

# City of Gordon Update

March 10, 2025

# Agenda

## 5-5:45 Update

- ✓ City Structure
- ✓ Water Basics
- ✓ Financials
- ✓ Projects
- ✓ Other

*Participants are requested to hold questions and submit them in writing for Q&A to follow*

## 5:45-6 Break

*Participants are encouraged to mingle with Council and Staff*

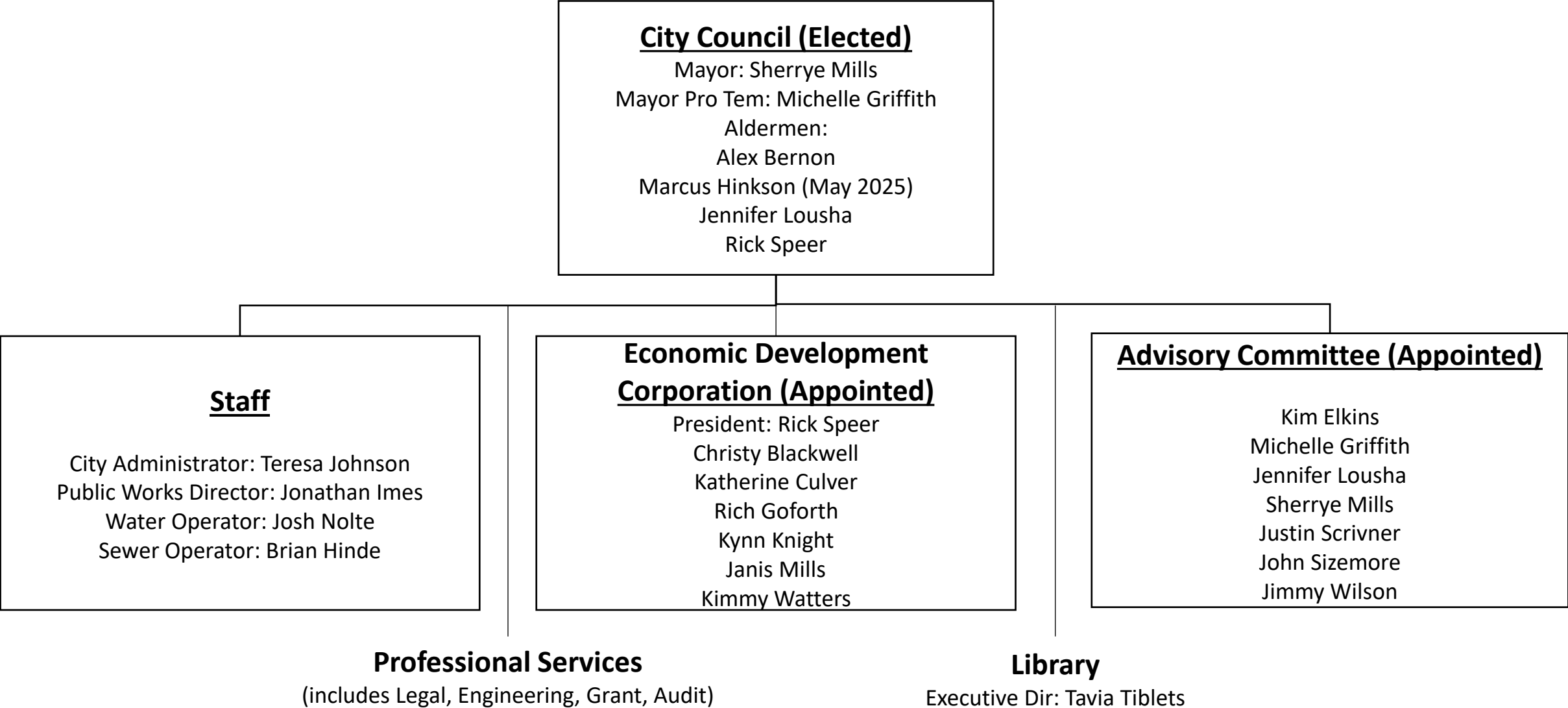
*City Administrator and Mayor will review and organize submitted questions for Q&A*

## 6-6:30 Questions and Answers

# City Structure

# City Structure

We are a General Law Type A City (see [www.tml.org](http://www.tml.org)).



