

DRAFT

MINUTES REGULAR MEETING May 12, 2026

A Regular Meeting was held by the Schertz City Council of the City of Schertz, Texas, on May 12, 2026, 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 Rodriguez; Mayor Pro Tem Mark Davis; Councilmember Paul Macaluso; Councilmember Ben Guerrero; Councilmember Robert Westbrook; Councilmember Allison Heyward; Councilmember Robert Sheridan

Absent: Councilmember Michelle Watson

Staff present: City Manager Steve Williams; Deputy City Manager Brian James; Deputy City Secretary Sheree Courney; Assistant City Secretary Irene Chavez

Call to Order

Mayor Rodriguez 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 Guerrero)

Councilmember Guerrero provided the opening prayer and led the Pledges of Allegiance to the Flags of the United States and the State of Texas.

Proclamations

Historic Preservation Month- May 2026

Councilmember Guerrero presented the Historic Preservation Month - May 2026 proclamation to Committee Chair Maggie Titterington and Boardmember Kathleen Samsey.

World Facilities Management Day - May 13, 2026

Councilmember Sheridan presented the World Facilities Management Day - May 13, 2026 proclamation to Chad Lonsberry, Jeremiah Yandell, Lauren Vargas, Joe Villarreal, Matthew Muro, and Dylan Sandberg.

EMS Appreciation Week- May 17-23, 2026

Mayor Rodriguez presented the EMS Appreciation Week - May 17-23, 2026 proclamation to EMS Chief Jason Mabbitt and members of the EMS Team.

TFMA-Texas Flood Awareness Week -May 18-22, 2026

Councilmember Heyward presented the TFMA-Texas Flood Awareness Week - May 18-22, 2026 proclamation to City Engineer Kathy Woodlee, Public Works Director Larry Busch, Assistant City Engineer John Nowak, Chief Building Official Jim Bruce, and MS4/Floodplain Administrator Mark Thomas.

Presentations

Council Chambers: Mayor's Photo Presentation

The meeting included a portrait unveiling honoring former Mayor Ralph Gutierrez for his six years of dedicated service to the City of Schertz. Mayor Rodriguez recognized Mayor Gutierrez's leadership, commitment, and lasting impact on the community, highlighting his contributions to the city's growth, progress, and quality of life. The event was attended by all three living former mayors of Schertz (Mayor Ralph Rodriguez, Mayor Ralph Gutierrez, and Mayor Michael Carpenter). The portrait serves as a permanent tribute to Mayor Gutierrez's public service, vision, and dedication, and the City extended its sincere gratitude for his leadership and lasting legacy.

Former Mayor Ralph Gutierrez expressed his gratitude to residents, family, and friends for attending the portrait unveiling and reflected on his tenure as mayor during significant challenges, including the COVID-19 pandemic, the winter storm, and periods of rapid growth. He acknowledged the resilience, compassion, and patriotism of the Schertz community and emphasized the importance of remembering not just the leaders, but the people whose passion shaped the city. Mayor Gutierrez conveyed heartfelt appreciation for the honor of being recognized and inducted into the city's "Hall of Fame," expressing gratitude on behalf of himself and his family.

Schedule for the Issuance of Certificates of Obligation Series 2026

Mayor Rodriguez recognized Finance Director James Walters who provided an overview of the City of Schertz's plan for the 2026 Certificate of Obligation issuance, totaling approximately \$9.8 million. The funds will support city projects including \$1.1 million for drainage improvements, \$7.8 million for streets (including FM 1518/Lower Seguin Road, Northcliff Country Club Boulevard, and Savannah Overlay), and \$900,000 for facilities upgrades, such as generator replacements at City Hall. Water and sewer projects were deferred due to schedule delays to avoid unnecessary debt issuance. The issuance is structured to align with the City's CIP and maintain the current tax rate. Mr. Walters outlined the timeline for the process, including a Notice of Intent in June, rating agency review, bond pricing on August 4, and anticipated fund receipt on September 2. He noted that Council retains full discretion to cancel or adjust the issuance at any step.

Mayor Rodriguez opened the floor to Council for discussion.

