

DRAFT

MINUTES REGULAR MEETING February 22, 2022

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on February 22, 2022, 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 David Scagliola; Councilmember Mark Davis; City Council Place 2 - Vacant; Councilmember Jill Whittaker; Councilmember Michael Dahle; 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 Adolfo Ruiz; City Secretary Brenda Dennis; Assistant to the City Manager Sarah Gonzalez

Call to Order

Mayor Gutierrez 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 Brown)

Councilmember Brown provided the opening prayer followed by the Pledges of Allegiance to the Flags of the United States and the State of Texas.

Presentations

- Proclamation recognizing George Washington's Birthday.

Mayor Gutierrez read the proclamation recognizing George Washington's Birthday, no representative was present to accept.

- Proclamation recognizing National Engineers Week.

Mayor Gutierrez read and presented the proclamation recognizing National Engineers Week, all members of the Engineering Department and those Engineers from Public Work accepted it. City Engineer Kathy Woodlee thanked the Mayor and Council for the recognition and stated that in being recognized she and her team talked about this last week among their department and the need for them to do a little more outreach to the youth of the community to get them excited and inspired about the profession of engineering. They will look at this as a kickstart to that effort.

City Events and Announcements

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

Mayor Gutierrez recognized Assistant City Manager Charles Kelm who provided the following announcements:

- **Thursday, February 24th**

Boards, Commissions and Committees Appreciation Banquet

6:30 PM

Schertz Civic Center

- **Saturday, February 26th**

- Selma-Schertz Salute to Service Members 5K**

- 8:00 AM – 12:00 PM

- Bluebonnet Palace

- 17630 Lookout Road, Selma

- Call 210-826-0500 for more information or questions

- \$40 registration fee day of event

- **Tuesday, March 1st**

- Next regular scheduled Council meeting, 6:00 PM, Council Chambers

- **Saturday, March 5th**

- Kick Cancer Pep Rally & 5K Run**

- Check-in at 8:00 AM

- Start at 9:00 AM -12:00 PM

- Pickrell Park

- 200 Aero Avenue

- Register on CivicRec or in person at the Parks & Recreation Office

- BVYA Parade/Opening Ceremonies**

- Parade begins at 9:00 AM

- Opening Ceremonies at 10:00 AM

- Johnie McDow Sports Complex

- Community Circle Drive

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

- City Manager Dr. Browne echoed thanks and appreciation to the Engineering Department Staff, they do a fantastic job on our projects as they have a very lengthy list and a lot of responsibility. There is not a single infrastructure project that goes on in the City that doesn't have the hard work behind it.

- He also thanked the Parks Department for a successful Mother-Son Dance/Daddy-Daughter Dance. Shout out to Robert Dobratz who finished 5th in the TRAPS State Backhoe Competition. Great job to Robert, they like to show off their skills.

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

- Mayor Gutierrez also expressed his appreciation to the Engineering Staff, they do set the foundation for the infrastructure that is here in Schertz. Also, to our Parks Department on their recent successful events.

- Mayor Gutierrez also expressed his appreciation, thanks and gratitude to Rosemary Scott who resigned her seat on Council. He thanked her for all her contributions to the City.

Hearing of Residents

Mayor Gutierrez recognized Mayor Pro-Tem Scagliola who called the list of speakers. (Only one this evening)

- Mr. Daniel Jameson, 1048 Richmond Drive who came forward commenting on the flyer he received regarding the upcoming April 9, 2022 Community Workday Event. He stated this is a great event and if anyone wishes to volunteer to reach out to the City.