# General Eligibility Requirements

Additional details are available on [www.tml.org](http://www.tml.org).

<b>City Council</b>	Resident of Gordon (resides in city limits)
<b>Economic Development Corporation</b>	<ol style="list-style-type: none"><li>1) Resident of Gordon OR</li><li>2) Resident of Palo Pinto County OR</li><li>3) Resides within 10 miles of the city's boundaries in Erath County</li></ol>
<b>Advisory Committee</b>	<ol style="list-style-type: none"><li>1) Designated by an organization OR</li><li>2) Resides or does business within Gordon's service area</li></ol>

# Water Basics

# Roles

## TCEQ

- The Texas Commission on Environmental Quality (TCEQ) oversees water and sewer operations. These are the standards we follow.
- Reference [www.tceq.Texas.gov](http://www.tceq.Texas.gov) for more information on this agency.

## City Staff

- As a water processor, the City is required to have a licensed Class B water operator who oversees compliance with TCEQ standards.
- Inspection of upgrades to ensure they meet approved designs also falls under this role.

## Engineering

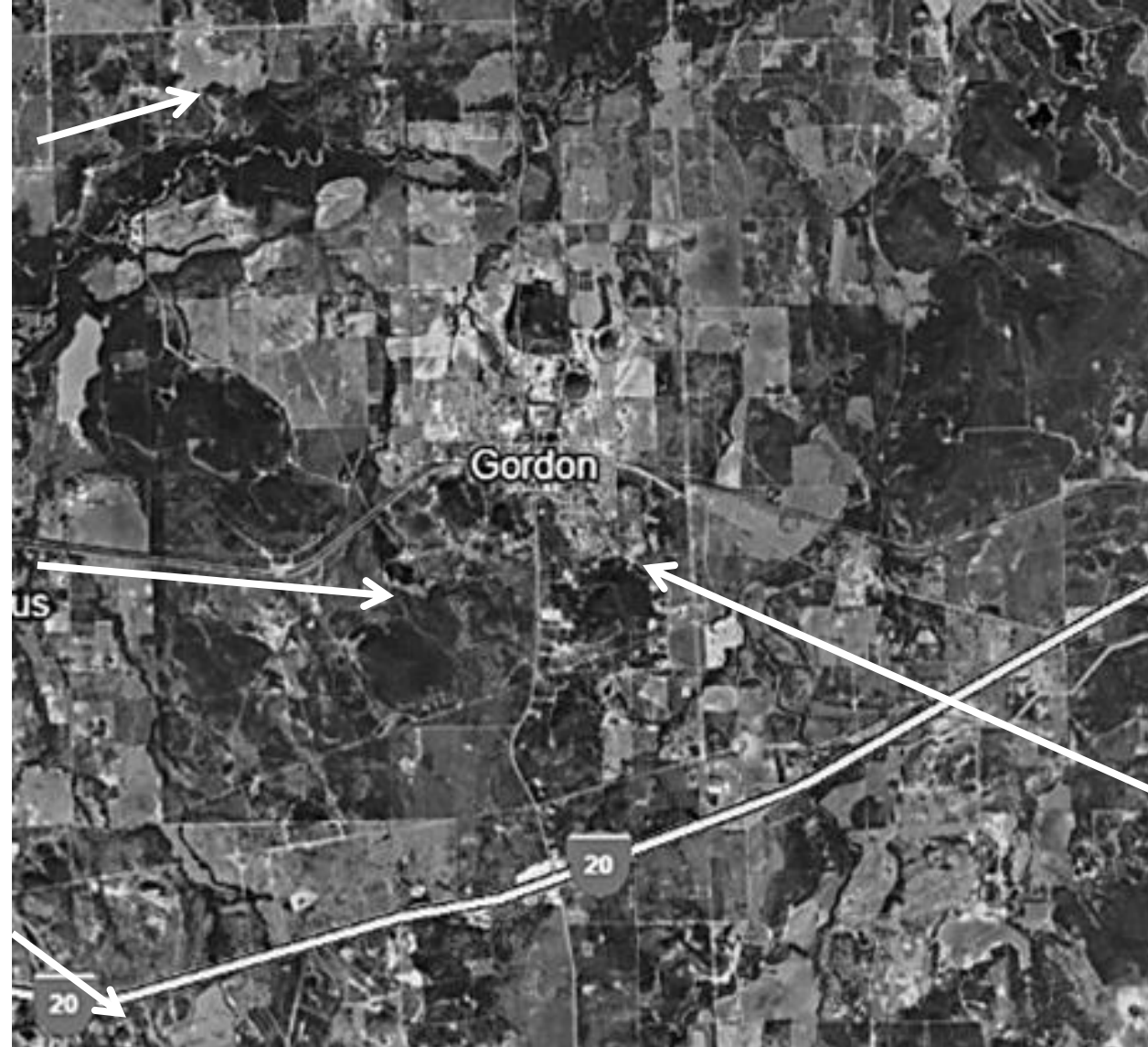
- Due to the size of the City, we contract engineering work to Jacob and Martin.
- J&M provides engineering recommendations and sign-offs for water and sewer upgrade designs.
- They also augment water operator staffing when needed.

