community Development Director

Jonah Chang, Parks and Recreation Director

Absent:

Councilmember David Merz

Others in Attendance:

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

V. PLEDGE OF ALLEIGENCE

VI. INVOCATION

Councilmember Phil King gave the invocation.

VII. CITIZENS COMMENTS

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

No one requested to speak.

VIII. CONSENT AGENDA

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

Mayor Alexander requested 8b. be removed for further discussion.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve consent agenda items a. and c. A vote was taken (4:0 all ayes) the motion carried by all present.

Mayor Alexander had questions on the quotes shown for the pickup with the lowest bid being \$84,279.92. Mayor Alexander asked if this was retail pricing and was a one-ton necessary for what the department needed. Aaron Garcia, Natural Gas Superintendent, said a one ton would be able to pull the equipment/trailer. Mayor Alexander felt a ¾ ton with a one-ton suspension would do the same and cost less. Mayor Alexander asked why a gas engine and not a diesel. Mr. Garcia said a diesel engine was an additional \$10,000. Mayor Alexander requested more information to be brought back to the next meeting for the City Council to consider this purchase. No action.

IX. PRESENTATIONS

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

Mayor Alexander briefed the City Council on his request to have an update on the Community Center to help the public to better understand and alleviate some of the concerns on the cost and timeline of completion for the project. Mayor Alexander said the public wanted to know the true cost to the citizens. Parks and Recreation Director Jonah Chang provided a history on when the project was started dating back to 2021 when the pool building had been identified as a project by the Parks Board and the submittal

of a grant application; in December 2022 the City was awarded a congressional grant for \$1,705.340 million with the project identified at a cost of \$2,170,192. Mr. Chang said the City's commitment was \$464,852 and had to be spent before the City received any government funds. Mr. Chang said in June 2024 the City Council approved the base proposal for the construction package and awarded a contract to Frontera Construction. Mr. Chang said the City's funds had been spent on initial soft costs such as design, geo-testing, demolition of the old building, and a portion of the construction costs. Mr. Chang provided information on the project saying the construction began March 17, 2025 with construction currently at 52% complete; site work was currently 76% complete; and the main building was 47% complete with a completion date of May 15, 2026 and move-in scheduled for May 29, 2026. Mr. Chang said last week there had been a structural inspection and the contractor had some corrections to be made having not built to specifications. Mr. Chang said there had been some talk that the City had received a total of \$4 million but that was incorrect, the City received \$1.7 million with other cities in the county receiving the remaining share. City Administrator Dixon explained the payment process starting with the City receiving an invoice for approval, send to USDA for their approval, then funds were released back to the City for payments. Mr. Chang spoke on delays to the project due to weather delays (26 calendar days), Government Shutdown (63 days), and an additional 21-day recovery impact due to subcontractors reassigning labor and equipment with remobilization plus the December holidays. Mr. Chang said there was a remaining balance of \$722,294.60 with the City being responsible for an additional \$164,466.00. Councilmember King asked about the change order for \$28,865.58 for general conditions and \$1,298.95 for Project insurance and bonds coming off the balance owed. Mr. King questioned the number of shutdown days shown and said he had not seen any activity recently. Mr. Chang said he would investigate. Mayor Alexander questioned why the City was charged when the City did not have any control of the federal government. City Attorney Dan Jones said legally the City was still responsible. Councilmember Marchman said the government had only been closed 47 days. Mr. Chang said the difference could be the difference in when they received their pay and would confirm. Mayor Alexander recognized Terry Beck to speak on this item.

Terry Beck, 104 Harvest Moon, spoke on wanting clarification on who first looked at and the purpose of the project. City Administrator Dixon explained the Parks Board along with former councilmember Herb Dyer had identified the pool building would be a qualifying project. Mr. Dixon said former Grant Consultants EMC had come to the City with the opportunity to submit a grant application. Mr. Dixon said it was decided to put the building in the pool area and this became the Community Center Project. Mr. Beck said he had read several meeting minutes and was confused on how it would be paid for. Mayor Alexander said the difference in the project would be paid for out of the General Fund. A question of why the building was demolition so quickly was raised. Mr. Dixon said the City went by the direction of the USDA and was told to demolish the building to be ready to start the project and then the government stopped the process which left the project in limbo. Mr. Beck said he did not see any showers or changing areas in Phase I and they were needed. Mayor Alexander said the City had reserve funds and was looking at projects.

X. MAYOR'S REPORT

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

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Mayor Alexander said the City Council had met on January 29th for a Capital Improvement Planning update on current and future identified projects. Mayor Alexander said there would be a prioritized CIP project list brought back with funding options for City Council to consider. Mayor Alexander briefed the City Council on his recent trip to Washington D.C. as an advocate for the Texas Rural Water Association. Mayor Alexander said he was able to meet with Senator John Cornyn, visited Senator Ted Cruz's office, meet with Congressman Tony Gonzales, and Congressman Joaquin Castro. Mayor Alexander announced Castroville had been selected to have a congressional office located in the city. Mayor Alexander said he had received a letter that day on available funding for the City to look at. Mayor Alexander thanked all the volunteers for their time and efforts working for the good of the community. Mayor Alexander noted the deadline for submitting applications for open seats in District 3,4, and 5 was coming up on February 13th by 5p.m. Mayor Alexander continued to encouraged citizens to share their thoughts and have a discussion on what they thought was best for Castroville.

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

No action was taken.

XII. DISCUSSION AND ACTION ITEMS

a. Historic Design Guidelines Update Scope and Cost Estimate

Community Development Director Breana Soto and Historic Preservation Officer Selina Angel briefed the City Council on a cost estimate for updating the Historic Design Guidelines to provide guidance on the responsibilities other than the 96 structures. Ms. Soto provided the scope of the project as: a series of four workshops, with optional fifth; preparation of background materials for each workshop; Facilitation of each workshop with the HLC, City Council, and possibly P & Z; prepare summary after each workshop and draft proposed code amendments for review and adoption. Ms. Soto provided topics for the workshops, and a cost breakdown for each of the workshops and code writing. Those costs shown: Workshop 1 - Timelines, Deadlines & Monitoring \$9,100, Workshop 2 – Non-Contributing Properties \$15,000, Workshop 3 – Design Guidelines \$15,400, Workshop 4 – Finalization \$17,400, and Code writing and amendment adoption \$14,300 for a lump sum of \$71,200. The additional workshop if authorized was shown as \$10,300. This item would require a budget amendment. Mayor Alexander was not in support of this proposal as he felt the commission should only have purview over the 96 structures and the original guidelines were done by volunteers. Councilmember Lee was supportive of the end-product but in the past the Historic Landmark Commission (HLC) had only been responsible for the 96 structures then some years ago the scope was changed to include more responsibilities. Mr. Lee agreed with Councilmember Marchman from past discussions that there needed to be a buffer around the historic structures but not encompass too large of an area. Mr. Lee felt the commission should look at and reach out to other towns with historical districts for guidance. Councilmember King said most neighbors of the historic structures liked the historic oversight to keep the character of the area. Mr. King was in favor of the update proposal presented. Mayor Alexander asked about the February 25th workshop shown in the amount of \$9,300. Ms. Angel said the costs included approximate 45 hours of time preparing for the workshop, holding a workshop, and providing a follow-up recommendation to the City Council at later date. Councilmember Marchman felt the City needed this update and reiterated the need for a buffer are the historic structures. HLC member Priscilla Garrett said the commission needed expertise help

on providing a buffer zone around the historic structures. Mr. Marchman said maybe staff could do some of the research and reach out to Boerne and other cities with historic districts. City Administrator Dixon read off Councilmember Merz's comments he had submitted via email. Mr. Merz felt non-contributing structures should have an option to opt out of a historic district, provide a book for others with buildings, architectural details for others, and refocus guidelines on older non-historic homes. Councilmember Lee felt the scope needed to be to look at non-contributing structures, what to do with them, and look at denoting the distance around the historical structure. Mr. Lee felt staff and the commission had the capability to do this in-house. City Administrator Dixon said there did need to be legal guidance with this process.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve the February 25, 2026 workshop cost in the amount of \$9,300. A vote was taken (3ayes: 1nay(Lee)) the motion carried by a majority vote.

There were further comments after the vote.

Councilmember Marchman said he was gifted with a Spanish deed dating back to 1826 of land in the city. Mr. Marchman was in support of updating the guidelines and after this first step look at during budget workshop to find more funding. Councilmember Martinez felt the Planning and Zoning Commission should be in the discussion as some of the decisions effected the CZO. Councilmember King said this was the first step and the HLC wanted to get their ideas prepared then come to City Council for next steps.

b. Active Transportation Plan Update by Community Development Director Breana Soto

Community Development Director Breana Soto briefed the City Council on the Active Transportation Plan for the City. Ms. Soto said in working with Tool Design they had held community participation meetings with the most recent held on February 2nd. Ms. Soto said they had engaged the public at several events including: National Night Out, Boo Bash, with stakeholder group walk and online and paper surveys. Ms. Soto said the goals were to improve safety, connectivity, and accessibility for people walking, biking, and using other non-motorized transportation without the city. Ms. Soto said the takeaway from the last meeting were concerns with Hwy 90 congestion. Ms. Soto said the next step was to prepare a draft policy for community feedback.

c. Discussion and possible action to adopt an ordinance to create the Medina County Public Utility Agency (MCPUA)

Public Works Director John Gomez briefed the City Council on the ordinance to create the County Public Utility Agency. Mr. Gomez said the agency would help the City plan for future water needs. The ordinance provided listed participants from Medina County, City of Hondo, Castroville, Devine, LaCoste, Yancey Water Supply Corporation, East Medina County Special Utility District, West Medina Water Supply Corporation and Medina County Water Control and Improvement District No. 2. Mr. Gomez said he and Mr. Dixon were currently serving as representatives for the City on the Medina County Regional Water Alliance. Mayor Alexander said he was chairman of the board and to get grant funding this needed to be done as a group, thus this creation of an agency. Once the ordinance was signed by all participating entities the ordinance would go into effect.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to adopt an ordinance creating the Medina County Public Utility Agency (MCPUA). A vote was taken (4:0 all ayes) the motion carried by all present.

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Councilmember Lee said in the past the City had been a participant in the Southwest Water Alliance and questioned if this was for potable water only. Mr. Lee asked what the costs to the City would be once the agency was formed. At this time there was no information on this.

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

Mayor Alexander said this had been discussed in executive session with no action to be taken.

XIII. DISCUSSION ON FUTURE AGENDA ITEMS

City Administrator Dixon reminded council there was a joint meeting with the P & Z the following day and a CIP workshop on February 24th at 3 p.m.

Councilmember Lee provided a list of items for future meetings including addressing maintenance issues at the Steinbach Hau and City Hall.

An executive session would be on the next meeting to complete the annual evaluation of the City Administrator.

XIV. ADJOURN

Mayor Alexander adjourned the meeting at 8:14 p.m.

Mayor

ATTEST:

City Secretary



CITY COUNCIL AGENDA REPORT

DATE: February 11, 2026

AGENDA OF: February 24, 2025

DEPARTMENT: Police

SUBJECT: Stonegarden Grant

RECOMMENDED MOTION:

No Motion to Consent. If pulled from consent the following motion may be made: Accept and approve a resolution authorizing the Castroville Police Department to apply for and accept \$61,188 in grant monies for overtime funding. This grant does not require a city match.

BACKGROUND:

Operation Stonegarden (OPSG): Supports enhanced cooperation and coordination among Customs and Border Protection (CBP), United States Border Patrol (USBP), and local, Tribal, territorial, state, and Federal law enforcement agencies. The OPSG Program funds investments in joint efforts to secure the United States' borders along routes of ingress from international borders to include travel corridors in states bordering Mexico and Canada, as well as states and territories with international water borders.

An increase in patrol will reduce border related crimes such as drug trafficking, transnational criminal activities, etc.

This grant will allow for the jurisdiction to pay for overtime during Operation Stonegarden.

The Castroville Police Department will also conduct increased patrols in the Castroville city limits, one of the known drug corridors, as well as surveillance of known drug couriers, and stash houses. Participating Law Enforcement agencies will provide enhanced law enforcement presence by increasing patrol of roads adjacent to the border, thereby saturating the routes of egress from the border. Castroville, Texas is an incorporated city and consists of 2.915 square miles in Medina County, Texas. One of the longest highways in the United States, U.S. Highway 90, runs through the center of the city. Our targeted audience is Drug traffickers, alien smugglers and potential terrorists coming out of Mexico. The target gender is mainly males ranging from 20-40 years of age, and very few females and children.

Budgeted Requires Budget Amendment

SOURCE OF FUNDING: Grant Funded

FISCAL IMPACT:

No impact on the city budget. This is a 100% reimbursement grant in the amount of \$61,188.

ATTACHMENTS: N/A

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

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

Submitted by: Chief James Kohler

RESOLUTION NO. _____

A Resolution of the City Council of the City of Castroville, Texas, authorizing the submission of a grant application to the Office of the Governor for the Castroville Police Department – Operation Stonegarden Grant #4558105

WHEREAS, The Castroville City Council finds it in the best interest of the citizens of Castroville, Texas that The Castroville Police Department – participate in Operation Stonegarden for 2026; and

WHEREAS, The Castroville City Council agrees to provide applicable matching funds for the said project as required by the Stonegarden grant application; and

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

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

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

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

Passed and Approved this _____ day of _____, 2026.

Mayor
City of Castroville

ATTEST:

City Secretary



Agenda Report

Agenda of: February 24, 2026

Department: Airport

Subject: Approve the updated Castroville Municipal Airport Courtesy Car Policy and Use/Indemnification Agreement

Recommended Motion: Approve on consent

Background: At the October 14th, 2025, Regular Council Meeting consent agenda item i, the AAB was tasked with developing an Airport Courtesy Car Policy. On November 4th, the AAB began developing the policy. On December 3rd, a draft policy was submitted to the airport manager. While the policy was in development, the airport manager verified the insurance requirements with TML. On Jan 13th, the airport manager met with the City Attorney. On Feb 16th, the City Attorney approved the policy.

Fiscal Impact: None

Budgeted Requires Budget Amendment

Source of Funding: Account Code:

Attachments: Policy & Insurance

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

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

Submitted by: Michael Haley, Airport Manager

TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL

**AVIATION
COVERAGE
DOCUMENT**

TML201/202(10/97)

A400
11-11-98
KEEP IN PERMANENT FILES

AIRPORT OWNERS AND OPERATORS LIABILITY COVERAGE

**SPECIALLY PREPARED FOR MEMBERS OF
THE TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL**

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AIRPORT OWNERS AND OPERATORS GENERAL LIABILITY COVERAGE

COVERAGE PROVISIONS

This Airport Owners and Operators General Liability Coverage shall be part of the Texas Municipal League Intergovernmental Risk Pool Liability Coverage Document, but none of the terms, conditions, definitions or exclusions in that Coverage Document shall apply to this Airport Owners and Operators General Liability Coverage.