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 Gutierrez read the following items into record:

1. **Minutes** – Consideration and/or action regarding the approval of the minutes of the regular meeting of February 8, 2022, and the minutes of the Special meeting of February 11, 2022. (B. Dennis)
2. **Ordinance No. 22-S-07** - Consideration and/or action on a request to amend the Comprehensive Land Use Plan by changing approximately 44 acres of the Future Land Use Map from Mixed-Use Neighborhood land use designation to the Single-Family Residential land use designation, generally located 3,650 feet east from the intersection of Schaefer Road and FM 1518, also known as Bexar County Property Identification Numbers, 309807, 309837, 309814 City of Schertz, Bexar County, Texas. *Final Reading* (B. James/L. Wood/M.Harrison)
3. **Resolution No. 22-R-21** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas amending the Professional Services Agreement with Cobb, Fendley & Associates, Inc., relating to Engineering Services for the Woman Hollering Creek Wastewater Project. (B. James/K. Woodlee)
4. **Resolution No. 22-R-24** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas establishing a public hearing date to consider the approval of updated land use assumptions, capital improvements plan and impact fees for roads; and providing an effective date. (M. Browne/B. James)
5. **Resignations to Boards/Commissions/Committees** - Consideration and/or action regarding resignations to various Boards/Commissions/Committees. (Council/B. Dennis)
 - Resignation of Ms. Jackie Hollis - Historical Preservation Commission
 - Resignation of Mr. Jason Blataric - Historical Preservation Commission
 - Resignation of Mr. Howard Alperin - Historical Preservation Commission
 - Resignation of Dean Midlick - Historical Preservation Commission
 - Resignation of Mr. Earl Platt - Planning & Zoning Commission
6. **Resolution No. 22-R-20** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas authorizing a Memorandum of Understanding between 502 Air Base Wing and Schertz Police Department for Law Enforcement Response Assistance and Information Sharing (C. Kelm/M. Bane)

Mayor Gutierrez asked Council if there were any item they wish removed for separate action. No items were removed, but Councilmember Whittaker asked if the minutes had been corrected. City Secretary Brenda Dennis stated yes that Council were sent the corrected minutes as well as dropped them in their dropbox.

Mayor Gutierrez asked for a motion to approve consent agenda items 1-6.

Moved by Councilmember Jill Whittaker, seconded by Councilmember Allison Heyward to approve consent agenda items 1 through 6

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

Passed

Discussion and Action Items

7. **Resignation** - Consideration and/or action regarding the Resignation of Councilmember Rosemary Scott, City Council Place 2.

Mayor Gutierrez opened it up for Council comments and recognized Councilmember Dahle who thanked Ms. Scott for her service to the City, it is rare that people are willing to stand up and volunteer their time. Her time and efforts were appreciated. Councilmember Heyward echoed what Councilmember Dahle has said, she was a great part of this Council, she will be sorely missed. Prayers for her recovery and health.

Mayor Gutierrez stated that it is a sad moment and sometimes moving on starts with a good bye.

Mayor Gutierrez asked for a motion to accept the resignation of Councilmember Scott, Place 2.

Moved by Councilmember Allison Heyward, seconded by Councilmember Michael Dahle to accept the resignation of Councilmember Scott, Place 2.

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

Passed

8. **Resolution No. 22-R-18** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing a letter of support for a Housing Tax Credit application by the NRP Group for a multifamily project on FM 1518. (M. Browne/B. James)

Mayor Gutierrez stated let the record reflect that it is 6:19 p.m. and Councilmember Dahle has stepped off the dais. For full transparency and disclosure, Councilmember Dahle has filed a Conflicts of Interest Affidavit with the City Secretary and will not be participating in this item.

Mayor Gutierrez read the following into record:

RESOLUTION NO. 22-R-18

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS SUPPORTING AN APPLICATION FOR 2022 HOUSING TAX CREDITS BY THE NRP GROUP NAMED 1518 APARTMENTS LTD. TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) TO DEVELOP AFFORDABLE RENTAL HOUSING, AND OTHER MATTERS IN CONNECTION THEREWITH

Mayor Gutierrez recognized Assistant City Manager Brian James who introduced this item stating The NRP Group has communicated to the city that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2022 Housing Tax Credit funds for a multifamily project on FM 1518. Applications to the TCHCA are scored and ranked as part of the funding application process. Points are awarded for projects that receive support from the local government. As such the NRP Group has requested a resolution of support from the Schertz City

Council.

Mr. James provided Councilmember Whittaker with information on the Tax Credit process addressing her questions.

