D R A F T

MINUTES
CITY OF SCHERTZ AND CITY OF CIBOLO
JOINT COUNCIL WORKSHOP
October 22, 2026
6:30 P.M.

A Special Meeting was held with the the City of Schertz City Council and the City of Cibolo City Council on October 22, 2026, at 6:30 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 Michelle Watson; Councilmember Mark Davis; Councilmember Paul Macaluso; Councilmember Ben Guerrero; Councilmember Robert Westbrook; Councilmember Sarah Dietz; Councilmember Robert Sheridan

Staff present: City Manager Steve Williams; Deputy City Manager Brian James; City Secretary Sheila Edmondson

City of Cibolo City Council:
Mayor Kara Latimer; Councilmember Jeff McGlothlin - Place 1; Councilmember Randy Roberts - Councilmember Marrissa-Ellen Patterson Place 3; Councilmember Katie Cunningham- Place 4; Councilmember Norma Sanchez-Stephens - At-Large Place 5; Councilmember Donetta Roberts At-Large Place 6; Councilmember Summer Marie Brown - At-Large Place 7

Call to Order

- Mayor-City of Schertz Ralph Rodriguez called the special workshop to order at 6:61 pm. Mayor Rodriguez recognized that the City of Schertz City Council was all in attendance.
- Mayor-City of Cibolo Kara Latimer called the October 22, 2026, Joint Cibolo and Schertz Joint Council Workshop.

Opening Prayer and Pledges of Allegiance to the Flags of the United States and State of Texas. (City of Schertz Mayor Ralph Rodriguez)

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

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.

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.

Discussion by the Council of any item not on the agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to an inquiry, and/or a proposal to place the item on a future agenda. The presiding officer, during the Hearing of Residents portion of the agenda, will call on those persons who have signed up to speak in the order they have registered.

Ralph Gutierrez, 1016 Silver Tree-Spoke about the proposal to transfer valuable water rights to Green Valley SUD in exchange for extra wastewater capacity through CCMA. Mr. Gutierrez stated that Schertz and Cibolo invested 99 million dollars to increase capacity to 3 million gallons per day, with the offer of 125,000 gallons per day. He asked both councils to take a closer look at the water rights, the surplus, and what is necessary for the future.

Mayor Kara Latimer stated she had a letter from a Cibolo resident, and since our Hearing of Residents do not allow letters to be read during the Hearing of Residents, she cannot read the letter out loud. Mayor Latimer will send a copy to all of the Schertz Council.

Workshop

1. **Review the purpose of CVLGC according to the Articles of Incorporation**

   Cibolo City Manager Wayne Reed handed out a workshop packet that included the Articles of Incorporation. The purpose of the Local Government Corporation for Schertz and Cibolo is to assist, acquiring, constructing, leasing, improving, enlarging, extending, repairing, maintaining, and operating a water utility system. The purpose of this agenda was to set the stage and make sure the public is aware of the purpose of CVLGC.

   Cibolo Mayor Latimer reiterated that in aiding and assisting, receiving, holding, administering, and dispersing monies and security and in purchasing an exchange for lease. To convey all the things, including to borrow or raise money to issue notes, bills, bonds, and other obligations; to pledge or otherwise encumber the revenues and assets of the corporation as security thereafter for the purpose of carrying out the goals of the corporation.

2. Overview of the City of Cibolo and the City of Schertz Water Portfolios and Projected Future Water Needs

Deputy City Manager Brian James presented the City of Schertz with the projects for water needs and what we project our future needs will be. Schertz currently receives the bulk of their water from SSGLC. (Seguin Schertz Local Government Corporation). Schertz's Future Water Supply and Demand graph explained how much water we have through the various agreements and fields. For future growth, we will utilize existing sources first, as SSGLC has a plan to increase the permitting yield. The estimate is that by 2066 or 2070, Schertz would have exhausted the supplies. Expected growth would need approx. 2,500 acre-feet of water. The city does not provide water to our entire community. Water entities GVSUD and SAWS provide water to parts of the city that the city cannot reach. Worth noting is Mayor Latimer's information on how much the Conservation Districts might change the permitted yield. Changes from the Conservation Distructs would greatly affect the amounts of water cities could acquire.