Various provisions in this Coverage Agreement restrict coverage. Read the entire Coverage Agreement carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Agreement the word "Member" refers to the Fund Member shown in the Declarations, and any other person or organization qualifying as a Fund Member under this Coverage Agreement. The word "Fund" refers to the not-for-profit Texas Municipal League Joint Self-Insurance Fund providing this coverage.

The words "Covered Person" mean any person or organization qualifying as such under WHO IS A COVERED PARTY (SECTION III).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (SECTION VI).

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Coverage.

a. The Fund will pay those sums that the Covered Party becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this coverage applies. The Fund will have the right and duty to defend any "suit" seeking those damages. The Fund may at its discretion investigate any "occurrence" and settle any claim or "suit" that may result, but:

- (1) The amount the Fund will pay for damages is limited as described in LIMITS OF LIABILITY (SECTION IV); and
- (2) The Fund's right and duty to defend ends when the Fund has used up the applicable limit of liability in the payment of judgments or settlements under Coverage A.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, C AND D.

b. This Coverage applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the coverage period; and
- (3) The "bodily injury" or "property damage" arises out of the Member's "airport operations".

c. Damages because of "bodily injury" include damages claimed by any person or organization for care,

loss of services or death resulting at any time from the "bodily injury".

2. Exclusions.

This Coverage does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the Covered Party. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the Covered Party is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is a "covered contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the Covered Party would have in the absence of the contract or agreement.

c. Liquor Liability

"Bodily injury" or "property damage" for which the Covered Party may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if the Member is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Premises at the "airport" which the Member leases to others who are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages, will not be treated as the Member's business.

d. Workers Compensation and Similar Laws

Any obligation of the Covered Party under a worker's compensation, disability benefits or unemployment compensation law or any similar law.

e. Employers Liability

"Bodily injury" to:

- (1) An employee or volunteer of the Covered Party arising out of and in the course of employment, whether paid employment or not, by the Covered Party; or
- (2) The spouse, child, parent, brother or sister of that employee or volunteer as a consequence of (1) above.

This exclusion applies:

- (1) Whether the Covered Party may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the Covered Party under a "covered contract".

f. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by, rented, loaned or leased to the Covered Party. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) An "auto" while on runways or other parts of the "airport" where aircraft are operated, serviced, maintained or stored, or watercraft while anywhere on the "airport";
- (2) An "auto" or watercraft while not on the "airport" if responding to an aviation emergency; or
- (3) Liability assumed under any "covered contract" for the ownership, maintenance or use of watercraft.

g. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to the Covered Party; or
- (2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

h. Air meet, Contest or Exhibition

"Bodily injury" or "property damage" arising out of:

- (1) The conduct of any airmeet, contest or exhibition permitted, sponsored or participated in by any Covered Party; or
- (2) The ownership maintenance or use of grandstands, bleachers or observation platforms.

Paragraph (1) of this exclusion does not apply to static displays.

Paragraph (2) of this exclusion does not apply to observation decks or promenades that are part of a permanent structure on the "airport".

i. Swimming Pools or Lodging Accommodation

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of:

- (1) Swimming pools; or
- (2) Lodging accommodation for the general public.

j. Control Tower

"Bodily injury" or "property damage" arising out of the direct operation of a control tower by any Covered Party.

k. Damage to Property

"Property damage" to:

- (1) Property the Member owns, rents or occupies;
- (2) Premises the Member sells, gives away or abandons, if the "property damage" arises out of any part of those premises;
- (3) Property loaned or leased to the Member;

- (4) Personal property, other than "aircraft", in the care, custody or control of the Covered Party;
- (5) That particular part of real property on which the Member or any contractors or subcontractors working directly or indirectly on the Member's behalf are performing operations, if the "property damage" arises out of those operations;
- (6) That particular part of any property that must be restored, repaired or replaced because "the Member's work" was incorrectly performed on it; or
- (7) "Aircraft" in the Member's care, custody or control or "aircraft" while being serviced, handled or maintained by the Member.

Paragraph (2) of this exclusion does not apply if the premises are "the Member's work" and were never occupied, rented or held for rental by the Member.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (4) of this exclusion does not apply to "property damage":

- (a) to an "auto" or "mobile equipment" when the Member's control is solely traffic control, but this exception does not override Exclusion j. above;
- (b) to an "auto" while on the "airport"; or
- (c) to baggage or cargo handled by the Member, provided the Member is not handling the baggage or cargo as bailee for hire.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

Paragraph (7) of this exclusion does not apply to "property damage" to "aircraft" when the Member's control is solely traffic control, but this exception does not override Exclusion j above.

l. Damage to the Member's Product

"Property damage" to "the Member's product" arising out of it or any part of it.

m. Damage to the Member's Work

"Property damage" to "the Member's work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on the Member's behalf by a subcontractor.

n. Damage to Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "the Member's product" or "the Member's work"; or
- (2) A delay or failure by the Member or anyone acting on the Member's behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "the Member's product" or "the Member's work" after it has been put to its intended use.

o. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by the Member or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "The Member's product";
- (2) "The Member's work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Exclusions c. through o. do not apply to damage by fire to premises rented to the Member. A separate limit of liability applies to this coverage as described in LIMITS OF LIABILITY (SECTION IV).

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Coverage.

a. The Fund will pay those sums that the Member becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this coverage applies. The Fund will have the right and duty to defend any "suit" seeking those damages. The Fund may at its discretion investigate any offense and settle any claim or "suit" that may result, but:

- (1) The amount the Fund will pay for damages is limited as described in LIMITS OF LIABILITY (SECTION IV); and
- (2) The Fund's right and duty to defend end when the Fund has used up the applicable limit of liability in the payment of judgments or settlements under Coverage B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, C AND D.

b. This Coverage applies to:

- (1) "Personal injury" caused by an offense excluding advertising, publishing, broadcasting or telecasting done by or for the Member;
- (2) "Advertising injury" caused by an offense committed in the course of advertising the Member's goods, products or services;

but only if:

- (a) The offense was committed or alleged to have been committed unintentionally by the Member or any of the Member's employees while engaged in their employment by the Member; and
- (b) The offense was committed or alleged to have been committed in the "coverage territory" during the coverage period and arises out of the Member's "airport operations"

2. Exclusions.

This Coverage does not apply to:

a. "Personal injury" or "advertising injury":

- (1) Arising out of oral or written publication of material, if done by or at the direction of the Covered Party with knowledge of its falsity;
- (2) Arising out of oral or written publication of material whose first publication took place before the

beginning of the coverage period;

- (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the Covered Party;
 - (4) For which the Covered Party has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the Covered Party would have in the absence of the contract or agreement; or
 - (5) Arising out of the conduct of any airmeet, contest or exhibition permitted, sponsored or participated in by any Covered Party. This exclusion does not apply to static displays.
- b. "Advertising injury" arising out of:
- (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
 - (2) The failure of goods, products or services to conform with advertised quality or performance;
 - (3) The wrong description of the price of goods, products or services; or
 - (4) An offense committed by a Covered Party whose business is advertising, broadcasting, publishing or telecasting.
- c. Any offense which was committed or alleged to have been committed in any State which does not recognize a cause of action for that offense based in negligence.

COVERAGE C. HANGARKEEPERS LIABILITY

1. Coverage.

- a. The Fund will pay those sums that the Covered Party becomes legally obligated to pay as damages because of physical injury to "aircraft" to which this coverage applies. The Fund will have the right and duty to defend any "suit" seeking those damages. The Fund may at its discretion investigate any "occurrence" and settle any claim or "suit" that may result, but:
- (1) The amount the Fund will pay for damages is limited as described in LIMITS OF LIABILITY (SECTION IV); and
 - (2) The Fund's right and duty to defend end when the Fund has used up the applicable limit of liability in the payment of judgments or settlements under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, C AND D.

- b. This Coverage applies to physical injury only if:
- (1) The "aircraft" is in the Member's care, custody or control or while the "aircraft" is being serviced, handled or repaired by the Member; and
 - (2) The physical injury to "aircraft" is caused by an "occurrence" that takes place on the "airport"; and
 - (3) The physical injury to "aircraft" occurs during the coverage period.
- c. Damages because of physical injury include damages claimed for all resultant loss of use of such aircraft.

2. Exclusions.

This Coverage does not apply to:

- a. Physical injury to "aircraft" the Member owns.
- b. Physical injury to "aircraft" the Member rents, leases or which are on loan to the Member.
- c. Physical injury to "aircraft" while "in flight".
- d. Physical injury to "aircraft" for which the Covered Party is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability that the Covered Party would have in the absence of the contract or agreement.

COVERAGE D. NON-OWNED AIRCRAFT LIABILITY

1. Coverage.

- a. The Fund will pay those sums that the Covered Party becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this coverage applies. The Fund will have the right and duty to defend any "suit" seeking those damages. The Fund may at its discretion investigate any "occurrence" and settle any claim or "suit" that may result, but:

- (1) The amount the Fund will pay for damages is limited as described in LIMITS OF LIABILITY (SECTION IV); and
- (2) The Fund's right and duty to defend end when the Fund has used up the applicable limit of liability in the payment of judgments or settlements under Coverage D.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A, B, C AND D.

- b. This Coverage applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) The "bodily injury" or "property damage" occurs during the coverage period; and
 - (3) The "bodily injury" or "property damage" arises out of the Member's use of any aircraft, or its use on the Member's behalf, provided that:
 - (a) The aircraft is not owned by the Member in whole or in part;
 - (b) The aircraft is not on lease to the Member;
 - (c) The aircraft is not subject to a lease-purchase agreement to which the Member is a party; and
 - (d) The aircraft is used in connection with the Member's "airport operations".
- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions.

This Coverage does not apply to:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the Covered Party. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

- b. "Bodily injury" or "property damage" for which the Covered Party is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
 - (1) Assumed in a contract or agreement that is a "covered contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
 - (2) That the Covered Party would have in the absence of the contract or agreement.
- c. "Property damage" to the aircraft.
- d. Any obligation of the Coverage Party under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
- e. "Bodily injury" to:
 - (1) An employee of the Covered Party arising out of and in the course of employment by the Covered Party; or
 - (2) The spouse, child, parent, brother or sister of that employee as a consequence of (1) above.
 This exclusion applies:
 - (1) Whether the Covered Party may be liable as an employer or in any other capacity; and
 - (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
 This exclusion does not apply to liability assumed by the Covered Party under a "covered contract".
- f. "Bodily injury" or "property damage" included in the "products-completed operations" hazard.
- g. "Bodily injury" or "property damage" arising out of the Member's use of any aircraft or its use on the Member's behalf, if the aircraft is operated "in flight" by a pilot who is not properly certificated and rated by the F.A.A. for the flight involved.

This exclusion does not apply if the aircraft so operated is without the Member's knowledge or consent.
- h. "Property damage" to:
 - (1) Property the Member owns, rents or occupies;
 - (2) Property loaned or leased to the Member;
 - (3) Personal property in the care, custody or control of the Covered Party.

SUPPLEMENTARY PAYMENTS - COVERAGES A, B, C AND D

The Fund will pay, with respect to any claim or "suit" the Fund defends:

- 1. All expenses the Fund incurs.
- 2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. The Fund will not furnish these bonds.
- 3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of liability. The Fund will not furnish these bonds.
- 4. All reasonable expenses incurred by the Covered Party at the Fund's request to assist the Fund in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$100 a day because of

time off from work.

5. All costs taxed against the Covered Party in the "suit".
6. Prejudgment interest awarded against the Covered Party on that part of the judgment the Fund pays. If the Fund makes an offer to pay the applicable limit of liability, the Fund will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Fund has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of liability.

These payments will not reduce the limits of liability.

SECTION II - COMMON COVERAGE EXCLUSIONS

All Coverages included in this Coverage Agreement are subject to the following exclusions.

A. Noise and pollution and other perils.

1. This Coverage Agreement does not cover claims directly or indirectly occasioned by, happening through or in consequence of:-
 - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (b) pollution and contamination of any kind whatsoever other than pollution or contamination of "the Member's" product.
 - (c) electrical and electromagnetic interference,
 - (d) interference with the use of property;

unless caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.
2. With respect to any provision in the Coverage Agreement concerning the Fund's duty to investigate or defend claims, such provision shall not apply and the Fund shall not be required to defend:
 - (a) claims excluded by Paragraph 1; or
 - (b) a claim or claims covered by the Coverage Agreement when combined with any claims excluded by Paragraph 1 (referred to below as "Combined Claims").
3. In respect of any Combined Claims, the Fund shall (subject to proof of loss and the limits of liability) reimburse the Member for that portion of the following items which may be allocated to the claims covered by the Coverage Agreement:
 - (i) damages awarded against any Covered Party; and
 - (ii) defense fees and expenses incurred by any Covered Party.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this Coverage Agreement.

B. War, hi-jacking and other perils.

This Coverage Agreement does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion,

revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.

- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labor disturbances.
- (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew in flight (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without the consent of the Covered Party.

Furthermore this Coverage Agreement does not cover claims arising while the aircraft is outside the control of the Covered Party by reason of any of the above perils.

The aircraft shall be deemed to have been restored to the control of the Covered Party on the safe return of the aircraft to the Covered Party at an airfield not excluded by the "coverage territory" of this Coverage Agreement, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down and under no duress).

Extended coverage clause - war, hi-jacking and other perils

1. In return for the additional contribution stated in the Declarations, paragraphs (a), (c), (d), (e), (f), and (g) of Exclusion (B) of this Section II are deleted, subject to all of the following terms and conditions.
2. Exclusion

The following exclusion shall only apply to coverage extended under the Coverage Agreement by the deletion of paragraph (a) of exclusion (B) of this Section II:

This Coverage Agreement does not cover liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of aircraft.

3. Automatic Termination

- (a) All coverage extended by this clause shall TERMINATE AUTOMATICALLY upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America.
- (b) Coverage extended by the deletion of paragraph (a) of Exclusion (B) of this Section II shall TERMINATE AUTOMATICALLY upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not the Covered Aircraft may be involved.
- (c) All coverage extended by this clause in respect of any aircraft requisitioned for either title or use

shall TERMINATE AUTOMATICALLY upon such requisition.

PROVIDED THAT if a Covered Aircraft is in the air when (a), (b) or (c) occurs, then the coverage provided by this clause (unless otherwise cancelled, terminated or suspended) shall continue in respect of such an Aircraft until completion of its first landing thereafter and any passengers have disembarked.

4. Review and Cancellation

(a) Review of Contribution and /or Geographical Limits (7 days)

The Fund may give notice to review premium and/or geographical Limits. Such notice to become effective on the expiry seven days from 23.59 hours (GMT) on the day on which notice is given.