Councilmember Robert Westbrook inquired about circumstances under which the City Council might choose not to proceed with bond pricing, asking when a deal would be considered unfavorable. Mark McCliney of SAMCO Capital Markets explained that historically, rare market events—such as the Lehman Brothers failure during the financial crisis—have led to unexpectedly high interest rates, prompting a delay or cancellation of a bond sale. He emphasized that the City retains flexibility between now and August 4 to adjust or cancel the issuance if market conditions are unfavorable. Mr. McCliney also noted that interest rates typically follow the 10-year Treasury bond and that the City can strategically issue debt when needed, potentially refinancing later if rates drop. Mr. Walters added that if higher rates risked increasing the tax rate without Council approval, staff would restructure the debt and return to Council for guidance.

Councilmember Guerrero asked how frequently interest rates change and what the historical high and low rates have been. Mr. McCliney explained that rates fluctuate mainly with the Federal Funds Rate, following Treasury yields. Historically, rates have been as low as approximately 2.5% during the Great Recession and as high as around 4.8–5.5% in individual years. He noted that recent Federal Funds Rate changes suggest borrowing costs may be lower than in the previous issuance, anticipating favorable conditions for the upcoming bonds.

No additional questions were raised, and the process will continue with a proposed Notice of Intent Resolution presented to Council on June 2 to formally initiate the 2026 Certificate of Obligation issuance.

City Events and Announcements

● Announcements of upcoming City Events (B.James/S.Gonzalez)

Deputy City Manager Brian James provided announcements of upcoming city events.

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

City Manager Steve Williams shared several announcements at the meeting. He highlighted the new mobile outreach vehicle for the library, the Bookmobile, which will allow the City to bring reading and library services directly to the community.

He also reported that the City's Employee Appreciation Picnic was held earlier in the day, drawing over 300 attendees, including Council members, to celebrate and recognize the workforce. During the picnic, the City presented its Staff Excellence Awards.

- Tatum Hearn from the Public Affairs Department received the Rising Star Award for non-supervisory employees with less than three years of service.
- Jeffrey Dempsey of the Fleet Department earned the Extra Mile Award for employees with over three years of service.
- Nick Ferris, Assistant Director of Public Works received the Leadership Award.
- Cassie Paddock of the Parks Department received the Employee of the Year Award.

City Manager Williams expressed pride in all nominees and winners for their outstanding contributions.

● **Announcements and recognitions by the Mayor (R.Rodriguez)**

Mayor Rodriguez had no announcements or recognitions.

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.

All handouts and/or USB devices must be submitted to the City Secretary no later than noon on the Monday preceding the meeting. Handouts will be provided to each Councilmember prior to the start of the meeting by the City Secretary. All USB devices will be vetted by City IT staff to ensure City property is protected from malware.

Mayor Rodriguez recognized the following residents:

Chris Lovelace, introduced himself as a member of the Chamber CORE Leadership class and stated he had recently taken a tour of the city and thanked Council for hosting them.

Enrique Fajardo, introduced himself as a member of the Chamber CORE Leadership class and thanked council for their time and hard work.

Ralph Gutierrez, 1016 Silvertree, addressed the Council regarding regional collaboration, emphasizing the importance of maintaining strong, professional relationships between the City of Schertz and the neighboring City of Cibolo. He noted that early in his tenure, there was tension between the two cities, and one of his priorities was fostering communication, trust, and mutual respect. Mayor Gutierrez expressed concern that an item concerning the sale of water leases is moving forward without a joint discussion with Cibolo, stressing that decisions affecting shared infrastructure and regional interests should include both cities to prevent misunderstandings and preserve public trust. He urged the Council to table the item and engage in meaningful discussions with Cibolo before proceeding, highlighting that strong regional relationships are critical for future cooperation, economic development, and infrastructure planning.

Penny Jennings, 2501 Hourless Oaks, addressed the Council regarding a recent social media post by a Council member. She expressed concern that the post was unprofessional and misleading, as it suggested the City Manager had been formally reprimanded, which was not supported by the outcome of the May 5th Council review. Ms. Jennings emphasized that the Council had reviewed six incidents alleging misconduct or political interference, found no validated violations, and had provided guidance to remind staff of appropriate policies regarding political activity. She stated that the social media post undermined the Council's transparency, potentially harmed the City Manager's professional reputation, and may have violated the City Council Code of Ethics. Ms. Jennings formally requested that the Council consider censuring the

Council member, issuing a public apology to residents, and noted that she had filed a formal complaint with the City. She concluded by stressing the importance of trust, honesty, transparency, and ethical conduct in maintaining the Council's positive reputation.

Dana Eldridge, 2628 Gallant Fox, signed up but did not speak.