Cibolo City Manager Wayne Reed stated that with the attention to CVLGC, this has inspired Cibolo to dig deeper and study all of our water contracts. How much each one is providing, and what are the terms for renewal? Cibolo consultant is analyzing our water needs with the zoning and future land use assumptions, and not just relying on the Texas Water Development Board's numbers. The Cibolo CCN Map is five square miles that is approx 5,112 acres. CM Reed believes that Cibolo will need approx.1000-1500+ acres to ensure that we can provide potable water that is safe and clean for their community.

Further discussions included raw water, potable water, yields, emergency back-up plans for acquiring water, and looking at the current and future water needs of both communities.

3. What are the Goals of Each City Regarding CVLGC and how can CVLGC support these Goals?

City of Schertz City Manager Steve Williams reviewed a summary from a City of Schertz City Council Meeting on October 13, 2026. The goal was to have the Council come to a consensus on: What are the Goals for CVLGC and How to Proceed with the Water Rights. There were six primary items in the summation from Council as follows:

1. Move in a direction in a timely manner so not to lose water rights due to inactivity.
2. Ensure Schertz is guaranteed it will have rights to the amount of water it needs in the future when it's needed and the excess can be used to structure a favorable deal.
3. Does not make sense for CVLGC to develop the water as that creates a situation where Schertz has 2 water corporations to support a duplication of costs and overhead.
4. Minimize the development costs placed on Schertz today while we're still play for infrastructure and capacity with SSLGC.
5. The benefits of partnering with an entity that already has an obligation to serve Schertz's residents and businesses and Schertz has an ongoing relationship with.
6. Seek a win-win scenario with the most benefit through how the partnership is structured.

CM Williams stated that Schertz wants to ensure that they are guaranteed to have water rights in the amount that they need in the future, any excess over that, they can use to make a deal. With the projections today with what they have available, Schertz we can provide water to the year 2025. Rate of development can increase or decrease accordingly and affect the projected numbers. Discussed water rights.

City of Cibolo Executive Director Bryan Hugghins stated at the October 13, 2026 CC meeting they asked three questions to Council about where they stand with CVLGC.
1. Do we find CVLGC's purpose to be beneficial to be contributing to the future water needs?
2. Does Cibolo retain the water rights for long-term sustainability?
3. In pursuing additional water needs, what would be the best and/or worst outcome of CVLGC asset and role?

Cibolo Exec. Director Hugghins explained that there are a lot of questions surrounding the two proposals. Both the City of Cibolo and City of Schertz have invested over 160 million dollars to get this project going. We need to evaluate what the structure looks like moving forward and what additional partnerships might bring. Both cites are reviewing all the information and formulating the right questions that will lead us to the right decisions.
For Cibolo, the overall consensus is in favor of retaining water rights, with how much water we will need is still being discussed.
As for the best/worst outcome of CVLGC assets and role that they play; the best outcome would to successfully permit and develop the water rights to meet our future needs. Identify partnerships that reduce the development costs and financial risks to CVLGC. Generate revenue from the water assets that Cibolo is not going to need. Schertz has permits to develop their own water, Cibolo has the contractual water with CRWA and other entities. Having permits to develop and having contractual water is not the same. We wish to establish a proactive strategy that balances future water needs and financial responsibilities.

4. What is the Framework of a Transaction to Sale or Lease the CVLGC Water Assets?

Mayor Rodriguez asked for more clarity of the framework the transaction to sell or lease as CVLGC water assets. Mayor Latimer added that both cities need to complete water studies and consult with their attorney.

5. Update and Timeline on CVLGC's Review of Offers

Mayor Rodriguez and Mayor Latimar agreed to go back and review their cities' water needs and follow up with Wildan and CVLGC.

Adjournment

- Mayor-City of Cibolo Kara Latimer
- Mayor-City of Schertz Ralph Rodriguez

Cibolo Councilmember Katie Cunninghamd made a motion to adjourn. Cibolo Councilmember

Donetta Roberts seconded the motion.
All Schertz and Cibolo Councilmembers said aye.

Mayor Rodriguez thanked the City of Cibolo for coming to tonight's discussion to discuss working on a unified decision for both cities.

Meeting adjourned at 8:50 pm.

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Ralph Rodriguez, Mayor

ATTEST:

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Sheila Edmondson, TRMC
City Secretary