Mayor Gutierrez asked for a motion to approve Resolution No. 22-R-18.

Moved by Councilmember Allison Heyward seconded by Councilmember Tim Brown to approve Resolution No. 22-R-18.

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

Passed.

9. **Resolution No. 22-R-19** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas, authorizing a letter of support for a Housing Tax Credit application by Schertz Hidden Oaks, LP for a multifamily project on Schertz Parkway. (M.Browne/B. James)

Mayor Gutierrez stated let the record reflect that at 6:25 p.m. Councilmember Dahle returned to the dais.

Mayor Gutierrez read the below into record:

RESOLUTION NO. 22-R-19

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS SUPPORTING AN APPLICATION FOR 2022 HOUSING TAX CREDITS BY SCHERTZ HIDDEN OAKS, LP NAMED HIDDEN OAKS IN SCHERTZ TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) TO DEVELOP AFFORDABLE RENTAL HOUSING, AND OTHER MATTERS IN CONNECTION THEREWITH

Mayor Gutierrez recognized Assistant City Manager Brian James who introduced this item stating Schertz Hidden Oak, LP has communicated to the city that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2022 Housing Tax Credit funds for a multifamily project on Schertz Parkway. Applications to the TCHCA are scored and ranked as part of the funding application process. Points are awarded for projects that receive support from the local government. As such Schertz Hidden Oak, LP has requested a resolution of support from the Schertz City Council.

Schertz Hidden Oak, LP is working with the Schertz Housing Authority to redevelop the existing Housing Authority complex at 204 Schertz Parkway.

Mayor Gutierrez recognized Mayor Pro-Tem Scagliola who addressed concerns about the possibility of displacing some seniors due to the redevelopment, but has confidence with the Housing Authority Board that they will work with the residents and supports the project. Councilmember Dahle too was concerned about the possibility of the displacement of some residents, and he too is in support of the project. Mr. James address other questions from Council.

Mayor Gutierrez asked for a motion to approve.

Moved by Councilmember Michael Dahle, seconded by Councilmember Allison Heyward to approve Resolution No. 22-R-19

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

Passed

- 10. Capital Recovery Fee Credit Request** - Consideration and/or action on a request by HLH Development, LLC to receive Sewer Capital Recovery Fee Credit and other matters relating to the Hallie's Cove Pump and Haul Facility. (C. Kelm/S. Williams)

Mayor Gutierrez read the following into record:

Consideration and/or action on a request by HLH Development, LLC to receive Sewer Capital Recovery Fee Credit and other matters relating to the Hallie's Cove Pump and Haul Facility.

Mayor Gutierrez recognized Public Work Director Suzanne Williams who introduced this item stating HLH Development, LLC (HLH) is the developer of the Hallie's Cove development. Sewer service was not available to the Hallie's Cove property at the time. HLH elected to start development anyway and entered in to an agreement in 2017 with the City to construct a temporary pump and haul facility to provide sewer service to the development until the Woman Hollering Creek Trunk Line and Lift Station Project was complete. The original agreement established that all costs associated with installing and operating the pump and haul facility would be paid by HLH. A revision to the agreement was approved in 2019 stating that the City of Schertz would take over the expense of the pump and haul services beginning January 1, 2020.

HLH is planning to relocate the temporary pump and haul facility to allow for further development of Hallie's Cove. As part of this relocation, the City has agreed to allow HLH to install the relocated pump and haul facility on dedicated parkland property to not encumber any buildable lots in the development.

As seen in their letter, HLH has submitted a request to Council to receive sewer impact fee credits to offset the costs associated with relocating the temporary pump and haul facility, to be reimbursed for the installation of a manhole, and for the City to take over the maintenance of the pump and haul facility.

Sewer impact fees are only able to be credited or otherwise reimbursed for capital recovery fee eligible project work. Provision, maintenance, operation, and relocation of the pump and haul system for the Hallie's Cove Subdivision is not included in the City's Capital Recovery Plan and is therefore not eligible for reimbursement or impact fee credits.

