



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes - Final City Council

Tuesday, May 29, 2018

6:00 PM

City Council Chambers

630 E. Hopkins

I. Call To Order

With a quorum present, the regular meeting of the San Marcos City Council was called to order by Mayor Thomaides at 6:31 p.m. Tuesday, May 29, 2018 in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Present: 7 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Deputy Mayor Pro Tem Scott Gregson, Council Member Melissa Derrick, Council Member Jane Hughson, Mayor John Thomaides and Council Member Ed Mihalkanin

III. Invocation

A moment of silence was observed. Mayor Thomaides asked that we remember the life of Mark Brinkley, former City of San Marcos Employee and to remember those lost in the school shooting at Santa Fe High School.

IV. Pledges Of Allegiance - United States And Texas

Mayor Thomaides led the assembly in the pledges of allegiance.

EXECUTIVE SESSION

1. Consider action, by motion, or provide direction to Staff regarding the following Executive Session item in accordance with Section §551.074 of the Texas Government Code: Personnel Matters - to discuss and provide Annual Appointee Evaluations to the City Manager and City Clerk, which took place during the May 29, 2018 Work Session at 3:00PM.

Council Members met in Executive Session to discuss appointee evaluations.

V. 30 Minute Citizen Comment Period

Sarah Simpson, spoke in honor of National Bike Month and expressed her appreciation to Council for initiating the application for bike friendly designation for the city. She expressed the benefits of a bikeable community. This application is an important step to take San Marcos a multimodal community. The community has a desire for a safer biking community and we

applaud you for your efforts.

Kevin Katz, spoke on Transportation Plan and the Craddock extension. Mr. Katz attended community meetings that discussed this extension and the rationale behind this appears to be due to the growth of Wimberley and the difficulty of traveling to I-35. The cost is a factor but also the ecological effects it could have on the springs and the resources of our community. Continual discussion of this topic makes it look like it is going to happen at some point. We need to understand if we want this or not. There is a large number of people that do not want this.

Dianne Wassenich, Representing the San Marcos River Foundation regarding the Craddock Extension. Maps were presented to council earlier in the week that summarizes all the dye testing that has been done in the last 20 years. If you allow this to be on the plan, the very next election the balance of council could shift and the road could be built very quickly. Take the time to listen to someone from EAA to answer your questions about dye tracing and the effects this extension could have on the community. In the future we will be asked why we didn't stop this. It could affect water quality and quantity. Please get the information you need from the experts.

Roland Saucedo, stated that as citizens we put hope and faith in Council. You have done a great job with bringing City Manager Bert Lumbreras to the community and he has done a great job in the short time he has been here. When we are frustrated, we lash out and say things through emotions and we need to strive to be better humans. We all make mistakes, but with the strife in the nation right now we really need to humble ourselves and ask for forgiveness and forgive others.

Don Eysson, spoke on the Craddock Extension and the La Cima rezoning. La Cima project was passed by a previous council and consistently citizens voted that their number one concern was the River. This project is located above the largest cave systems in Hays County. La Cima is behind schedule and they are asking for an additional 60 acres and this is premature. Please do not approve this rezoning at this time. It is on a recharge area and it is not necessary. Craddock is one of the same concerns, located over a sensitive area and it is critical we protect our river.

PRESENTATIONS

2. Receive a Staff presentation and update on City Facilities, and provide direction to the City Manager.

Steve Parker, Assistant City Manager, provided a update on City facilities and the voter approved Bond Projects which consist of Proposition 1 that includes the remodel and expansion of the Police Department, the relocation of Holland Fire Station #2, the construction of the 6th Fire Station to be located in Highpointe Trace Subdivision, and a Fire Training Facility. Proposition 2 includes the 27,000 Square Foot Remodel of existing Library and 29,000 Square Foot Addition to existing Library

Staff spoke on the various meetings held by Staff regarding these projects. The alternative delivery methods were discussed which include: Low Bid, Competitive sealed proposal, design build, construction manager at risk, and design build finance.

**Mr. Parker presented the projected timeline for each project:
Library and Police Projects first quarter of FY 2019
Fire Station #2 Relocation January 2019 possible construction start
Fire Training Facility early 2019 construction start
Trace Fire Station possible construction in 2020 or 2021**

**Staff recommended the following steps:
Proceed with hiring an experienced Project Management Firm, Proceed with the design of Fire Station 2 using the Competitive Sealed Proposal Methodology, Proceed with the Design Build RFQ for the Police and Library Bond Projects, Proceed with the Design Build Finance Methodology for the Public Services Maintenance Facility, Proceed with the formulation of a City Hall Development Plan that explores the Design Build Finance Delivery Method.**

Council consensus was to move forward with these recommendations.

