

MINUTES
REGULAR MEETING
August 2, 2022

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on August 2, 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 Allison Heyward; Councilmember Mark Davis; City Council Place 2 - Vacant; Councilmember Jill Whittaker; Councilmember Michael Dahle; Councilmember David Scagliola; Councilmember Tim Brown

City Staff: City Manager Dr. Mark Browne; City Attorney Daniel Santee; 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 Heyward)

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

A. Mayor Pro-Tem Oath of Office - Oath of Office administered to Councilmember Allison Heyward. (B. Dennis)

City Secretary Brenda Dennis provided the Oath of Office for the Mayor Pro-Tem Office to Councilmember Allison Heyward.

Employee Recognition - Introduce New Employees

Department Heads introduced their new employees to the City Council.

- **EMS:** Paige Everett, Ian Shaw and Dorian Lopez Paramedic (Part-Time) - Abigail Gentry, Joshua Michalec, EMT (Part-Time)
- **Inspections:** Alanna Sumner - Permit Technician
- **IT:** Britni Hughes, Oscar Medina IT Support Specialist
- **Parks:** Cassandra Paddock - Recreation Manager, Paul Rodriguez - Park Maintenance Technician (Part time)
- **Public Works:** Dan Aris - Service Worker I, Randy Clark - Street Worker II
- **Police:** Vanessa King-Wilson - Communications Officer

City Events and Announcements

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

Mayor Gutierrez recognized Assistant to the City Manager Sarah Gonzalez who provided the following announcements:

Friday, August 5

Council Budget Retreat

8:00 AM – 4:00 PM

Bluebonnet Hall

Tuesday, August 9

Next regular scheduled Council meeting

6:00 PM

Council Chambers

Election Information

Filing for place on the ballot has begun for the November 8, 2022 City of Schertz Joint General Election to elect a Mayor and Councilmembers in Place 1 and 2 for a three-year term from November 2022 and ending November **2025**. Filing ends August 22, 2022 at 5:00 PM. Candidate packets are available online on the city's website and can also be obtained in the City Secretary's office, 1400 Schertz Parkway, Building #2.

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

No announcements were provided.

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

Mayor Gutierrez recognized the Parks and Recreation Department for their assistance in the success of the Guam Liberation Event that took place on Saturday.

Mayor Gutierrez also stated that he wanted to bring caution to all those regarding the recent heat we have been experiencing. Know your limitations and if you feel sick take cover and do what you need to do to seek assistance. Also speaking of the heat, please to be cautious as the grounds have dried up and in some areas the grounds have large cracks. Some are large enough if stepped in you could twist an ankle. Pay caution if you are walking in a park or field. Be safe.

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.

Mayor Pro-Tem Heyward recognized the following who spoke:

- Ms. Barbara Mansfield Gonzales, 1012 Antler Drive, who spoke regarding the Drainage Study for Maske, Windy Meadows, Nell dean, Commercial Place & Pecan - she referenced several documents that were provided to the Council that were of concern.

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 meeting of July 26, 2022. (B. Dennis)
2. **Resolution No. 22-R-77** - Consideration and/or action approving a Resolution by the City Council of the City of Schertz, Texas authorizing the City Manager to reject all proposals received for BID 2021-021 regarding the Schertz Soccer Complex Water Storage and Well Improvements. (M. Browne/B. James/L. Shrum)

Mayor Gutierrez asked Council if there were any items they wished removed from Consent, as there were none, Mayor Gutierrez called for a motion to approve Consent Agenda Items 1 and 2.

Mayor Gutierrez mentioned that Councilmember Whittaker was joining us this event virtually and is present on the big screen.

Moved by Councilmember Tim Brown, seconded by Mayor Pro-Tem Allison Heyward to approve Consent Agenda Items 1 & 2.

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

Passed

Discussion and Action Items

3. **Ordinance No. 22-B-32** - Consideration and approval of an ordinance authorizing the issuance of “City of Schertz, Texas General Obligation Bonds, Series 2022”; levying a continuing direct annual ad valorem tax, within the limitations prescribed by law, for the payment of the bonds; providing for an effective date. ***First & Final*** (M. Browne/J. Walters/A. Friedman)

Mayor Gutierrez read the following into record:

Ordinance No. 22-B-32

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF SCHERTZ, TEXAS GENERAL OBLIGATION BONDS, SERIES 2022”; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT; COMPLYING WITH THE PROVISIONS OF THE DEPOSITORY TRUST COMPANY’S LETTER OF REPRESENTATIONS; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENT WITH THE CITY’S FINANCIAL ADVISORS; AND PROVIDING FOR AN EFFECTIVE DATE (*First & Final*)

