

DRAFT

MINUTES REGULAR MEETING August 15, 2023

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on August 15, 2023, 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; Councilmember Allison Heyward; Councilmember Mark Davis; Councilmember Michelle Watson; Councilmember Jill Whittaker; Councilmember Michael Dahle; Councilmember David Scagliola; Mayor Pro-Tem Tim Brown

Staff present: City Manager Steve Williams; Deputy City Manager Brian James; City Attorney Daniel Santee; Assistant City Manager Sarah Gonzalez; City Secretary Sheila Edmondson

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 and led the Pledges of Allegiance to the Flags of the United States and State of Texas.

City Events and Announcements

- Announcements of upcoming City Events (B. James/S. Gonzalez)
Mayor Gutierrez recognized Deputy City Manager Brian James who provided the following:

Monday, September 4

Labor Day

City Offices closed

Tuesday, September 5

Next Regular Council Meeting

Council Chambers

6:00 p.m.

Election Information - The City of Schertz will be holding its General Election on November 7, 2023, for the purpose of electing Council Members in Place 3, Place 4, and Place 5. Completed applications with filing fee will be accepted by the City Secretary's Office until 5:00 p.m., August 21, 2023. Filing ends Monday, August 21, 2023, at 5:00 p.m.

- Announcements and recognitions by the City Manager (S. Williams)

Mayor Gutierrez recognized City Manager Steve Williams who provided the following:

Recognition of Larry Busch who was promoted to Public Works Director.

Library hosted an indoor miniature golf event on Saturday, July 29th that was attended by over 1,100 people.

Schertz-Seguin Local Government Corporation (SSLGC) is recognizing Kenneth Greenwald for his service to the SSLGC. He served on Schertz City Council from 1983 to 2005. He was a strong advocate for seeking a reliable long-term water supply source for the City of Schertz and instrumental in the creation of the SSLGC in 1998. The current SSLGC Board has proclaimed the original Water Treatment Plant within the Gonzalez Water Treatment Facility to be dedicated as the Kenneth Greenwald Water Treatment Building. Dedication will be held Tuesday, October 10, from 11:00 a.m. - 1:00 p.m.

- Announcements and recognitions by the Mayor (R. Gutierrez)
No announcements from Mayor Gutierrez were made.

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 Brown recognized the following residents who spoke regarding K-9 Officer Medor:

Carol Davis, 3337 Wimbledon Drive, by proxy
Deidra Lee, 622 Aviation Avenue, by proxy
Millie Lee, 622 Aviation Avenue, by proxy
Sabrina Richardson, 632 Aviation Avenue, by proxy
Marty Goodrich, (no address provided), by proxy
Julie Bostwick, 567 Primrose Path
Luke Hanley, 567 Primrose Path
Michelle Frey, 2833 Valencia Ln
Santee Goodrich, 3933 Windy Brook

Richard Dziewit, 2550 Chase Field Dr, Schertz, expressed his thanks to the City Council and staff for the acknowledgment given to the Boards and Commissions. He stated that it's important for citizens to know they are able to get into an organization that can benefit the City, helping to maintain a community in a city that is growing as well as we are.

Michelle Tereletsky, 705 Marilyn Drive, Schertz, stated she had been a resident for 46 years. She has watched, and is thankful for, the growth of the City, stating that if you don't grow you become stagnant and you die. Her concern is the blatant disregard for the rule that states 'all remarks shall be addressed to Council as a body' by a certain resident who points at a particular Councilmember and makes 'snarky' remarks. This is disrespectful to every member of Council, to the residents who voted for that Council person, and the residents who come consistently to meetings and follow the rules. She called

upon Council to take action the next time the person violates the rule, or to get rid of the rule.

Robert Westbrook, 4073 Brook Hollow, Schertz, came to introduce himself to Council as a candidate for the November 7, 2023, General Election. He is a graduate of Churchill High School and Southwest Texas State University. He went on to receive a Master of Business Administration degree from Webster University. He has been a member of the San Antonio Fire Department for 24 years, currently a Division Chief for the Office of the Fire Marshal, responsible for Hazardous Materials Inspections and special events. He has served on the SCUCISD School Board for a number of years and would like to now serve at the municipal level.