- 3. Receive the 10-year Capital Improvements Plan, hold discussion, and provide direction to the City Manager.**

Laurie Moyer, Director of Engineering and CIP, introduced Kayla Foxworth and provided Council with the 10 year CIP Plan.

The four City funding sources include the General Fund, Drainage/Stormwater Fund, Electric Fund, and Water/Wastewater Funds. Mrs. Moyer explained the prioritization criteria and where we are in the process.

Departments submitted projects, reviewed projects, and bond project constraints, Planning & Zoning Commission provided recommendations, now council will discuss during Budget Process and approve projects for FY2019. Next steps include budget workshops and budget adoption including FY19 CIP projects.

Council has requested a future item or work session on the Capital Improvement Plan (CIP) as we have done in the past to fully discuss these projects.

CONSENT AGENDA

A motion was made by Deputy Mayor Pro Tem Gregson, seconded by Council Member Mihalkanin to approve the consent agenda with the exception of item 5 and 7, which were pulled and considered separately. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

4. Consider approval, by motion, of the following meeting Minutes:
 - A) May 15, 2018 - Work Session Minutes
 - B) May 15, 2018 - Regular Meeting Minutes
5. Consider approval of Ordinance 2018-15, on the second of two readings, amending the Official Zoning Map of the City by rezoning a 59.734 acre, more or less, tract of land in the La Cima Subdivision, located west of the intersection of Old Ranch Road 12 and Wonder World Drive, from "FD" Future Development District to "SF-4.5" Single-Family District; and including procedural provisions.

A motion was made by Deputy Mayor Pro Tem Gregson, seconded by Council Member Mihalkanin, to approve Ordinance 2018-15, on the second of two readings. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

6. Consider approval of Resolution 2018-81R, approving an Interlocal agreement regarding asset forfeitures within Comal County for the benefit of the Hays County Narcotics Task Force; authorizing the City Manager or his designee to execute the said agreement on behalf of the City and declaring an effective date.
7. Consider approval of Resolution 2018-82R, approving the award of a contract to Knight

Security Systems, Inc. for Water Tower and Lift Stations Surveillance and Access Systems, (#218-266) in the estimated purchase amount of \$110,994.96; authorizing the City Manager or his designee to execute the appropriate purchase documents on behalf of the City and declaring an effective date.

A motion was made by Deputy Mayor Pro Tem Gregson, seconded by Council Member Derrick, to approve Resolution 2018-82R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

8. Consider approval of Resolution 2018-83R, granting an easement to Pedernales Electric Cooperative, Inc. for the installation of Electric Utility Facilities to serve the San Marcos Regional Airport; authorizing the City Manager to execute the easement on behalf of the City; and declaring an effective date.
9. Consider approval of Resolution 2018-84R, approving the Interlocal Contract with the Texas Department of Information Resources ("DIR") so that the City may participate in DIRS Cooperative Purchase Program; authorizing the City Manager or his designee to execute the appropriate purchase documents on behalf of the City and declaring an effective date.

NON-CONSENT AGENDA

10. Discuss and consider appointments to the following Council Committees and the GSMP Board of Directors to fill a vacancy, and provide direction to Staff:
 - a) Joint Partnership Committee of the City Council, Hays County Commissioners, and San Marcos Consolidated Independent School District Board of Trustees (2 Council Members)
 - b) Transit Committee (3 Council Members)
 - c) Workforce Housing Committee (3 Council Members)
 - d) Rental Registration Council Committee (3 Council Members)
 - e) Greater San Marcos Partnership (GSMP) Board of Directors (1 Council Member to fill vacancy)
 - f) Student Housing Committee (1 Council Member to fill vacancy)

A motion was made by Council Member Mihalkanin, seconded by Deputy Mayor Pro Tem Gregson to appoint Council Member Gonzales and Mayor Thomaides to the Joint Partnership Committee of the City Council, Hays County Commissioners and San Marcos Consolidated Independent School District Board of Trustees.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaidēs and Council Member Mihalkanin

Against: 0

A motion was made to approve the appointment of Council Member Hughson, Mayor Pro Tem Prewitt, and Council Member Mihalkanin to serve on the Transit Committee.

The motion carried by the following vote.

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaidēs and Council Member Mihalkanin

Against: 0

A motion was made to approve the appointment of Mayor Thomaidēs, Mayor Pro Tem Prewitt, and Council Member Derrick to serve on the Workforce Housing Committee.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaidēs and Council Member Mihalkanin

Against: 0

A motion was made to approve the appointment of Deputy Mayor Pro Tem Gregson, Council Member Gonzales, and Council Member Derrick to serve on the Rental Registration Council Committee.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaidēs and Council Member Mihalkanin

Against: 0

A motion was made to approve the appointment of Council Member Mihalkanin to fill a vacancy on the Greater San Marcos Partnership (GSMP) Board of Directors.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaidēs and Council Member Mihalkanin

Against: 0

A motion was made to approve the appointment of Mayor Pro Tem Prewitt to fill a vacancy on the Student Housing Committee.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Deputy Mayor Pro Tem Gregson, Council Member Derrick, Council Member Hughson, Mayor Thomaides and Council Member Mihalkanin

Against: 0

11. Hold discussion regarding City Council's participation in the Cultural Arts District Designation efforts, and provide direction to the City Manager.