Mayor Gutierrez recognized Finance Director James Walters who stated he will be providing a brief overview of this item as well as the next as those go hand in hand. Mr. Walters stated the City went out for a couple of bonds in accordance with our long-term debt plan, our debt model and our CIP Plan. Tonight we have the funding for 1518 - the city's remaining portion, and it will go to TxDOT to kick off that roadway, the voter approved Fire Station #4 construction bonds, and also discussed during the Notice of Intent Resolution, money for the Main Street Improvements as well as some water and sewer improvements that were also included in our recent rate study. These bonds are slightly different than what we had previously, normally we would have a Competitive Sale, where we would have announced the amount we have, with financial information and our bond rating and different Underwriters from across the nation and then turn around a bid for the lowest interest rate. He stated this year with the volatility of the market SAMCO our Financial Advisors thought it best that we took a slightly different approach and go with the Negotiated Sale. This is where we choose some Underwriters first and turn around and use them to do more research on us and go out and actually find buyers, the Underwriters actually buy our bonds and turn around and subset it out, that is how the Competitive Sale works.

With the Competitive Sale the Underwriters actually went out for us and lined up some buyers, then put in a good interest rate based on what they can sell and see in the market. Mr. Walters stated that we did the Negotiated Sale for both the Co's and Go's, both items tonight were the same method.

Financial Advisor Andrew Friedman with SAMCO Capital Markets came forward further provided information regarding the difference in Competitive Sale and

Negotiated Sale and the context and what it means to Schertz. He explained the Underwriters they worked with for the Negotiated Sale. He also provided information on the results of the sale, provided the numbers for Sources and uses of funds, went over the Bond Summary Statistics. He stated that for both issuances they came in at 3.34% interest rate, with 20 year financing and 10 year call option at a fixed interest rate of 3.34%, supported by City's Ad Valorem Tax and impart by the Utility System. Mayor Gutierrez thanked Mr. Walters and Mr. Friedman for explaining the difference in Competitive Sale and Negotiated Sale. Mr. Friedman addressed questions from Council.

As there were no other questions, Mayor Gutierrez called for a motion to approve and pointed out the specific motion that needed to be made.

Moved by Councilmember Michael Dahle, seconded by Councilmember Tim Brown moved that the City Council adopt an ordinance authorizing the City of Schertz, Texas General Obligation Bonds, Series 2022

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

Passed

4. **Ordinance No. 22-B-33** - Consideration and approval by the City Council of the City of Schertz, Texas authorizing the issuance of “City of Schertz, Texas, Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022A”; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the city and further securing said certificates by a lien on and pledge of the pledged revenues of the system; and other matters incident and related thereto. *First & Final*) (M. Browne/J. Walters/A. Friedman)

Mayor Gutierrez read the following into record:

Ordinance No. 22-B-33

ORDINANCE NO. 22-B-33 AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF SCHERTZ, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022A”; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A LIEN ON AND PLEDGE OF THE PLEDGED REVENUES OF THE SYSTEM; PROVIDING THE TERMS AND CONDITIONS OF SAID CERTIFICATES AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING

AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT; COMPLYING WITH THE REQUIREMENTS OF THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENT WITH THE CITY'S FINANCIAL ADVISORS; AND PROVIDING AN EFFECTIVE DATE (*First & Final*)

Mayor Gutierrez recognized Financial Advisory Andrew Friedman with SAMCO Capital who stated that he had nothing to add as most information was provided on the last item, again 20 year financing and 10 year call option at a fixed interest rate of 3.34%, supported by City's Ad Valorem Tax and impart by the Utility System.

Mayor Gutierrez stated that Item #3 with the GO and Item #4 is the CO and that is why they were read separately and are separate securities. As there were no questions from Council, Mayor Gutierrez pointed out the specific motion that needed to be made.

Moved by Mayor Pro-Tem Allison Heyward, seconded by Councilmember Tim Brown that the City Council adopt an ordinance authorizing the City of Schertz, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022A.