(b) Limited Cancellation (48 hours)

Following a hostile detonation as specified in 3(b) above, the Fund may give notice of cancellation of one or more parts of the coverage provided by paragraph 1. of this clause by reference to paragraphs (c), (d), (e), (f) and/or (g) of Exclusion (B) of this Section II. Such notice to become effective on the expiry of forty-eight hours from 23.59 hours GMT on the day on which notice is given.

(c) Cancellation (7 days)

The coverage provided by this clause may be cancelled by either the Fund or the Member giving notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which such notice is given.

(d) Notices

All notices referred to herein shall be in writing.

C. Radioactive Contamination.

(1) This Coverage Agreement does not cover:

- (i) loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (ii) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

- (2) It is understood and agreed that such radioactive material or other radioactive source in paragraph (1)(b) and (c) above shall not include:
- (i) depleted uranium and natural uranium in any form;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.
- (3) This Coverage Agreement, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
- (i) the Covered Party under this Coverage Agreement is also a Covered Party or an additional insured under any other insurance policy, or self-insurance, including any nuclear energy liability policy or self-insurance; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - (iii) the Covered Party under this Coverage Agreement is, or had this Coverage Agreement not been issued would be, entitled to indemnification from any government or agency thereof.
- (4) Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph (2) shall (subject to all other terms, conditions, limitations, warranties and exclusions of this Coverage Agreement) be covered, provided that:
- (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization “Technical Instructions for the Safe Transport of Dangerous Goods by Air”, unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
 - (ii) this Coverage Agreement shall only apply to an incident happening during the period of this Coverage Agreement and where any claim by the Covered Party against the Fund or by any claimant against the Covered Party arising out of such incident shall have been made within three years after the date thereof;
 - (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

<u>Emitter</u> (IAEA Health and Safety Regulations)	<u>Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300 cm²)</u>
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Bequerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not exceeding 0.4 Bequerels/cm ² (10 ⁻⁵ microcuries/cm ²)

- (iv) the coverage afforded hereby may be cancelled by the Fund at any time by giving seven days notice of cancellation.

SECTION III - WHO IS A COVERED PARTY

1. The Member is a Covered Party. The Member's elective or appointive officers or members of any board or commission or agency of the Member are also Covered Parties, but only with respect to the Member's "airport operations".
2. Each of the following is also a Covered Party:
 - a.
 1. The Member's employees, other than the Member's executive officers, but only for acts within the scope of their employment by the Member, with respect to the Member's "airport operations".
 2. The Member's volunteer workers, other than the Member's elective or appointive officers, but only for acts within the scope of their activities on behalf of the Member, with respect to the Member's "airport operations".
 - b.
 1. Employees of the Member's boards, commissions or agencies, other than executive officers, but only for acts within the scope of their employment by those boards, commissions or agencies with respect to the Member's "airport operations".
 2. Volunteer workers of the Member's boards, commissions or agencies, other than executive officers, but only for acts within the scope of their employment by those boards, commissions or agencies with respect to the Member's "airport operations".

However, no employee, volunteer or elective or appointive officer of the Member or the Member's boards, commissions or agencies is a Covered Party for:

- (1) "Bodily injury" or "personal injury" to the Member or to a co-employee or co-volunteer while in the course of his or her employment, or the spouse, child, parent, brother or sister of that co-employee or co-volunteer as a consequence of such "bodily injury" or "personal injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury; or
 - (2) "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
 - (3) "Property damage" to property owned or occupied by or rented or loaned to that employee or volunteer, any of the Member's other employees, or any of the Member's partners or members (if the Member is a partnership or joint venture).
- c. Any person (other than the Member's employee), or any organization, while acting as the Member's real estate manager.
3. With respect to "mobile equipment" registered in the Member's name under any motor vehicle registration law, any person is a Covered Party while driving such equipment along a public highway with the Member's permission. Any other person or organization responsible for the conduct of such person is also an Covered Party, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance or self-insurance of any kind is available to that person or organization for this liability. However, no person or organization is a Covered Party with respect to:

- a. "Bodily injury" to a co-employee or co-volunteer of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by the Member or the employer of any person who is a Covered Party under this provision.

No person or organization is a Covered Party with respect to the conduct of any current or past partnership or joint venture that is not shown as a Member in the Declarations.

SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLES

A. LIMITS OF LIABILITY

1. The Limits of Liability shown in the Declarations and the rules below fix the most the Fund will pay regardless of the number of:
 - a. Covered Parties;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The Products-Completed Operations Aggregate Limit is the most the Fund will pay under Coverage A for all damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
3. The Personal and Advertising Injury Aggregate Limit is the most the Fund will pay under Coverage B for the sum of all damages because of "personal injury" and "advertising injury".
4. The Malpractice Aggregate Limit is the most the Fund will pay under Coverage A for all damages because of "malpractice".
5. Subject to 2, 3 or 4 above, whichever applies, the Each Occurrence Limit is the most the Fund will pay for the sum of:
 - a. Damages because of all "bodily injury" and "property damage" under Coverages A and D; and
 - b. Damages because of physical injury to "aircraft" under Coverage C. arising out of one "occurrence"; and
 - c. Damages because of all "personal injury" and "advertising injury" under Coverage B. arising out of one offense.
6. Subject to 5 above, the Fire Damage Limit is the most the Fund will pay under Coverage A for damages because of "property damage" to premises rented to the Member arising out of any one fire.
7. Subject to 5. above, the Hangarkeepers Limit Any One Aircraft is the most the Fund will pay under Coverage C for damages because of physical injury sustained by any one "aircraft" and the Hangarkeepers Limit Any One Occurrence is the most the Fund will pay under Coverage C for physical injury sustained by all "aircraft" in any one "occurrence".

The limits of this Coverage Agreement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the coverage period shown in the Declarations, unless the coverage period is extended after issuance for an additional period of less than 12

months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Liability.

B. DEDUCTIBLES

1. The Fund’s obligation to pay:

- a. Damages because of "bodily injury" and "property damage" under Coverages A and D; and
- b. Damages because of physical injury to "aircraft" under Coverage C

arising out of one occurrence; and

- c. Damages because of "personal injury" and "advertising injury" under Coverage B arising out of any one offense.

applies only to the amount of damages in excess of the Each Occurrence or Offense Deductible amount stated in the Declarations, but the limits of liability applicable to Each Occurrence will not be reduced by the amount of such deductible, nor will Aggregate limits for such coverages be reduced by the application of such deductible amount.

2. The Aggregate Deductible amount stated in the Declarations is the most the Member will have to pay for all damages under Coverages A, B, C and D.

3. The terms of this coverage, including those with respect to:

- (a) The Fund’s right and duty to defend any "suits" seeking those damages; and
- (b) The Member’s duties in the event of an "occurrence", claim, or suit

apply irrespective of the application of the deductible amount.

4. The Fund may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the Member shall promptly reimburse the Fund for such part of the deductible amount as has been paid by the Fund.

The aggregate deductibles of this Coverage Agreement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the coverage period shown in the Declarations, unless the coverage period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed the last preceding period for purposes of determining the aggregate deductibles.

Fees and Expenses Included Within Deductible

If the amount of damages which the Member has to pay as the result of one “occurrence” or offense is less than the Each Occurrence or Each Offense Deductible, the Fund has the right to include within such deductible any fees and expenses incurred by the Fund in the investigation or settlement of the claims or “suits” relating to that “occurrence” or offense, but the Member will not be required to pay more than the Each Occurrence or Each Offense Deductible shown in the Declarations.

SECTION V - CONDITIONS

1. **Bankruptcy.**

Bankruptcy or insolvency of the Covered Party or of the Covered Party's estate will not relieve the Fund of its obligations under this Coverage Agreement.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit.

- a. The Member must see to it that the Fund is notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any Covered Party, the Member must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify the Fund as soon as practicable.

The Member must see to it that the Fund receives written notice of the claim or "suit" as soon as practicable.
- c. The Member and any other involved Covered Party must:
 - (1) Immediately send the Fund copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize the Fund to obtain records and other information;
 - (3) Cooperate with the Fund in the investigation, settlement or defense of the claim or "suit"; and
 - (4) Assist the Fund, upon the Fund's request, in the enforcement of any right against any person or organization which may be liable to the Covered Party because of injury or damage to which this coverage may also apply.
- d. No Covered Parties will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Fund's consent.

3. Legal Action Against the Fund.

No person or organization has a right under this Coverage Agreement:

- a. To join the Fund as a party or otherwise bring the Fund into a "suit" asking for damages from a Covered Party; or
- b. To sue the Fund on this Coverage Agreement unless all of its terms have been fully complied with.

A person or organization may sue the Fund to recover on an agreed settlement or on a final judgment against a Covered Party obtained after an actual trial; but the Fund will not be liable for damages that are not payable under the terms of this Coverage Agreement or that are in excess of the applicable limit of liability. An agreed settlement means a settlement and release of liability signed by the Fund, the Covered Party and the claimant or the claimant's legal representative.

4. Other Insurance or Self-Insurance.

If other valid and collectible insurance or self-insurance is available to the Covered Party for a loss the Fund covers under Coverage A, B, C or D of this Coverage Agreement, the Fund's obligations are limited as follows:

a. Primary Coverage

This coverage is primary except when b. below applies. If this coverage is primary, the Fund's obligations are not affected unless any of the other insurance or self-insurance is also primary. Then, the Fund will share with all that other insurance or self-insurance by the method described in c. below.

b. Excess Coverage

This coverage is excess over any of the other insurance or self-insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "the Member's work";
- (2) That is Fire insurance for premises rented to the Member; or
- (3) If the loss arises out of the maintenance or use of "autos" or watercraft to the extent not subject to Exclusion f. of Coverage A (Section I).
- (4) That is Aircraft Liability insurance or self-insurance on any aircraft to which Coverage D (Section I) applies.

When this coverage is excess, the Fund will have no duty under Coverage A, B, C or D to defend any claim or "suit" that any other insurer or self-insurer has a duty to defend. If no other insurer or self-insurer defends, the Fund will undertake to do so, but the Fund will be entitled to the Covered Party's rights against all those other insurers or self-insurers.

When this coverage is excess over other insurance or self-insurance, the Fund will pay only the Fund's share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance or self-insurance would pay for the loss in the absence of this coverage; and
- (2) The total of all deductible and self-insured amounts under all that other insurance or self-insurance.

The Fund will share the remaining loss, if any, with any other insurance or self-insurance that is not described in this Excess Coverage provision and was not bought specifically to apply in excess of the Limits of Liability shown in the Declarations of this Coverage Agreement.

c. Method of Sharing

If all of the other insurance or self-insurance permits contribution by equal shares, the Fund will follow this method also. Under this approach each insurer or self-insurer contributes equal amounts until it has paid its applicable limit of liability or none of the loss remains, whichever comes first.

If any of the other insurance or self-insurance does not permit contribution by equal shares, the Fund will contribute by limits. Under this method, each insurer's or self-insurer's share is based on the ratio of its applicable limit of liability to the total applicable limits of liability of all insurers or self-insurers.

5. Contribution Audit.

- a.** The Fund will compute all contributions for this Coverage Agreement in accordance with the Fund's rules and rates.
- b.** Contribution shown in this Coverage Agreement as advance contribution is a deposit contribution only. At the close of each audit period the Fund will compute the earned contribution for that period. Audit contributions are due and payable on notice to the first Named Member. If the sum of the advance and audit contributions paid for the coverage term is greater than the earned contribution, the Fund will return the excess to the first Named Member.

- c. The first Named Member must keep records of the information the Fund needs for contribution computation, and send the Fund copies at such times as the Fund may request.

6. Representations.

By accepting this Coverage Agreement, the Member agrees:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations the Member made to the Fund; and
- c. The Fund have issued this Coverage Agreement in reliance upon the Member's representations.

7. Separation Of Covered Parties.

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Coverage Agreement to the first Named Member, this coverage applies separately to each Covered Party against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To the Fund.

If the Covered Party has rights to recover all or part of any payment the Fund has made under this Coverage Agreement, those rights are transferred to the Fund. The Covered Party must do nothing after loss to impair them. At the Fund's request, the Covered Party will bring "suit" or transfer those rights to the Fund and help the Fund enforce them.

9. Changes.

This Coverage Agreement contains all the agreements between the Member and the Fund concerning the coverage afforded. The first Named Member shown in the Declarations is authorized to make changes in the terms of this Coverage Agreement with the Fund's consent. This Coverage Agreement's terms can be amended or waived only by endorsement issued by the Fund and made a part of this Coverage Agreement.

10. Examination of the Member's books and records.

The Fund may examine and audit the Member's books and records as they relate to this Coverage Agreement at any time during the coverage period and up to three years afterward.

11. Inspections and surveys.

The Fund has the right but is not obligated to:

- 1. Make inspections and surveys at any time;
- 2. Give the Member reports on the conditions the Fund finds; and
- 3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to coverage and the contribution to be charged. The Fund does not make safety inspections. The Fund does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And the Fund does not warrant that conditions:

- 1. Are safe or healthful; or

2. Comply with laws, regulations, codes or standards.

This condition applies not only to the Fund, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

12. Contributions and deductibles.

The first Named Member shown in the Declarations:

1. Is responsible for the payment of all contributions and deductibles; and
2. Will be the payee for any return contributions the Fund pays.

13. Transfer of the Member's rights and duties under this Coverage Agreement.

The Member's rights and duties under this Coverage Agreement may not be transferred without the Fund's written consent except in the case of death of an individual named Member.

If the Member dies, the Member's rights and duties will be transferred to the Member's legal representative but only while acting within the scope of duties as the Member's legal representative. Until the Member's legal representative is appointed, anyone having proper temporary custody of the Member's property will have the Member's rights and duties but only with respect to that property.

SECTION VI - DEFINITIONS

1. "Advertising injury" means injury arising out of one or more of the following offenses:
 - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyright, title or slogan.
2. "Aircraft" under Coverage C means any aircraft or its parts or equipment.
3. "Airport" means the Airport(s) designated in the Declarations or any other airport owned by the Fund Member, including ways and means immediately adjoining such airport(s).
4. "Airport operations" means the ownership, maintenance, use or provision of premises, services and facilities necessary to the operation of the "airport".
5. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment, but "auto" does not include "mobile equipment".
6. "Bodily injury" means:
 - a. Bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time; or
 - b. Fright or mental anguish sustained by a person.
7. "Coverage Agreement" means the interlocal agreement executed between the Fund and the "Member" and

the Aviation Declarations of Coverage designating those coverages, limits and deductibles of the Plan adopted by the "Member" and this coverage.