# Water System

Water is sourced from Lake C.B. Long NW of Gordon.

Raw water is piped to the facility west of town for treatment and then distributed to customers.

Thurber Pump Station



Barton Creek is a wholesale water customer.



# Wastewater System

There are 3 wastewater lift stations on I-20 and one in town at Mesquite and Bell.



Wastewater is consolidated at the main pump station on Hwy 919 and then north to the plant for processing.

# Feasibility & Development

Non-standard service requests follow this basic process to ensure the system can support the requested demands. Customers are responsible for the cost of system upgrades to support new demand.

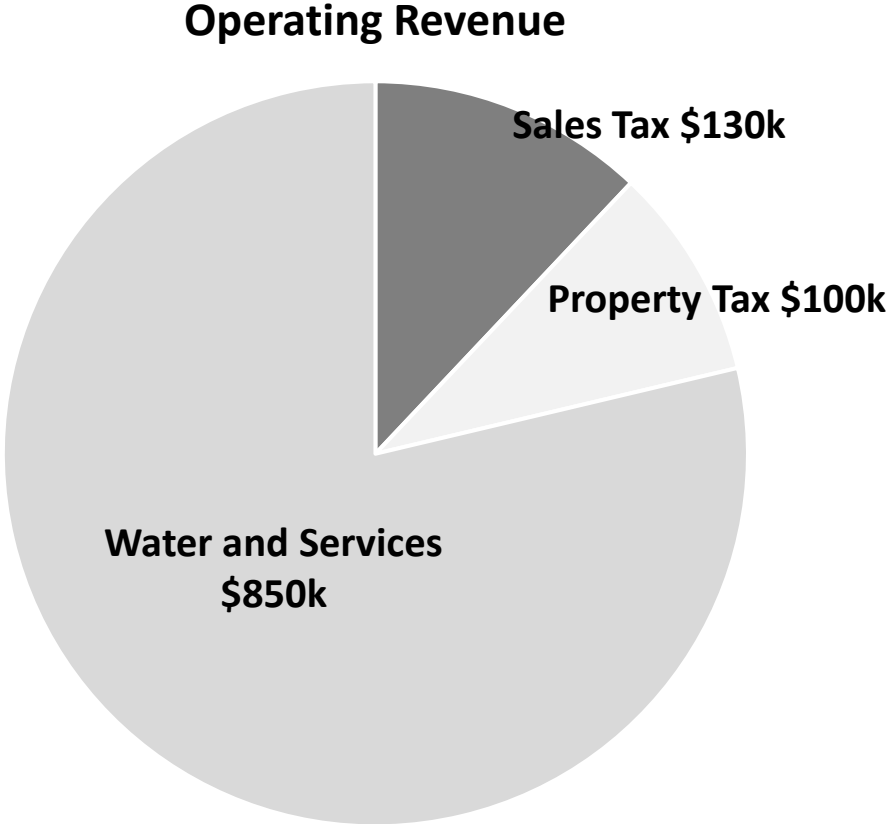
<b>Customer</b>	1) Contacts City to request service	5) Final plans are submitted	7) Customer executes required upgrades		
<b>City</b>	2) Provides/ receives forms and \$1500 engineering fee	<i>Facilitates communication between Customer and Engineering</i>		8) Inspects contractor work and gives final sign-off	9) City takes responsibility for system upgrades
<b>Engineering</b>	3) Evaluates impact of demand on all components of the system	4) Publishes cost estimates to Customer	6) Final plans are reviewed and approved		