Billie Langhus, a resident of Jonas Woods, addressed the Council with suggestions regarding public participation during meetings. She requested that residents be allowed to speak earlier on the agenda, ideally first, as many leave after speaking and miss the remainder of the meeting, limiting their ability to support other citizen comments. Ms. Langhus emphasized the importance of decisions being based on verified facts rather than personal opinions or internal feelings, urging thorough investigation before conclusions are drawn. She also highlighted a practical concern regarding the use of microphones, noting that speakers positioned too far from the mic are not properly heard, and recommended adjustments to ensure all public comments are audible. She concluded by thanking the Council for their attention to these matters.

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. City of Schertz Boards, Committees, and Commissions

● Appointments

- Schertz Historical Preservation Committee for the unexpired term ending March 31, 2027:
 - Caleb Hofmann
- Transportation Safety Advisory Commission for the unexpired term ending March 31, 2027:
 - Rick Jamison, Commissioner
- Transportation Safety Advisory Commission for the term ending March 31, 2028:
 - Nathan Serna, Alternate 1

● Reappointments

- There were no reappointments

● Resignations, Removals, and Expiring Terms

- Board of Adjustments for the term ending June 30, 2026:
 - Martin Powell, Alternate 2
- Schertz Historical Preservation Committee effective May 5, 2026
 - Lauren Dalton, Boardmember

2. Resolution 26-R-063 - Authorizing DCIP; DEAGG; and AAMPO funding applications for the Lower Seguin Road Reconstruction Project (B.James/K.Woodlee/J.Nowak)

3. **Resolution 26-R-066**-Authorizing continued legal representation by Denton Navarro Rodriguez Bernal Santee and Zech (DNRBSZ) on matters concerning regarding the sale of water rights (S.Williams/B.James)
4. **Resolution 26-R-052** - Authorizing bad debt revenue adjustments (S.Gonzalez/J.Walters)
5. **Resolution 26-R-068** - Authorizing an Amendment to the Participation Agreement for Water Line Extension Project with Mustang Oaks, LLC (B.James/K.Woodlee)

Mayor Rodriguez asked if any items needed to be removed for separate action.

Councilmember Sheridan requested Agenda Item #3 regarding Resolution 26-R-066 be removed for separate action; and Councilmember Westbrook requested Agenda Item #4 regarding Resolution 26-R-052 be removed for separate action.

Mayor Rodriguez asked for a motion to approve Consent Agenda Items #1, 2, and 5.

Moved by Mayor Pro Tem Mark Davis; seconded by Councilmember Allison Heyward.

AYE: Mayor Pro Tem Mark Davis, Councilmember Paul Macaluso, Councilmember Ben Guerrero, Councilmember Robert Westbrook, Councilmember Allison Heyward, Councilmember Robert Sheridan

Other: Councilmember Michelle Watson (ABSENT)

Passed

Mayor Rodriguez recognized Councilmember Sheridan to address the removal of Agenda Item #3 - Resolution 26-R-066 from Consent.

Councilmember Sheridan expressed concern regarding the intent and scope of Resolution 26-R-066, specifically whether it was limited to authorizing legal representation and addressing potential conflicts of interest, or if it authorized the sale of water rights. Council discussed the resolution, which continues legal representation by Denton Navarro Rodriguez Santee & Zech on potential water rights matters, and clarified it pertains only to legal consultation, not the sale or lease of rights. Staff confirmed the firm represents both the City and the City of Cibolo, ensuring the City can receive advice as discussions progress. Council emphasized the need for transparency, comprehensive briefings, cost-benefit and risk analysis, alignment with long-term strategic and economic plans, and consideration of water resources for 10, 15, and 50 years. Concerns regarding the use of “sale” in the resolution were addressed, with staff clarifying it reflects consideration of options, not commitment. A foundational work session with Council and residents will provide detailed information before any decisions are made.

A motion to approve Consent Agenda Item #3 was made by Councilmember Allison Heyward; seconded by Mayor Pro Tem Mark Davis.

AYE: Mayor Pro Tem Mark Davis, Councilmember Paul Macaluso, Councilmember

Ben Guerrero, Councilmember Robert Westbrook, Councilmember Allison Heyward,
NAY: Councilmember Robert Sheridan
Other: Councilmember Michelle Watson (ABSENT)
Passed

Mayor Rodriguez recognized Councilmember Westbrook to address the removal of Agenda Item #4 - Resolution 26-R-052 from Consent.

