



City of Seguin

210 E. Gonzales Street
Seguin TX, 78155

Meeting Minutes City Council

Tuesday, August 4, 2015

5:30 PM

Council Chambers

1. **Call to Order**
2. **Invocation - Council Member Phil Seidenberger**
3. **Pledge of Allegiance/Salute to the Texas Flag**
4. **Roll Call**

Present: 7 - Council Member Ernest Leal, Council Member Jeannette Crabb, Council Member Tomas V. Castellon, Council Member Fonda Mathis, Council Member Carlos Medrano, Council Member Donna Dodgen, and Council Member Mark Herbold

Presiding: 1 - Mayor Don Keil

Absent: 1 - Council Member Phil Seidenberger

5. **Hearing of Residents:**
Invitation to hear citizens and council members in advance of regular business on items other than what is on the agenda, which shall be limited to five (5) minutes. Discussion of any item not on the agenda shall be limited to 1) Statements of specific factual information given in response to any inquiry; 2) A recitation of existing policy in response to an inquiry; 3) A proposal to place the subject on the agenda for a future meeting.

Citizen Comments

Jack Jones, Director of Parks and Recreation invited everyone to attend the Michael Thomas Raetzsch Skatepark grand opening on Wednesday, August 5 from 5-7 pm.

6. **Presentation**

- a. [15-226](#)

Certificate of Recognition honoring Carmen DeLeon upon her retirement - Mayor Don Keil

Mayor Don Keil presented Carmen DeLeon a certificate of recognition upon her retirement.

- b. [15-240](#)

Update from on the re-opening of the Seguin Auxilary Airfield - Commander

12th Flying Wing

Colonel David S. Drichta, USAF

Commander, 12th Operations Group

He thanked Seguin for supporting the flight training that takes place at Randolph AFB. The touch and go site in Seguin helps with the training load of instructor pilots. He stated that he appreciated Seguin as being a good neighbor.

7. Consent Agenda

A motion was made by Council Member Dodgen, seconded by Council Member Castellon, that this be approved on the Consent Agenda. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

a. [15-230](#)

City Council Minutes 7-21-2015 REGULAR

The Minutes were approved.

b. [15-218](#)

Ordinance on second reading granting a Transmission and Distribution Electric Utility Franchise to the Guadalupe Valley Electric Cooperative, Inc. for a fifteen year term commencing on the effective date; containing various terms and conditions with regard to the grant of such franchise; containing a severability clause; providing for the repeal of any and all kinds of ordinances, regulations, rules, or policies that are in conflict with this ordinance; and providing an effective date

This Ordinance was adopted

Enactment No: ORD 2015-45

c. [15-219](#)

Ordinance on second reading authorizing the release and abandonment of 0.65 acres within the right-of-way of two unnamed streets located at Spring Hill #2 Addition, and declaring an effective date (PV 061715-01)

This Ordinance was adopted.

Enactment No: ORD 2015-46

8. Action Items - Discussion and Possible Motion to Approve

a. [15-227](#)

Considering all matters incident and related to the Board of Managers, Joint Guadalupe County-City of Seguin Hospital d/b/a Guadalupe Regional Medical Center preliminarily approving the issuance of revenue bonds to fund facility renovation, equipment, and the refinancing/refunding of the Board of

Managers, Joint Guadalupe County-City of Seguin Hospital FHA Insured Hospital Mortgage Revenue Bonds Series 2007; and other provisions in connection therewith, including the adoption of a resolution pertaining thereto - Robert Haynes, GRMC CEO

A motion was made by Council Member Dodgen, seconded by Council Member Leal, that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: RES 2015-80

b. [ZC 10-15](#)

Public Hearing and Ordinance on first reading to consider Zoning Changes from Pre-Development and Mixed Use to Commercial, Manufactured-Residential, Neighborhood Commercial, Public, and Single-Family Residential for properties located between Stockdale Highway and Sutherland Springs Rd. (ZC 10-15) - John Foreman, Assistant Director of Planning/Codes

The regular meeting was recessed and the public hearing was called to order.

Citizen Comments

No public comment at this time. The public hearing was adjourned and the regular meeting was reconvened.