The Woman Hollering Creek Wastewater Project is an eligible project. Construction of a portion of that project may be eligible for reimbursement. The City's consulting engineer and the engineer for the Hallie's Cove Subdivision are currently coordinating to determine if the manhole installed with the Hallie's Cove Unit 4 collection system can be used as part of the Woman Hollering system. If it can be made part of that system, staff will determine an appropriate amount of reimbursement. If it is found that the manhole in question cannot be used as part of the Woman Hollering system, then no reimbursement would be applicable.

Per the amended agreement in 2019, the City has incurred significant cost associated with the pump and haul service since 2020. In 2021, the City paid approximately \$396,000 in pump and haul services, which averages to \$33,000 per month in cost to the City. Because of the significant cost the City is paying each month for the pump and haul services, staff believes that the operation and maintenance of the private pump and haul facility should remain with HLH until the offsite wastewater infrastructure is completed. HLH was aware of risks in the offsite wastewater infrastructure construction when the agreement was entered in to without a hard deadline for those facilities to exist, so the delay in those facilities or HLH's desire to relocate the pump and haul facilities are not a trigger for the City to take

over the maintenance and operation of the pump and haul facility. The City will continue to pay for the pump and haul services per the agreement.

Staff recommends denial of the Sewer Capital Recovery credit request and denial of the request to take over the maintenance of the Hallie's Cove Pump and Haul Facility. Assistant City Manager Brian James addressed Mayor Pro-Tem Scagliola's question why the City is involved

Mayor Gutierrez called for a motion.

Moved by Councilmember Mark Davis, seconded by Councilmember Jill Whittaker to deny the Capital Recovery fee credit request and request to take over the maintenance of the Hallie's Cove Pump and Haul Facility by HLH Development LLC.

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

Passed

- 11. Ordinance No. 22-S-08** - Consideration and/or action on a request to amend the Comprehensive Land Use Plan by changing approximately 15 acres of the Future Land Use Map from Estate Neighborhood land use designation to the Mixed-Use Neighborhood Center land use designation, generally located 2,500 feet southeast from the intersection of Lower Seguin Road and FM 1518, known as 9120 E FM 1518 N, also known as Bexar County Property Identification Numbers, 309999 and 309997, City of Schertz, Bexar County, Texas. *Final Reading* (B.James/L.Wood/M.Harrison)

Mayor Gutierrez stated let the record reflect the time is 6:44 p.m.and Councilmember Dahle has stepped off the dais. For full transparency and disclosure, Councilmember Dahle has filed a Conflicts of Interest Affidavit with the City Secretary and will not be participating in this item.

Mayor Gutierrez read the following item into record:

ORDINANCE NO. 22-S-08

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AMENDING THE COMPREHENSIVE LAND USE PLAN BY CHANGING APPROXIMATELY 15 ACRES OF THE FUTURE LAND USE MAP FROM THE ESTATE NEIGHBORHOOD LAND USE DESIGNATION TO THE MIXED-USE NEIGHBORHOOD LAND USE DESIGNATION, GENERALLY LOCATED APPROXIMATELY 2, 500 FEET EAST OF THE INTERSECTION OF LOWER SEGUIN ROAD AND FM 1518, ALSO KNOWN AS BEXAR COUNTY PROPERTY IDENTIFICATION NUMBERS 309997 AND 309999 CITY OF SCHERTZ, BEXAR COUNTY, TEXAS. Final Reading

Mayor Gutierrez asked Council if they needed a presentation as there was none and no discussion he called for a motion to approve Ordinance 22-S-08 on final reading.

Mayor Gutierrez asked for a motion to approve Ordinance No. 22-S-08 on final reading.

Moved by Councilmember Allison seconded by Councilmember Tim Brown to approve Ordinance No. 22-S-08 on final reading.

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

Passed.