Discussion was held regarding the City's participation in the Cultural Art Districts. Council would like information related to current efforts by various organizations that may be requesting a Cultural Arts District designation. Council consensus was to not form a Council committee but allow the City Manager to begin the process and allow Mayor Pro Tem Prewitt and Council Member Derrick to attend meetings concerning these issues. A committee may be advantageous in the future, but at this time the City Manager and staff will begin the process.

12. Receive an update on CAMPO Regional Arterials Study and Craddock Extension and provide additional information as requested.

Council Member Hughson recused herself from discussion.

Laurie Moyer, Director of Engineering and CIP, provided a presentation regarding the Craddock extension.

Mrs. Moyer explained that the Craddock Extension would provide needed connectivity in northwest San Marcos, allows vehicles to bypass Downtown San Marcos to travel to IH 35 North, provide additional transportation capacity, and reduce congestion through downtown San Marcos.

CAMPOs recommendation to allow the Craddock Extension to remain in the plan because it reduces future congestion through City core and provides alternate access in case of disaster.

Staff recommends the Craddock Extension remain in the Thoroughfare Plan. There will be commitment to fully evaluate alternatives and address concerns, we will work with Hays County and CAMPO; and we will send the Transportation Master Plan through the Code SMTX process for approval which includes routing through the Planning and Zoning Commission, and

bring back for approval in the fall.

Council consensus was to remove this item from the June 5th meeting.

- 13. Receive a Staff presentation and update regarding the Fiscal Year 2018-2019 Budget, and provide direction to the City Manager.**

Heather Hurlbert, Finance Director, provided a presentation regarding the Fiscal Year 2018-2019 Budget.

Mayor Thomaides asked if staff could create a revenue and expense assumption. Mrs. Hurlbert stated this could be modeled out and given to Council.

Council Member Hughson requested the revenue trend graph include the net property tax increases for those who are receiving tax abatements. This will be created and presented to Council.

Council requested that the following language located on the Historical Growth of Property Tax and Incentive Rebates Slide be looked into and revised: In FY18 the growth percentages reverse resulting in less available funding capacity to cover growing base costs for the general fund.

The Loop FM 110 TRZ was discussed with the Original City Contribution being estimated at \$24M, CAMPO funding could reduce City Contribution to \$9M, Annual contribution in 2019 estimated at \$1.2M

The City and County are negotiating with TXDOT to reduce the annual contribution which could possibly eliminate the FM 110 TRZ. This would free up capacity for future economic incentives and would create greater financial capacity in the General Fund. Council consensus is to move forward with negotiations.

Homestead Exemption and Over 65 Freeze was discussed in detail. Mayor Thomaides suggested the City incorporate a \$5000 exemption for homeowners. Council Member Hughson suggested we wait until after budget discussions to determine where this money would come from to fund this exemption.

Mrs. Hurlbert discussed the cost drivers and allocations which include personnel, health insurance, software maintenance and licensing, and maintain operating capacity for Library, Fire Station #8, and Fire Training Field.

Discussion was held regarding personnel priorities. Council asked staff to look into funding a part time position in the City Clerk's office.

Funding expenses related to downtown through the Downtown TIRZ in FY2019 was discussed which include downtown cleaning and maintenance, sidewalks, landscaping, and maintenance position and supplies and drainage-downtown sweeping. Council asked staff to look at community enhancement funds to cover some of these costs. Staff will bring back information related to ways to fund these expenses.

Utilities revenue was discussed which include the following:

Electric - No rate adjustment recommended by the Citizen Utility Advisory Board

Water - 5% rate adjustment recommended by the Citizen Utility Advisory Board

Wastewater - 2% rate adjustment recommended by the Citizen Utility Advisory Board

Drainage - Rate study underway-further discussions prior to end of year and rate adjustment expected to be effective January 1, 2019.

Staff will bring back items regarding exemptions and look at different funding sources for CIP projects.

14. Hold a discussion on allocation of Best Buy generated revenue for fiscal year 2018, and provide direction to the City Manager.

Council provided direction to bring a budget amendment item for the Homebuyers Program to the June 19th City Council meeting.

VI. Question and Answer Session with Press and Public.

None.

VII. Adjournment.

Mayor Thomaidis adjourned the Regular Meeting of the San Marcos City Council Tuesday, May 29, 2018 @ 11:08 p.m.

Jamie Lee Case, TRMC, City Clerk

John Thomaidis, Mayor