- This is a simplified conceptual overview of the process. Refer to City Ordinances as the authoritative source.
- This process excludes annexation, which may be a related request or requirement in some cases.
- This process excludes joint Legal/Engineering requirements such as Development Agreement.

# Financials

# City Revenue Overview

Fiscal year is July-June. Figures below are from the budget starting July 2024 and actual revenue is higher than projected.



Source	City Residents	Non-Residents
Sales Tax	Yes	Yes
Property Tax	Yes	No
Water and Services	Yes	Yes

# City Revenue Drill-down

The following is a summary of the major revenue sources and how they are used.

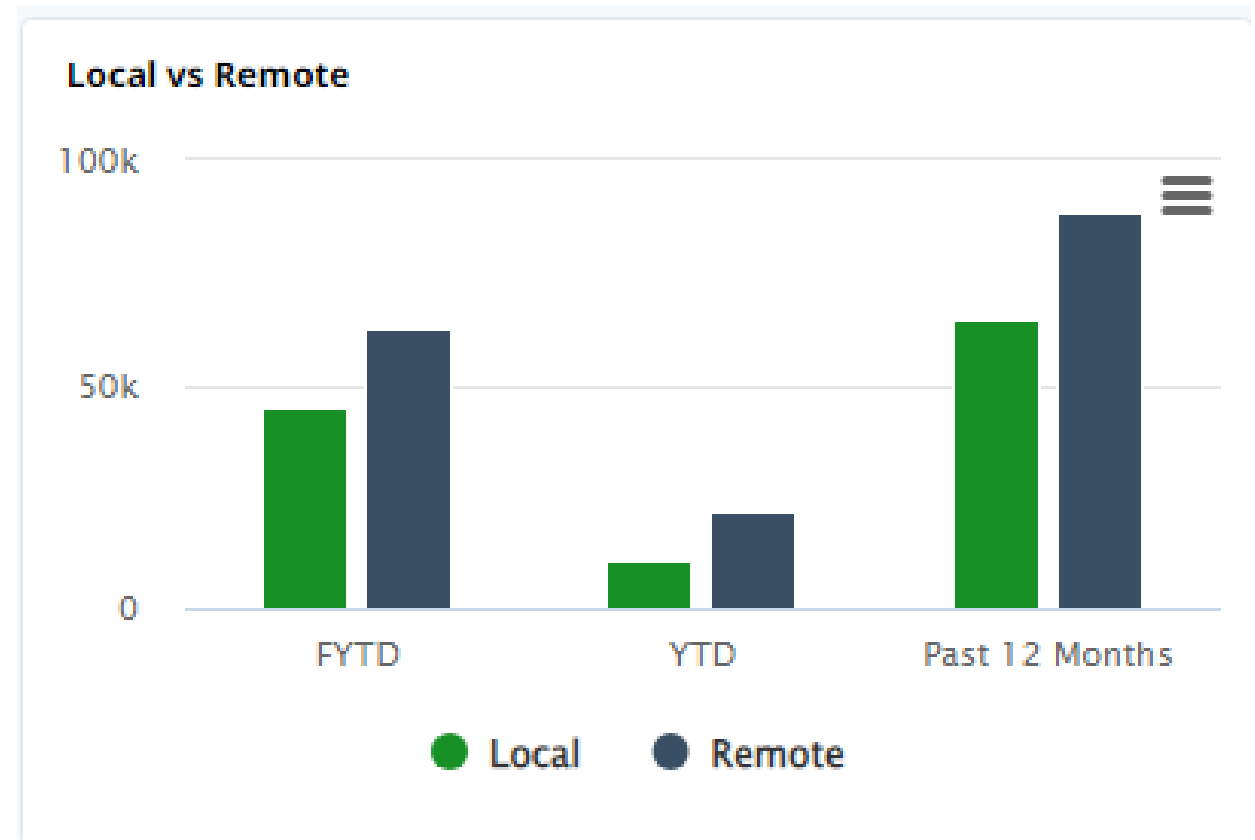
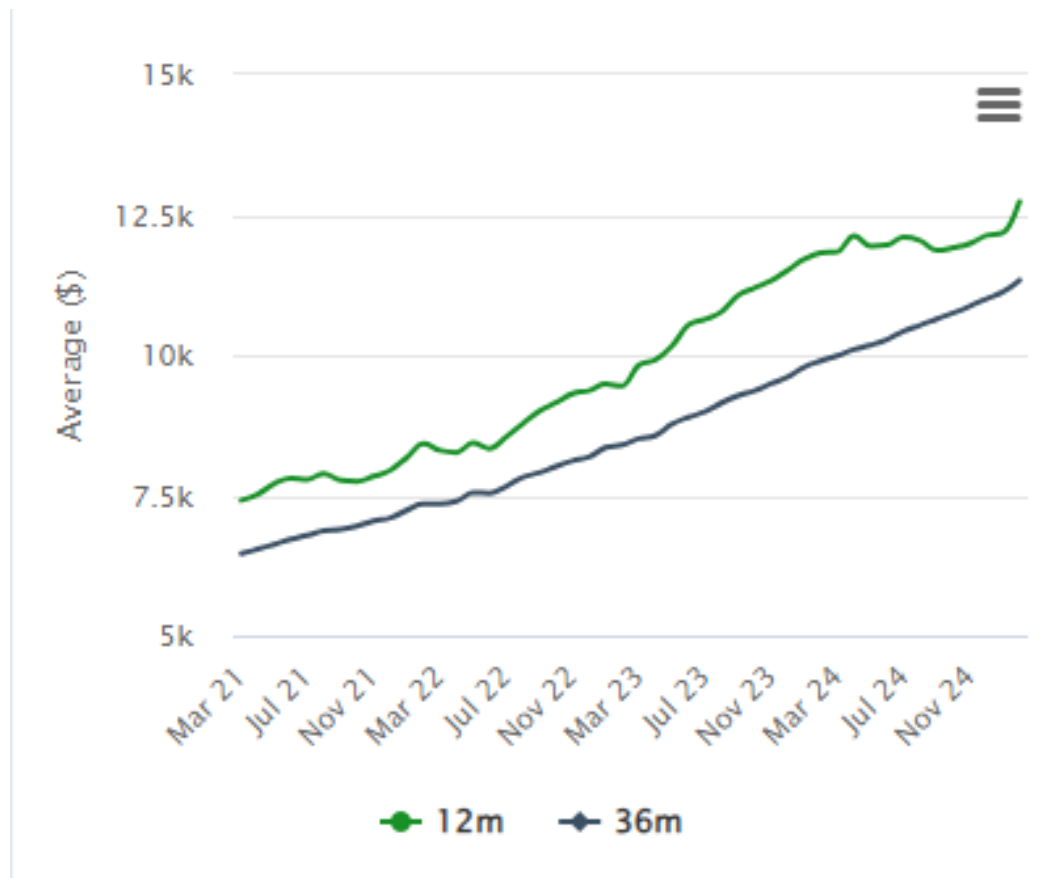
Source	Description	2024 Estimate	Generally used for*	Comments
<b>Sales Tax</b>	On premises sales within city limits and online purchases by city residents	<b>\$130k</b>	EDC; Special Projects or “Rainy Day” Needs	Funds are not considered for operating budgets and are held unallocated for special projects or contingency. Online sales now comprise nearly half. One third goes to the EDC.
<b>Property Tax</b>	Collected from properties within the city limits	<b>\$100k</b>	City Operation & Infrastructure	Funds are used for roads and drainage, park, city buildings, insurance and city operating costs.
<b>Wholesale Water</b>	Gordon has a wholesale water contract with Barton Water Supply Corporation	<b>\$196k</b>	Water Processing	Funds operating expenses and capital improvements related to water sourcing and processing
<b>Retail Water</b>	Collected from in and out of town customers	<b>\$420k</b>	Water Processing and Distribution	Funds operating expenses and capital improvements related to water sourcing and processing as well as distribution (line) costs
<b>Sewer</b>	Collected primarily from in city water customers	<b>\$130k</b>	Sewer Service	Funds sewer operating expenses and capital improvements
<b>Impact Fees</b>	Collected from new retail customers	<b>TBD</b>	Water and Sewer Capital Improvement	Industry best practice collected for water and sewer earmarked for capital improvements. Does not include costs of connection (customer responsibility).
<b>Grants &amp; Loans</b>	Texas Water Development Board and Rural Development, USDA	<b>See “Projects” Section</b>	Capital Improvement	There are projects ranging from completed (pay-off phase) to pre-application. City is the obligor for debt (reference Texas Bond Review Board website)