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

Passed

- 5. Ordinance No. 22-T-34** – Consideration and/or action approving an Ordinance by the City Council of the City of Schertz, Texas, authorizing a budget adjustment relating to the Corbett Ground Storage Tank. ***First Reading*** (M. Browne/K. Woodlee/J. Shortess)

Mayor Gutierrez read the following into record:

ORDINANCE NO. 22-T-34

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AUTHORIZING AN ADJUSTMENT TO THE FISCAL YEAR 2021-2022 BUDGET TO PROVIDE FUNDING FOR CONSTRUCTION RELATED TO THE CORBETT GROUND STORAGE TANK, REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE (*First Reading*)

Mayor Gutierrez introduced Engineer Jennifer Shortness who introduced this item stating the goal of this ordinance is to amend the fiscal year 2021-2022 budget to

allocate Water Capital Reserve dollars to provide funding to construct the 3.0 million gallon Corbett Ground Storage Tank. The proposed 3.0 million gallon Corbett Ground Storage Tank will provide critical storage and redundancy at the Corbett Tank Site in order to provide water to customers on a daily basis and to a larger portion of the City in an emergency situation. As of June 30, 2022, the Water Capital Recovery Fund had \$8.9 million available. This ordinance will allocate \$4.23 million from the Water Capital Recovery Fees to construction services related to the Corbett Ground Storage Tank project. Staff recommends approval.

Mayor Gutierrez thanked Congressman Gonzales for the \$3.5 million dollars of funding.

Moved by Mayor Pro-Tem Allison Heyward, seconded by Councilmember Tim Brown to approve Ordinance No. 22-T-44 first reading.

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

Passed

6. SSLGC Contract Revenue Bonds - Discussion and consideration of forthcoming Schertz/Seguin Local Government Corporation plan to issue up to \$4,500,000 Contract Revenue Bonds, New Series 2022. (C. Kelm/S. Williams/A. Beard)

Mayor Gutierrez read the following into record:

Discussion and consideration of forthcoming Schertz/Seguin Local Government Corporation plan to issue up to \$4,500,000 Contract Revenue Bonds, New Series 2022

Mayor Gutierrez recognized Financial Advisors Andrew Friedman and Ryan Cunningham with SAMCO Capital Markets Mr. Friedman stated the briefing this evening relative to the Schertz/Seguin Local Government Corporation, a timetable was passed out to Council, this is for a Contract Revenue Bond to fund planning and design or SSLGC's next project. He stated Ms. Beard is in the audience for any engineering or project related questions.

He stated the Executive Committee of SSLGC recommended to move forward with the \$4,500,000 financing, again for SSLGC's projects and debt are split 50/50 between the City of Seguin and the City of Schertz, this would be paid for in this way. SSLGC last week approved Parameter Sale for the sale of these bonds, the next action items are for the Cities of Schertz and Seguin City Councils to ratify that action to approve the Parameter Sale to proceed with the financing.

Goal is to get concurrence from Council to proceed with consider a Parameter Sale Resolution. After both Cities have ratified that action, the plan is to price the \$4.5M dollars on August 19th with funding to take place on September 21, 2022. Mr.

Friedman provided information on the breakdown of debt service for the \$4.5M dollars for this proposed project and then for illustrated purposes only is a future financing for a project they are doing preliminary engineering design work on that is tentatively proposed to take place in 2025 for those pipeline projects. This debt service will be worked into both Cities existing rate studies. He stated that just as we approved the Negotiated Sales for the GO Bonds and CO Bonds, SSLGC has always sold its debt through the Negotiated Sale method in large part because it is a unique issuer and this will be sold in that same method. He stated he and the Schertz Bond Attorney Mr. Matt Lee and SSLGC General Manager Amber Beard are here to address questions.

Mayor Gutierrez opened it up for Council questions and recognized Councilmember Dahle who asked what is actually the preliminary work, is that only going to be designed in engineering, is right-of-way included? Ms. Beard came forward stating that this \$4.5M is for preliminary design work, right-of-way acquisition, topo survey, all environmental work that is needed to be done upfront for the project.

No further comments or questions. Mayor Gutierrez stated that this is not an action item, it is only to get consensus from Council to move forward. An action item will be forthcoming on a future agenda. It was the concurrence of Council to move forward.

Mayor and Council thanked Ms. Beard for serving as the General Manager and wishes her well in her future endeavors. Ms. Beard thanked the City of Schertz, City of Seguin and the Corporation for the opportunity to serve as the General Manager.