Jinjer LeVan, 1504 Red Cedar Cove, expressed concern for the postal carriers who didn't have water to refill their bottles while on duty nor in the restrooms of their building. She also expressed concern regarding K-9 Officer Medor and provided personal experience with service dogs. She offered her services to the Schertz Police Department stating she offers free consultant services related to service and working dogs.

Mayor Gutierrez thanked everyone for the concern expressed regarding K-9 Officer Medor. He shared the following statement:

It is our highest priority to ensure the safety and wellness of our K-9. Medor's keen and impressive senses make him a valuable and effective law enforcement officer in every sense. Schertz Police Department has invested considerable resources in Medor's highly specialized training and care. Medor has been trained to assist members of law enforcement with various tasks, adding an extra layer of security to the community. Unfortunately, the circumstances of Medor's previous handler's recent departure is beyond our control. However, it is our goal to ensure and continue to support the best outcome for our K-9 officer, taking into account, his well-being and to meet the requirements of his role and his future success as our police dog.

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.

- 1. Minutes** - Approval of the minutes from the Joint City Council and Planning and Zoning meeting of July 26, 2023, and the regular meeting minutes of August 1, 2023. (S.Edmondson/S.Courney)
Resolution 23-R-76 - Consideration and/or action adding Juneteenth to the City's Official Holiday Schedule. (S.Gonzalez/J.Kurz)
- 2. Resolution 23-R-67** - Authorizing an interlocal agreement with Equalis Group LLC for Cooperative Purchasing Services. (S.Gonzalez/J.Kurz)
- 3. Resolution 23-R-66** - Authorizing the City Manager to enter into an agreement with Blue Cross Blue Shield for medical insurance. (S.Gonzalez/J.Kurz)
- 4. Resolution 23-R-77** - Authorizing a resolution for a construction contract with Intermountain Slurry Seal, Inc. for the 2023 Street Resurfacing Project. (B.James/K.Woodlee/J.Nowak)

5. **Resolution 23-R-78** - Authorizing a resolution for a construction contract with R.L. Jones LP for the 2023 Trainer Hale Repair Project. (B.James/K.Woodlee/J.Nowak)
6. **Resolution 23-R-79** - Authorizing a resolution for a construction contract with Clark Construction of Texas, Inc. for the 2023 Windy Meadows Overlay Project. (B.James/K.Woodlee/J.Nowak)
7. **Resolution 23-R-80** - Approving the resolution supporting the candidacy of Councilmember Allison Heyward for the position of President-Elect of the Texas Municipal League. (City Council/S.Edmondson)
8. **Resolution 23-R-81** - Authorizing the City Manager to submit an application to the Alamo Area MPO for Transportation Alternatives Funding, and enter into an Advanced Funding Agreement with TXDOT if the project is selected, for the Dietz Creek Trail Project. (S.Gonzalez/L.Shrum)
9. **Resolution 23-R-82** - Approval of the issuance of bonds by the Texas Home Collaborative for the FM 1518 Multifamily Project. (S.Williams/B.James)
10. **Resolution 23-R-69** - Authorizing the updated expenditures associated with the FY 22-23 Vehicle/Equipment Replacement Program. (B.James/D.Hardin Trussell/C.Hernandez)
11. **Resolution 23-R-73** - Approving the SSLGC Fiscal Year 2023-2024 Water Rates. (B.James/L.Busch)
12. **Resolution 23-R-74** - Approving the SSLGC Fiscal Year 2023-2024 Annual Budget. (B.James/L.Busch)

Mayor Gutierrez asked for a motion to approve Consent Agenda Items #1-12.

Moved by Councilmember Allison Heyward, seconded by Councilmember Michael Dahle

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

Passed

Discussion and Action Items

13. **Resolution 23-R-68** - Calling for a Charter Review and appointment of a Charter Review Commission to review and present proposed amendments for the City Charter. (City Council/S.Edmondson)

Mayor Gutierrez made the motion to table this item until the 2nd City Council Meeting in November 2023, seconded by Councilmember Allison Heyward.

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

Passed

14. Ordinance 23-M-17 - 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* (S.Gonzalez/J.Walters)

Mayor Gutierrez recognized Finance Director James Walters who presented the proposed changes to the fee schedule.