\* Major budget decisions are evaluated on a case-by-case basis and approved by City Council vote

Note: Staff costs are allocated to city, water, or sewer for proper budgeting.

# Sales Tax & Online Sales

1.5% sales tax is collected from businesses within the city limits and when residents in the city limits make online sales, which now make up more than half of sales tax revenue. We have experienced growth of both local and remote (online) sales in recent years.



One third of sales tax revenue is directed to the EDC.

# Projects

# Major Active Projects

Ordered by most recent

<b>Project</b>	<b>Type</b>	<b>Budget<sub>2</sub></b>	<b>Status</b>
<b>Clarifier<sub>1</sub>, Line Upgrades, Thurber Upgrades</b>	Loan and Grant	\$2MM	Preparing to send out for bids
<b>Line Upgrades</b>	Loan	\$800k	Construction starts April
<b>Microfilter</b>	Loan and Grant	\$1.2MM	Nearing Completion
<b>Wastewater System</b>	Loan and Grant	\$670k	Debt Service (Pay-off)

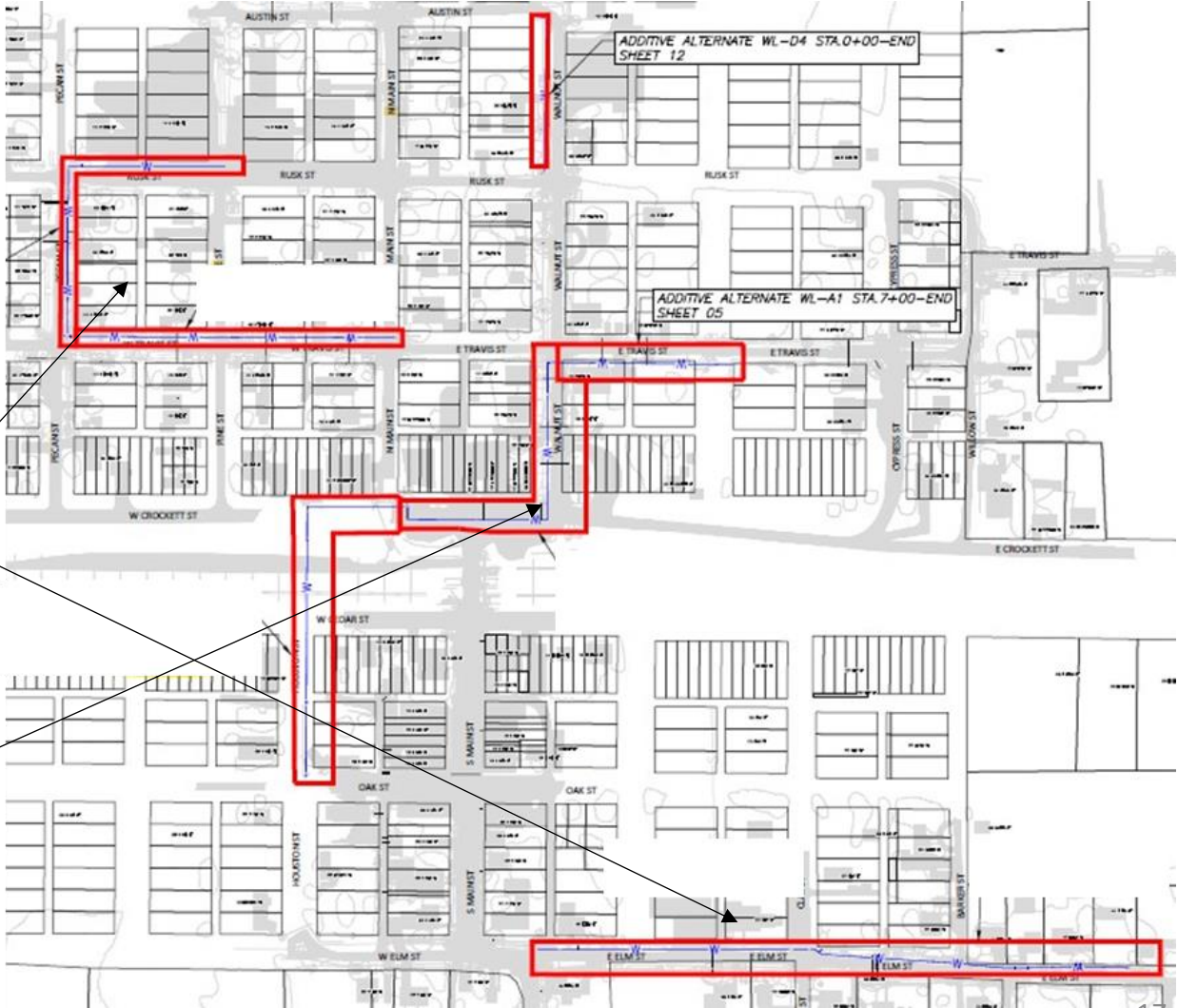
1. Clarification removes sediment through gravity settling.
2. MM = million dollars / k = thousand dollars



