

# DRAFT

## MINUTES REGULAR MEETING August 25, 2020

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on August 25, 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 Rosemary Scott; Councilmember Scott Larson; Councilmember Michael Dahle; Councilmember David Scagliola; Councilmember Allison Heyward; Councilmember Tim Brown; Councilmember Mark Davis

City     City Manager Dr. Mark Browne; Assistant City Manager Brian James;  
Staff:   Assistant City Manager Charles Kelm; City Attorney Daniel Santee; City  
          Secretary Brenda Dennis

### **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 Allison Heyward)**

Mayor Gutierrez recognized Councilmember Heyward who provided the opening prayer followed by the Pledges of Allegiance to the Flags of the United States and the State of Texas.

Mayor Gutierrez gave specific requests to guests and staff in reference to wearing their masks during the City Council meeting and departing the Council meeting.

### **City Events and Announcements**

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

No announcements were provided.

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

Mayor Gutierrez recognized City Manager Dr. Mark Browne who provided

announcements referencing the following deployment missions of our staff:

- AMBUS Crew has deployed to the Beaumont, Texas area waiting on the results of the hurricane. The staff are as follows: Mike Shown - Crew Chief, Tyler Bowker - Diver/Load Master, Dave Yergin, Chris Foerster, Anthony Sperduti, and Ryan Wilson - Crew members - Swift water rescue with Texas Task Force 1 - Chris Meek.
- West Texas on Type VI Brush 3. This crew is being sent around the region at this point to assist with any fires that break out in an effort to gain control very quickly. There are several teams from different regions assigned in different areas to do just this. The staff are as follows: Patricio Wilson, Tyler Wencka, and Aaron Escobedo.
- California on Type III Engine 532 . The staff are as follows: Mack Melancon, Carl Schultze, Myron Boerger, and Justin Schwersinske. They made the drive to California and have been assigned to the Santa Clara Unit Lightning Complex fires. Estimated at 347000+ acres with 10% containment at 9:00 am PST.
- Announcements and recognitions by the Mayor (R. Gutierrez)

Mayor Gutierrez recognized our staff involved in helping other states in disaster situations.

## Hearing of Residents

**Residents who choose to watch the meeting via live stream, but who would like to participate in Residents to be Heard, should email their comments to City Secretary, Brenda Dennis, at [bdennis@schertz.com](mailto:bdennis@schertz.com) by 5:00 p.m. on Monday, August 24, 2020, SO THAT THE CITY SECRETARY MAY READ THE PUBLIC COMMENTS INTO THE RECORD UNDER THE HEARING OF RESIDENTS. In the body of the email please include your name, your address, phone number, agenda item # if applicable or subject of discussion, and your comments.**

*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 indicated that no one signed up to speak on the speakers form and asked City Secretary Brenda Dennis if any resident had signed up on-line to be heard. She indicated that she did have one and read the following:

- Cindy Wood, Comal County Senior Citizens Foundation - regarding the Meals On Wheels program in Comal, Guadalupe (including Schertz, Cibolo & Marion), Wilson and Karnes Counties. It's an organization that provides lunches daily Monday-Friday, 52 weeks of the year, to qualifying seniors that are 60 years of age and older who are home bound, and to disabled adults over 18 years old. Home bound means that they cannot drive. To qualify people requesting to be on the MOWs program, an in-home visit for an assessment is performed on everyone, and then an annual re-assessment is performed each year that the client stays on the program to determine whether they are still eligible. Income is not a determining factor for eligibility, and the meals are provided at no cost to the clients. The meals are approved by a licensed dietitian and meet guidelines set in place by Alamo Area Council of Governments, which supports Alamo Agency on Aging. If the client meets the qualifications of AACOG, then we receive some funding from AACOG to help cover the cost of the meals. If they do not meet AACOG's qualifications, then CCSCF will still accept the client's request if our intake coordinator believes that the person should receive home delivered meals, and the meal is then considered "unfunded". To pay for unfunded meals, CCSCF relies on donations, grants, and fundraisers to help cover the cost of the meals. Last year CCSCF provided over 40,000 unfunded meals at the cost to us of \$4.00 per meal. The MOWs program is a very necessary program that many home bound individuals rely on. As a non-profit, we rely on donations, grants, fundraisers, etc., for the money to keep this program running. As more and more non-profits are being formed, it is getting harder to find funding for our program. Please tell others about this program and if they have any interest in helping the seniors and disabled in our communities, there is always help needed whether it be volunteers, or by donating. Any help that you can give is truly appreciated.