7. **Ordinance No. 22-M-40** - Consideration and/or action to approve an Ordinance by the City Council of the City of Schertz, Texas amending the City of Schertz Code of Ordinances and certain other Ordinances by amending and establishing fees for certain licenses, permits, and other services provided by the City of Schertz. ***First Reading*** (M. Browne/J. Walters)

Mayor Gutierrez read the following into record:

ORDINANCE NO. 22-M-40

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AMENDING THE CITY OF SCHERTZ CODE OF ORDINANCES AND CERTAIN OTHER ORDINANCES BY AMENDING AND ESTABLISHING FEES FOR CERTAIN LICENSES, PERMITS, AND OTHER SERVICES PROVIDED BY THE CITY OF SCHERTZ. (First Reading)

Mayor Gutierrez recognized Finance Director James Walters who provided information regarding the fee changes.

Mr. Walters stated Schertz Magazine rates have not been increased since its creation in 2008; however, many area publications have also held steady rates over the years

as well. Recently Schertz Magazine costs for paper/printing have increased about 20-25% since last year and to help offset rising costs staff is proposing a 10% increase on advertising fees. To keep our rates competitive in the market and to avoid a sharp increase which may impact interest from small businesses staff recommends a gradual increase of 10%.

The last meaningful rate increases for the rental facilities took place in FY 2017-18. The pandemic and frequent closures (COVID, Vaccine Clinics and HVAC replacement) of our facilities sidelined rate evaluations and adjustments over the past 5 years. The proposed fee schedule adjustments and increases are aimed at continuing to increase our cost recovery while also maintaining a competitive market position among other venues of similar size and quality. Additionally, throughout the last 5 years the City has made tremendous investments (\$1.36 million) into the rental facilities (ballroom kitchen remodel, new floors, new AV system, new chairs and new HVAC) and the proposed rates better reflect the quality of services offered to our customers. Below is a breakdown of the proposed changes:

Proposed Adjustments to current fees:

- Adjustment to the Kitchen Fee to now be Kitchen/F&B Fee. In the past this fee was tied to a capital recovery fee for the replacement of kitchen items. We no longer have a capital recovery account for the kitchens, so we are adding F&B into this fee to account for any events that have food and accumulate trash and additional work for event staff.
- In 2020 we renovated the ballroom kitchen to include a larger area and additional appliances. We would recommend a fee increase to \$300.00 to account for the increased amenities.
- Early Open fee is being increased to deter folks from booking additional hours. During peak seasons, additional event hours add time and stress to our staff, and we are hoping this fee will deter folks from either booking additional hours or coming in early for their events. Staff feels there is value in offering an additional rental hour in certain circumstances, so we do not wish to remove the fee entirely.
- We increased the special rates for HOA/Funerals to maintain a \$50 discount on the normal room rental. This adjustment is driven by the increase in the standard room rental.
- Across the board, we are recommending fee increases by 10-15% in all rental venues. These increases are in line with other rates in the area and push us forward in closing the gap on cost recovery. In 2019 (the last time we were able to complete an accurate cost recovery) we were running about an 85% cost recovery, but expenses have increased (staff salaries up by 13%, supplies, utilities) since that time so our current cost recovery is estimated to be in the 70% range. A 25-30% fee increase would not be recommended at one time so instead, staff recommends a 10-15% rate increase. New Braunfels Civic Center is also proposing similar fee increases this year.
- We are recommending the elimination of the half-day rate in the ballroom/cut-off hall on Sundays. The size of this room does not lend itself to shorter events on the weekend and for consistency, we will couple Sunday and Friday rates together as we do in the Bluebonnet Hall.

- Clarification was added for the A/V services in the bluebonnet hall, ballroom and applicable breakout rooms. Current A/V rates will include access to 2 screens/projectors.

We are recommending the A/V services fee in the bluebonnet hall be increased to match the ballroom fee as the A/V system has been upgraded and both rooms offer the same services and features.

- We are also recommending the elimination of the banquet package in the ballroom and bluebonnet hall Mon-Thur. This fee is not often used as most events during the week don't need a dance floor, bar, up lights, etc. Renters will still be able to add amenities as needed and enjoy the lower room rates offered during the week.

Proposed New Fees:

- Staff would like to offer a beverage tub for our clients. This tub would be used to cool soft drinks, water, and other beverages during events to eliminate the use of ice chests in the Civic Center. In the past ice chests have leaked onto the floors causing a hazard during events and also damage to the floor. Even with floor mats under them we have experienced these issues. The beverage tub would aim to eliminate the need/use of ice chests in the building and protect our new floors in the ballroom.
- Staff would like to create a fee for the private suite attached to the ballroom. This room has recently been renovated to offer a comfortable space for a small group of people to meet. The fee is comparable to other area venues.
- Based on evaluation of the quality-of-life fee and the renters who use this staff is recommending eliminating this fee. In lieu of this fee, we would recommend a Gym Use Fee for the Community Center only. This fee is more broadly defined and fits better for different community recreation types of events. The recommended fee is low compared to other Gym Use Fees but there is minimal work to be done with these types of recreation groups and we do not wish to deter folks from using the facility.