# Upcoming Line Upgrades

Contractors are planning to start phased line upgrades in April. The City is working with the contractor to refine the plan and will coordinate with those who are impacted to ensure disruptions are minimized.

Planned Phase	Location
1	Bore under streets and cap
2	Elm
3	Rusk, Pecan, W Travis
4	E Travis, Main



# Update on November 2024 Recommendations

In November we shared the results of an independent sampling review.

## **Recommendation 1: Flushing Routine**

Implement a regular flushing program to ensure disinfection residuals reach the farthest points in the system. Installing automatic flush valves at strategic locations can streamline this process and minimize water waster over time.

**Status:** 1 of 2 automatic flushing valves have been installed with the second in-house and ready to be installed.

## **Recommendation 2: Annual Chlorine Conversion**

Consider an annual conversion (“burnout”) temporarily replacing chloramines with stronger free chlorine to reduce bacteria growth. Although this method may cause temporary changes in water taste and odor, it is safe with proper coordination and serves as a preventative measure.

**Status:** Chlorine conversion is scheduled to begin April 14. Customer and TCEQ notifications are in progress.

# Future

The City has submitted a TWDB (Texas Water Development Board) grant Project Information Form (PIF) for water well.:

- An engineering evaluation recommended that drilling a well to the south (near Huckabay) is the most cost-effective option.
- We are entering stage 2 of the process and will be submitting questionnaires.

Other

# Other

- TXDOT will be resurfacing Hwy 919 / Main St from I-20 to north of the railroad tracks starting in April. The work is expected to take around a month and will be done at night to avoid business disruptions.
- Budgets workshops are being scheduled for the July 2025-June 2026 fiscal year. We are reaching out to stakeholders for planning inputs.
  - Our capital improvement plan includes smaller items like pumps and generators that are incorporated into the operating budget (as opposed to project budgets). A refresh of capital improvement priorities is a key budget input.
  - Now that line improvement projects are planned, we are developing a phased plan for street and culvert improvements.
- Remember [www.gordonwater.myruralwater.com](http://www.gordonwater.myruralwater.com) is your source for City updates. Sign up for alerts on your phone or email.

# You

Great cities have healthy dialog between committed public officials, skilled city staff and engaged citizens. Here are some ways you can help:

- You have already taken the most important step – be informed!
- Reach out to neighbors who may not have access to the internet or are home-bound and make sure they have a way of getting important information.
- We are forming a committee to provide recommendations for improvements to Heritage Park. Look for upcoming meeting or call City Hall.

Thank you!