## **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 items were read into record:

1. **Minutes** – Consideration and/or action regarding the approval of the minutes of the Special meeting of August 7, 2020, and the minutes of the Regular meeting of August 11, 2020. (B. Dennis)

2. **Resolution No. 20-R-95** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas authorizing Agreements with the Drug Enforcement Administration. (C. Kelm/M. Hansen)
3. **Resolution No. 20-R-94** – Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing the City Manager to sign an Interlocal Agreement for Fire Protection Services with Bexar County. (C. Kelm/K. Long)
4. **Resolution No. 20-R-96** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing the City Manager to enter into an indefinite quantity, indefinite delivery contract with Brauntex Materials for asphalt, hot mix, and other related materials. (C. Kelm/ S. Williams)
5. **Resolution No. 20-R-93** – Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas amending Resolution 20-R-67 which called the November 3, 2020 City of Schertz Joint General Election with Comal County, Bexar County and Guadalupe County and approving the Comal County Agreement/Memorandum of Understanding, Bexar County Agreement/Memorandum of Understanding and the Guadalupe County Election Contract, and by revising the early voting period. (B. Dennis/Council)
6. **Ordinance No. 20-H-25** - Consideration and/or action approving an Ordinance by the City Council of the City of Schertz, Texas, amending the Code of Ordinances, Chapter 34 “Health”. ***Final Reading*** (C. Kelm/M. Bane)
7. **Ordinance No. 20-T-27** - Consideration and/or action approving an Ordinance by the City Council of the City of Schertz, Texas, authorizing an adjustment to the fiscal year 2019-2020 budget, repealing all Ordinances or parts of Ordinances in conflict with this Ordinance; and providing an effective date. ***Final Reading*** (M. Browne/B. James/J. Walters)
8. **Ordinance No. 20-F-26** - Consideration and/or action approving an amendment to Ordinance 15-F-17 by the City Council of the City of Schertz, Texas, repealing an Ordinance of the code of Ordinances of the City of Schertz and adopting a new Ordinance with updated provisions regarding the collection and disposition of solid waste and recyclable material in the City; providing for the removal of an outdated table and referencing the City's current FY fee schedule. ***First Reading*** (C. Kelm/S. Williams/J. Hooks)

Mayor Gutierrez asked Council if there were any items to be removed from Consent for separate action. No items were removed.

Moved by Councilmember Allison Heyward, seconded by Councilmember David Scagliola to approve consent agenda items 1 through 8.

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

Passed

## Public Hearings

The following item was read into record:

9. **Public Hearing on Proposed Budget for FY 2020-21** - Conduct a public hearing and presentation regarding the adoption of the FY 2020-21 Budget. (*First required public hearing*) (M. Browne/B. James/J. Walters)

Mayor Gutierrez recognized Finance Director James Walters who provided a brief PowerPoint presentation outlining the proposed FY 2020-21 Budget. Some of the highlights included:

- All Funds - Expenses

- General Fund \$37,214,581

- I&S \$7,094,861

- Water & Sewer Fund \$24,279,835

- Capital Recovery Water \$206,000

- Capital Recovery Sewer \$208,000

- Drainage Fund \$1,443,563

- EMS Fund \$9,703,111

- SEDC \$8,144,799

- Special Revenue Funds \$699,480

- Grand Total \$89,444,230**

- Fund Balance/Equity

FY 2020-21	Total Expenditures	Net Change	Estimated Fund Balance
General Fund	\$37,214,581	(\$678,630)	\$10,513,720
I&S Fund	7,094,861	960	791,916
Water & Sewer Fund	24,729,835	774,533	10,011,164
Capital Recovery-Water	206,000	966,000	8,587,302
Capital Recovery-Sewer	208,000	464,000	7,617,139
Drainage Fund	1,443,563	(176,563)	474,114
EMS Fund	9,703,111	82,314	2,962,791
SEDC	8,144,799	(3,496,428)	16,107,454
Special Events Fund	32,100	0	110,517
PEG Fund	185,500	(95,500)	794,548
Hotel Tax Fund	253,930	286,820	2,641,718
Park Fund	125,000	(51,500)	204,370
Tree Mitigation	70,000	4,500	456,157
Library Fund	21,200	0	76,851
Historical Committee	11,750	0	13,766
<b>Total:</b>	<b>\$89,444,230</b>	<b>(\$1,919,494)</b>	<b>\$61,363,525</b>

- General Fund

- Comprehensive Land Use Plan/Unified Development Code Update
- CIP Funding
- Facilities Maintenance
- Class & Comp Implementation/ Employment Cost Index (ECI)
- Funding personnel recommended by Staffing Study

- W&S Fund

- Ware-Seguin to Lower Seguin Loop Line Construction \$1,100,000
- Greytown to Pfiel Loop Line Design \$156,200
- Corbett Ground Water Storage Tank Design \$300,000
- FM 1518 Utility Relocation Design \$750,000
- Aviation Heights Waterline Replacement \$1,800,000
- Northcliffe Country Club Estates AC pipe Design & Bid \$100,000

- EMS Fund

- Hire a Full Time Instructor for EMT and other classes
- Add 2 12-hour Full Time Paramedics
- Add a 24-Hour Full Time Paramedic

- Drainage Fund

Drainage Channel Maintenance

FY 2020-21 Project  
Amazon Channel - \$300,000

- Economic Development

Approved Incentives \$3,119,275  
Tri County Road Improvements \$4,050,000

Mayor Gutierrez opened the public hearing, and as no one spoke; closed the public hearing for Council comments.

Members of Council provided their appreciation and thoughts regarding the work done on the preparation of the budget. Mr. Walters addressed questions from Council.

The following item was read into record:

**10. Public Hearing on the Proposed Tax Rate** - Conduct a public hearing regarding the adoption of the FY 2020-21 Tax Rate. (*First required public hearing*) (M. Browne/B. James/J. Walters)

Mayor Gutierrez recognized Finance Director James Walters who provided a brief PowerPoint regarding the proposed FY 2020-21 Tax rate. Some of the highlights included:

- 2020 Property Values

2019 Taxable Value	\$3,754,805,757
2020 Equivalent Taxable Value	\$3,785,492,777
2020 New Taxable Development	+\$ 120,725,051
2020 Adjusted Taxable Value	\$3,906,217,828
Difference between Adjusted Taxable Values	\$ 151,412,071

- Tax Rate

No new Revenue rate - \$0.5079 - The tax rate which will generate the same revenue for the city from property on the previous year's tax roll.

Voter Approval Rate - \$09.5247 - The rate if exceeded triggers an automatic election on the tax rate.

Current rate - \$0.5146 - The rate currently adopted by the City.

Proposed Maximum rate - \$0.5146 (*Proposed budget assumes this*

rate) - The maximum rate set at which the final adopted rate cannot exceed. \$0.01 is equal to \$390,000 revenue or \$24.45 on the average home.