- 8.** "Coverage territory" means:
- a.** The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b.** International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c.** All parts of the world if:
 - (1)** The injury or damage arises out of:
 - (a)** Goods or products made or sold by the Member in the territory described in a. above; or
 - (b)** The activities of a person whose home is in the territory described in a. above, but is away for a short time on the Member's business; and
 - (2)** The Covered Party's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement the Fund agrees to.
- 9.** "Impaired property" means tangible property, other than "the Member's product" or "the Member's work", that cannot be used or is less useful because:
- a.** It incorporates "the Member's product" or "the Member's work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b.** The Member have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a.** The repair, replacement, adjustment or removal of "the Member's product" or "the Member's work"; or
 - b.** The Member fulfilling the terms of the contract or agreement.
- 10.** "In flight" means:
- a.** With respect to a fixed wing aircraft, from the time the aircraft moves forward in attempting to take off until the aircraft has completed its landing run.
 - b.** With respect to a rotorcraft, while its rotors are in motion as a result of engine power or autorotation.
- 11.** "Covered contract" means:
- a.** A lease of premises;
 - b.** A sidetrack agreement;
 - c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e.** An elevator maintenance agreement;
 - f.** That part of any other contract or agreement pertaining to the Member's business (including an indemnification of a municipality in connection with work performed for a municipality) under which

the Member assumes the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

A "covered contract" does not include that part of any contract or agreement:

- a. That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and effecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- c. Under which the Covered Party, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the Covered Party's rendering or failure to render professional services, including those listed in b. above and supervisory, inspection or engineering services; or
- d. That indemnifies any person or organization for damage by fire to premises rented or loaned to the Member.

12. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

13. "Malpractice" means malpractice, error or mistake by a physician, surgeon, nurse, medical technician or other person performing medical services on behalf of a Covered Party in the provision of emergency medical relief.

14. "Member" means Fund Member designated in the Aviation Declaration of Coverage.

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises the Member owns or rents;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily

to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing;
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. "Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:
- a. Mistaken arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication of material that violates a person's right of privacy;
 - f. Misdirection of a passenger by a Covered Party to the wrong aircraft, automobile or other connecting transportation; or

The offenses described in this definition do not include personal injury arising out of the employment, past employment or future employment of a person by any Covered Party.

18. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises the Member owns or rents and arising out of "the Member's product" or "the Member's work" except:
- (1) Products that are still in the Member's physical possession; or
 - (2) Work that has not yet been completed or abandoned.
- b. "the Member's work" will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in the Member's contract has been completed.
- (2) When all of the work to be done at the site has been completed if the Member's contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- c. This hazard does not include "bodily injury" or "property damage" arising out of:
- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials;

19. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the "occurrence" that caused it.

20. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this coverage applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the Member must submit or does submit with the Fund's consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Member submits with the Fund's consent.

21. "The Member's product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The Member;
 - (2) Others trading under the Member's name; or
 - (3) A person or organization whose business or assets the Member has acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"The Member's product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's product"; and
- b. The providing of or failure to provide warnings or instructions.

"The Member's product" does not include vending machines or other property rented to or located for the use of others but not sold.

22. "The Member's work" means:

- a.** Work or operations performed by the Member or on the Member's behalf; and
- b.** Materials, parts or equipment furnished in connection with such work or operations.

"The Member's work" includes:

- a.** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's work"; and
- b.** The providing of or failure to provide warnings or instructions.



Use of Airport Courtesy Car and Indemnification Agreement

The undersigned hereinafter referred to as “DRIVER” agrees to defend indemnify, and hold harmless the City of Castroville, and its officers, employees and agents from and against any and all damages, loss, theft or destruction of the courtesy car being provide to the undersigned by the City of Castroville – Castroville Municipal Airport, and against all losses, liabilities, damages, injuries, claims, demands, costs and expenses of every kind an nature, including reasonable legal fees and disbursements, arising out of and in connection with the use, condition, or operation of said courtesy car.

It is further agreed by the driver that the Castroville Municipal Airport and the City of Castroville shall not be responsible to the DRIVER for any loss of business or any other damage caused using the courtesy car, or for any property of the DRIVER or any other person, which is damaged, lost, or stolen in the courtesy car.

The DRIVER is the only person authorized to drive the courtesy car and agrees to operate the vehicle with reasonable care and diligence, and to follow all applicable laws of the State of Texas, Medina County, and the City. The DRIVER also agrees to all requirements and restrictions detailed in the Airport Courtesy Vehicle Policy. A violation of any of the foregoing is a breach of this Agreement.

The undersigned agrees the use of the courtesy car will be limited to a period of three (3) hours. If the DRIVER must travel that time limit, prior permission from Airport Staff is required. The undersigned also agrees to the stipulations noted in the Airport Courtesy Car Policy.

Every effort is made to keep the vehicle maintained and in good operating condition; however, the City does not guarantee the condition of the vehicle. The City has no obligation to provide an alternate vehicle or make alternate transportation available. Please report any maintenance or operational issues to Airport Staff.

Driver Name: _____

Home Address: _____

City, State, Zip: _____

Phone Number: _____

Driver License # _____ State _____ Expiration _____

Aircraft Make and Model: _____ N-Number: _____

Driver acknowledges receipt of and agreement to Airport Courtesy Car Policy.

Signature: _____ Date: _____

PLEASE REFILL VEHICLE WITH FUEL BEFORE RETURNING IT. THANK YOU.



Airport Courtesy Car Policy

Welcome to the City of Castroville Municipal Airport!

The Courtesy Car is for the complementary use of visitors to our airport.

The following policy applies to your use of the Courtesy Car.

1. Use of the vehicle is on a first-come, first-serve basis, 7 days a week by pilots over the age of 21 who visit the Castroville Municipal Airport via aircraft and possess a valid driver's license and automobile insurance. The driver's personal insurance policy is the primary policy with the City's insurance as the secondary in the event of an accident or incident with the courtesy car.
2. For fly-in visitors arriving after business hours, use of the vehicle can be arranged with Airport Staff (830-538-2782). The following restrictions apply:
 - a. A copy of the driver's license and a signed Use of Airport Courtesy Car Agreement must be emailed to the airport office by 1pm local time on the day of arrival. Absent prior arrangements, call-out fees will apply if use of the vehicle is required during after-hours.
 - b. Keys to the vehicle will be secured and the pilot will be provided with the means of accessing the keys upon arrival.
 - c. All other restrictions listed in this Agreement will apply.
3. Prior to using the Courtesy Car, users must fill out the "Use of Airport Courtesy Car and Indemnification Agreement" form which indemnifies the City from all claims regarding their use of the courtesy car. Failure to either fill out the form completely or use by persons other than visiting pilots with an aircraft on the ground in Castroville will be deemed as "unauthorized use of a vehicle" and may be prosecuted.
4. Use of the Vehicle is restricted by the following:
 - a. Only the individual providing the driver's license is allowed to operate the vehicle.
 - b. The driver is required to replace the fuel used in the vehicle. A surcharge of \$20.00 will be charged, regardless of how much fuel was used, if the vehicle is returned without the fuel being replaced.
 - c. The vehicle can be used for a period of three (3) hours by a DRIVER unless written approval is granted Airport Staff.
5. Make sure you leave the car in a condition as good as or better than when you started using it.
6. While using the courtesy car, drivers are required to follow all applicable laws of the State of Texas.
7. Users are solely responsible for any legal action which may stem from their use of the courtesy car, including tickets, law suits, or repair costs.
8. In case of accident during use of the Vehicle where there are injuries, the Driver must call 911.
9. In case of an accident or any vehicle damage during the use of the vehicle, and where there are no injuries, the driver must notify the Castroville Police Department at 830-931-2222 as to the nature of the accident or damage that has occurred to the vehicle. Please advise the Police Department you are operating a city owned vehicle and they will dispatch an officer to complete an Accident Report.
10. Immediately after notifying the Police Department, you must notify Airport Staff (830-538-2782) as to the nature of the accident or damage that has occurred to the vehicle. The Airport Manage and City Attorney's office will be responsible for processing any claim(s) and for arranging any damage repair(s).

Thank you for visiting the City of Castroville, TX!



CITY COUNCIL AGENDA REPORT

DATE: February 19, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: Castroville Area Chamber of Commerce Contract for Services

RECOMMENDED MOTION: Move to approve a resolution authorizing a contract for tourism and economic development service between the City of Castroville and the Castroville Area Chamber of Commerce.

BACKGROUND:

The Castroville Area Chamber of Commerce provides services to members that include promoting travel & tourism to the City of Castroville in addition to economic development.

The city partnered with the chamber of commerce in the past to provide funds to support travel, tourism and economic development activities through the hotel/motel tax collected by the city.

This proposed contract for services re-establishes this partnership between the city and the chamber.

The proposed service contract addresses the obligations and responsibilities of both the City and the Chamber of Commerce concerning activities related to travel, tourism and economic development in the City of Castroville.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

Upon approval, a budget amendment is required to fund the service contract between the City of Castroville and the Castroville Area Chamber of Commerce in support of travel, tourism and economic development activities for the City of Castroville through the collection of Hotel/Motel Occupancy Taxes.

Budgeted- \$75,000 General Fund Hotel/Motel Occupancy Tax

Submitted by: Mayor Bruce Alexander

2/20/26



Agenda Report

Agenda of: February 24, 2025

Department: Administration

Subject: Discussion and possible action to adopt a resolution authorizing a contract for services with the Castroville Area Chamber of Commerce.

Recommended Motion:

I move to authorize the proposed Agreement framework between the City of Castroville and the Castroville Chamber of Commerce and ratify the material terms as presented, with direction to staff to finalize the Agreement following review and feedback from the Chamber, prior to final adoption and execution.

Background:

The proposed Resolution would authorize the City to enter into an Agreement with the Castroville Chamber of Commerce for the administration and expenditure of Hotel Occupancy Tax (HOT) funds in accordance with Chapter 351 of the Texas Tax Code

The Agreement delegates to the Chamber the management and supervision of tourism-related programs funded by municipal HOT revenues, as authorized under TEX. TAX CODE §351.101(c).

As drafted, the Agreement:

- Provides for an annual payment of up to **\$75,000** in HOT funds, subject to budget approval and reporting requirements.
- Requires strict compliance with Chapter 351 of the Texas Tax Code.
- Establishes financial reporting, audit, and separate account requirements.
- Includes termination, indemnification, and insurance provisions.

Staff has provided the proposed Agreement to the Chamber for review. The Chamber has not yet formally provided feedback or proposed revisions.

At this time, staff recommends Council deliberate on the proposed terms and authorize the contract framework and ratify the terms as drafted, but defer final adoption until both parties have agreed upon any revisions that may result from the Chamber’s review.

KEY TERMS OF THE AGREEMENT:

1. Funding Structure

- Annual payment up to \$75,000.
- Payment contingent upon submission and approval of required annual financial report.
- No obligation of General Fund revenues.

2. Authorized Use of Funds

Funds must be used strictly for tourism promotion and convention/hotel industry support pursuant to TEX. TAX CODE §351.101(a), including:

- Marketing and promotional campaigns
- Sales missions and tourism partnership development
- Event and convention servicing
- Management of the “Visit Castroville” website
- Social media and video promotion
- Expansion of existing events to enhance tourism impact

Administrative expenses are permitted only if directly attributable to authorized tourism purposes and included in the approved budget.

3. Financial Oversight

- Separate HOT account required
- Annual and quarterly reporting required
- Funds classified as restricted for audit purposes
- Subject to Public Information Act
- Refund of unused or improperly used funds required upon termination

4. Term & Termination

- Initial term beginning February 24, 2026
- Automatic annual renewal unless terminated
- 60-day termination without cause
- Automatic termination for breach or insolvency

STAFF RECOMMENDATION

Staff recommends that Council **authorize the proposed Agreement framework and ratify the material terms as presented**, while deferring final adoption and execution until the Castroville Chamber of Commerce has completed its review and provided any requested feedback or revisions for mutual agreement.

This approach allows Council to:

1. Affirm policy direction and contract structure;
2. Provide guidance to staff and the Chamber;

- 3. Preserve flexibility for final negotiated adjustments; and
- 4. Strengthen the working relationship between the City and the Chamber.

Fiscal Impact: Maximum Allocation of \$75,000/year

Budgeted **Requires Budget Amendment**

Source of Funding: Special Revenue Funds – Hotel/Motel Taxes

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

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

Submitted by: R. Scott Dixon

Attachments: Resolution and Proposed Agreement.

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 24th of February 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 February 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.

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 Manager 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 in ¶1.2(b), extend the term, or otherwise alter the performance obligations of CHAMBER, without approval of the City Council by ordinance.

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 Manager 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 Manager 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 Manager or designate for additional information relating to the activities performed under this Agreement.

3.5 Notice of Meetings. CHAMBER shall give the City Manager 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 February 24, 2026, and renew on January 1, 2027. 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. The Agreement shall renew automatically each year on January 1, until the CITY and/or CHAMBER cause this Agreement to be terminated pursuant to the clauses herein.

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 Visit Castroville Website. CHAMBER will manage “Visit Castroville” website.

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:

CITY

City Administrator
CITY OF CASTROVILLE
1209 Fiorella Street

CHAMBER

President & CEO
CASTROVILLE CHAMBER OF COMMERCE
1115 Angelo St.

Castroville, TX 78009

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: _____

DATE: February 17, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council

SUBJECT: Evaluation of exterior condition of City Hall, Steinbach House and Steinbach House accessory display building

RECOMMENDED MOTION:

Establish a committee to evaluate the exterior condition of City Hall, Steinbach House and Steinbach House accessory display structure and bring a report back to Council with findings and recommendations.

BACKGROUND

The exterior wooden windows and doors of City Hall were completely rebuilt within the last 15 years at a cost of over \$150,000. These wooden window and door assemblies are in immediate need of repair. There is wood rot, peeling and fading paint and other general deterioration due to moisture, sun exposure and hot Texas temperatures. This historic structure is the responsibility of the city to maintain and represents a focal point in Castroville’s history. It is also the face customers see up close when coming to City Hall. We need to demonstrate we care about our historic City Hall.

The Steinbach House wooden structural beams are in very serious condition with extensive wood rot and crumbling wood beams. It has been repaired twice previously with portions of base beams being replaced because of deterioration of the wood beams due to moisture, sun exposure, high Texas heat and lack of regular treatment of the wood. The windows are also in very poor condition due to the same causes.

The recently added accessory structure that houses the Alsatian wagon and large wine barrel are beginning to display the same initial signs of deterioration. To some extent the wagon and barrel also need attention to handle the rusty metal and drying wood.

The Steinbach House was moved and reconstructed at great expense by our Alsatian friends and Castroville citizens. It is our showcase very old Alsatian home and houses our tourist office and many artifacts. It hosts many visitors each year including our Alsatian friends.

In accepting the Steinbach House, we took on a serious commitment to honor the efforts and large expense that went into its relocation to Castroville.

We need to insure we are good elected stewards of those historic items entrusted to us. Our reputation is on the line.

RECOMMENDATION

Recommend we have a committee made up of Council, HLC, the Historic Preservation Officer and any other needed individuals. This committee will evaluate these important historic structures and come back with a report and recommendations to Council to put them back in good condition and recommend how we can regularly attend to their needs before they get in this unacceptable condition again.