Councilmember Westbrook requested clarification on Resolution 26-R-052, authorizing bad debt revenue adjustments. Finance Director James Walters explained that the adjustments, totaling \$787,000 with \$700,000 in write-offs, cover primarily EMS and utility billing, as well as library and magazine services, where payment is unlikely to be collected after extensive efforts. EMS charity care, a separate category, includes patients without insurance and allows the City to seek reimbursement from HHSC. City Manager Steve Williams emphasized that these adjustments comply with Generally Accepted Accounting Principles (GAAP) by removing uncollectible receivables from the balance sheet, while collection efforts may continue. Council discussed differences between standard EMS billing, charity care, and utility billing, noting that charity care has successfully generated over \$2 million in reimbursements over the past five years. Councilmember Westbrook confirmed understanding and noted that the total estimated write-offs, approximately \$2.5 million annually, are already factored into rate-setting and budget planning.

Mayor Rodriguez asked for a motion to approve Consent Agenda Item #4, Resolution 26-R-052.

Moved by Councilmember Allison Heyward, seconded by Councilmember Robert Westbrook

AYE: Mayor Pro Tem Mark Davis, Councilmember Paul Macaluso, Councilmember Ben Guerrero, Councilmember Robert Westbrook, Councilmember Allison Heyward, Councilmember Robert Sheridan

Other: Councilmember Michelle Watson (ABSENT)

Passed

Discussion and Action Items

- 6. Resolution 26-R-060** - Approval and Presentation of the 2026 Recipient of the Hal Baldwin Scholarship (S.Williams/S.Gonzalez) *Presentation to follow approval*

City Manager Steve Williams presented Resolution 26-R-060 to award the four scholarships under the Hal Baldwin Scholarship Program. Three of the recipients were in attendance for recognition at the meeting, while the fourth recipient, who had a scheduling conflict due to a band competition, will be recognized at the June 2nd meeting. Passage of the resolution was requested to formally approve the awards and proceed with the presentations.

Mayor Rodriguez asked for a motion to approve Resolution 26-R-060.

Moved by Mayor Pro Tem Mark Davis; seconded by Councilmember Allison Heyward.

AYE: Mayor Pro Tem Mark Davis, Councilmember Paul Macaluso, Councilmember Ben Guerrero, Councilmember Robert Westbrook, Councilmember Allison Heyward, Councilmember Robert Sheridan

Other: Councilmember Michelle Watson (ABSENT)

Passed

Following the vote, City Manager Steve Williams stated the Hal Baldwin Scholarship Program recognizes students for academic achievement, leadership, and commitment to public service. Three of the recipients were present at the meeting for recognition, while the fourth recipient, who had a scheduling conflict due to a band competition, will be recognized at the June 2nd meeting. Mr. Williams recognized the following recipients:

- Carli Moy was awarded the \$2,500 Hal Baldwin Scholarship. In her application, she stated, "To me, public service means giving back to my community and helping others whenever I can. This scholarship motivates me to continue serving and making a positive difference." Carli plans to attend Texas A&M University in the fall.
- Jordann Neskora was awarded a \$5,000 Hal Baldwin Scholarship. In her application, she stated, "Public service is about using my skills and time to support those in need and improve the lives of others. Receiving this scholarship encourages me to stay committed to that goal." Jordann plans to attend The University of Texas in the fall.
- Christopher Aikman was awarded a \$5,000 Hal Baldwin Scholarship. In his application, he stated, "Serving my community allows me to contribute to something bigger than myself. This award inspires me to keep looking for ways to make an impact." Christopher plans to attend Townsend University in the fall. After college, he plans to join the military to continue a family legacy of service to his country.

The fourth recipient will be formally recognized at the June 2nd meeting. Passage of the resolution was approved, officially awarding the scholarships and allowing the presentations to proceed.

7. Resolution 26-R-065 - Authorizing the fourth amendment to the southern plant wastewater services and funding agreement (S.Williams/B.James)

Mayor Rodriguez recognized Deputy City Manager Brian James who presented Resolution 26-R-065, which authorizes the fourth amendment to the Southern Plant Wastewater Services and Funding Agreement. The amendment addresses the Southern Plant, located near IH-10 off Cibolo Creek, which serves the southern area of the community. The original 2014 agreement with CCMA and the City of Cibolo outlined construction of a plant with a minimum 500,000-gallon daily capacity, including a phased cost-sharing structure depending on Cibolo's participation. With the City of Cibolo opting in, and the need for additional capacity in Schertz, discussions with CCMA indicated the

plant may have approximately 100,000 gallons of extra capacity. The amendment grants Schertz rights to this additional capacity and establishes a proportional payment structure, adjusting automatically as actual capacity is finalized. This ensures the City secures needed capacity while sharing costs fairly without requiring future amendments.

