



MEMORANDUM

DATE: January 16, 2026
TO: The Honorable Mayor Moore and Council Members
FROM: Barry Sullivan, City Manager
SUBJECT: Friday Staff Report

Upcoming Meetings

- City Council Meeting **Tuesday, January 20, 2026, at 6:30 p.m.** at City Hall.
- Parks Board Meeting **Monday, January 26, 2026, at 6:00 p.m.** at the Civic Center.
- City Council Meeting **Tuesday, February 3, 2026, at 6:30 p.m.** at City Hall.
- City Council Streets Workshop **Saturday, February 14, 2026 at 8:00 a.m.** at the Civic Center
- City Council Meeting **Tuesday, February 17, 2026, at 6:30 p.m.** at City Hall.

Events

- Candidate filing period for Ward 1 (Special Election), Ward 3, Ward 5, Ward 6, and Municipal Judge is January 14 to February 13.
- City offices will be closed on Monday, January 19, for the Martin Luther King, Jr holiday. City offices will reopen on Tuesday, January 20, at 8:00 a.m.
- The Leach Street Zipper Demonstration on Leach Street is scheduled for Thursday, January 22, at 8:30 a.m. An asphalt contractor is expected to arrive between 12:00 p.m. and 1:00 p.m. to grade, compact, and place the asphalt, weather permitting.
- Captain Bryan Beaudin's Retirement Reception will take place Monday, January 26, 2026, at 3:00 p.m. at the Gainesville Civic Center.
- The 104th Annual Chamber Meeting & Awards Banquet will take place on Friday, January 30, 2026, at 6:00 p.m. at the Gainesville Civic Center.
- Ballot Drawing for Election Candidates will take place on Thursday, February 19, 2026, at 3:00 p.m. at the City Hall Conference Room.

General Information & Status Updates

- The Transfer Station will be closed on Saturday, January 24, for the Martin Luther King, Jr. holiday. After January 24, the Transfer Station will begin winter hours and remain closed on Saturdays until April 11.
- Applications for a GEDC Board Member are being received until Wednesday, January 28, 2026.
- The new AWOS is scheduled for installation on January 19 at the airport. The installation process is expected to continue through January 22, with FAA commissioning planned for January 23.
- SUMP L Tennie is being paved between Grand and Clements January 16, 2026. Anticipated completion is the end of the day.



- Walking Trail Maintenance: Tree trimming along the walking trail from Garnett to Grand Avenue has been completed.
- Leonard Park: Tree trimming operations in Leonard Park are scheduled to start next week.
- 3 substandard structures were demolished this week.

Major Goals for Fiscal Year 2025-2026

Updated 1/16/2026

The goals for FY 2025-2026 budget as well as objectives for each of the goals are listed below.

Goal 1: Maintain excellent, conservative finances while efficiently delivering the services desired by its citizens.

Objectives for Goal 1:

- 1.1 Maintain a 90-day cash reserve in General, Water and Sewer, and Solid Waste funds.
Manager's Response: The City maintains at least a 180-day reserve in each fund. The reserve level will be updated after the audit in March 2026.
- 1.2 Earn an unmodified opinion on the annual audit for FY 2026.
Manager's Response: The audit for FY 2025 will occur in March 2026. The City will adjust its record keeping and controls as called for in the FY 2025 audit for FY 2026.
- 1.3 Earn the Government Finance Officers Association Distinguished Budget Presentation Award FY 2025-2026.
- 1.4 Earn the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting FY 2024-2025.
- 1.5 Maintain six stars for transparency from the Texas Comptroller.
Manager's Response: The City is maintaining its six transparency stars. Staff continues to update the website to keep us compliant.

Goal 2: Improve Gainesville's basic infrastructure.

Objectives for Goal 2:

- 2.1 Complete construction on Tennie (R111: Clements to Pecan Creek).
Manager's Response: The notice to proceed was provided on October 14, 2024 for the \$3,159,613 contract. The contractor, JBM Excavation, has 365 days to complete the job. I expect the contract will be extended by at least 30 days for weather and 60 days for change orders with a final completion in February 2026; although, the contractor thinks they will be substantially complete in January 2026. JBM has cut the drainage channel to Pecan Creek and is currently installing drainage culverts from Clements to Wine. Water and sewer are complete. The contractor has installed the concrete street on the west side of Grand. The contractor is pouring



concrete on January 16, 2026 from Grand to Clements. There has been one utility conflict between the drainage channel and an unmapped sewer line. There has been a change order to reroute the sewer line. (Note: Management worked with a land owner in the area to add a sanitary sewer easement to a preexisting drainage easement for no additional charge.) This project did come in under budget. The construction phase is 90% complete. Weather significantly impeded progress on this job because of the large size of the drainage culverts.

- 2.2 Complete construction of the Southern Sewer Line (WWMP 11), the Elkins Lift Station (WWMP 6), a portion of the Wheeler Creek Sewer Line (WWMP 1), and portion of the Chalmers Lift Station Abandonment Project (WWMP 12).