**Target Tax Rate:**

Tax Rate	Current	Proposed Maximum	
M&O operations	\$0.3496	\$0.3495	For day to day
I&S Debt	\$0.1650	\$0.1651	To pay the City's
<b>Total</b>	<b>\$0.5146</b>	<b>\$0.5146</b>	

**FY 2020-21 City Tax Rate**

*At \$0.5079 No New Revenue Rate*

Existing Residents Average City Tax Bill  
 2019 Tax Bill = \$1,200 Avg Home Value \$233,200  
 2020 Tax Bill = \$1,241 Avg Home Value \$244,500  
 Increase = \$ 41\*

\*This represents the increase of the tax bill on the average taxable home value, including new construction

*At Current Rate \$0.5146*

Existing Residents Average City Tax Bill  
 2019 Tax Bill = \$1,200 Avg Home Value \$233,200  
 2020 Tax Bill = \$1,258 Avg Home Value \$244,500  
 Increase = \$ 58\* (increase of \$17)\*\*

\*This represents the increase of the tax bill on the average taxable home value, including new construction

\*\*This represents the increase of the tax bill on the average existing home

*At \$0.5247 Voter Approval Rate*

Existing Residents Average City Tax Bill  
 2019 Tax Bill = \$1,200 Avg Home Value \$233,200  
 2020 Tax Bill = \$1,282 Avg Home Value \$244,500  
 Increase = \$ 82\* (increase of \$41\*\*)

\*This represents the increase of the tax bill on the average taxable home value, including new construction

\*\*This represents the increase of the tax bill on the average existing home

Mayor Gutierrez opened the public hearing, and as no one spoke; closed the

public hearing for Council comments. Mr. Walters addressed questions from Council.

## **Workshop**

The following item was read into record:

- 11. Workshop Discussion and Update (Ordinance 20-H-18)** - Discussion and update regarding the COVID-19 virus and our current Ordinance No. 20-H-18 Declaration of Local Disaster. (M. Browne/K. Long)

Mayor Gutierrez recognized Fire Chief Kade Long who provided information regarding the COVID-19 Virus current numbers, which included active cases, recovered cases, hospitalizations, and number of deaths. Chief Long indicated that the Guadalupe County numbers remain around the 50's, currently Guadalupe has 57 active cases.

## **Roll Call Vote Confirmation**

Mayor Gutierrez recognized City Secretary Brenda Dennis who provided the roll call vote confirmation for agenda items 1 through 8.

## **Closed Session**

Mayor Gutierrez recessed the regular meeting into Closed Session at 6:45 p.m. and read the following items into record:

- 12.** The City Council will meet in Closed Session in accordance with Section 551.087 of the Texas Government Code, Deliberation Regarding Economic Development Negotiations Closed Meeting. The governmental body is not required to conduct an open meeting (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect.

- Project E-062

- 13.** The City Council will meet in Closed Session in accordance with Section 551.072 of the Texas Government Code to deliberate the purchase, exchange, sale, lease, or value of real property, or real estate needed for future right of way.

14. The City Council will meet in Closed Session in accordance with Section 551.071 of the Texas Government Code to receive legal advice from its attorneys regarding the following litigation:

- Cause No. D-1-GN-18-000535; Green Valley Special Utility District v. Public Utility Commission of Texas; Deann T. Walker, Arthur D’Andrea, and Brandy Marty Marquez, in their official capacities as Commissioners of the Public Utility Commission of Texas; Brian H. Lloyd, in his official capacity as Executive Director of the Public Utility Commission of Texas, or his successor; and the City of Schertz, Texas, in the 419th District Court of Travis County, Texas;
- No. 18-51092; Green Valley Special Utility District v. City of Schertz, Texas; DeAnn T. Walker, in her official capacity as Chairman and Commissioner of the PUC; Arthur C. D’Andrea, in his official capacity as a Commissioner of the PUC; John Paul Urban, in his official capacity as Executive Director of the Public Utility Commission of Texas; Brian James, in his official capacity as the City Manager of the City of Texas, TX; Shelly Botkin; in the United States Court of Appeals for the Fifth Circuit;
- No. 07-20-00167-CV; City of Schertz and Cibolo Creek Municipal Authority v. Texas Commission on Environmental Quality and Green Valley Special Utility District; in the Seventh Court of Appeals, Amarillo, Texas; and
- No. 19-51056; City of Schertz v. United States Department of Agriculture, acting by and through George Ervin “Sonny” Perdue, III, Secretary of Agriculture; Rural Utilities Service, acting by and through Edd Hargett, Sate Director; Green Valley Special Utility District; in the United States Court of Appeals for the Fifth Circuit.

