

DRAFT

MINUTES REGULAR MEETING August 10, 2021

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on August 10, 2021, 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 Pro-Tem Michael Dahle; Councilmember Mark Davis; Councilmember Jill Whittaker; Councilmember Rosemary Scott; Councilmember David Scagliola; Councilmember Allison Heyward; Councilmember Tim Brown

Absent: Mayor Ralph Gutierrez

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; Assistant to the City Manager Sarah Gonzalez;
 Deputy City Secretary Sheila Edmondson

Call to Order

Mayor Pro-Tem Dahle called the 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 Scagliola)

Mayor Pro-Tem Dahle recognized Councilmember Scagliola who provided the opening prayer followed by the Pledges of Allegiance to the Flags of the United States and State of Texas.

Presentations

- Proclamation regarding Landmark Property Designation - Designation of 7205 FM 482, Schertz Texas Landmark Property Designation to the Hansmann Family.

Mayor Pro-Tem recognized Schertz Historical Committee Member Howard Alperin who provided a presentation on the 25th Nomination Landmark Property, 7205 FM 482, Schertz, Texas. The property is the Hansmann Homestead. The Hansmann purchased the home in 1941, and Comal County Appraisal Office has

the home being built in 1900. Schertz Historical Committee Vice Chair Dean Weirtz read the Mayor's Proclamation and Mayor Pro-Tem Dahle presented the Landmark sign to the Hansmanns.

City Events and Announcements

- Announcements of upcoming City Events (B. James/C. Kelm/S. Gonzalez)
- Announcements and recognitions by the City Manager (M. Browne)
- Announcements and recognitions by the Mayor (R. Gutierrez)

Mayor Pro-Tem Dahle recognized Assistant City Manager Brian James who provided the following information:

- Thursday, August 12th

Northeast Partnership Meeting
Olympia Hills Golf and Conference Center
11:30 AM
RSVP to City Secretary if you are interested in attending.

- Community Budget Meeting

Schertz Civic Center Grand Ballroom
6:30-8:30 PM

- Saturday, August 14th

Music & Movie in the Park
Pickrell Park under the trees
7:00 – 10:30 PM
Mile 262 will provide music; the film will be School of Rock

- Tuesday, August 24th

Next regular scheduled Council meeting.

- “Save the Date” -- Friday, August 27th

TML Region 7 Meeting
Hilton Garden Inn, Live Oak
4:30-7:30 PM

- November 2nd

Filing continues through August 16th by 5:00 PM for any qualified candidate desiring to place his or her name on the November 2, 2021 City of Schertz ballot for the purpose of electing Council Members in Place 6 and Place 7 for a three-year term, from November 2021 to November 2024. Candidate packets are available online as well as in the City Secretary's office. Qualifications for candidacy can also be found online.

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 Pro-Tem Dahle recognized the following residents:

Michele Tereletsy, 705 Marilyn Drive - Ms. Tereletsy would like City Council/City Staff to recognize newly promoted employees in the City at Regular Council meetings.

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.

Mayor Pro-Tem Dahle read the following items into record:

1. **Minutes** – Consideration and/or action regarding the approval of the minutes of the meeting of August 3, 2021. (B. Dennis)
2. **Resolution No. 21-R-66** – Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing a contract with M&C Fonseca Construction Co., Inc. relating to the Aviation Heights Water Line Improvements (Phases 5, 6, & 7) and authorizing the budget expenditures for the project. (B. James/K. Woodlee/J. Shortess)

3. **Ordinance No. 21-F-30** - Consideration and/or action approving an Ordinance by the City Council of the City of Schertz, Texas amending Chapter 90, of the Code of Ordinances, Article V, Water and Wastewater Capital Recovery Fees; Repealing all Ordinances or Parts of Ordinance in Conflict with this Ordinance, and providing an effective date. (*Final Reading*) (C. Kelm/S. Williams)

Mayor Pro-Tem Dahle asked Council if there were any items they wished removed for separate action, as there were none, Mayor Pro-Tem Dahle asked for a motion to approve Consent Agenda Items 1 through 3.

Moved by Councilmember Allison Heyward, seconded by Councilmember Tim Brown

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

Passed

Discussion and Action Items

4. **Ordinance No. 21-E-29** - Consideration and/or action approving an Ordinance calling a bond election to be held by the City of Schertz, Texas on November 2nd, 2021. *First & Final* (M. Browne/J. Walters)

Mayor Pro-Tem Dahle recognized Finance Director James Walters who presented information to approve an Ordinance calling a Bond Election to be held by the City of Schertz, Texas on November 2nd, 2021 for the amount of \$15,400,00.00 for Fire Station No. 4. located in the Industrial Park.

Councilmember David Scagliola asked why the amount for Fire Station 4 is almost double of Fire Station No 3. Fire Chief Kade Long explained that Fire Station 4 has the apparatus included in this bond, whereas the bond for Fire Station No. 3 did not.