Robert Lee
District 5

Attachment: Photos



















Sent from my iPad







































Sent from my iPad

DATE: February 17, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council

SUBJECT: Signage, safety fencing and rear lot cleaning at Steinbach House property.

RECOMMENDED MOTION:

Clean up the Steinbach House property and install safety fencing and signage along the rear of the Steinbach House lot on the Medina River.

BACKGROUND

The rear of the property the Steinbach House is on faces the Medina River. Old Highway 90 originally ran through that lot and the concrete bridge structure is still on the rear edge of the property and drops straight down approximately 12 to 15 feet to a rocky area near the river bed.

The area is significantly overgrown with weeds, grass, and trees that obstruct a clear view ahead when approaching the edge. Additionally, the areas to both sides drop off into the river bed and have the same risk of someone inadvertently stepping or falling over the edge to the river bed area.

We need to clean up the rear of this city park property and erect safety fencing and install signage to make it abundantly obvious there is a dangerous ledge and drop beyond the fence. There are also many downed trees and trash on our side and rear portion of the property that need to be removed.

Since it is an attractive area to view the river and Landmark Inn, we need to completely clean up the lot and create a safe path to the river bed with a handrail along the sides. It is an attractive area and should be taken advantage of when people visit the Steinbach House.

We need to make it safer and more appealing.

RECOMMENDATION

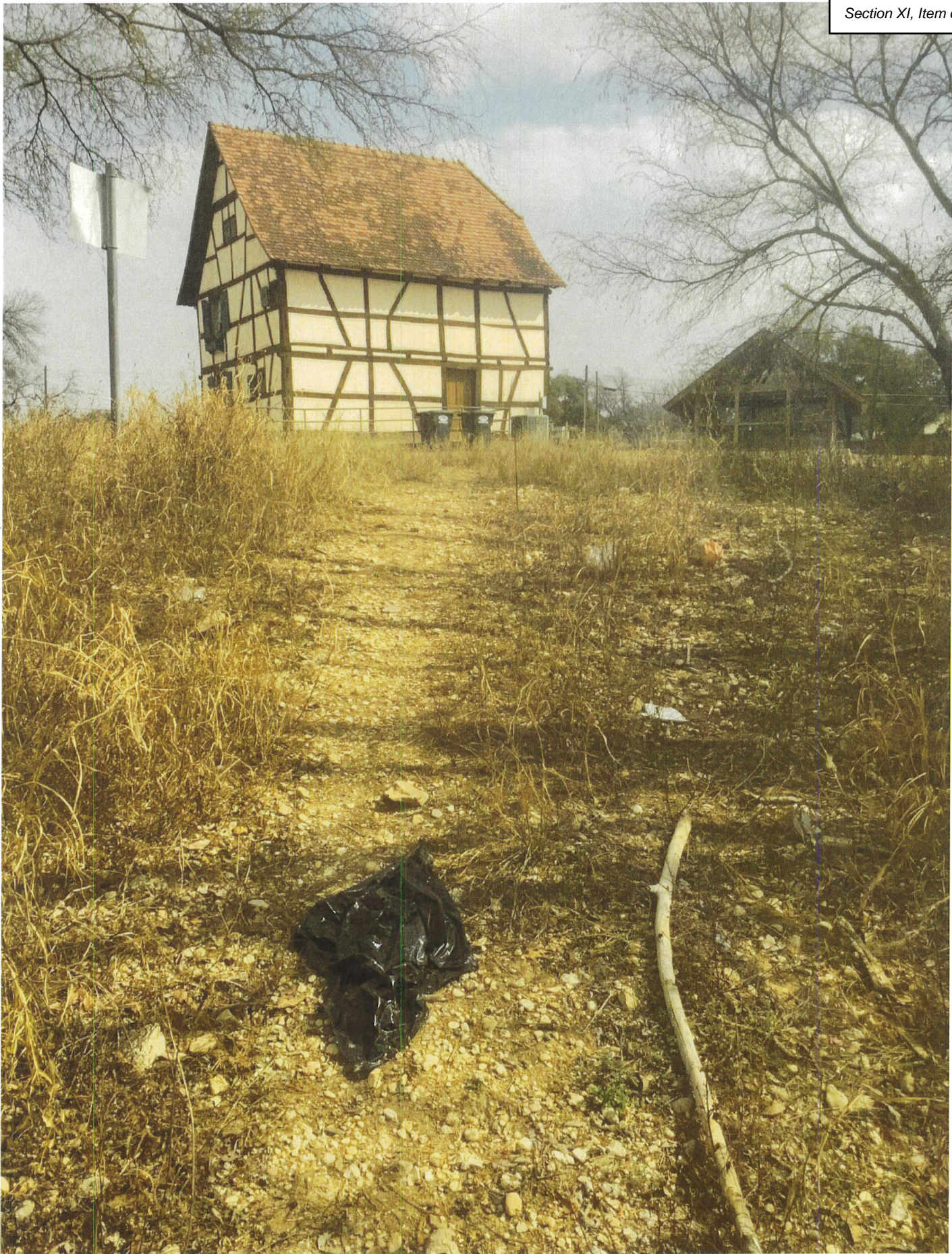
Clean up the lot and install safety fencing and warning signs to prevent serious accidents.

**Robert Lee
District 5**

Attachment: Photos

























CITY COUNCIL AGENDA REPORT

DATE: February 19, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: Street Drainage & Maintenance Projects

RECOMMENDED MOTION: Move to direct staff through the City Administrator to perform street and drainage maintenance to include cleaning of street edges and bar ditches on city streets to accommodate the efficient drainage of water during a rainfall event.

BACKGROUND:

The City of Castroville has a drainage problem throughout the city that can be addressed, in part, through the maintenance of established drainage swells within established easement areas and/or bar ditches.

While some areas require significant improvements to address drainage, maintenance of the existing drainage patterns will provide a significant benefit to a large portion of the city.

Multiple drainage improvements can be made throughout the city by performing maintenance of existing drainage swells, easements and bar ditches.

Maintenance of the edges of existing streets by removing the silt line build up, combined with grading the existing bar ditches, will improve drainage throughout the city.

The lack of annual maintenance of existing drainage areas has made this a priority issue for much of the city.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

This is a budgeted expense of the Street Department Budget.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 19, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: 2026 Street Paving Projects

RECOMMENDED MOTION: Move to direct staff through the City Administrator to prepare a proposed plan of action for City Council approval for 2026 Street Paving Projects.

BACKGROUND:

The City of Castroville allocated funds in the 2026 Budget to be used for street paving projects. City Council previously approved funding for Public Works to conduct a street assessment survey.

FISCAL IMPACT/SOURCE OF FUNDING: Budgeted Requires Budget Amendment

This is a budgeted expense of the Street Department Budget.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 19, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: WWTP Effluent Ponds

RECOMMENDED MOTION: Move to direct staff through the City Administrator to provide City Council with a timeline and cost estimate to complete the WWTP Effluent Pond project in compliance with TCEQ requirements.

BACKGROUND:

The City of Castroville received a notice of violation from the Texas Commission on Environmental Quality on the condition of the WWTP Effluent holding ponds several years ago.

The city received a repeat notice of violation causing the matter to be forwarded for TCEQ enforcement action.

The city previously provided a commitment to TCEQ for corrective action to minimize enforcement activities.

The commitment from the city included filling in the ponds as they were no longer considered a component of the WWTP Treatment Process.

The condition of the holding ponds near the WWTP above the Regional Park continue to be a non-compliant issue with TCEQ.

This is a regulatory compliance issue that requires immediate attention.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 19, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: Waterline Improvement Projects

RECOMMENDED MOTION: Move to direct staff through the City Administrator to provide City Council with a list of waterline improvement projects that can be done using current city staff and equipment for consideration and funding consideration/approval.

BACKGROUND:

The city has multiple waterlines throughout the city in need of replacement and/or upgrade to meet the current demands and/or needs of the city.

The city has equipment and personnel that can complete many of the smaller waterline replacement projects.

Staff, working with the city engineer, is able to identify the condition of the city water system and develop a watermain replacement plan for city council approval and funding.

In the past, the city had a waterline replacement program that was included in the maintenance and operation budget of the water system.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 20, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: Municipal Water Well Improvements in the Flat Creek Development Area

RECOMMENDED MOTION: Move to direct staff through the City Administrator to install the appropriate well pump, motor, controls and associated electrical equipment to operate the new municipal water well recently drilled in the Flat Creek Development area.

BACKGROUND:

City Council approved the construction of a new municipal well in the Flat Creek Development area to meet future water demands of the city.

The purpose of the water well was to increase well production capacity to meet TCEQ system capacity requirements for the city

The city secured a debt service of \$3.5 million to construct the well. The estimated cost of the well did not include the well pump, motor, controls and associated electrical equipment required to operate the well.

The cost of the water well was less than first estimated leaving approximately \$1 million available for water system improvements.

The use of the remaining funds are needed to complete this project and put the new well in operation.

This is a Capital Improvement Project that has been funded through debt service authorized by City Council.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 20, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: Country Village Electrical Upgrade

RECOMMENDED MOTION: Move to direct staff through the City Administrator to prepare a plan of action, including a cost estimate, to rebuild the underground electrical distribution system for the Country Village Subdivision for City Council review and consideration.

BACKGROUND:

Components of the underground electrical distribution system in the Country Village Subdivision were first constructed in 1984.

The system has surpassed life expectancy with the material and construction standards used to install the initial system.

The system consists of multiple radial feed underground distribution lines that result in large portions of the area served by the underground electrical system to be without power when a problem does occur. A new looped system will improve system reliability by provided an avenue for system operators to better isolate problem when they do occur in the future.

While the system remains in general acceptable operation, a replacement plan is needed to proactively address the underground electrical system in this area before components of the system experience failure.

The city recently rebuilt the underground electrical distribution system in the River Bluff Subdivision that was originally constructed in 1985 by the same contractor that constructed the Country Village underground electrical system.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



CITY COUNCIL AGENDA REPORT

DATE: February 20, 2026

AGENDA OF: February 24, 2026

DEPARTMENT: City Council / Mayor

SUBJECT: West Texas Gas Franchise Agreement

RECOMMENDED MOTION: Move to direct the City Administrator, through the City Attorney, to prepare a franchise agreement between the City of Castroville and West Texas Gas for retail natural gas service to be provided by West Texas Gas within areas of new development within the City Limits of the City of Castroville and bring it back to city council for discussion/approval.

BACKGROUND:

West Texas Gas has requested that the City of Castroville enter into a franchise agreement to provide natural gas services to retail customers within the City Limits of Castroville.

Natural Gas services from West Texas Gas would be limited to new developments within the city limits of Castroville.

While there are currently no defined service areas for natural gas, the City of Castroville has the authority to collect a franchise fee for the operation of a gas utility that operates within the city limits.

Both the Alsatian Oaks and Flat Creek Developments were constructed without natural gas service from the City of Castroville.

Submitted by: Mayor Bruce Alexander

Bruce Alexander
2/20/26



Agenda Report

Agenda of: February 10, 2026

Department: Public Works

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

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

.Background:

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

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

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

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

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

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

Budgeted **Requires Budget Amendment**

Source of Funding: Account Code:

Attachments:

Attachment- Proposed WTG Franchise Agreement 2026 Amended

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

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

Submitted by: John Gomez

ORDINANCE NO. _____

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

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

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

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

ARTICLE I

DEFINITIONS

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

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

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

ARTICLE II

TERM

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

ARTICLE III

ACKNOWLEDGEMENT AND GRANT OF SPECIFIC RIGHTS OF WTG

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

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

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

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

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

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

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

ARTICLE IV

OBLIGATIONS OF WTG

Section 4.1. Franchise Fee.

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 4.9. Changes in Gas System.

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

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

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

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

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

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

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

ARTICLE V

RIGHTS OF THE CITY

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

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

ARTICLE VI

REMEDIES UPON DEFAULT BY WTG

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

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

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

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

ARTICLE VII

GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

ATTEST:

CITY OF CASTROVILLE, TEXAS

By: _____
City Secretary

By: _____
Mayor

City's Mailing Address and Phone Number:

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

City Administrator's Report



To: Mayor Alexander & City Council
CC: Staff
From: R. Scott Dixon, City Administrator
Date: February 20, 2026
Re: City Administrator's Report

Mayor and Council,

The items listed below are in no particular order and only cover some of the issues that have been inquired about or that council has requested to be kept up to date on. If you have any questions about any of these items or there are other things that you would like me to report on, please let me know.

Drainage Projects

Geneva Channel – Staff will meet with the affected property owners on February 23 to further discuss driveway access and the potential configuration of the “flag” lot. A verbal update will be provided at the Tuesday Council meeting following that discussion.

Athens-area drainage – Additional drainage improvements may be discussed during the upcoming CIP workshop. Depending on the final award amount for the Garza Creek project, staff anticipates that approximately \$500,000 in remaining drainage funds could become available for reallocation to Athens-area projects.

Country Village Channel – This project has been incorporated into the proposed Capital Improvement Plan (CIP) for Council review and direction. Staff will provide scope and funding considerations as part of the workshop discussion.

Garza Creek – The Request for Qualifications has been posted. Responses are due during the first week of March. The project remains on schedule for Council consideration and potential award on March 10..

BMA Trail Access

Staff is scheduled to meet with BMA representatives next week to continue coordination regarding trail access and related agreements. A follow-up update will be provided to Council thereafter.

Streets Maintenance and Paving Plan

The proposed annual maintenance and paving program will be presented at the CIP workshop for Council consideration. Staff recommends adoption of an ongoing maintenance plan in the amount of \$400,000 annually, funded through the operating budget as previously discussed, in order to preserve roadway conditions and reduce long-term rehabilitation costs.

WWTP Pond Closure

Staff met with Lochner, the City Engineer, to coordinate development of a pond closure design consistent with TCEQ-approved closure requirements and prior Council discussions. The design will address grading, drainage, and site access to ensure long-term compliance and operational functionality.

CPSE Dispute

Mayor Alexander and the City Administrator are scheduled to meet with CPS Energy representatives at their headquarters during the first week of March. Staff will continue working toward resolution and will provide updates as progress is made.

Community Center at Regional Park

Construction of the Community Center continues and remains on schedule for substantial completion by May 29. While progress has been steady, it has been incremental. Staff will continue monitoring contractor performance and schedule adherence.

Lion's Park Splash Pad

Repairs to the sewer line have been completed. Remaining work includes supply line repairs, void remediation, and associated concrete restoration. Staff's objective is to have the splash pad operational by April or May, subject to completion of the remain

Facilitated Council Workshop

The facilitated Council workshop has been rescheduled for June 26–27. Staff will coordinate logistics and preparatory materials in advance of those dates.

Hwy 90 TxDOT Construction Project

The project remains at approximately 30% design. Based on preliminary review, staff estimates the City's potential utility relocation cost at approximately \$750,000. No confirmed construction timeline has been provided by TxDOT at this time.