Mayor Rodriguez opened the floor to Council for discussion.

No discussion occurred.

Mayor Rodriguez asked for a motion to approve Resolution 26-R-065.

Moved by Mayor Pro Tem Mark Davis, seconded by Councilmember Allison Heyward

AYE: Mayor Pro Tem Mark Davis, Councilmember Paul Macaluso, Councilmember Ben Guerrero, Councilmember Robert Westbrook, Councilmember Allison Heyward, Councilmember Robert Sheridan

Other: Councilmember Michelle Watson (ABSENT)

Passed

Workshop

8. Workshop Regarding Sidewalk Gaps on Hubertus Road (B.James/K.Woodlee)

Mayor Rodriguez recognized City Engineer Kathy Woodlee who provided the workshop which addressed sidewalk gaps on Hubertus Road near local schools. On the west side, a private developer will build a 10-foot path as part of their project. On the east side, the city will construct a concrete sidewalk at the Randolph Brooks parcel and acquire a pedestrian easement to build a temporary asphalt path along a longer vacant parcel. Estimated costs for these improvements range from \$42,000 to \$100,000, with final costs subject to appraisals and council approval.

Mayor Rodriguez opened the floor to Council for discussion.

After discussion, the council expressed a strong preference to address sidewalk gaps on Hubertus Road as quickly as possible, particularly near the elementary school, to ensure student safety. While the west-side developer is required to build a sidewalk as part of their project, the council supported short-term solutions, including acquiring easements and installing temporary asphalt paths, to provide immediate safe access. The east-side gap at the Randolph Brooks parcel, which has no pending development, should also be constructed now using cost-effective, accessible methods. For the larger east-side vacant parcel, staff will pursue easement or right-of-way acquisition and may return to council for approval if eminent domain is required. Permanent concrete sidewalks will be installed as developments proceed. All actions are to be carried out efficiently, balancing safety, cost, and ongoing construction impacts.

Information available in City Council Packets - NO DISCUSSION TO OCCUR

9. Check Report - April 2026 (S.Gonzalez/J.Walters)

Requests and Announcements

- **Requests by Mayor and Councilmembers for updates or information from Staff**

Councilmember Westbrook requested a Workshop meeting on June 16, 2026, to discuss the Board, Committee, and Commission Liaison Assignment Process.

Councilmember Sheridan requested a Workshop meeting on water rights with CVLGC.

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

No requests by Mayor or Councilmembers that items or presentations be placed on a future City Council agenda.

- **City and Community Events attended and to be attended (Council)**

Councilmember Macaluso attended the Hal Baldwin Scholarship meeting, the Schertz Young Leaders graduation, Spec's Grand Opening, and the National Police Week Memorial.

Councilmember Guerrero attended the Schertz Young Leaders graduation ceremony, Spec's Grand Opening, and the National Police Week Memorial

Councilmember Westbrook attended the Schertz Young Leaders graduation ceremony and the Schertz Employee Appreciation Picnic.

Councilmember Heyward attended the Jersey Mike's ribbon cutting, the Schertz Young Leaders graduation ceremony, the National Police Week Memorial, and the Staff Appreciation Cookout.

Councilmember Sheridan attended National Police Week Memorial, Jersey Mike's ribbon cutting, tour of the Fire Department, and Schertz Young Leaders graduation ceremony. He gave a shutout to Msgt. Joe Salona, a Purple Heart recipient, on his retirement after 20 years of service in the US Army. He said it was a great honor to serve as the Master of Ceremonies for the event.

Mayor Rodriguez attended the Schertz Young Leaders graduation ceremony, Spec's Grand Opening, National Police Week Memorial, Employee Picnic, and provided a proclamation recognizing the nursing staff at the Silver Tree Nursing Home.

Adjournment

Mayor Rodriguez adjourned the meeting at 8:05 p.m.

Ralph Rodriguez, Mayor

ATTEST:

Sheila Edmondson, TRMC, City Secretary