

DRAFT

MINUTES REGULAR MEETING March 24, 2020

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on March 24, 2020, at 6:00 p.m. in the Hal Baldwin Municipal Complex Council Chambers, 1400 Schertz Parkway, Building #4, Schertz, Texas. The following members present to-wit:

Present: Mayor Ralph Gutierrez; Mayor Pro-Tem Mark Davis; Councilmember Rosemary Scott; Councilmember Scott Larson; Councilmember Michael Dahle; Councilmember David Scagliola; Councilmember Allison Heyward; Councilmember Tim Brown

City Staff: City Manager Dr. Mark Browne; Assistant City Manager Brian James; Assistant City Manager Charles Kelm; City Attorney Daniel Santee; City Secretary Brenda Dennis; Assistant to the City Manager Sarah Gonzalez; Deputy City Secretary Gayle Wilkinson

Call to Order – City Council Regular Session

Mayor Gutierrez called the regular meeting to order at 6:00 p.m.

Opening Prayer and Pledges of Allegiance to the Flags of the United States and State of Texas. (Councilmember Tim Brown)

City Events and Announcements

- Announcements of upcoming City Events (B. James/C. Kelm/S. Gonzalez)

None at this time.

- Announcements and recognitions by the City Manager (M. Browne)

None at this time

- Announcements and recognitions by the Mayor (R. Gutierrez)

Mayor Gutierrez reminded any students participating in the Hal Baldwin Scholarship Program to sign in on the sign-in sheet in the back of the room.

Mayor Gutierrez stated how proud he was of our city staff with all their

efforts regarding the COVID-19 virus situation.

Hearing of Residents

This time is set aside for any person who wishes to address the City Council. Each person should fill out the speaker's register prior to the meeting. Presentations should be limited to no more than 3 minutes.

All remarks shall be addressed to the Council as a body, and not to any individual member thereof. Any person making personal, impertinent, or slanderous remarks while addressing the Council may be requested to leave the meeting.

Discussion by the Council of any item not on the agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to an inquiry, and/or a proposal to place the item on a future agenda. The presiding officer, during the Hearing of Residents portion of the agenda, will call on those persons who have signed up to speak in the order they have registered.

Mayor Gutierrez recognized the following:

- Maggie Titterington - 1730 Schertz Parkway- Gave an update/overview on some situations in our business community during this COVID-19 virus pandemic. Maggie mentioned employee's being laid off, permanent loss of jobs, and business's actually closing. Maggie also stated the Chamber is giving daily updates and information about pertinent laws and aide that can help the business community. Maggie also gave encouraging information that local business's are practicing to pull together and help each other in this uncertain time and offered continual help from the Chamber.

Consent Agenda Items

The Consent Agenda is considered self-explanatory and will be enacted by the Council with one motion. There will be no separate discussion of these items unless they are removed from the Consent Agenda upon the request of the Mayor or a Councilmember.

The following was read into record:

1. **Minutes** – Consideration and/or action regarding the approval of the minutes of the regular meeting March 10, 2020, and the minutes of the Special Emergency meeting of March 13, 2020. (B. Dennis)

2. **Ordinance 20-S-08** - Consideration and/or action for an Ordinance on a request to rezone approximately 0.5 acres of land to Public Use District (PUB), located at 13805 IH-10 E, City of Schertz, Bexar County, Texas. *Final Reading* (B. James/L. Wood/N. Kopyay)

3. **Ordinance No. 20-A-07** - Consideration and/or action for an Ordinance on a request for voluntary annexation of approximately 0.5 acres of land located at 13805 IH-10 E, Bexar County, Texas. *Final Reading* (B. James/L. Wood/N. Kopyay)

4. **Resolution No. 20-R-30** - Consideration and/or action approving a Resolution accepting the appraised value offer of the Texas Department of transportation (TxDOT) to acquire a parcel of land needed for the IH-35 NEX project, and other matters in connection therewith. (B. James/K. Woodlee)

Councilmember Dahle noted when item number 4, Resolution No. 20-R-30 was read into record it was misread as I-10 and the Resolution states I-35.

