

City of Seguin

210 E. Gonzales Street Seguin TX, 78155

Meeting Minutes

City Council

Tuesday, January 7, 2025 5:30 PM Council Chambers

Public & Virtual

1. Call to Order

Mayor Dodgen called the meeting to order at 5:30 P.M.

- 2. <u>Invocation Bishop Tim Bird, The Church of Jesus Christ of Latter Day Saints</u>
- 3. Pledge of Allegiance/Salute to the Texas Flag
- 4. Roll Call

Present: 7 - Councilmember Joe Rea, Councilmember David Eveld, Councilmember Jim

Lievens, Councilmember John Carlsson, Councilmember Monica N. Carter,

Councilmember Bill Keller, and Councilmember Jason Biesenbach

Presiding: 1 - Mayor Donna Dodgen

Absent: 1 - Councilmember Paul Gaytan

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. Due to the Open Meetings Act discussions on matters not on the agenda are not allowed, therefore discussion 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; 4) For the record, please state your name and address before speaking.

Julian Leal, 849 Prexy Dr., declared that inauguration is near and stated that he hoped the power would be used in a manor that will help citizens of the USA.

City Manager Steve Parker announced Economic Development Director Josh Schneuker has been named to the San Antonio Business Journal's 2025 Texas 100 list and gave him kudos for the accomplishment. The Texas 100 highlights impactful Texans who will likely make headlines in the coming year, spanning industries like tech, real estate, sports, and economic development.

Mayor Dodgen informed that Army veteran and retired Seguin Police Department Lt. Jerry Don Hernandez passed away recently and asked that everyone keeps his family in their thoughts and prayers. She also acknowledged Fire/EMS Captain Cade Zunker for receiving his Bachelor of Science in Fire Administration from Texas A&M in San Antonio, Fire/EMS Lieutenant Joseph Blahnik for receiving his Masters in Public Administration from University of Texas - Arlington, and Administrative Tech Murphy Barker for receiving his Associates in General Studies from the University of Maryland. She stated that the City of Seguin has excellent staff and is doing great things to help move the City forward.

6. Consent Agenda

C.

d.

A motion was made by Councilmember Keller, seconded by Councilmember Rea, that the following Consent Agenda items be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens, Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

a. Minutes of the December 17, 2024 City Council Regular Meeting.

Indexes:

This Minutes were approved.

b. Check Report December 14, 2024 through January 3, 2025.

Indexes:

The Check Report was acknowledged.

Board and/or Committee Appointments - Mayor Donna Dodgen

- a. Building & Standards
- b. CTTC
- c. Main Street
- d. Library Foundation

Indexes:

This Action Item was approved.

Resolution awarding four FIX-IT Facade grants for downtown projects. - Kyle Kramm, Main Street & CVB Director/HPO.

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-001

e. Resolution authorizing the purchase of six pad mount transformers in various sizes for replacement inventory and upcoming projects by the Utilities Department; and declaring an effective date. - Adam Ryals, Utility Warehouse Superintendent

Indexes:

f.

g.

h.

i.

j.

This Resolution was approved.

Enactment No: RES 2025R-002

Resolution authorizing the submission of a grant application in response to the Texas Department of Transportation's 2025 Transportation Alternatives Set-Aside (TA) Call for Projects for the King Street (FM 466) Safety Improvements. - Melissa Reynolds, PE, CFM, MPA, Director of Engineering & Capital Projects

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-003

Resolution authorizing the submission of a grant application in response to the Texas Department of Transportation's 2025 Transportation Alternatives Set-Aside (TA) Call for Projects for the US 90, SH 46 Safety Improvements. - Melissa Reynolds, PE, CFM, MPA, Director of Engineering & Capital Projects

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-004

Resolution authorizing the submission of a National Endowment for the Humanities grant application for the Preservation Assistance Grant for Smaller Institutions program. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-005

Resolution authorizing the submission of a General Victim Assistance Grant application to fund crime victim assistance. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-006

Resolution authorizing the submission of a Victim Coordinator and Liaison Grant application to support the Seguin Police Department's Crime Victim Liaison position. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-007

k. Resolution authorizing the submission of a State and Local Cybersecurity
Grant Program - Mitigation Projects application to support the
Information Technology department's efforts to implement security

protections. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-008

Resolution authorizing the submission of a State Homeland Security - Regular grant application to provide the Police Department with equipment to improve their capabilities to collect DNA evidence. - Kate McCloud, Grants Administrator

Indexes:

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This Resolution was approved.