A motion was made by Council Member Herbold, seconded by Council Member Mathis, that this Zoning Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-47

c. [ZC 11-15](#)

Public Hearing and Ordinance on first reading to consider Zoning Changes from Mixed Use to Commercial, Mobile Home Park, Neighborhood Commercial, Public, and Single-Family Residential for properties located in an area in the center of the City (ZC 11-15) - John Foreman, Assistant Director of Planning/Codes

The regular meeting was recessed and the public hearing was called to order.

Citizen Comments

No public comment at this time. The public hearing was adjourned and the regular meeting was reconvened.

A motion was made by Council Member Dodgen, seconded by Council Member

Crabb, that this Zoning Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-48

d. [ZC 12-15](#)

Public Hearing and Ordinance on first reading to consider Zoning Changes from Mixed Use to Commercial, Neighborhood Commercial, Public, and Single-Family Residential for properties located along N. Guadalupe, W. Cedar, W. Humphreys, N. Camp, and N. Bowie Streets, Approximately 10.64 acres (ZC 12-15) - John Foreman, Assistant Director of Planning/Codes

The regular meeting was recessed and the public hearing was called to order.

Citizen Comments

No public comment at this time. The public hearing was adjourned and the regular meeting was reconvened.

A motion was made by Council Member Dodgen, seconded by Council Member Crabb, that this Zoning Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-49

e. [ZC 13-15](#)

Public Hearing and Ordinance on first reading to consider a Zoning Change from Pre-Development to Public for the property located on Fred Byrd Rd., Abstract 6, H Branch Survey, approx. 16.7630 acres, Property ID 51191 (ZC 13-15) - John Foreman, Assistant Director of Planning/Codes

The regular meeting was recessed and the public hearing was called to order.

Citizen Comments

No public comment at this time. The public hearing was adjourned and the regular meeting was reconvened.

A motion was made by Council Member Medrano, seconded by Council Member Crabb, that this Zoning Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-50

f. [ZC 14-15](#)

Public Hearing and Ordinance on first reading to consider a Zoning Change from Single-Family Residential and Pre-Development to Light Industrial for the property located between N. Guadalupe St. & Eighth St., Abstract 6, H Branch Survey, Approx. 60.14 acres, Property ID's 51563 and 51121 (ZC 14-15) - John Foreman, Assistant Director of Planning/Codes

The regular meeting was recessed and the public hearing was called to order.

Citizen Comments

No public comment at this time. The public hearing was adjourned and the regular meeting was reconvened.

A motion was made by Council Member Medrano, seconded by Council Member Dodgen, that this Zoning Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-51

g. [15-237](#)

Resolution approving the submission of a GVEC Power UP Grant application for the purchase and installation of bike racks in downtown and community parks - Kyle Kramm, Main Street Program Director

A motion was made by Council Member Dodgen, seconded by Council Member Mathis, that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: RES 2015-81

h. [15-241](#)

Resolution authorizing the City Manager to enter into an Interlocal Agreement between the City of Seguin and Seguin Independent School District for the training and provision of a school guard crossing program; and declaring an effective date - Kevin Kelso, Police Chief

A motion was made by Council Member Crabb, seconded by Council Member Medrano, that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: RES 2015-82

i. [15-228](#)

Ordinance on first reading amending FY2015 General Fund Budget - Susan Caddell, Director of Finance

A motion was made by Council Member Dodgen, seconded by Council Member Mathis, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-52

j. [15-229](#)

Bid for a 2015 Truck for the Brush Department from Silsbee Ford through the BuyBoard - Twila Wood, Purchasing Manager

A motion was made by Council Member Medrano, seconded by Council Member Herbold, that this Action Item be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

k. [15-238](#)

Presentation and discussion on the Water and Wastewater Cost of Service Study - Rick Cortes, Assistant City Manager and Dan Jackson, Consultant

Notes on Proposed Water and Wastewater Rate Plan

- 1. Addition of third water rate block for residential to encourage conservation and minimize impact of rate proposal on low usage rate payers.*
- 2. Creation of an industrial wastewater class to include Tyson, Rio Nogales and Continental.*
- 3. Conversion of Springs Hill wastewater customers from flat rate to volume-based rate.*

He reviewed a proposed rate plan for Water and Wastewater with the council.

