

Current & Next FY Major Projects, Water & Sewer Fund

Gray = Not in FY 26-27 Budget

O&M Project	Estimated Cost	Grant Match	City Obligation	Status	Notes
1 BP 3, 5, and 7 EST tank blast and recoat	\$342,500		\$342,500	FY 26-27	D2 Project BPS Tank Reconditioning Maguire
2 Water Production Clarifier 3 blast and recoat	\$180,180		\$180,180	FY 26-27	
3 Water Production filter media replacement	\$877,326		\$877,326	FY 26-27	
4 Raw water intake #1 blast and recoat	\$12,400		\$12,400	FY 26-27	
5 Leon sewer plant paint and repair piping	\$300,000		\$300,000	FY 26-27	
6 In-ground infrastructure	\$550,000		\$550,000	FY 26-27	Budget = \$442,000; line item 020-5-240-50010
7 Water Master Plan	\$600,000		\$600,000	FY 26-27 or later	Unconfirmed estimate
8 Other urgent O&M issues throughout the city	\$500,000		\$500,000	FY 26-27 or later	Unconfirmed estimate
9 Operating Revenue	\$12,399,349		\$12,399,349	FY 26-27	Proposed FY 26-27 minus capital expenses & bond payments
			\$15,761,755		

Capital Project	Estimated Cost	Grant Match	City Obligation	Status	Notes
1 Water Production & WSC QIP- 2026 OO	\$20,000,000	n/a	\$20,000,000	In progress	Electrical improvements at intake, plant, BP-1
2 SH 36 Gravity Main Replacement-	\$560,000	80/20	\$112,000	In progress	EPA grant; construction will begin Sept. 2026
3 Stillhouse WWTP repair from 2024 flood	\$303,210	75/25	\$75,803	In progress	FEMA grant; construction will begin soon
4 Leon WWTP repair from 2024 flood	\$85,014	75/25	\$21,253	In progress	FEMA grant; construction will begin soon
5 Brown Park Sewer Line Relocate from 2024 flood	\$359,523	75/25	\$89,881	In progress	FEMA grant; construction will begin soon
6 EST repairs & improvements C. Carter Office	\$775,000	75/25	\$193,750	In progress	EPA/Congressman Carter ; in documentation phase via EPA
7 Stillhouse sewer plant improvements, phase 2-					
8 Bond funding	\$14,000,000	\$0 (loan)	\$14,000,000	Begin FY 26-27	low interest loan
9 Insulated storage building for Vac Trucks					
0 Revenue funded	\$120,000	n/a	\$120,000	Begin FY 26-27	
1 Heavy equipment: Dump Truck, Backhoe,					
2 Pickups, sewer camera, sewer trailers	\$705,000	n/a	\$705,000	Complete in FY26-27	Capital outlay
3 WWTP Recirculation Pump	\$500,000	85/15	\$75,000	In progress	USDA; awarded and in progress Aug. 2026
4 BP-7 Rehabilitation	\$500,000	100/0	\$0	Begin FY 26-27	HB-500 / Governor's Office
5 North Ft. Hood WWTP Proposal	\$10,000,000	100/0	\$0	Apply for grant in FY 26-27	US Army, DCIP or DEAGG / full Federal project (TBD); unconfirmed estimate
6 Intermediate Force main Extension	\$1,261,260	TBD	\$1,261,260	Begin FY 26-27	
7 Existing Manhole Rehab	\$100,000	n/a	\$100,000	Continue in FY26-27	
8 BPF2 Improvements	\$900,000	TBD	\$900,000	Begin FY 26-27	
9 Leon West Trunk Lines, all 3 phases	\$6,000,000	TBD	\$6,000,000	TBD	Estimates listed in NewGen study
	\$56,169,007		\$43,653,947		

Total Project Cost
\$71,930,762

City Obligation
\$59,415,702

Current & Next FY Major Projects, Water & Sewer Fund

Project Descriptions

Operations & Maintenance Projects

1. BP 3, 5, and 7 EST tank blast and recoat
 - o D2 Project BPS Tank Reconditing Maguire
 - o Project identified as high priority/high likelihood of failure by City engineers Freese & Nichols (FNI) in 2024 via their “Mini CIP Plan,” presented in Water Rate study to council multiple times, including 9/15/2025.
 - o Above-ground fresh water Elevated Storage Tanks (ESTs) need refurbishment.
2. Water Production Clarifier 3 blast and recoat
 - o Project identified in Water Rate study, presented to council multiple times, including 9/15/2025.
 - o Necessary repair for fresh water supply.
3. Water Production filter media replacement
 - o Project identified in Water Rate study, presented to council multiple times, including 9/15/2025.
 - o Filter media elements are critical to the production of safe drinking water and are due for replacement.
4. Raw water intake #1 blast and recoat
 - o Routine maintenance (repainting)
5. Leon plant sewer plant paint and repair piping
 - o Routine maintenance to maintain TCEQ compliance.
6. In-ground infrastructure
 - o Budget = \$442,000; line item 020-5-240-50010 (from page 9 in budget book)
 - o Staff may need additional maintenance funds to accelerate the replacement schedule for in-ground freshwater supply pipes.
7. Water Master Plan
 - o The City commissioned the “Mini CIP” from FNI in 2024, but must now produce a large-scale analysis of all water infrastructure.
 - o Master Planning is essential to the proper identification of the next priorities in long-term Capital Improvement Project planning.
8. Other urgent O&M issues throughout the city
 - o Whether addressing some of the Tabled Projects listed below or other projects as needs arise, additional funding may become necessary.
9. Operating Revenue
 - o Proposed FY 26-27 minus capital expenses & bond payments
 - o Operating revenue comes directly from water and sewer rates, and funds the day-to-day provision of services.