12. **Ordinance No. 22-T-05** - Consideration and/or action approving an Ordinance by the City Council of the City of Schertz, Texas authorizing an adjustment to the Fiscal Year 2021-2022 budget to construct a splashpad at Wendy Swan Memorial Park, repealing all ordinances or parts of ordinances in conflict with this ordinance; and providing an effective date. *First Reading* (B. James/L. Shrum)

Mayor Gutierrez stated let the record reflect that it is 6:44 p.m. and Councilmember Dahle has returned to the dais. Mayor Gutierrez read the following into record:

ORDINANCE NO. 22-T-05

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS
AUTHORIZING AN ADJUSTMENT TO THE FISCAL YEAR 2021-2022 BUDGET TO
CONSTRUCT A SPLASHPAD AT WENDY SWAN MEMORIAL PARK, REPEALING ALL
ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE;
AND PROVIDING AN EFFECTIVE DATE (First Reading)**

Mayor Gutierrez recognized Parks, Recreation and Community Services Director Lauren Shrum who introduced this item providing a brief PowerPoint presentation regarding the Wendy Swan Memorial Park Pool and the proposed Splashpad construction project. Ms. Shrum addressed questions from Council regarding the lifespan of the Splashpad as well as received comments from members of Council.

Staff recommends approval of Ordinance No. 22-T-05 on first reading regarding the adjustment to the FY 2021-22 budget.

Mayor Gutierrez called for a motion to approve Ordinance No. 22-T-05 on first reading.

Moved by Councilmember Allison Heyward, seconded by Councilmember Michael Dahle to approve Ordinance No. 22-S-08 on first reading.

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

Passed

Roll Call Vote Confirmation

Mayor Gutierrez recognized City Secretary Brenda Dennis who provided the roll call vote confirmation for agenda items 1 through 12.

Closed Session

Mayor Gutierrez read the below Closed Session items into record and recessed the regular meeting at 6:53 p.m.

13. The City Council will meet in closed session in accordance with Section 551.071 of the Texas Government Code, Consultation with the Attorney regarding American Rescue Plan Act (ARPA) Business Grant Program.
14. City Council will meet in closed session in accordance with Section 551.074 of the Texas Government Code, regarding filling the vacancy of City Council Place 2.

15. City Council will meet in closed session in accordance with Section 551.072 of the Texas Government Code regarding the purchase, sale, exchange or lease of real property in support of City Water and Wastewater Services in Northern Schertz.

Reconvene into Regular Session

Mayor Gutierrez reconvened back into Regular Session at 7:43 p.m.

- 13a. Take any action based on discussions held in Closed Session under Agenda Item 13.

No action taken

- 14a. Take any action based on discussions held in Closed Session under Agenda Item 14.

Mayor Gutierrez stated in accordance with the City Charter, Council has determined to leave the City Council Place 2 vacant until the election in November 2022. No action taken.

- 15a. Take any action based on discussions held in Closed Session under Agenda Item 15.

No action taken.

Roll Call Vote Confirmation

Requests and Announcements

- Announcements by the City Manager.

No further announcements.

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

No items at this time.

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

No items at this time.

- Announcements by Mayor and Councilmembers

- City and community events attended and to be attended

Mayor Pro-Tem Scagliola announced that the City received a thank-you plaque from the Kerr County Trail riders. He attended the Tri-City Chamber Luncheon and Council on the Go Meeting. He thanked the staff for setting up an Emergency Shelter two weeks ago when there was freezing weather.

Councilmember Whittaker attended the Audit Meeting, Council on the Go Meeting, the Tri-County Chamber Luncheon, the Strategic Planning Meeting and the NEP Luncheon

Councilmember Dahle attended the Cowboy Breakfast, the Strategic Planning Meeting and the Council on the Go Meeting.

Councilmember Heyward attended the Cowboy Breakfast, attended the Strategic Planning Meeting, a ribbon cutting for State Farm, the Tri-County Chamber Luncheon, Audit Meeting, Council on the Go Meeting and is the Northeast Partnerships ATAC Committee Member.

Councilmember Brown attended the Strategic Planning Meeting, the Council on the Go Meeting and the Tri-County Chamber Luncheon.

Adjournment

Mayor Gutierrez adjourned the meeting at 7:48 p.m.

Ralph Gutierrez, Mayor

ATTEST:

Brenda Dennis, City Secretary