Mr. Walters then introduced the rate consultant, Mr. Dan Jackson, Vice President, Willdan Financial Services, who presented information on water and sewer fees. They have worked with the City of Schertz for the past 10 years and have recently done a comprehensive review of the water and wastewater rate fund. Mr. Jackson gave a synopsis of the water industry, including costs incurred in the process of providing water, then provided the following as it pertains to the City of Schertz:

- Monthly residential charges - 10,000 gallons of water/5,000 gallons of wastewater
- Water rates increase with usage to incentive conservation
- Schertz's residents pay on average \$98.97/month; which compare favorably to neighboring cities and is almost \$20 below state average
- Billed consumption average annual growth at a rate of 1.8%
- City is adding 300–400 accounts per year
- Recommendation: City implement a 2% increase in water rate and 3% increase in wastewater rate effective October 1, 2023; forecast rate adjustments will be similar over the next four years.
- Benefits to Ratepayers and the City for adopting the rate plan include:
 1. Prudent management by City staff has enabled magnitude of rate adjustments to be minimized;
 2. Proposed rate plan enables the utility to fully fund all water and wastewater maintenance, operating and construction costs;
 3. Will provide for the Utility Fund to operate self-sufficiently with no need for General Fund subsidies; and
 4. Enables the City to continually provide safe drinking water and effectively treat wastewater.

Mayor Gutierrez opened the floor to Council for discussion. No discussion occurred.

Mayor Gutierrez called for a motion to approve Ordinance 23-M-17.

Moved by Councilmember Mark Davis, seconded by Councilmember Allison Heyward

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

Passed

15. **Ordinance 23-D-20** - Amending Code Section 86-118 to Modify the School Zone Limits on Hubertus Road. *Approved as an emergency on first and final reading.* (B.James/K.Woodlee)

Mayor Gutierrez recognized Ms. Kathy Woodlee, City Engineer, who explained the reasoning for the emergency reading was due to the start of the new school year. The modification extends the school zone to encompass the area in front of the new elementary school as well as Danville Middle School. The change is necessary to ensure the safety of students as agreed upon by the School District, contractors, and City Inspections staff.

Mayor Gutierrez opened the floor to Council for discussion. No discussion occurred.

Mayor Gutierrez recognized Councilmember Dahle who made the motion to approve Ordinance 23-D-20, seconded by Councilmember Heyward.

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

Passed

Public Hearings

16. **Ordinance 23-S-15** - Conduct a public hearing and/or action on amendments to Part III of the Schertz Code of Ordinances, Unified Development Code (UDC) to Article 8, Section 21.8.4 Home Occupation. *First Reading* (B.James/L.Wood/S.Haas).

Mayor Gutierrez recognized Senior Planner Samuel Haas who presented information to support the proposed amendment to the UDC Article 8, Section 21.8.4, Home Occupation. These businesses occur regularly in Schertz, and although they have no adverse impact on the City they are currently out of compliance due to outdated, rigid requirements. Staff has researched Home Occupation regulations at eight other municipalities and drafted proposed amendments based on their findings and incorporating development subcommittee recommendations. Staff recommends approval of the amendments to the UDC which will provide clarity and flexibility to Home Occupations.

Mayor Gutierrez opened the Public Hearing.

Ms. Jinjer LeVan, 1504 Red Cedar Cove, addressed Council with concerns that the amendments are in direct opposition to her subdivision's Declaration of Covenants, Conditions, and Restrictions. She cited businesses that would generate traffic create an issue since the streets cannot support additional use. She indicated a number of subdivisions would not like needing to modify existing declarations.

Mayor Gutierrez closed the Public Hearing and asked Mr. Haas to brief Council on the effect 23-S-15 would have on HOAs. Mr. James responded to the question that the HOAs can have their own restrictions, but it is on the property owners to enforce the limits themselves.

Mayor Gutierrez opened the floor to Council for discussion. No discussion occurred.

Mayor Gutierrez asked for a motion to approve Ordinance 23-S-15.