Enactment No: RES 2025R-009

Resolution authorizing the submission of a State Homeland Security - LETPA grant application to fund multi-key encryption for the Seguin Police Department and Fire Department's portable and mobile radio units. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-010

Resolution authorizing the submission of a State Crisis Intervention Grant application to fund an additional Mental Health Police Officer position, a police car for this position, and a conference attendance for all SPD Mental Health Police Officers. - Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-011

Resolution authorizing the submission of a Rifle Resistant Body Armor grant application to fund 8 rifle-resistant vests for Seguin Police Officers.

- Kate McCloud, Grants Administrator

Indexes:

This Resolution was approved.

Enactment No: RES 2025R-012

Resolution authorizing the submission of a Criminal Justice Grant application to fund a database to capture, analyze, and share intelligence on organized crime and gang related activity. - Kate McCloud, Grants Administrator

Indexes:

p.

a.

This Resolution was approved.

Enactment No: RES 2025R-013

7. Action Items - Discussion and Possible Motion to Approve

Ordinance authorizing the issuance of "City of Seguin, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025"; providing for the payment of said certificates by the levy of an Ad Valorem Tax upon all taxable property within the city and further securing said certificates by a lien on and pledge of the pledged revenues of the system; delegating the authority of certain City officials and staff to approve and execute certain documents relating to the sale of the certificates; authorizing execution of any necessary engagement agreement with the City's financial advisors; and providing an effective date. - Susan Caddell, Finance Director

Indexes:

Duane Westerman, with SAMCO Capital Markets, introduced himself and Matt Lee, Bond Counsel with Norton, Rose, and Fullbright. Mr. Westerman explained that this is the second and concluding action of City Council to complete the process of issuing Certificates of Obligations. He reviewed that Certificates of Obligations are one of the methods that cities have to issue debt to fund capital projects. The debt is secured by the city's authority to levy a property tax.

Mr. Westerman gave an overview of the timeline for this issuance, stating that tonight's approval would delegate the approval of the final terms and conditions of the Bond sale, subject to certain stated parameters. The parameters for this authorization are: a maximum principal amount of \$144,600,000, a maximum maturity date of September 1, 2061, and a maximum interest rate of 6.00%. Mr. Westerman presented a list of the General Fund and Utility Fund projects to be funded, and stated that the General Obligation Project portion of the bond proceeds is \$41,000,000, while the Utility System Project portion is \$103,500,000.

The pricing and sale of the bond will occur next week and closing will be scheduled for mid-February.

Councilmember Lievens asked how often do bond terms go that far out. Mr. Westerman answered that it is not uncommon at all for terms to be that long, especially in fast growing cities that need utility system improvements.

A motion was made by Councilmember Lievens, seconded by Councilmember

Biesenbach, that this Ordinance be adopted. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,

Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Enactment No: ORD 2025-001

Ordinance on first reading amending the Fiscal Year 2025 Special Revenue Fund Budget of the City of Seguin, Texas. - Susan Caddell, Director of Finance

Indexes:

b.

C.

Finance Director Susan Caddell explained that budget amendments are needed for two projects. Strempel Road preliminary engineering is needed in order to prepare for an AAMPO project call. In addition, some site work is needed to prepare for the downtown restrooms. The cost of the sitework exceeded what was budgeted. The additional funding is from interest earnings and additional funds remaining from the completed ARPA projects.

A motion was made by Councilmember Biesenbach, seconded by Councilmember Carter, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,

Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Ordinance on first reading to consider amendments to the City of Seguin's Unified Development Code Section 2.16 to amend the requirements and process for a variance to the distance requirements for businesses that sell alcoholic beverages. - Pamela Centeno, Director of Planning and Codes

Indexes:

Director of Planning and Codes Pamela Centeno explained that the Texas Alcoholic Beverage Code allows the City to set distance requirements between businesses that sell alcoholic beverages and nearby churches, schools, and public hospitals. The City's current ordinance needs to be updated to reflect the State's recent change in how the distance is to be measured between the business and nearby facilities. While the distance requirements are adopted din the Code of Ordinances, the variance process for the distance requirements are adopted in the Unified Development Code (UDC). Mrs. Centeno stated that staff is proposing that the ordinance be amended to allow package stores, including liquor stores to apply for a variance. Additionally, staff is proposing that the requirement for letters of support from affected churches, schools, and hospitals be removed, but to allow for written comment responses or input at the public hearing.