County Streets Plan

There is no substantive update at this time. Staff will coordinate with Mayor Alexander to schedule a meeting with County representatives to advance development of the proposed

interlocal agreement and related planning efforts.

Multimodal Planning Effort

The TxDOT-funded Active Transportation Planning Grant continues to advance. Public engagement is ongoing, with a community meeting scheduled for February 2 from 5:00–7:00 p.m. at City Hall. The consultant team is compiling public input and preparing preliminary draft goals and recommendations for Council review.

In related planning efforts, the Thoroughfare Plan update remains pending receipt of revised materials from the engineer prior to Council consideration

TxDOT Hwy 90 Improvements – Park & Ride Area

As part of the developer-funded US-90 improvements on the eastern side of Castroville, the existing Park & Ride facility located south of US-90, east of the FM 471 South intersection, will be temporarily closed from Monday, February 23 through Friday, February 27 for pavement resurfacing and restriping.

Portable digital message boards have been installed along US-90 to notify the public of the temporary closure. The work zone is also reflected in the Highway Conditions Reporting System.

Upon completion of the resurfacing work, a revised traffic pattern will be implemented for ingress and egress. Temporary pavement markings and directional signage will guide users during ongoing construction, with permanent striping to be installed prior to project completion.

Warrant Roundup

Staff will provide a verbal update on the planned Warrant Roundup at Tuesday's meeting.

There is a lot going on in the City of Castroville! If I have left anything out of this report, it was not intentional. It is my pleasure to serve the people of Castroville!

Thank you,

A handwritten signature in blue ink, appearing to read "R. Scott Dixon".

R. Scott Dixon, MPA

City Administrator, Castroville, TX

JANUARY 2026 ANIMAL SERVICES MONTHLY REPORT

Case Count	Status		
Call Type	Closed	Open	Grand Total
Animal At Large	5	4	9
Animal Bite Exposure	1		1
Animal Pick Up	2	2	4
Assist Another Agency	6		6
City Registration	3		3
Complaint	2		2
Dead Animal	13		13
Department Maintenance	1	1	2
Donations Received	3		3
Event	2		2
Information	1		1
Injured/sick Animal		1	1
Owner Surrender		1	1
Transfer in	6		6
Trap Request (Citizen Owned)	1		1
Trap Request (City Owned)	6		6
Welfare Check	1		1
Grand Total	53	9	62

YTD

53

9

62

January 2026 Code Compliance Monthly Report

Case Count	Status				
Violations	Closed	Closed - Compliance Received	Closed - No Violation	Open	Grand Total
Building		3		1	4
Substandard Structure		3		1	4
Health and Sanitation		3		1	4
Abandoning Refrigerators and other Containers; Penalty		1			1
Unlawful deposit or accumulations		1			1
Weeds, Trash, Junk and Debris		1		1	2
Illegally Parked Vehicle		2	2	1	5
Junk Vehicle as Public Nuisances				1	1
RV parked in front yard, driveway or street		1			1
Trailer parked in Easement, Right of Way, driveway or Street		1	2		3
Permit Required		1			1
Work without Permit		1			1
Signage	4				4
Illegal Signage	4				4
Solid Waste				1	1
Unlawful deposit or accumulations				1	1
(blank)			1		1
Trees Over Grown			1		1
Grand Total	4	9	3	4	20

YTD 4 9 3 4 20



Laurent Quintle House and Store, circa 1940. (MS 362: 107-0035)



Just a reminder that we have online permitting. You can apply, pay fees, and check status! Here is the link. [Citizen Portal \(iworq.net\)](http://CitizenPortal(iworq.net))

Monthly Community Development Report



January 2026



Breana Soto

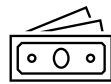
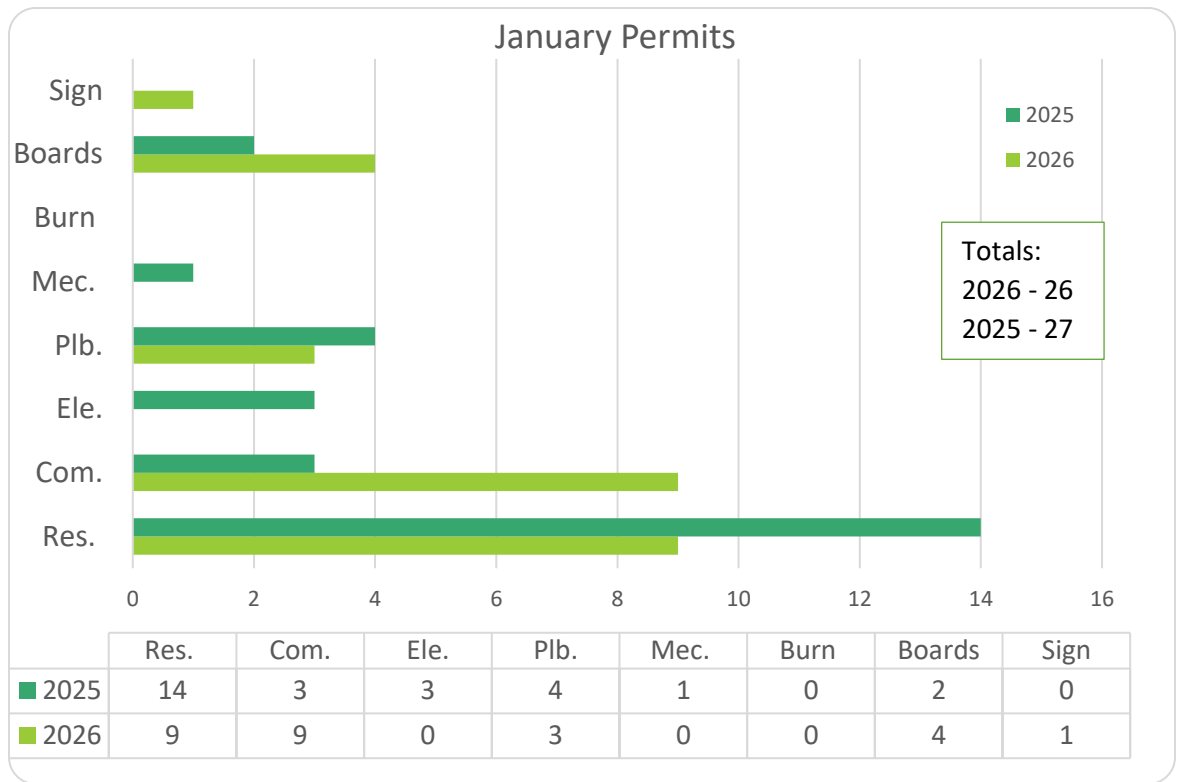


NEW
BUILDS

Pending
Plan
Review: 2

Approved
and
Issued: 5

Completed
and
Closed: 2



Permit Fees

<u>2026</u>	<u>2025</u>
\$16,029	\$38,192

Boards and Commissions

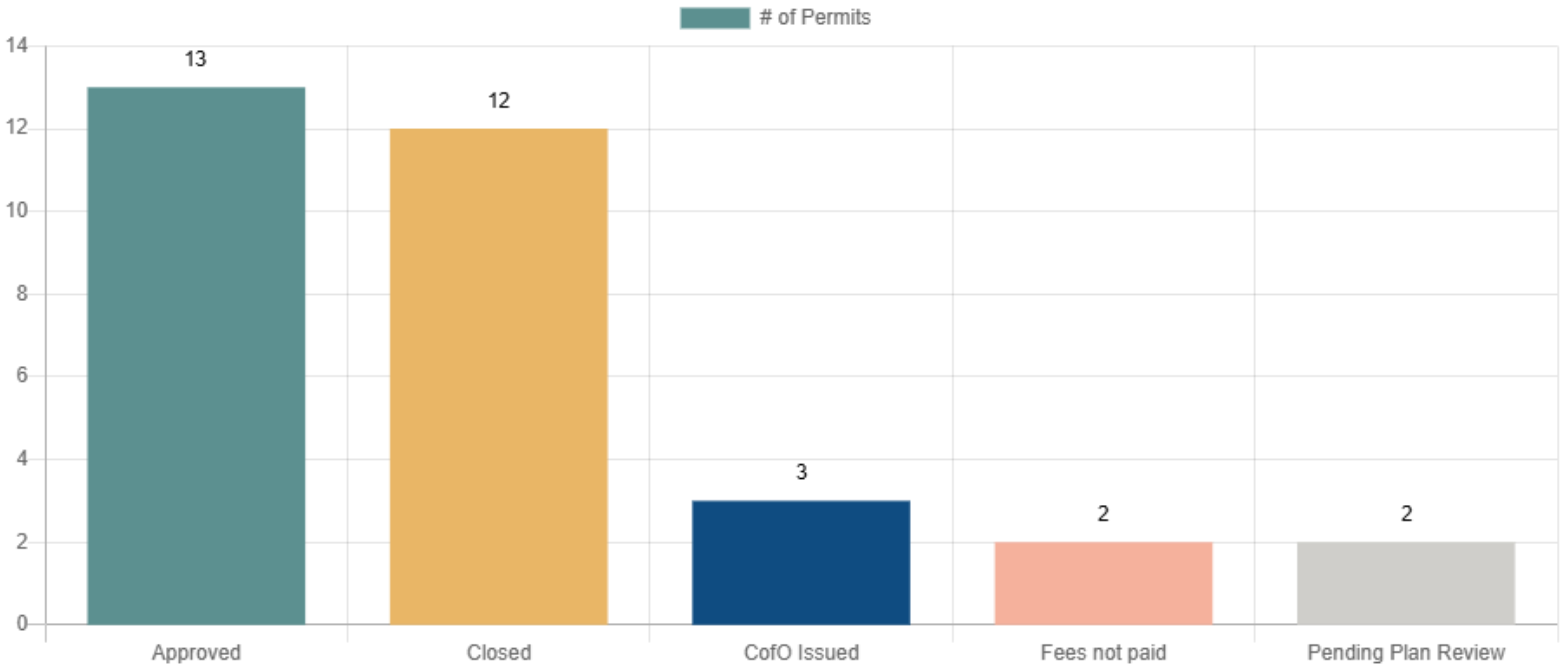
	HLC	P&Z	ZBOA
Next Meeting Date	February 17, 2026	February 11, 2026	TBD
Meeting Date and Items	January 17, 2026 <ul style="list-style-type: none"> 1315 Fiorella St – Approved 509 HWY 90 W. - Approved 702 Florence - Approved 702 Paris St. – Approved 602 Washington – Approved 1101 Alamo St– Approved 709 Berlin St. - Approved 905 Lisbon – Approved 312 Petersburg. - Approved 	January 14, 2026 <ul style="list-style-type: none"> Nominations and Election of Chairman and Secretary. Discussion and possible action on Flat Creek Collector - Final Plat. Discussion and possible action on Flat Creek Unit 1 - Final Plat. Discussion and possible action on Flat Creek Unit 2 - Final Plat. 	None

If you live in one of our 96 Historic Structures and need a plaque or would like to replace your existing one, please contact

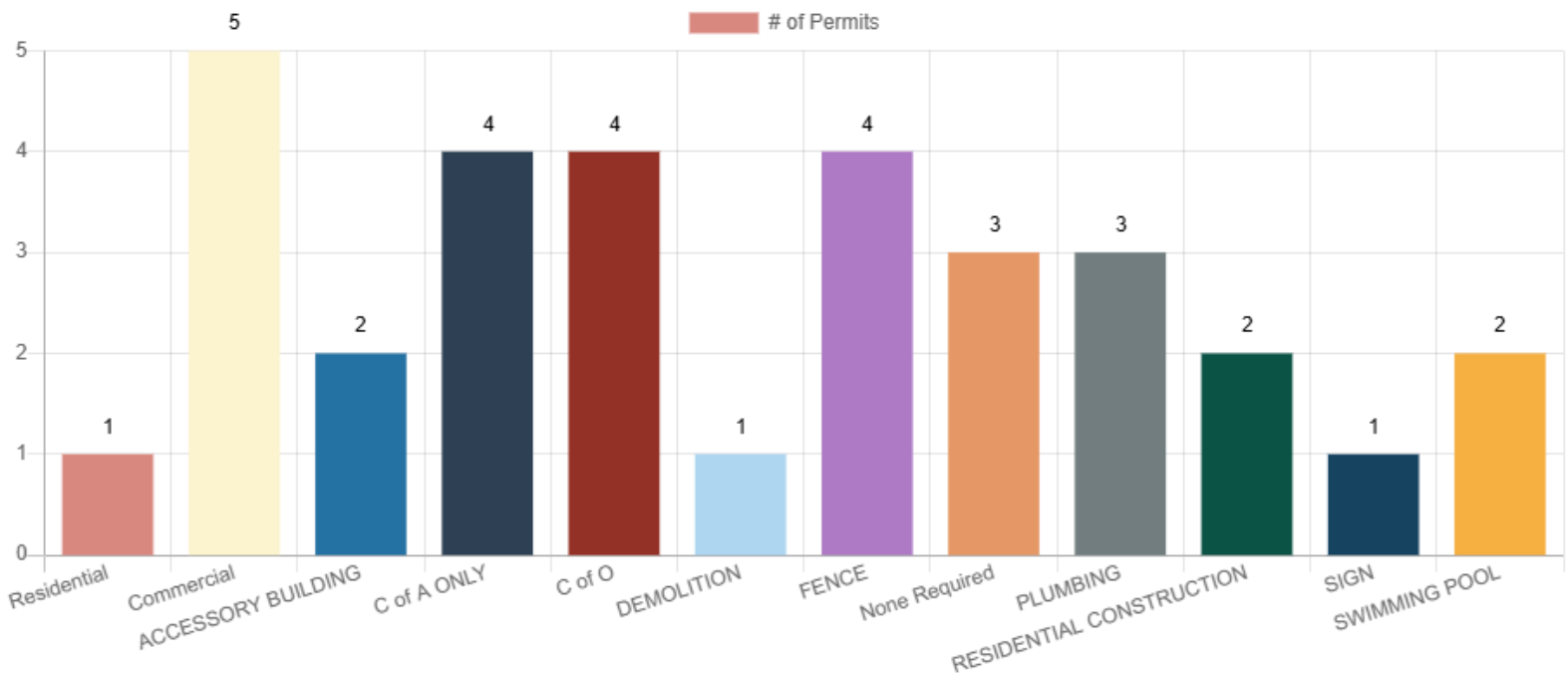
Breana.soto@castroville.tx.gov

January Statistics

Permit Count by Status



Permit Count by Type





Projects

Castroville's Active Transportation Grant

- TXDOT approves contract.
- Bring to Council for input on how to move forward – **August 12th meeting.**
- Bring to Council for stakeholder committee– **Tentatively scheduled for September 23th meeting.**
- Public engagement meetings – **National Night Out, Boo Bash. Public Engagement on 2-2-2026**
- Receive feedback, create draft plan
- Open public comment period
- Bring findings to City Council
- Receive feedback, create final draft
- Bring to P&Z for adoption
- Bring to City Council for adoption

Garcia Creek Report

- Presentations to City Council – **Either of the June 24th or July 8th Meeting**
- City Council will decide how to move forward with project – **Design/ Build**
- Go through RFP Process – **Advertise on January 20th**
- Deadline for Questions – **February 9th**
- City Responses Issues – **February 17th**
- Proposals Due – **March 2nd**
- City Council Award – **March 24th**
- Notice to Process – **March 30th**

Throughfare Plan

- Meet with County about alignment with County plans.
- Meet with TXDOT about alignment/ discrepancies with TxDOT plans.
- Meet with County engineer about suggestions from TxDOT. **TxDOT had a lot of great suggestions.**
- Directed to move forward with adoption of thoroughfare plan. Waiting on engineer to send revised plan for Council to review.**
- Bring to City Council for review.
- Make changes to plan per Council recommendation.
- Send out required public notifications.
- Bring to City Council for approval.