Moved by Councilmember Michael Dahle, seconded by Councilmember Allison Heyward to approve consent agenda items 1-4.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Rosemary Scott, Councilmember Scott Larson, Councilmember Michael Dahle, Councilmember David Scagliola, Councilmember Allison Heyward, Councilmember Tim Brown

Passed

Discussion and Action Items

5. **Ordinance No. 20-H-09** - Consideration and/or action approving an Ordinance of the City Council of the City of Schertz extending a declaration of local disaster; establishing rules and regulation for the duration of the disaster; restricting certain activities; establishing penalties for violations. (*First and Final reading declaring an emergency*). (Mayor/Council)

The following was read into record:

Ordinance No. 20-H-09

An Ordinance of the City Council of the City of Schertz extending a declaration of local disaster; establishing rules and regulations for the duration of the disaster; restricting certain activities; establishing penalties for violations. Providing an effective date and declaring an emergency. *First and*

Final Reading.

Mayor Gutierrez began by providing the following statement:

" On March 20th, I issued a Declaration of Disaster and Public Health Emergency to elevate the city's response to COVID-19 and in support of the Executive Order GA - 08 issue by Governor Greg Abbott.

Swift and decisive action was essential during this time, so all precautionary measures are taken and disseminate public awareness. In addition, the declaration provides our city reimbursement for expenditures associated with this virus.

We don't know the level of risk or the economic impact to our city, but the trends and data from Italy indicate no one is immune, that is why we must continue to be vigilante.

The City of Schertz jurisdiction is in 3 counties, Guadalupe, Bexar, and Comal. At this time, the City of Schertz will follow guidelines issued by Guadalupe county regardless of county of residence. However, should Bexar or Comal enforce stricter guidelines or provisions, than those residing in their respective county should abide by those measures.

My authority is valid for only 7 days and will expire on March 27 unless council extends the declaration. I strongly recommend council's approval to grant a 30 days extension to provide our city the flexibility to deal with the situation as it evolves and for reasons such as:

- The health and safety of our community must be our priority.
- Compliance with the Governor's executive order is still required and may be extended.
- Additionally, to ensure our city's request for reimbursement continue to be validated.

Please note this ordinance may only be rescinded by council; therefore, it will be placed as a future agenda item to review or take necessary action.

Council, you must ask yourselves what is our local responsibilities?

Numerous options are available for your consideration and now the responsibility rests on your shoulders.

Mayor Gutierrez opened the floor for discussion from Council and recognized Fire Chief Kade Long to answer questions from Council.

Fire Chief Kade Long expressed his appreciation for Mayor Gutierrez's leadership and engagement through this trying time and answered questions from Council along with City Manager Dr. Mark Browne, City Attorney Dan Santee and Assistant City Manager Charles Kelm.

Mayor Gutierrez asked Fire Chief Kade Long for clarification of the implications of choosing to revisit in seven days as opposed to a thirty-day extension. He also stressed Council will be kept involved with decisions made.

Mayor Gutierrez made a suggestion to have a vote from Council to determine what date they would like to go with - April 7th or April 30, 2020.

Mayor Gutierrez then made a motion from the chair to extend the expiration date to April 28, 2020, motion died for lack of second.

Councilmember Larson made a suggestion to offer an alternative date of April 14, 2020.

Councilmember Scott stated she felt like adding another date threw a monkey wrench in the dates previously discussed. She is still on board with April 7, 2020, and doesn't like making reactionary or fear based decisions.

Moved by Councilmember Scott Larson, seconded by Councilmember David Scagliola to extend the date to April 14, 2020, at 11:59 p.m.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Scott Larson, Councilmember Michael Dahle, Councilmember David Scagliola

NAY: Councilmember Rosemary Scott, Councilmember Allison Heyward, Councilmember Tim Brown

Passed

Mayor Gutierrez called for a motion to add the Mayor along with the Local Health Authority and Director of Health to Ordinance 20-H-09 who may update restrictions as discussed previously by Fire Chief Kade Long.