Moved by Councilmember Allison Heyward, seconded by Councilmember Jill Whittaker

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

Passed

5. **Resolution No. 21-R-82** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing a preliminary maximum tax rate for Fiscal Year 2021-22 and setting the Public Hearing dates, and other matters in connection therewith. (M. Browne/B. James/J. Walters)

Mayor Pro-Tem Dahle recognized Finance Director James Walters who presented information on authorizing a preliminary maximum tax rate for Fiscal Year 2021-22. A preliminary maximum tax rate of \$.5121 per \$100 valuation which is composed of the Maintenance & Operation Tax Rate of \$0.3517 and the Interest & Sinking Tax Rate of \$0.1604. The Public Hearings on the budget and tax rate will be held on August 24th and September 7th , 2021.

Council had questions on the 5 Year Summary- I&S Fund, 2021 Property Taxes, No New Revenue Rate vs Current Tax Rate, Disabled Veteran Homestead Exemptions and the loss of Taxable Value on properties. Mayor Pro-Tem Dahle reiterated the City has \$550,000,000 of taxable property (12%) that we do not collect taxes on because they are tax exempt.

Moved by Councilmember Jill Whittaker, seconded by Councilmember Rosemary Scott

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

Passed

Public Hearing

Mayor Pro-Tem Dahle read the following item into record:

6. **Ordinance No. 21-S-31** - Conduct a public hearing, consideration and/or action to make a recommendation on a request for a Specific Use Permit to allow a convenience store with gas pumps on approximately 8.5 acres of land, more specifically described as the northwest corner of the intersection between IH-35 and Schwab Road, City of Schertz, Comal County, Texas. (B. James/L. Wood/M. Harrison) *First Reading*

Mayor Pro-Tem recognized City Planner Megan Harrison who presented information for a Specific Use Permit to allow a convenience store with gas pumps on approximately 8.5 acres of land, more specifically described as the northwest corner of the intersection between IH-35 and Schwab Road, City of Schertz, Comal County. This Specific Use Permit was brought before the

Planning and Zoning Commission on September 11, 2019 and was approved. City Council approved the SUP on October 22, 2019, however the building permit was not pulled within a year so the SUP expired on October 22, 2020. The proposed Specific Use Permit application and site plan are consistent with what was previously approved by the City Council in October of 2019.

Conditions of the Request Specific Use Permit: The proposed convenience store with gas pumps land use will be subject to provisions of the Unified Development Code, UDC Section 21.5.11.E. Additionally, the Specific Use Permit will be conditioned upon the following occurring:

1. A building permit is approved within one year of the adoption of the SUP ordinance; and
2. The use begins operation within two years of the issuance of the necessary building permit(s).

The Planning and Zoning Commission conducted a Public Hearing on July 14, 2021 and offered a recommendation of approval by unanimous vote. Staff is also recommending approval of the Specific Use Permit to allow a convenience store with gas pumps at the subject property with the above mentioned outlined conditions.

Mayor Pro-Tem Dahle opened the Public Hearing, and as no one spoke; closed the Public Hearing for Council comments. Councilmember Rosemary Scott asked if this property had storage units on it or has it been vacant. The property has been vacant.

Moved by Councilmember Mark Davis, seconded by Councilmember Tim Brown

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

Passed

Roll Call Vote Confirmation

Mayor Pro-Tem Dahle recognized City Secretary Brenda Dennis who provided the roll call vote confirmation for Agenda Items 1 through 6.

Workshop

7. Bond refinancing Opportunity - Workshop on possible bond refinancing opportunity. (M. Browne/B. James/J. Walters/M. McLiney/A. Friedman)

Mayor Pro-Tem Dahle recognized Finance Director James Walters who introduced Mr. Andrew Friedman from SAMCO Capital Market, the Financial Advisor to the City of Schertz. Mr. Friedman presented information on Bond Refunding for Debt Services Savings. There will a refunding opportunity this fall that we can act on and refinance the two Series of Outstanding Bonds:

General Obligation Funds 2012- \$4,345,000, interest rate of 2.25% to 3.10% with the final maturity 2032

Cetificates of Obligations 2013-\$2,120,000, interest rate of 3.00% to 4.00% with final maturity 2033

Based on lower interest rates (currently: approx. 2% lower) that are prevailing in the market, we can go out and refinance these bonds with a fixed interest rate, and can refund the debt service with a savings of a \$519,853 dollars. City Council would like Mr. Andrew Friedman to proceed with the bid and come back October 12, 2021 with the final interest rates in hand and will know the exact savings of refinancing these two bonds. If the final interest rates and savings are not what City Council would like, they can choose not to approve to sell the bonds.

8. Proposed FY 2021-22 Budget - Workshop and Discussion on the Proposed FY 2021-22 Budget. (M. Browne/B. James/J. Walters)

Mayor Pro-Tem Michael Dahle recognized Finance Director James Walters provided a presentation on the Proposed FY 2021-22 Budget:

The Proposed FY 2021-22 Budget included highlights from the General Fund, W&S Fund, EMS Fund, Drainage Fund, SEDC, and Restricted Revenue Funds.