Mayor Dodgen opened the Public Hearing at 5:50 P.M. There being no public comment, Mayor Dodgen closed the Public Hearing at 5:50 P.M.

Councilmember Carlsson asked how many businesses will be affected by the proposed changes and Mrs. Centeno replied that the changes would only affect future businesses and does not impact businesses currently operating.

A motion was made by Councilmember Rea, seconded by Councilmember Eveld, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,
Councilmember Carlsson, Councilmember Carter, Councilmember Keller,
and Councilmember Biesenbach

Ordinance on first reading to consider amendments to the Seguin Code of Ordinances, Section 6-2, Alcoholic Beverages, Sale near Church, School or Hospital, to update the measurement methods in accordance with the Texas Alcoholic Beverage Code. - Pamela Centeno, Director of Planning and Codes

Indexes:

Mayor Dodgen opened the Public Hearing at 5:52 P.M.

There being no public comment, Mayor Dodgen closed the Public Hearing at 5:52 P.M.

A motion was made by Councilmember Biesenbach, seconded by Councilmember Keller, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,
Councilmember Carlsson, Councilmember Carter, Councilmember Keller,
and Councilmember Biesenbach

Ordinance on first reading to consider a zoning change from Agricultural Ranch (AR) and Public (P) to Neighborhood Commercial (NC) for the property located at Huber Rd., Property ID: 51283 and 51187, (ZC 15-24). - Pamela Centeno, Director of Planning & Codes

Indexes:

Director of Planning and Codes Pamela Centeno informed that this zoning change request is for property located on Huber Rd, north of IH-10. The property is undeveloped at this time and the property owner is requesting a zoning change to Neighborhood Commercial (NC). She said that the Future Land Use plan supports neighborhood commercial land uses in this district. Mrs. Centeno informed that the Planning and Zoning Commission voted to recommend approval of this zoning change request at their December 10, 2024 meeting.

Mayor Dodgen opened the Public Hearing at 5:54 P.M.

There being no public comment, Mayor Dodgen closed the Public Hearing at 5:54 P.M.

A motion was made by Councilmember Keller, seconded by Councilmember

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d.

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

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,
Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Ordinance on first reading to consider amendments to the City of Seguin's Unified Development Code Section 3.4.3 Land Use Matrix and Definitions, to add "Outdoor Entertainment Venues (Large and Small)" as a new use. - Pamela Centeno, Director of Planning and Codes

Indexes:

Director of Planning and Codes Pamela Centeno reminded that this item was tabled at a previous City Council meeting and staff was directed to provide examples of occupant loads for existing establishments in Seguin that have outdoor areas that could be utilizes as outdoor entertainment venues. Per the proposed ordinance, large venues have an occupancy of 150 or more while small venues occupancy of less than 150.

Mrs. Centeno provided the occupancy loads of the outdoor areas for eleven bars and restaurants currently operating in the city limits. Of the 11 examples, 6 would have been classified as small venues while the other 5 would fall under the definition of a large venue.

A motion was made by Councilmember Biesenbach, seconded by Councilmember Lievens, that this Ordinance be approved on first reading. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,
Councilmember Carlsson, Councilmember Carter, Councilmember Keller,
and Councilmember Biesenbach

Resolution authorizing the City Manager to enter into an agreement with Sullivan Contracting Services, a Choice Partners purchasing cooperative member, for the site preparation and site work for the downtown restrooms being installed in Central Park in the amount of \$136,809.57. - Kyle Kramm, Main Street & CVB Director/HPO.

Indexes:

Main Street and CVB Director Kyle Kramm explained to prepare for the arrival of the downtown restroom, the site will need to be prepped by extending utilities, site grading, ADA access, a site permit, and compaction of the soil at the site. The proposal for all necessary site work was submitted by Sullivan Contracting Services in the amount of \$136,809.57. This project is funded with ARPA funds, as described in the budget adjustment approved earlier this meeting.

A motion was made by Councilmember Rea, seconded by Councilmember Carlsson, that this Resolution be approved. The motion carried by the following vote:

g.

f.