Moved by Councilmember Michael Dahle, seconded by Councilmember Allison Heyward to add the Mayor, along with the Local Health Authority and Director of Health as an amendment to Ordinance 20-H-09 who may update restrictions.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Rosemary Scott,
Councilmember Scott Larson, Councilmember Michael Dahle,
Councilmember Allison Heyward, Councilmember Tim Brown

NAY: Councilmember David Scagliola

Passed

Mayor Gutierrez and Council members discussed making enforcement a violation of our City Code with penalties as discussed and presented by City Attorney Dan Santee.

Moved by Councilmember Michael Dahle, seconded by Councilmember Allison Heyward to make enforcement a violation of our City code with penalties.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Scott Larson,
Councilmember Michael Dahle, Councilmember David Scagliola,
Councilmember Tim Brown

NAY: Councilmember Rosemary Scott

Passed

Mayor Gutierrez discussed approving Ordinance No. 20-H-09 with amendments to extend the expiration date to April 14, 2020, at 11:59 p.m., to add the Mayor as one who may update restriction, and make enforcement a violation of our City Code with penalties.

Moved by Mayor Ralph Gutierrez, seconded by Mayor Pro-Tem Mark Davis to approve Ordinance No. 20-H-09 with amendments to extend the expiration date to April 14, 2020, at 11:59 p.m., to add the Mayor as one who may update restrictions, and make enforcement a violation of our City Code with penalties.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Rosemary Scott,
Councilmember Scott Larson, Councilmember Michael Dahle,
Councilmember David Scagliola, Councilmember Allison
Heyward, Councilmember Tim Brown

Passed

Public Hearings

The following was read into record:

6. **Ordinance No. 20-S-01** - Conduct a public hearing and consideration and/or action for an Ordinance on a request to rezone approximately 12.5 acres of land from Manufactured Home Park District (MHP) to Planned Development District (PDD), located approximately 1,500 feet southwest of the intersection between Schertz Parkway and Maske Road, City of Schertz, Guadalupe County, Texas, also known as the Windy Meadows Subdivision Unit 4. **First Reading** (B. James/L. Wood/N. Kopyay)

Mayor Gutierrez recognized Assistant City Manager Brian James who provided information on the rezoning case and recommended approval.

Mayor Gutierrez opened the Public Hearing and recognized Engineering Manager, Mr. Craig Shelbock, 5605 McArthur Blvd., Irving, Texas, who provided additional comments regarding the need for rezoning. As no else spoke; Mayor Gutierrez closed the Public Hearing for Council comments. No comments at this time.

Moved by Councilmember Scott Larson, seconded by Councilmember Rosemary Scott to approve Ordinance 20-S-01, First Reading.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Rosemary Scott, Councilmember Scott Larson, Councilmember Michael Dahle, Councilmember David Scagliola, Councilmember Allison Heyward, Councilmember Tim Brown

Passed

Roll Call Vote Confirmation

Mayor Gutierrez recognized City Secretary Brenda Dennis who provided roll call vote confirmation for agenda items 1 through 6.

Workshop

7. **Proposed Amendment** - Chapter 14-Animal Control - A presentation by Schertz Animal Services to propose and discuss an ordinance of the City of Schertz, Texas, amending chapter 14-Animal Control, of the code of Ordinances; providing for mandatory micro chipping regulations for dogs and cats; therefore removing the requirement for an annual city license for dogs and cats. (C. Kelm/M. Bane/S. Solitto)

Mayor Gutierrez recognized Assistant Police Chief Marc Bane who provided a PowerPoint presentation regarding the proposed Ordinance explaining why mandatory microchipping is being considered. Assistant Chief Bane provided

information regarding the benefits, costs and implementation. Assistant Police Chief Bane addressed questions and concerns from Council. It was the consensus to have staff move forward with preparing the Ordinance.

- 8. General Fund Reserve and major projects** - Discussion on general fund reserve and major projects that are currently in execution or projected to be in executing during this fiscal year. (Item requested by Mayor Gutierrez) (M. Browne/B. James/J. Walters)

Mayor Gutierrez stated that he had this item placed on the agenda due to the economic impact the virus may have on our city. He thought it prudent to review the projects and have councils input for any additional contracts that are pending before they become finalized.