Capital Projects

1. Water Production & WSC CIP- 2026 CO
 - o Electrical improvements at intake, plant, BP-1
 - o Project identified as high priority/high likelihood of failure by City engineers Freese & Nichols (FNI) in 2024 via their “Mini CIP Plan,” presented in Water Rate study to council multiple times, including 9/15/2025.
 - o All electrical panels at the Raw Water Intake, Water Production Plant, and Booster Pump 1 will be replaced.

- These electrical panels date to the late 1980s and, as such, are hazardous, inefficient, and prone to failures for which no quick repairs are possible.
 - Debt obligation approved by council and project is in engineering phase.
2. SH 36 Gravity Main Replacement
 - EPA grant; construction will begin Sept. 2026
 - This EPA grant was originally planned for lagoon additions at the Water Production Plant. However, the engineers at the time underestimated the cost of the lagoons, so staff worked with EPA to obligate the funds to another project.
 - This gravity main replacement will occur in the area of Holiday Inn Express and Ace Hardware, and addresses an area of common failures and bottle-necking of sewer flow.
 3. Stillhouse WWTp repair from 2024 flood
 - FEMA grant; construction will begin soon
 - The effluent ramp was damaged in the 2024 flood and is in danger of collapse in a future flood event.
 4. Leon WWTp repair from 2024 flood
 - FEMA grant; construction will begin soon
 - The retaining wall and concrete stairs to the effluent pipe were damaged in the 2024 flood, and are in danger of collapse in a future flood event.
 5. Brown Park Sewer Line Relocate from 2024 flood
 - FEMA grant; construction will begin soon
 - The Leon River embankment eroded significantly in the 2024 flood event, and now the in-ground sewer main is within 5 to 10 feet of the new embankment. The sewer main is danger of collapse in a future flood event.
 6. EST repairs & improvements C. Carter Office
 - EPA/Congressman Carter; in documentation phase via EPA
 - The funding took two years to clear through congressional appropriation. Meanwhile, TCEQ mandated immediate repairs to the Hughes Elevated Storage Tank (EST).
 - Hughes EST repairs were completed at City cost, and are reimbursable.
 - The remaining funds are eligible for use on several other ESTs in need of repair and improvement to avoid future TCEQ violations.
 - Identified as high priority/high likelihood of failure by City engineers Freese & Nichols (FNI) in 2024 via their "Mini CIP Plan," presented in Water Rate study to council multiple times, including 9/15/2025.
 7. Stillhouse sewer plant improvements, phase 2- Bond funding
 - low interest loan
 - The plant is operating on a TCEQ permit that expires in mid-2029. By that expiration date, the plant must meet the mandated increased capacity.
 - The original plan for increasing plant capacity dates back to 2018, and as the project was commencing in late 2023, staff at that time realized the engineers' original opinion of probable cost was grossly underestimated. Thus, the original project was broken into two phases. Phase 1 is due for completion in Fall 2026.
 8. Insulated storage building for Vac Trucks Revenue funded
 - The sewer vacuum trucks can experience failure and damage in extreme cold conditions.
 - To remedy this, they are currently stored indoors as necessary in the Gatesville VFD building. This arrangement is unsustainable and a new building for truck storage is necessary.
 9. Heavy equipment: Dump Truck, Backhoe, Pickups, sewer camera, sewer trailers
 - Capital outlay
 - Equipment replacements are listed on page 36 of the budget book.

10. WWTP Recirculation Pump
 - o USDA; awarded and in progress Aug. 2026
11. BP-7 Rehabilitation
 - o HB-500 / Governor's Office
 - o Council received information on needed repairs to the Booster Pump station (at the base of the water tower by Coryell Memorial Hospital).
12. North Ft. Hood WWTP Proposal
 - o US Army, DCIP or DEAGG / full Federal project (TBD); unconfirmed estimate
 - o The City currently owns and operates a lift station on North Ft. Hood, which moves all sewage from the post to the forced main line along SH 36.
 - o The City moves and treats all North Ft. Hood sewage, which takes a significant portion of the capacity of the force main and the wastewater treatment plant.
 - o Development in Ft. Gates area is stalled due to the force main having no additional capacity of large developments in the area.
 - o The City is working with US Army command, Heart of Texas Defense Alliance, and others to propose the construction of a dedicated wastewater treatment plant on North Ft. Hood.
13. Intermediate Force main Extension
 - o SH 36 force main is at capacity. This project separates FM 107 lift station from Intermediate Lift Station, and addresses an issue of multiple blow-outs on this section of sewer force main.
14. Existing Manhole Rehab
 - o Routine maintenance
15. BP#2 Improvements
 - o Identified as high priority/high likelihood of failure by City engineers Freese & Nichols (FNI) in 2024 via their "Mini CIP Plan," presented in Water Rate study to council multiple times, including 9/15/2025.
16. Leon West Trunk Lines, all 3 phases
 - o Estimates listed in NewGen study