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens, Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Enactment No: RES 2025R-014

Resolution authorizing the City Manager to execute a Contract Amendment to the Professional Services Agreement with Trihydro Corporation in the amount of \$47,014 for subsurface utility engineering related to the relocation of the Love's Force Main necessitated by TxDOT's IH-10 Project; and declaring an effective date. - Melissa Reynolds, PE, CFM, MPA, Director of Engineering & Capital Projects

Indexes:

Director of Engineering and Capital Projects Melissa Reynolds explained that the Love's Force Main Relocation project is necessitated by TxDOT's expansion of IH-10 from US 90A to FM 464. This contract amendment to the Professional Services Agreement with Trihydro Corporation in the amount of \$47,014 is needed for subsurface utility engineering related to the relocation of the force main due to its proximity to a CPS Energy natural gas main.

A motion was made by Councilmember Eveld, seconded by Councilmember Keller, that this Action Item be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens,
Councilmember Carlsson, Councilmember Carter, Councilmember Keller,
and Councilmember Biesenbach

Resolution of the City Council of the City of Seguin, Texas awarding a bid in the amount of \$2,906,995.95 to Ranger Excavating, LP for the Walnut Branch GLO Phase II Drainage Project (a GLO CDBG-MIT Grant Project); authorizing the City Manager to enter into a construction contract with Ranger Excavating, LP; and declaring an effective date. - Melissa Reynolds, PE, CFM, MPA, Director of Engineering & Capital Projects

Indexes:

Director of Engineering and Capital Projects Melissa Reynolds reminded that the City of Seguin was awarded a grant from the General Land Office for flood mitigation and infrastructure improvements. This resolution is to award the construction contract for Walnut Branch Phase II Drainage Project. For this project, the City received 11 sealed bids. After a bid tab analysis, City Staff recommends that the project be awarded to Ranger Excavating, LP in the amount of \$2,906,995.95.

A motion was made by Councilmember Lievens, seconded by Councilmember Rea, that this Resolution be approved. The motion carried by the following vote:

h.

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens, Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Enactment No: RES 2025R-016

Resolution of the City Council of the City of Seguin, Texas authorizing the City Manager to enter into a professional services agreement in the amount of \$74,888 with Halff & Associates, Inc. for the Strempel Road Preliminary Engineering Study and Report; and declaring an effective date. - Melissa Reynolds, PE, MPA, CFM, Director of Engineering & Capital Projects

Indexes:

j.

a.

Director of Engineering and Capital Projects Melissa Reynolds informed that Strempel Road has been identified as a candidate for funding through the Surface Transportation Block Grant. The proposed preliminary engineering report will supplement the City's project submittal due on March 1, 2025. Most of the Right-of-Way for this project is already dedicated or planned for dedication.

Mayor Dodgen commented that it is imperative to get projects close to shovel ready so that the City can be eligible for the AAMPO grants.

A motion was made that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Aye: 7 - Councilmember Rea, Councilmember Eveld, Councilmember Lievens, Councilmember Carlsson, Councilmember Carter, Councilmember Keller,

and Councilmember Biesenbach

Enactment No: RES 2025R-017

8. Adjourn the Regular City Council Meeting and Convene the Seguin Public Finance Corporation

Mayor Dodgen adjourned the City Council Regular Meeeting and convened the Seguin Public Finance Corporation meeting at 6:16 P.M.

Resolution inducing the Lily Springs Apartments in partnership with the Lightpath Corporation, to be located at approximately the Northeast Corner of Cordova Road and Hlghway 46; and authorizing the execution of a term sheet; and authorizing an agreement with Navarro Independent School District regarding revenue sharing from the project; and other matters in connection therewith. - Steve Parker, City Manager

Indexes:

City Manager Steve Parker stated that after the PFC item was voted down at the City Council meeting in December, several councilmembers came to him to provide more information about the PFC process, what the revenue sharing was, and how the City

could help to make Navarro ISD more whole.