Mayor Gutierrez recognized Assistant City Manager Brian James who stated that staff had provided information in their packet with regard to where we stand with the fund balance, and to recall we have a policy that targets that at 26% of our general fund, that's about nine million dollars, we are above that. The plan had been to spend down, but just as a reminder 25% of that is for disaster recovery, 1% is to make thoughtful decisions as we move into mode of an economic downturn and to adjust to maybe finish a project that would be much more expensive to pause and complete when the downturn is lifted. We are certainly over that, we had planned to spend down part of that this year for a variety of things in our budget. We have \$1.5 million above that, that we were not planning to spend down, but again large upcoming items we had about 4 million for capital improvement projects - generally roads, street and drainage, that's money we have not issued or approved contracts for construction.

We have additional positions, the 9 positions included as part of the budget that we deferred hiring until the staffing study was done. It is about \$415,000 for this year, the class and comp study we had about \$275,000 to work our way into the first year, and when projecting with the five-year model about \$250,000 the next four years out. We have merit increases this year about \$181,000 for the general fund. Those are general fund numbers of what we had budgeted this year. We want to note that some of those items are recurring so generally if we give staff raises whenever we start this year there's that amount and then you know it's increased salaries for next year.

The other part of the report in the packet was to give you a feel for what we are looking at relative to the economic impact of the virus. Certainly part of it is the impact on city revenues, pavilions, civic center and the interest we get on our investments. So those revenue decreases come directly from those things, but he thinks the bigger picture that was discussed earlier tonight is

certainly when the economy turns, businesses are struggling with that. When folks are staying at home they may be going to HEB to purchase groceries and of those things they don't pay sales tax, and they may not be making other purchases where there is sales tax coming in. Businesses that have to lay off people, quit spending on items associated with that. Business could stop making investments into new equipment and into expansions. We may see a downturn in new construction, we have not to date. As the report noted this is a new phenomenon for us, people are waiting to see how long it lasts and then what sort of aid comes from the Federal Government and the State Governments to local communities in terms of what impact it would have and then certainly there's a depression in terms of property values that often accompany these downturns - we are waiting to see on this.

Staff is certainly monitoring it, some of these things we lag behind, so we lag behind on sales tax and on property values we lag a year to two years behind, and we are obviously concerned about this. We understand our businesses and the impacts, and we are certainly keeping an eye on this as well. We are taking advantage of availing ourselves to any kind of information that is coming out as people project what impact this may have.

Mayor Gutierrez opened the floor to discussion by council. Council provided their comments and concerns regarding possible hiring freezes, protecting our employees, the necessity of proceeding with certain CIP projects and continue to be cautious in our spending. Staff addressed council's questions and concerns.

City Manager Dr. Mark Browne addressed the council regarding the class and comp study and the staffing study. He stated the critical thing he needed feedback on was the merit increases for employees, stating \$181,000 was put aside for this and wanted direction from council if they wanted to move forward. It was the consensus from Council to move forward with the merit increases for employees this year.

9. **Resolution 20-R-31**- Consideration and/or action authorizing a Resolution approving the Comprehensive Annual Financial Report - CAFR Fiscal Year 2018-19. (B. James/J. Walters)

The following was read into record:

RESOLUTION NO. 20-R-31

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ,
TEXAS AUTHORIZING THE APPROVAL OF THE COMPREHENSIVE
ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2018-19, AND
OTHER MATTERS IN CONNECTION THEREWITH

Mayor Gutierrez recognized Finance Director James Walters who provided a quick overview of the report regarding the FY 2018-19 CAFR. He stated that the Audit Committee met on March 18, 2020, to review the audit findings and financial statement as presented by the auditor Ms. Paula Lowe of Pattillo, Brown & Hill, LLP. The annual audit provides the community assurance the City is in good financial standing and operating in compliance with generally accepted accounting principles and governmental accounting standards.

Ms. Lowe provided information on their responsibility in relation to the Financial Statement Audit. She covered several sections from the CAFR via telephone conference call with the assistance of the Finance Director thanking them for allowing her to do so. She reviewed the financial highlights and statements addressing questions from members of Council.

Moved by Mayor Pro-Tem Mark Davis, seconded by Councilmember Allison Heyward to approve Resolution 20-R-31 approving the Comprehensive Annual Financial Report for Fiscal Year 2018-19.