How will rate plan benefit Seguin?

- 1. Will it enable water and wastewater utility to be financially independent and self-sufficient?*
- 2. Will it ensure that ratepayers pay only what it costs to provide service to them?*
- 3. Will it enable the City to invest \$30 million in capital improvements in next five years?*
- 4. Will it encourage economic development opportunities?*

I. [15-232](#)

Ordinance on first reading amending the Seguin Code of Ordinances, Appendix C - Fee Schedule, Chapter 102, Article III, Water (f), (g), (h), (i), and (j); establishing revised rates for certain water services in the city; providing for an effective date and a severability clause; and authorizing staff to submit this ordinance as a supplement to the Seguin Code of Ordinances - Rick Cortes, Assistant City Manager

Citizen Comments

Name: Jeff Chadick, Operations Manager for Tysons

He shared their concern and was in opposition of the 10% increase for their commercial business.

A motion was made by Council Member Dodgen, seconded by Council Member Crabb, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Nay: 3 - Council Member Leal, Council Member Castellon, and Council Member Medrano

Aye: 4 - Council Member Crabb, Council Member Mathis, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD-53

m. [15-233](#)

Ordinance on first reading amending the Seguin Code of Ordinances, Appendix C - Fee Schedule, Chapter 102, Article IV, Wastewater (d), (e), (f), and (g); establishing revised rates for certain wastewater services in the city; providing for an effective date and a severability clause; providing for publication; and authorizing staff to submit this ordinance as a supplement to the Seguin Code of Ordinances - Rick Cortes, Assistant City Manager

A motion was made by Council Member Dodgen, seconded by Council Member Crabb, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Nay: 3 - Council Member Leal, Council Member Castellon, and Council Member Medrano

Aye: 4 - Council Member Crabb, Council Member Mathis, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-54

n. [15-234](#)

Resolution authorizing the City Manager to execute a Tenth Amendment to the Rio Nogales Water Supply Agreement between the City of Seguin and CPS Energy; and declaring an effective date - Rick Cortes, Assistant City Manager

A motion was made by Council Member Mathis, seconded by Council Member Dodgen, that this Resolution be approved. The motion carried by the following

vote:**Presiding:** 1 - Mayor Keil**Aye:** 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: RES 2015-83

o. [15-236](#)

Resolution of the City Council of the City of Seguin, Texas approving a Mutual Aid Agreement between the City of Seguin EMS Service and the City of New Berlin, Texas for provision of Emergency Medical Services to the City of New Berlin; authorizing the City Manager to execute this agreement on behalf of the City; and declaring an effective date - Dale Skinner, Fire/EMS Chief

A motion was made by Council Member Castellon, seconded by Council Member Leal, that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Keil**Aye:** 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: RES 2015-84

9. Acknowledgment of Bills**a.** [15-243](#)

Check Report - 7/11/2015 through 7/24/2015

*The bills were acknowledged.***10. Executive Session****a.** [15-105](#)

Deliberate pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in accordance with Section 551.071, of the Texas Government Code - Andy Quittner, City Attorney

The regular meeting was recessed and the council went into Executive Session at 7:10 pm. The regular meeting reconvened at 7:42 pm.

11. Action Item - Discussion and Possible Motion to Approve**a.** [15-239](#)

Ordinance on first reading amending FY2015 Utility Fund Budget - Susan

Caddell, Director of Finance

A motion was made by Council Member Medrano, seconded by Council Member Dodgen, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-55

b. [15-231](#)

Ordinance on first reading amending the Seguin Code of Ordinances, Appendix C - Fee Schedule, Chapters 18, 46, 50, 66, 74, and 82; providing for a severability clause; declaring an effective date; and authorizing city staff to submit this Ordinance as a supplement to the Seguin Code of Ordinances - Andy Quittner, City Attorney

A motion was made by Council Member Dodgen, seconded by Council Member Mathis, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Keil

Aye: 7 - Council Member Leal, Council Member Crabb, Council Member Castellon, Council Member Mathis, Council Member Medrano, Council Member Dodgen, and Council Member Herbold

Enactment No: ORD 2015-56

12. Adjournment from Regular Meeting

There being no further business before the council the meeting adjourned at 7:45 pm.