In City Events, staff is adding in the Signs of Love for the Kick Cancer walk/run event. Indoor volleyball league will be removed or lack of participation as well as the fee for the t-shirt decorating contest at Jubilee that we are not planning on having next year.

Parks is adding fees for group picnic areas as a new reservation service hoping to meet the needs of larger gatherings.

Pools is adding fees describing the Float & Fireworks event and the Paws in the Pool event.

The fee to add a paver at the Veteran's Memorial will be added to the fee schedule.

The Senior Center Membership Fee will be added to the fee schedule.

Under Health and Sanitation, staff recommends removing the section describing the

City Code Violation Court Fee of \$10 as this amount is under the preview of the Judge and is set by them during court.

Fire recommends removing Flammable liquid and gas tank permits as this is now reviewed by the state making staff's review redundant.

EMS proposes to increase millage to \$22. This fee hasn't been updated since FY 2013-14 and staff has seen higher fuel and vehicle maintenance costs.

EMS also recommends increase the Per Capita fee charged to service areas by 2% to help offset inflation costs.

Planning & Zoning added some clarifying language on the Appeals and request for amendments to include requests to the Comprehensive Land Use Plan.

Inspection recommends adding a increasing scale for reinspections. Staff is getting too many re-inspection requests from builders and is being used as quality control. Quality control is the responsibility of the contractor and the volume of requests makes it hard for staff to keep up, ultimately slowing development. This graduated scale will keep first reinspection requests the same as staff understands it can take a few tries to get something right. The third reinspection increases from \$75 to \$150 and each other reinspection is \$500. This is per trade and not per project so getting a reinspection on plumbing won't increase the fee to get an inspection on electrical.

Also in Inspections, staff changed language of license/registrations of trade to clarify what is required. No changes will change any fees or current requirements. Also recommended is the removal fo the miscellaneous fees as staff feels the existing fee options will cover the customers' requests.

In 2021, City Council approved a new water and wastewater rate model that provided regular funding for water and wastewater projects, specifically large maintenance and recapitalization projects. The adopted rate model projected out to 2030 to show that to meet the funding necessary to complete the planned projects, an annual 4% water and 4% wastewater rate increase would be needed. Over the past year SSLGC has been evaluating their water system and a need has been identified within the pipeline system. In order to transport the full water supply being added by the new Guadalupe Water Treatment Plant, two additional parallel transmission main segments must be constructed. To fund the design and construction of the Elm Creek and Cowey transmission main segments, SSLGC will be required to issue bonds. The SSLGC bond payments are split evenly between Schertz and Seguin, so the projected bond payments for both design and construction have been added to the rate model. Based on the additional bond costs for the Elm Creek and Cowey transmission main segments, staff is recommending an additional 1% increase to the water rates to bring the total recommended water rate increase to 5% and staff recommends continuing with the planned 4% wastewater rate increase.

Staff recommends approval.

Mayor Gutierrez addressed questions regarding the inspection and reinspection fees and asked for clarification on how they are applied. Mayor Pro-Tem Heyward addressed questions regarding the Senior Center and the Magazine. As there were no further questions, Mayor Gutierrez called for a motion to approve.

Moved by Councilmember Mark Davis, seconded by Councilmember Tim Brown to approve Ordinance No. 22-M-40 first reading.

AYE: Mayor Pro-Tem Allison Heyward, Councilmember Mark Davis, Councilmember Jill Whittaker, Councilmember Michael Dahle, Councilmember David Scagliola, 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 7.

Information available in City Council Packets - NO DISCUSSION TO OCCUR

Mayor Gutierrez stated that Agenda Item 8 is an Informational item and can be found in the Council packets as well as can be found online.

8. Monthly Update on Major Projects in progress/CIP. (B. James/K. Woodlee)

Requests and Announcements

- Announcements by the City Manager.

No further announcements.

- 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

No announcements were provided this evening.

Adjournment

Mayor Gutierrez adjourned the meeting at 7:17 p.m.

Ralph Gutierrez, Mayor

ATTEST:

Brenda Dennis, City Secretary