AYE: Mayor Pro-Tem Mark Davis, Councilmember Rosemary Scott, Councilmember Scott Larson, Councilmember Michael Dahle, Councilmember David Scagliola, Councilmember Allison Heyward, Councilmember Tim Brown

Passed

Roll Call Vote Confirmation

City Secretary Brenda Dennis provided the roll call confirmation for agenda item 9.

Mayor Gutierrez also pointed out that items 10 and 11 were provided in the Council packets and are also available for public view on our website.

Requests and Announcements

- Announcements by the City Manager.

Dr. Browne recognized his Team, the Public Safety Team and Facilities team for the fantastic and tremendous job they have done during this contingency crisis preparing and leading staff, making a whole range of decisions that are not normal. All of our staff have pulled together as a tremendous team and I appreciate the can-do effort to make all of this happen. He thanked them all.

Also, regarding the Hal Baldwin Scholarship, if students are applying they do not actually have to come to meeting, they can watch it on-line and can still get credit for that. Mayor Gutierrez thanked Dr. Browne for all his efforts as well

during this time.

- Requests by Mayor and Councilmembers that items be placed on a future City Council agenda.

Mayor Gutierrez recognized Councilmember Dahle, who didn't know if this was an agenda item or just a discussion. We have made the leap to do live-streaming of the council meetings, and given what might be going on in the future will we look at a way for citizens to be able to participate from remote locations as well?

City Manager Dr. Browne stated that this may be the last time we meet in person as a group for a while, depends on how this thing continues to evolve, so we are looking at telephonic and virtual options for council meetings. Part of this is how are we going to let the residents participate, so we will be getting more information to you. Our IT Team has taken this on as a task, and he would anticipate the next meeting would probably be telephonic and/or virtual of some sort. We will get the word out the closer we get to the meeting.

Mayor Gutierrez recognized Mayor Pro-Tem Davis who wanted to confirm that we will have the Emergency Declaration on the agenda for each week going forward. Mayor Gutierrez indicated yes.

Mayor Gutierrez recognized Councilmember Scott who stated that she received an email where there is a calling of all businesses who have U.S. Made products where they can register with Walmart to become a Walmart supplier, it may be worth sharing with our businesses. She indicated she would forward the email to the Mayor and Dr. Browne.

- Announcements by Mayor and Councilmembers
 - City and community events attended and to be attended
 - City Council Committee and Liaison Assignments (see assignments below)
 - Continuing education events attended and to be attended
 - Recognition of actions by City employees
 - Recognition of actions by community volunteers

Mayor Pro-Tem Davis asked Dr. Browne if they had any updates or anticipate any updates on what city services we will be scaling back on, for example, specifically he knows that they have put a week hiatus on the closing of the Senior Center and the Library. With the Emergency Declaration, will they still be in effect or do we anticipate some kind of Library service to some degree?

In answer, Dr. Browne stated that this is all covered in the Emergency Declaration. We have effectively extended that until April 14, 2020, the closure of the Library and Senior Center. He thanked Mayor Pro-Tem Davis for bringing it up, everything that went along with that Emergency Declaration has

been extended. Mayor Pro-Tem Davis indicated that he just wanted to make sure those knew that the Library and Senior Center will be closed completely and will not operate. Dr. Browne stated that they will be closed down as well as the Civic Center, Park Pavilions and Play scapes. The Parks are open, other than that everything else is up and operating.

Mayor Gutierrez recognized Councilmember Scagliola who stated he received an email on the 13th of March in reference of the Banning road drainage issue and wanted to know if he had also received the email, if not he will share with him. Also, Councilmember Scagliola mentioned scholarship opportunities we know about the Hal Baldwin scholarship but would like to make mention the Cibolo Lions Club Scholarship opportunity - check out their website.

Information available in City Council Packets - **NO DISCUSSION TO OCCUR**

10. Monthly update on major projects in progress/CIP. (B. James/K. Woodlee)
11. 2020 Census Update and Promotion. (B. James/T. McFalls)

Adjournment

As there was no further business Mayor Gutierrez adjourned the meeting at 8:24 p.m.

Ralph Gutierrez, Mayor

ATTEST:

Brenda Dennis, City Secretary