February 2026 LAB Director's report from January 2026

Statistics:	Dec 2025	Jan 2026
New Cards:	26	32
Ill shipped:	54	69
Ill received:	58	93
Computer users:	308	331
Program count:	465	247
Door count:	1484	2011
Revenue:	\$1144.45	\$1125.65
Ebook check outs: 165		Ebook check outs: 191
Ebook holds: 58		Ebook holds: 104
Audiobooks : 148		Eaudio: 134
Eaudio holds: 73		Eaudio holds: 96

Report:

Accreditation is completed, submitted and locked in.

CIP meeting went well. They had a lot of information to digest and at this point, I know nothing about expanding the parking lot or building.

Programs are going great...Overflowing in some programs; feedback has been positive; most comments reflect the poor parking situation. We partnered with Magnolia's with a Tween/teen Magic the Gathering. It looks like we had 7 show up and it was a huge success. We have added programs for the kids during their Spring Break.

Program room is being used quite a bit, and we've received over \$100.00 in donations to use the room since the beginning of the year. We are now asking for donations for any PAID programs.

I am starting a new Spanish literature section. It will be a slow process as books are very expensive. I do believe there is a need and I will be diligently working on this and looking for grant money as well.

Staffing: I hired 3 new employees. Unfortunately, one employee took an internship this semester which leaves her availability to only Saturday's right now. One employee decided this was not the right position for her at this time. I am working on replacements so that we will be fully staffed for Summer Camps.

Love Your Library event is this Friday 2/13/2006.

1	ID	Project name	Project owner	Project status
2	Dollar General Literacy grant	Summer Reading Camps	Beth Farley	rejected; not accredited
3	TX Special Project Grant	Spanish Speaking Computer for Elderly w cyber security	Beth Farley	rejected not accredited
4	Medina Women for Good Grant	technology Women Who Do Good	Beth Farley	awarded \$2,000.00
5	ALA& Penguin Random House	Children's Library Rescue ALA	Beth Farley	pending/received/too many applicants
6	Medina Co Coop	Summer Reading Camps	Beth Farley	awarded
7	ALA Doors Grant	new doors/security system ALA Grant	Beth Farley	rejected not accredited
8	ALA Libraries as Pillars of Education	ESL and College Prep courses	Beth Farley	rejected
9	PLAN	Customer Service Training through PLAN	Beth Farley	awarded no \$ just inservice help
10	Stephen Riedner Grant for Life	Senior Programs for Dementia	Beth Farley	rejected but we were 3rd out of 70
11	TX Reads Grant	technology/pay for summer help	Beth Farley	rejected
12	ALA HEB Summer Help Grant	2025 Summer Staff \$ and programs	Beth Farley	awarded
13	Medina Co Women who do good	2025 childrens room improvements \$2,000.00	Beth Farley	awarded \$2,000.00
14	Kronskosky grant	2026 outside garden preservation	Beth Farley	pending \$5,000.00
15	Ed Rachel Foundation	Mental Health classes	Beth Farley	rejected; not in Corpus
16	ALSA Candlewick Press light the way	ESL; Spanish literature and iPads	Beth Farley	pending \$3,000.00
17	Jeanette & Jim Larson Grant	Large Print Collection	Beth Farley	pending \$500.00
18	Medina county women who do good	Floor Covering in Childrens library	Beth Farley	pending \$1,000.00
19	Accessible small & rural Communities	ADA compliant doors and sidewalks (ALA) very competitiv	Beth Farley	pending \$20,000.00
20	Digital pathways	On line health literacy programs for adults	Beth Farley	pending \$8,000.00
21	Slice of Literacy Pizza Hutt	Garden Series with Children raised beds/compost	Beth Farley	declined very competitive
22	Summer camps make reading champs	Dollar General grant for summer camps	Beth Farley	pending 1,000
23	Garden clean up	Medina County Co op - garden clean up	Beth Farley	pending 10,000
24	TLA special Project Grant Program	Outside Garden/play area for kids	Beth Farley	pending 5,000
25	LCRA	Outside Garden/play area for kids	Beth Farley	pending 5,000
26	Spring 2026 TLA & HEB grant	Summer Reading Camps	Beth Farlev	

Better World grant for Collection Development of Spanish books Beth Farley \$1,000.00

City of Castroville Parks & Recreation Department

Monthly Report: January 2026

Submitted by: Jonah Chang, Director of Parks & Recreation

1. Department Overview & Updates

- Community Center Construction:
 - Construction is still underway. Overall, the project is 57% complete.
 - We are currently seeing a delay in re-mobilization due to sub-contractors moving equipment & staff to other active jobs. Substantial completion is projected for May 15th with owner move in on May 29th.
 - Attached below is the presentation given to council on Tuesday February 10th, 2026.
- Splash Pad:
 - Repairs are still underway; the sewer line has been repaired(Attachment #1) and some internal components along with the main water supply line are currently being re-plumbed. Once the plumbing has been repaired, a pressure test will be conducted to ensure no other leaks are hidden further down the lines. After a successful pressure test, the backfill process will begin.
 - These repairs are projected to be done before summer 2026!
- BMA Agreement:
 - At the January 27th Council meeting, council discussed the updated contract and the expending of funds not to exceed \$15 Thousand dollars to install automatic gate openers, trail material, and signage. My staff and I plan to meet with BMA staff to finalize & discuss the logistics.
- TPWD Grant Update:
 - The Texas Parks and Wildlife Commissioners meeting held on January 22nd approved the Lions Park Project unanimously! Even though the TPWD commission approved the project, the City Council has not formally accepted or committed the funds for this project.
 - Please reach out to the City Council members and express your support for this project and all the good it will bring to the city, residents & its visitors!
- CIP Projects:
 - I discussed numerous Capital Improvement Plan projects with council at the January 29th meeting. The focus for Parks & Recreation was funding the Lions Park Playground & Swing set.
 - Most Parks & Recreation projects are grant eligible so find those grants would be beneficial to EVERYONE, the department, City Council, and residents.
 - One of the biggest things that staff is trying to leverage is identifying projects that have a dollar-for-dollar match. i.e., the Lions Park Project

2. Programs & Events

3. Staffing

Type:

Full-time Staff:

Part-time Staff:

Pool Staff:

Status:

Five positions filled

One position filled(Facilities)

Six positions filled

4. Upcoming Priorities & Projects

- Tree Replacement (Garden of Roots & Lions Park)
- Garden of Roots Tree Sign Installation
- Upcoming Event Prep: Easter Weekend & Tour De Castroville
-

5. Reservation Report January 2026

Facility	Bookings
Regional Park- Volleyball Courts	0
Regional Park- Soccer Fields	1
Regional Park- Amphitheater	0
Regional Park- Area Rentals	0
Regional Park- Pavilion Rentals	4
Regional Park Table Rentals	4
City Pool- Parties	0
RV Park Bookings	43
Regional Park- Tent Camping	0

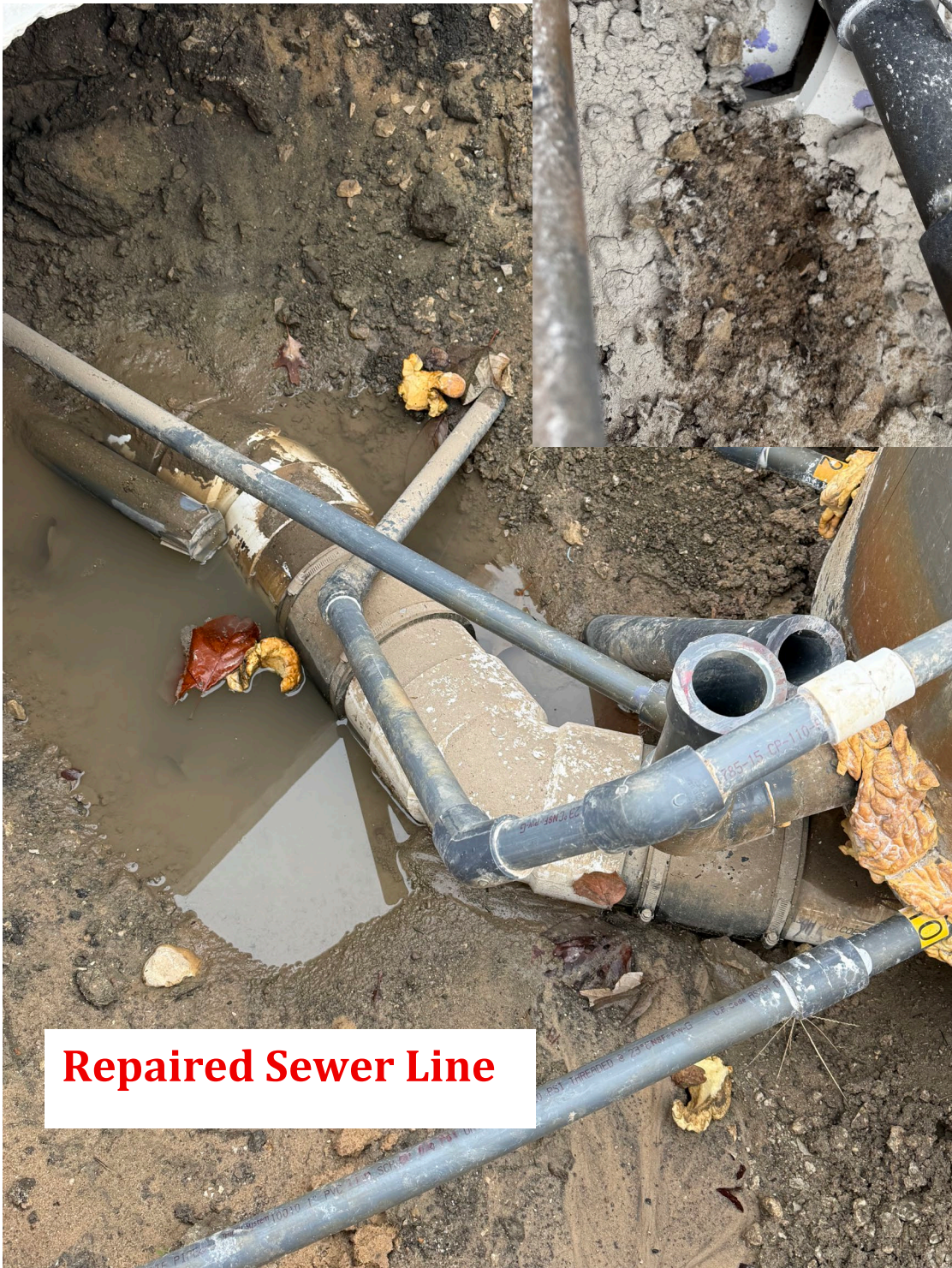
6. Work Orders & Repairs January 2026

Department	Problem Code	# of Work Orders
Parks: 138	007: City Parks Maintenance	0
	500: City Parks Maintenance	12
	501: City bldg. Maintenance	16
	505: Equipment Repairs & Maintenance	0
	510: Regional Park Maintenance	31
	515: RV Park Maintenance	5
	520: Swimming Pool Maintenance	8
	530: Lions Park Maintenance	27
	535: Splash Pad Maintenance	1
	599: Misc. Facilities & Parks	29
	801: Weeds/Overgrown Brush	0
	802: Mowing & Weed Eating	4
	806: Tree Issue (Trim & Clear)	1
	819: Misc Streets	1
	978: Vehicle & Equipment Maintenance	3
Facilities: 25 Total	500: City Parks Maintenance	0
	501: City Bldg. Maintenance	16
	506: Flags	0
	515: RV Park Maintenance	0
	520: Swimming Pool Maintenance	8
	599: Misc. Facilities & Parks	1
TOTAL: 163 Work Orders		

ATTACHMENT #1



Damaged Sewer Line



Repaired Sewer Line



Addition of 2 new LED lights on the Library Building.

One on the North wall, above the double windows and replacement of an old fixture on the west wall by the flagpole.



Removal & final grade of the front 2 flower beds.

Installed mulch until a decision is made on what is going into these two beds.