Moved by Councilmember Allison Heyward, seconded by Councilmember Mark Davis

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

Passed

17. **Ordinance 23-T-18** - Conduct a Public Hearing and Adopt a budget for the fiscal year beginning October 1, 2023, and ending September 30, 2024, in accordance with the Charter of the City of Schertz, Texas; providing for the filing of the Budget; providing that this Ordinance shall be cumulative of all Ordinances; providing a Severability Clause; and providing an Effective Date. *First Reading* (S.Gonzalez/J.Walters)

Mayor Gutierrez recognized Finance Director James Walters who presented the proposed budget for FY 2023-24. The budget priorities for the next fiscal year are:

- Staff Compensation
- Infrastructure
- Consolidated CIP Document
- Increasing Staffing Levels
- New/Remodeled Facilities

Budget Highlights include:

- Wage Adjustments
- New Personnel
- Additional SPAM Funding
- Police Equipment
- Additional Programs/Equipment

General Fund proposed budget \$49,927,113.

Mayor Gutierrez opened the Public Hearing,

Ms. Jinjer LeVan, stated concerns that she didn't see anything in the budget to replace the K-9 Officer.

No other Public spoke.

Mayor Gutierrez closed Public Hearing and opened the floor to Council for discussion. No discussion occurred.

Mayor Gutierrez asked for a motion to approve Ordinance 23-T-18.

Moved by Councilmember Allison Heyward, seconded by Councilmember Michelle Watson

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

Passed

Moved by Councilmember Allison Heyward, seconded by Councilmember Michelle Watson

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

Passed

- 18. Ordinance 23-T-19** – Conduct a Public Hearing and approve an Ordinance approving the appraisal roll; setting the tax rate; levying and assessing general and special ad valorem taxes for the use and support of the municipal government of the City of Schertz, Texas. *First Reading* (S.Gonzalez/J.Walters)

Mayor Gutierrez recognized Finance Director James Walters who presented the following:

- 2023 Property Values - increased by \$551.6 million over 2022
- Disabled Veteran Homestead Exemption - increased by \$140 million
- Current tax rate is \$0.4950; Proposed tax rate is \$0.4872
- Tax rate breakdown: \$0.3324 for day-to-day operations and \$0.1548 to pay the City's debt
- One penny on the tax rate is equal to about \$544,000 in revenue

Mayor Gutierrez opened the Public Hearing. No Public spoke. Public Hearing was closed.

Mayor Gutierrez asked for a motion to approve Ordinance 23-T-19.

Councilmember Jill Whittaker made the motion that the property tax rate be increased by the adoption of a tax rate of \$0.4872 which is effectively a 7% increase in the tax rate, seconded by Councilmember Michelle Watson.

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

Passed

Information available in City Council Packets - NO DISCUSSION TO OCCUR

- 19. Guadalupe Appraisal District Information-Nominations and Voting Process** - Guadalupe Appraisal District sent the process and timeline for nominating candidates for the GAD Board of Directors. Please see attached brief description and the calendar of dates in which action is needed. (S.Williams/S.Edmondson)

Requests and Announcements

- Requests by Mayor and Councilmembers for updates or information from Staff
 - Councilmember Dahle asked Deputy City Manager Brian James to look into the traffic issues in front of the new charter school near Belmont Park.
- Requests by Mayor and Councilmembers that items or presentations be placed on a future City Council agenda
 - Councilmember Scagliola requested a discussion regarding parking on a prepared surface.
- Announcements and City Events attended by Councilmembers
 - Councilmember Whittaker attended the NEP luncheon, the Rebecca Creek Distillery Ribbon Cutting, and the City Budget Retreat.
 - Councilmember Dahle attended the City Budget Retreat and the Volunteer Appreciation Banquet.
 - Councilmember Heyward attended the Filipino Adobo Cook-off, ATAC Meeting, Northeastern Partnership Luncheon, Mad Minds Ribbon Cutting, the Investment Committee Meeting, The Chamber Luncheon, the National Watermelon Day event, the Volunteer Appreciation Banquet, and the City Budget Retreat.

Mayor Gutierrez thanked the City Secretary Office staff and Councilmember Heyward for coordinating the Volunteer Appreciation Banquet.

Adjournment

Mayor Gutierrez adjourned the meeting at 7:51 p.m.

Ralph Gutierrez, Mayor

ATTEST:

Sheila Edmondson, City Secretary