General Fund revenue will increase 5.2% over FY 2020-21 year end estimates not including the transfer in from reserves. The largest contributor to this increase will be from property taxes (6.3%) and sales taxes (3.3%)

The overall FY 2021-22 General Fund Operating Budget increased 3.2% from FY 2020-21 year end estimates. This increase includes \$157,000 for new positions and personnel programs for Police and Facilities Maintenance.

Another notable item for the FY 2021-22 Budget is the implementation of the Classification & Compensation Study's second year recommendation. The first year recommended adjustment was effective on July 4th, 2020 while the second phase will be effective on October 1st, 2021. The budget includes \$52,750 for a 0.25% ECI for all employees effective October 1st.

Included in the Budget for FY 2021-22 is setting a new minimum wage of \$15.00. Comparable positions in the surrounding cities are at or above this amount and this change costs \$87,000.

This budget also allocates \$500,000 to replace the financial software that is over 20 yrs old and can no longer meet the demands of staff and the public.

The Facilities Maintenance and Parks Budget will also increase by \$75,000 combined for contract cleaning for public safety buildings and the park restrooms.

The annual budget is required to have a Public Hearing before adoption. Staff recommends holding that hearing on August 24, 2021 and September 7, 2021 and adopt the budget on second reading on September 14, 2021. This follows the regulations set by the state in the Local Government Code on Budget Adoption Chapter 102.

Councilmember Scott had questions about the sales tax growth drop in 2015 and noted that the items presented as expenses are excellent investments for future cost savings.

Mayor Pro-Tem Dahle thanked the entire Staff for their hard work on the proposed FY2021-22 Budget.

9. Police Department Training Program - Workshop discussion regarding the Police Department Training Program. (C. Kelm/M. Hansen/M. Bane/H. Murphy/A. Kraft)

Mayor Pro-Tem Dahle recognized Assistant Chief of Police Marc Bane who presented the Schertz Police Department Best Practices Recognition Program under the guidance of the Texas Police Chief's Association.

The Best Practices Recognition Program:

An Accrediation Program with 166 Texas Law Enforcement Best Practices
The Police Department must implement and adhere to policy, procedure, training and documentation that meets Best Practices Standards.

Policy Review

We have 126 policies and all policies are in the process of being reviewed, updated or developed. Estimated completion of policy review December 2021.

Staff Development

Some Policies have annual training requirements built in: Use of Force, De-escalation, Pursuits, Crime Victim Services, Grievance Procedures and Harrassment.

Worked with the City Attorney's Office to develop this course.

Technology- PowerDMS

PowerDMS is a policy and training software used by the department for Policy Input and Acknowledgement, Training Modules/Annual Training, Policy Review-2 year, and reminders for the Command Staff to review.

Assistant Chief of Police Mark Bane recognized Officer Anna Kraft who explained the Police Services Survey. The survey was to better undersand the progress the Police Department and identify common issues. The Police Services Survey can be accessed on the website, www.Schertz.com or a QR Code.

Assistant Chief of Police Mark Bane recognized Cpl. Hillory Murphy who presented the Schertz Police Application. The Schertz Police App is designed for the community members to download to their cell phones to be kept aprised of the Schertz Police Dept. responses during a critical incident. The goal is to increase effective communicaiton and transperancy between the Police Dept. and the community. The Schertz Police App has many features that include: real-time notifications, traffic issues, road closures and inclement weather.

Information available in City Council Packets - NO DISCUSSION TO OCCUR

10. Quarterly Financial Reports.
11. **Monthly update** - on major projects in progress/CIP. (B. James/K. Woodlee)

Requests and Announcements

- Announcements by the City Manager.

Mayor Pro-Tem Michael Dahle recognized Dr. Mark Browne. Dr. Browne thanked the Staff for their hard work on the proposed Budget for FY2021-22 which included Finance Director James Walters, Asst. Finance Director Babett Martin and the entire Finance Dept. He also thanked his City Manager's Office: Assistant City Manager Brian James, Assistant City Manager Charles Kelm and Assistant to the City Manager Sarah Gonzalez for their work on the budget. Dr. Browne also recognized Assistant Police Chief Marc Bane for all the work they are doing with the Texas Police Chief's Association, Certification Program, Policy Review and

the new Schertz Police App.

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

No items requested.

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

No items requested.

- 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 Michael Dahle recognized the following:

- Councilmember Rosemary Scott stated she attended the City Council-City Staff Budget Retreat
- Councilmember Jill Whittaker stated she attended the last half of the City Council-City Staff Budget Retreat
- Councilmember David Scagliola stated he attended the City Council-City Staff Budget Retreat
- Councilmember Allison Heyward stated she attended the City Council-City Staff Budget Retreat, Suburban Cities Meetings, Schertz Animal Advisory Board Meeting, VFW #8315 District 5 Meeting, and a ribbon cutting ceremony for Wreaths Across America
- Councilmember Tim Brown stated he attended the City Council-City Staff Budget Retreat

Adjournment

Mayor Pro-Tem Michael Dahle adjourned the meeting at 7:34pm.

Ralph Gutierrez, Mayor

ATTEST:

Sheila Edmondson, Deputy City Secretary