Riparian Restoration Project: 2/7/2026



Demo Garden Installation



Waddle Installation
Waddles help filter & prevent further erosion



Installation of new steps to tables 32 & 33



Monthly Crime Report Chief Kohler



January

2026

Major Crimes

AGGRAVATED ASSAULT	2
ALL OTHER LARCENY	2
ALL OTHER OFFENSES	2
BURGLARY	1
DRUG / NARCOTIC VIOLATION	1
SHOPLIFTING	9
SIMPLE ASSAULT	3
WEAPON LAW VIOLATIONS	1

Calls for Service

930

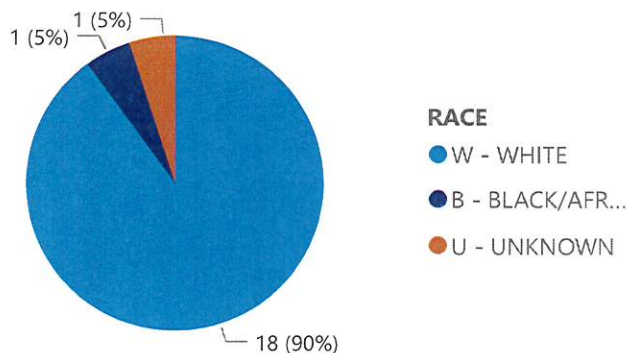
Reports Written

61

Citations

170

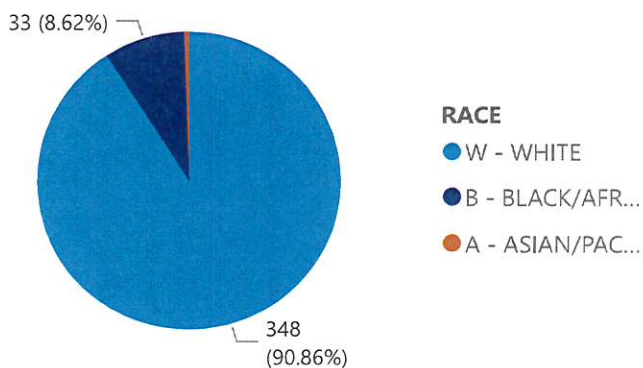
Arrests by Race



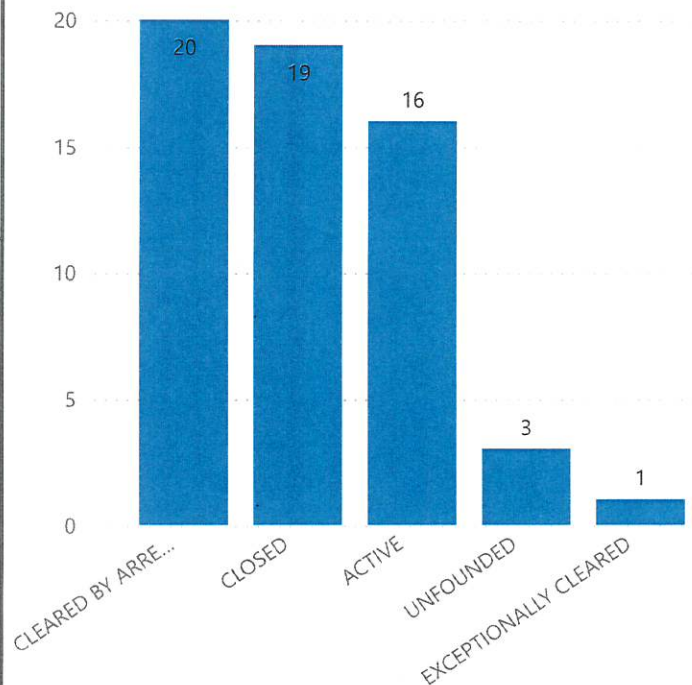
Warnings

213

Citation by Race



Case Status for this month's reports





Castroville Police Department

Chief of Police James Kohler



January 2026

Calls for Service

930

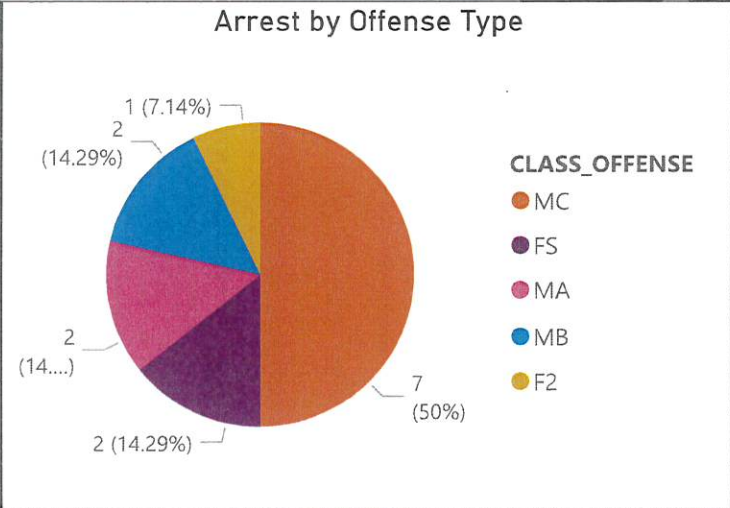
Incidents Reported

61

Reports Taken

119

IBR_DESCRIPTION	Count of CASE_NUMBER
▲	51
AGGRAVATED ASSAULT	2
ALL OTHER LARCENY	2
ALL OTHER OFFENSES	2
ANIMAL CRUELTY	1
BURGLARY	1
DRUG / NARCOTIC VIOLATION	1
FALSE PRETENSE	1
SHOPLIFTING	9
SIMPLE ASSAULT	3
THEFT FROM MOTOR VEHICLE	1
TRAFFIC	9
WEAPON LAW VIOLATIONS	1
Total	61



Total Arrests

16

Total Traffic Stops

357



Monthly Crime Report Chief Kohler



January



2026



Major Crimes

AGGRAVATED ASSAULT	2
ALL OTHER LARCENY	2
ALL OTHER OFFENSES	2
ANIMAL CRUELTY	1
BURGLARY	1
DRUG / NARCOTIC VIOLATION	1
SHOPLIFTING	9
SIMPLE ASSAULT	3
THEFT FROM MOTOR VEHICLE	1
WEAPON LAW VIOLATIONS	1

Calls for Service

930

Reports Written

61

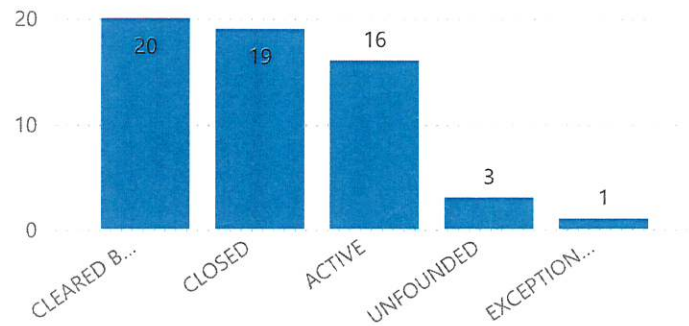
Citations

170

Warnings

213

Case Status for this month's reports



Arrests

16

Supervisor Reviewed Videos

25

Accidents

10

Cases Submitted to DA

YTD 20



Monthly CAD Report Chief Kohler



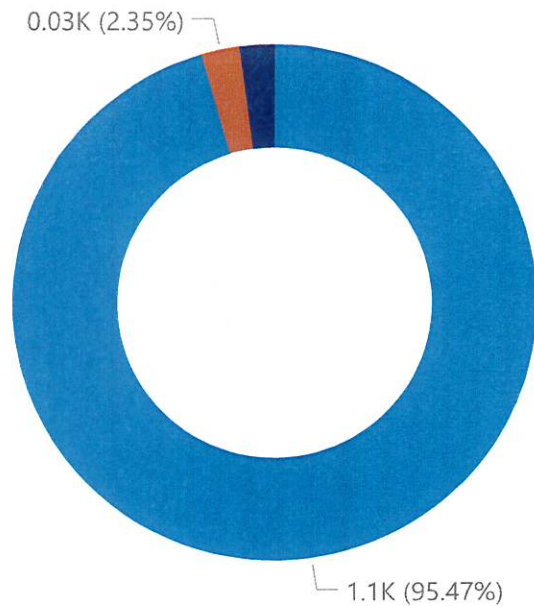
January 2026

Calls for Service by Agency		Calls for Service	
CAST EMS	18	930	
CAST FIRE	16		
CASTROVILLE POLICE DEPARTMENT	930	Traffic Stops	
Total	930	361	
Security Watch		Alarm Calls	
211		9	
Disturbances		Funeral Escorts	
8		1	

Calls by Agency

OFFICER_AGENCY

- CASTROVILLE POLICE DE...
- CAST EMS
- CAST FIRE





memo

To: Scott Dixon
From: John Gomez
Date: 02/18/2026
Re: Public Works Monthly Staff Report – January 2026

Department monthly highlights:

Work Order Activity

During the reporting period, staff received a total of **125 service requests** across all departments.

Work Orders			
Department	Issued	Closed	Open (at month end)
Electric	26	25	1
Water	27	26	1
Streets	61	60	1
Gas	11	10	1
TOTAL	125	121	4

Utility Department Operations & Staffing Update

- **Vacancies:** The Electric Department continues to operate with existing staff while positions remain vacant. Workload adjustments and prioritization of critical tasks have allowed service levels to be maintained. While qualified applications have been received, the number of applicants is currently limited. To ensure a strong and competitive selection process, recruitment efforts will continue to expand the candidate pool before proceeding further.
- **New hire:** A new employee has been hired to fill the vacancy within the Wastewater Treatment Plant (WWTP) Department. He is scheduled to begin employment on March 2, 2026 and will support ongoing operational needs.
- Joshua Walker from the Water Department has successfully obtained his Class D Water License. This achievement reflects his commitment to professional development and strengthens the department’s operational capabilities.

- Christopher Henry, Crew Leader in the Water Department, has successfully earned his Class B Wastewater Operator certification and is now dual-certified as a Class B Operator in both Water and Wastewater, further strengthening the department’s operational expertise.
- Joshua Walker of the Water Department and Erik Ramos of the Electric Department are currently in the process of obtaining their Commercial Driver’s Licenses (CDLs). Upon completion, this certification will expand operational flexibility and support departmental efficiency.
- The Gas Department is currently working with TRC Texas Regulatory Consultant to establish and advance departmental goals. Key initiatives include transitioning responsibility for 811 locating calls in-house, implementing a structured meter replacement program, and developing an improved GIS system to enhance asset tracking and operational efficiency.

Project Updates:

SCADA

Progress on the SCADA System Upgrade continues, with all sites now having panels and antennas installed. The project is currently awaiting final system integration; however, progress has temporarily slowed due to communication and hardware issues identified by the vendor, Dataflow.

The antenna recently installed at the Cross Hill site is experiencing communication issues with the Public Works office system. Additionally, some hardware components provided by Dataflow were found to be malfunctioning. Dataflow representatives are scheduled to be on site on February 18, 2026 to replace key components shipped from Florida.

Hardware Status- Antenna Coordination

During recent site visits, it was discovered that the antenna array at the Ground Storage Tank (GST) is experiencing signal interference from existing infrastructure, including:

- The current SCADA antenna
- The AMI system antenna

While initial radio studies indicated that a dedicated tower would not be necessary, field conditions have shown that signal separation is required for proper functionality. The GST location does not allow for sufficient vertical and horizontal separation to prevent interference.

As a result, alternative mounting solutions are being explored. One option under consideration is installing the SCADA antenna on the existing amateur radio tower located on the western portion of the GST site.

The tower is owned by the Medina County Amateur Radio Corporation, who have confirmed that:

- SCADA frequencies will not interfere with their operations
- They are open to allowing installation on the tower

This option would require inspection and possible updates to the tower’s guide wires and anchors. Dataflow is currently working with the tower manufacturer to determine if upgrades are needed and will provide additional information during today’s site visit.

City Gate Station

The odorant injection pot has been successfully installed. Odorant will be added to the system on February 19, 2026. Upon introduction of the odorant, calibration of the injection equipment will be performed to ensure proper odorant concentration levels within the natural gas system, followed by full system odorization.



Country Village Lift Station

On February 6, 2026, the final walk-through was conducted, and the lift station was formally accepted from the general contractor.

Geneva Drainage Channel

No changes at this time. The Street Department is postponing installation of the Flexamat until vegetation is fully established across the channel, at which point the work will proceed.

Flat Creek Subdivision

C3’s civil crew is setting forms, installing rebar, and pouring concrete for curbs and ramps. The utility crew completed the water tie-ins and backfilled the trenches.



Alsatian Oaks Phase II

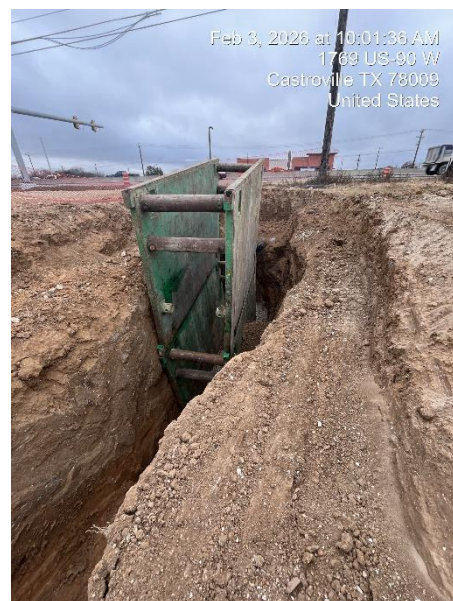
The dirt crew continued grading operations and relocating soil to establish proper street elevations throughout the subdivision.



Town East Crossing

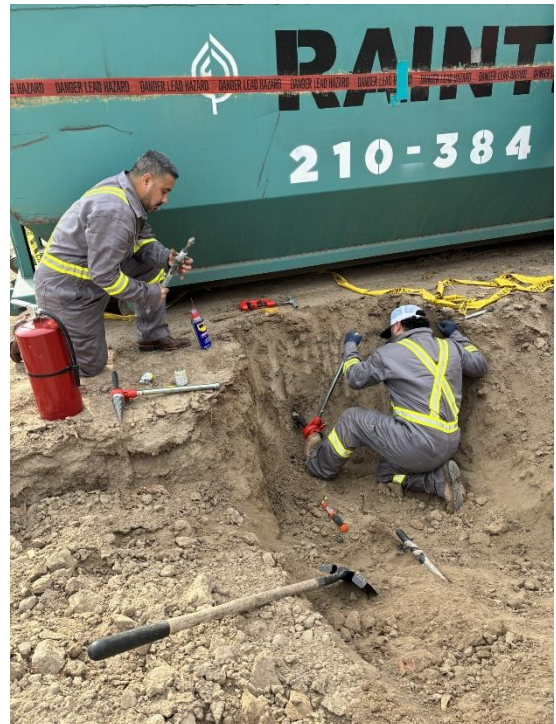
The civil and masonry crews continue installing concrete center blocks along the outer perimeter of the detention pond. The general contractor is proceeding with excavation to remove the existing sewer line and is installing trench shoring on both sides of Highway 90. In accordance with TXDOT requirements, work is restricted to the hours of 9:00 a.m. to 4:00 p.m., and all trenches must be covered at the conclusion of each workday.

City Inspector Rodney Rodriguez determined that the sewer line crossing beneath Highway 90 was not in compliance with applicable standards and directed the contractor to remove and replace the installation. As a result, the contractor was required to reopen the bore pits to extract and reinstall the sewer line. Prior to receiving final approval, the contractor must complete all required testing and perform CCTV (Closed-Circuit Television) inspection of the sewer line to verify compliance.

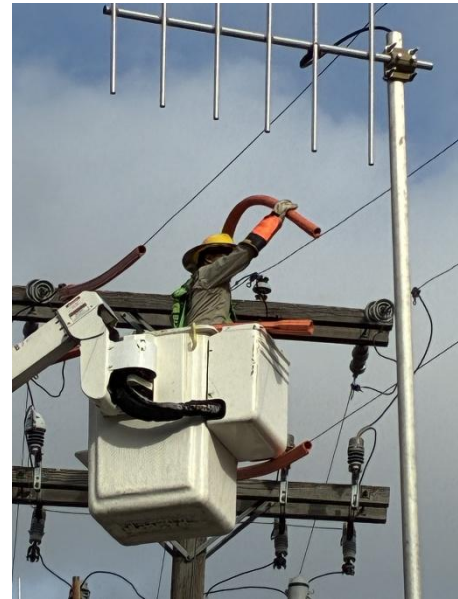


Keeping Our City Moving

Gas Department – Kill & Cap 1' Service Line at 1207 Angelo



Electric Department- Well 2 Utility System Maintenance



Water Department- Water Repair at Riverside