### **Reconvene into Regular Session**

Mayor Gutierrez reconvened into regular session at 7:43 p.m.

**12A. Take any action based on discussions held in closed session under Agenda Item 12 .**

**No action taken.**

**13A. Take any action based on discussion held in closed session under Agenda Item 13.**

**No action taken.**

**14A. Discuss, consider and take any action based on discussions held in closed session under agenda Item 14 regarding pending litigation, including:**

- Cause No. D-1-GN-18-000535; Green Valley Special Utility District v. Public Utility Commission of Texas; Deann T. Walker, Arthur D’Andrea, and Brandy Marty Marquez, in their official capacities as Commissioners of the Public Utility Commission of Texas; Brian H. Lloyd, in his official capacity as Executive Director of the Public Utility Commission of Texas, or his successor; and the City of Schertz, Texas, in the 419th District Court of Travis County, Texas;
- No. 18-51092; Green Valley Special Utility District v. City of Schertz, Texas; DeAnn T. Walker, in her official capacity as Chairman and Commissioner of the PUC; Arthur C. D’Andrea, in his official capacity as a Commissioner of the PUC; John Paul Urban, in his official capacity as Executive Director of the Public Utility Commission of Texas; Brian James, in his official capacity as the City Manager of the City of Texas, TX; Shelly Botkin; in the United States Court of Appeals for the Fifth Circuit;
- No. 07-20-00167-CV; City of Schertz and Cibolo Creek Municipal Authority v. Texas Commission on Environmental Quality and Green Valley Special Utility District; in the Seventh Court of Appeals, Amarillo, Texas; and
- No. 19-51056; City of Schertz v. United States Department of Agriculture, acting by and through George Ervin “Sonny” Perdue, III, Secretary of Agriculture; Rural Utilities Service, acting by and through Edd Hargett, Sate Director; Green Valley Special Utility District; in the United States Court of Appeals for the Fifth Circuit.

**No action taken.**

**Requests and Announcements**

- Announcements by the City Manager.

Mayor Gutierrez recognized City Manager Dr. Mark Browne who showed a photo of the Crew that left on Saturday driving to California with the Brush Truck. The

photo was taken at the rally point at the National Armory at Fort Sam. We want to recognize again, the great work by our Fire Crew.

- Requests by Mayor and Councilmembers for updates or information from staff.

None at this time.

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

None at this time.

- 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 Scott who stated not at this time, however, congratulations to City Staff for rising to the occasion in serving not only our community but our fellow Americans.

Councilmember Dahle who announced that he attended the Senior Center Bingo event last week. He thanked all the First Responders who are deployed all across the nation, offering their services.

Councilmember Heyward announced she attended the Chamber Luncheon last week, where she received her Chamber Leadership Core Graduation Certificate. She attended the Tax and Rate Town Hall meeting, attended a Texas 2021 Zoom meeting, that is a grassroots organization that works to improve the transportation infrastructure in the State of Texas and Oklahoma. She also attended the Caterpillar Chamber Bowl, fundraiser for DECA. Lastly, she attended the Tri County Chamber Annual Golf Tournament, helping with the putting green competition.

Mayor Gutierrez stated he wanted to pass along his congratulations to Councilmember Heyward for completing the Chamber Leadership Core Class. Mayor Gutierrez stated he also attended the Caterpillar Chamber Bowl fundraiser event.

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

Mayor Gutierrez mentioned agenda item 15 which was in the City Council packets and can also be found on our website.

15. Quarterly Financial Reports. (B. James/J. Walters)

**Adjournment**

As there was no further business, Mayor Gutierrez adjourned the meeting at 7:48 p.m.

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Ralph Gutierrez, Mayor

ATTEST:

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Brenda Dennis, City Secretary