The City Council awarded the Southern Sewer Line, Elkins Lift Station, and Wheeler Creek Projects to Acadia Services, LLC for \$11,103,525 on July 16, 2024. The notice to proceed was issued on August 27, 2024 and the company was expected to be substantially complete at the beginning of October 2025. The project is running behind schedule and the City has sent notice that we could pursue liquidated damages. Start-up for the Elkins Lift Station was done on January 12th. The construction phase of the project is 98% complete. We expect the project to be complete in March 2026. (Remember: Chalmers engineering began after the other projects because we needed to verify that Liberty Pointe was going to develop. The construction contract for Chalmers was awarded to Lynn Vessels for \$2,023,119 on January 21, 2025.) The notice to proceed was provided on March 17, 2025. The contractor has completed the project. We sold bonds in March 2023 to cover a portion of the cost for this project. The remainder of the cost is provided by ARPA funds and developers.

- 2.3 Complete construction on I-35 water and sewer utility relocations.
Manager's Response: TXDOT awarded this contract along with Phase 2 of the I-35 project. City employees are working with TXDOT and the contractor to make sure the work is done to City specifications. This is similar to how we work with subdivision developers. It is expected that this work will be substantially complete in May 2026.
- 2.4 Complete construction on mill and overlay project including Line Drive and Bridle Lane (N13) and Hancock (N02).
Manager's Response: The City Council voted to award the bid to WOPAC Construction for \$770,602 at the October 7th meeting. Construction on curbs and gutters has been completed for this project. At this time, the contractor is waiting on Atmos Gas to finish installing gas lines in the area, so paving can be completed.
- 2.5 Start construction on Wine (R100: California to Tennie).
Manager's Response: Staff is working with engineers to bid this project. Bids are due on January 22, 2026.
- 2.6 Engineer an additional street that is selected by Council.
Manager's Response: City Council decided to reconstruct Medal of Honor Boulevard at the November 18th workshop. Once we complete the Comprehensive Plan and sell the 2026 CO Bonds (February 2026), we will start engineering on this project.



2.7 Start construction on Pecan Creek Sewer enlargement (Project 9 and 10).

Manager's Response: Engineers are 57% complete with the plans for this project. We are being delayed on this project, so we can coordinate access for the temporary use of an ONCOR easement.

Goal 3: Improve the visual appearance of Gainesville.

Objectives for Goal 3:

3.1 Bring thirty (30) substandard structures into compliance with City codes (see Goal 6.1).

Manager's Response: Gainesville has demolished 17 structures. Community Development currently has 28 cases in the abatement pipeline.

Goal 4: Improve staff efficiency through the use of technology and training.

Objectives for Goal 4:

4.1 Install 250 automatic reading water meters.

Manager's Response: The City has ordered the 250 automatic reading water meters along with some fire hydrant meters.

4.2 Replace one (1) AC unit at the Public Safety Building.

4.3 Train staff on basic skills, overall City operations, and how to apply Lean Sigma to City operations for improved efficiencies.

Manager's Response: All new employees are being introduced to Lean Sigma and the 5S program at new employee orientation.

4.4 Start three additional Lean Sigma Projects.

4.5 Develop a strategic plan to implement our Comprehensive, Downtown, and Parks plans.

Goal 5: Promote economic development and a diversified economy.

Objectives for Goal 5:

5.1 Consider each economic development opportunity while focusing on diversifying Gainesville's economy.

Manager's Response: The McDonalds on the southeast corner of Grand and Hwy 82 has opened for business. This was part of a three-way agreement with CCR SE Grand, GEDC, and City. The permit for Aldi's has been issued and construction has started.

5.2 Adopt a new Comprehensive Land Use Plan (see Goal 6.3).

Manager's Response: This plan was provided to staff at the end of November. The Planning and Zoning Commission recommended for the approval of the plan at its January 13 meeting. The City Council will review the plan at the January 20th Council meeting.

5.3 Adopt a new Downtown Master Plan.

Manager's Response: This plan should be complete by the end of January. The plan should go to Council for review at the February 17th meeting.

Goal 6: Provide a safe and prepared City.

Objectives for Goal 6:

6.1 Bring thirty (30) substandard structures into compliance with City codes (see Goal 3.1).



6.2 Adopt a new Comprehensive Land Use Plan (see Goal 5.2).

Goal 7: Promote cultural and recreational opportunities for locals and tourists.

Objectives for Goal 7:

7.1 Utilize the Hotel Occupancy Tax to 1) promote City operated tourist attractions, such as the Frank Buck Zoo, 2) support the Chamber of Commerce's tourism program, and 3) provide support for local historic buildings, museums, and the arts.

Manager's Response: Contracts have been sent to all entities that will receive HOT funds during FY 2026. Most contracts have been signed and returned to the City.

7.2 Partner with local non-profit organizations to provide cultural and recreational opportunities for locals and tourists when it is more cost effective than being the sole provider of the service.

Manager's Response: Contracts have been signed with the organizations that have been approved for HOT Funds. The Council also approved funds for Stanford House, Boys and Girls Club, CASA, Abigail's Arms, Tri-County Senior Nutrition, Texoma Community Center, and Noah's Ark.

7.3 Adopt a new Parks and Trails Master Plan.

Manager's Response: This plan should be complete by the end of January. The plan will go to the Parks Board in February. The Council will be able to vote on the plan after receiving a recommendation from the Parks Board.