13. WORKSHOP

The City Council entered into a workshop at 7:50 pm

a. 15-235

Presentation of the FY2016 Budget - Doug Faseler, City Manager and Susan Caddell, Director of Finance
 General Fund
 Debt Service
 Special Revenue
 Utility Fund

Susan Caddell, Finance Director and City Manager, Doug Faseler provided the council with an overview of the proposed budget for 2015-2016.

**GENERAL FUND
 INCREASES IN REVENUE**

- *Sales Tax \$440,000 (based upon current year activity)
- *Property Tax Revenue (\$380,511 based upon increases in value)
- *Miscellaneous Violations (350,000 based upon current year activity)
- *GVEC Franchise Tax (\$140,000 based upon new franchise agreement)

INCREASES IN EXPENDITURES

- *Salaries and benefits-\$1,736,020
- 2% COLA,
- additional positions:Crime Prevention Officer, Firefighter/Paramedic, Planning Building Inspector, Public Works/Engineering, Fulltime Library staff...circulation manager, library clerks (2), library assistant, youth services assistant, part-time library staff...4 library clerks and 1 shelver
- increase in retirement from 15.51% to 17.05%)
- *Solid Waste Contract (due to increase in number of customers)
- *Indigent Health Care (represents an increase of 5.2%)
- *Electric, Water, Sewer & L&I Maintenance -Grounds-Parks-\$69,200 (due to the addition of Park West)
- *Buildings, Maintenance, Facilities-\$23,250 (Due to increased maintenance needs of City Facilities)
- *Electric, Water, Sewer, Gas-Centerpoint-Library-\$19,700 (Due to addition of new library)

UTILITY FUND

INCREASES IN REVENUE

- *Water Revenue-\$1,194,829 (Based upon recommended rate adjustments from the water study)
- *Sewer Revenue-\$429,650 (based upon recommended rate adjustment from the water study)

INCREASES IN EXPENDITURES

- *Salaries & Benefits \$899,480
- *Transfers to Utility & I&S Fund \$728,347(due to issuance of 2014 Utility Revenue Bonds and using available fund balance in the Utility I&S Fund in 2015
- *Indirect Cost Allocation-\$400,000 (based upon FY2014 audit results
- *Water purchased- \$200,000 (due to anticipated increase in customers in FY16)
- *Transformers-Electric Distribution-\$50,000 (due to increased customer growth)

- *Meters-utility services-\$31,000 (due to increased customer growth)
- *Electric-Walnut Branch WWTP-\$30,000 (due to increased consumption)

DECREASES IN EXPENDITURES

- *Wholesale Power Costs-\$1,127,703 (due to settlement of LCRA lawsuit and competitive rates negotiated within the CPS Energy Contract. The new 7 1/2 yr contract with CPS Energy starts June 2016.
- *Attorney Fees-City Attorney-\$175,000 (due to settlement of LCRA lawsuit)

HIGHLIGHTS of the discussion were:

- *Review of General & Utility Fund Capital Equipment
- *General & Utility Fund Capital Improvement Projects Multi-year program
- *Street/Highway Drainage Projects

PROPERTY TAX RATE information was provided by Finance Director, Susan Caddell

- *Property Tax Revenue Increase
- Effective Rate is \$.5256

- *Current Tax rate is \$.5244*
- *Recommending the effective tax rate of \$.5256.....a \$.0012 increase*
- *Rate is above the current rate due to new property and new improvements are not included in effective tax rate calculation*
- *This rate will increase taxes on the average home \$1.55 per year*
- *Adoption of effective tax rate does not trigger the requirement for tax rate public hearings or additional tax rate legal ads*

DEBT SERVICE TAX RATE BUYDOWN

- *A fund balance exists in the General Interest and Sinking Fund due to collecting more taxes from the I&S rate than budgeted over the past fiscal years*
- *Recommending to buy down the I&S rate by \$400,000 allowing more of the recommended tax rate of \$.5256 to go towards maintenance and operations.*
- *In FY2015, used \$450,000 of the I&S Fund Balance to buy down the I&S rate.*

14. Adjournment

There being no further business before the council the meeting adjourned at 8:48 pm.

Don Keil, Mayor

Thalia Patlan Stautzenberger, City Secretary