Mr. Parker reminded that although the PFC agreement consists of an abatement, it would still provide a revenue stream through rental payments. The City had agreed to give two-thirds of the revenue to the school district. Additionally, the City would receive payments any time the development is sold, the first sale the City would receive 15% of net profits, and 2% of gross proceeds on any additional sale. He said that they ran some financial performas that found if the property sold 4 times over a period of 40 years, the City would actually have \$5.9M more than it would if the property was on the tax roll for 40 years. He opined that this is only product out there financing this type of development, Class A, workforce housing. 50% of units would be at market rate, 40% would be at 60% AMI, and 10% would be at 80% AMI. Additionally, it was discussed that if the City was to allocate the 15% of net profits from the first sale of the development to Navarro ISD, they would be in the positive about \$11,000 by the end of the 40 year period.

Mr. Parker reminded that there has been discussion about another PFC operating in Seguin. By the City's PFC participating in the project, the City would be in better control and could ensure revenue is coming to the City of Seguin and Navarro ISD instead of to another PFC.

Councilmember Biesenbach said the original 75-year term was one of his big concerns, as well as the school district not being made whole. He was glad that it was negotiated to a 50 year term. As the terms are now, the financial projections are better and was one of their big concerns, glad to negotiate 50 years. He said with the current terms the projections show the school district to do much better and he knows that workforce housing is needed.

Mayor Donna Dodgen agreed that the revenue streams are available and will be utilized.

Councilmember Carlsson explained that his relucatory was that the City Council nro the City would have oversite or control. Mr. Parker replied that the PFC Board is the City Council and there are terms in the agreement that allows for the City to ensure that the project is a Class A project and there are clawbacks in the agreement if terms are not met by the developer.

Councilmember Eveld stated that he was new to City Council when this item was initially discussed a month ago. He asked for the item to be tabled so that he had more time to reviewed and he was told it could not be tabled because the developer needed an answer. Mr. Parker replied that the developer was able to get his financial investors to grant an extension. Councilmember Eveld asked how this item could come back to City Council for consideration again. Mayor Dodgen answered that it was requested by a councilmember to be reconsidered. Mr. Parker added that the terms of the agreement have changed since the last consideration.

Councilmember Eveld voiced that he has concerns related to the experience of the developer and the hypothetical sale numbers.

Councilmember Carlson asked if City Council approves the item tonight if there is still negotiating allowed? Summer Greathouse, partner at Bracewell, answered that negotiations will still be allowed as what is being considered is the Memorandum of Understanding, the skeleton of the agreement. The final terms and agreement will be brought back to City Council at a future meeting.

Councilmember Eveld said that he doesn't like the idea of being the first one to try something, and this would make Seguin the first one to share revenue. Mr. Parker explained that the sharing revenue is a good thing to be first in, as it is the City saying they will give the money they could have kept for itself to the school district and explained the revenue sharing chart.

Councilmember Lievens reminded that there are other governmental entities, other PFCs, pirating properties outside of their jurisdictions and taking the revenue opportunity from the school and city that the property is located in. He thanked Mr. Kirk for coming back to the City for another opportunity to consider this item instead of reaching out to another PFC.

Mayor Pro Tem Carter agreed with Councilmember Lievens and said she was grateful that this item is being reconsidered.

Councilmember Eveld asked if this process can be done any time someone wants to develop an apartment. Mr. Parker answered that if it is a workforce housing project and the criteria in the law then the answer is yes.

City Attorney Mark Kennedy stated that the belief is that this loophole of other PFCs making purchases outside of their own jurisdiction may be closed at this coming legislative session.

Mrs. Greathouse said if the City would like to adopt a resolution supporting that change in legislation that is something her office could assist with doing.

Mr. Parker informed that he has met with Texas State Rep. Alan Schoolcraft and he intends to make it an issue and work to close the loophole.

A motion was made by Councilmember Lievens, seconded by Councilmember Carlsson, that this Resolution be approved. The motion carried by the following vote:

Presiding: 1 - Mayor Dodgen

Nay: 1 - Councilmember Eveld

Aye: 6 - Councilmember Rea, Councilmember Lievens, Councilmember Carlsson,

Councilmember Carter, Councilmember Keller, and Councilmember

Biesenbach

Enactment No: RES 2025R-0018

9. Adjourn the Seguin Public Finance Corporation and Reconvene the Regular City Council Meeting

Mayor Dodgen adjourned the Seguin Public Finance Corporation and reconvened the City Council Regular Meeting at 6:49 P.M.

10. Adjournment

Mayor Dodgen adjourned the meeting at 6:49 P.M.

Donna Dodgen, Mayor

ATTEST:

Kristin Mueller, City Secretary