

**CITY OF CASTROVILLE CITY COUNCIL  
REGULAR CALLED COUNCIL MEETING  
1209 Fiorella  
City Council Chambers  
March 11, 2025  
Tuesday  
5:30 P.M.  
MINUTES**

**I. CALL TO ORDER**

Mayor Schroeder announced Councilmember Merz would be late arriving, and to make a quorum the meeting would be delayed.

Mayor Darrin Schroeder called the meeting to order at 5:50 p.m.

**II. ROLL CALL**

Present:

Mayor Darrin Schroeder	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Phil King	Jim Kohler, Police Chief
Councilmember David Merz	Jonah Chang, Parks and Recreation Director

Absent:

Councilmember Paul Carey

Others in Attendance:

Paul Wendland, Attorney, DNRBS&Z

**III. PLEDGE OF ALLEIGENCE**

**IV. INVOCATION**

Pastor Max Mendiola, of the Discovery Church gave the invocation.

**V. CITIZENS COMMENTS**

*The City Council will hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual council members or staff; stand at the podium, speak clearly into the microphone, and state your name and residential address before speaking. Speakers will be allowed a maximum of 3 minutes for testimony. Speakers making personal, impertinent, profane, or slanderous remarks will be given one warning before losing the privilege to speak or may be removed from the room. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.*

Bob Lee, 1314 Gentilz, spoke on the MVB License Agreement saying it should be pulled for more discussion. Mr. Lee felt the contract did not address payment to the city as it did in the past, the maintenance on the well, paying sales tax, and the possibility of subleasing the fields to others.

Houston Marchman, 1616 San Jacinto, spoke on some citizens serving on multiple boards. Mr. Marchman said at the recent Fiorella Friday event there had been a booth on volunteering for city boards and commissions with very good results. Mr. Marchman said there had been approximately 30 people interested in serving on the city boards.

Tammy Alexander, 516 Vienna, spoke on the mayor's report and wanted to hear more on the subject of improving the cost of utilities for the citizens. Ms. Alexander said she did not feel SB15 would effect the city due to the population.

## VI. CONSENT AGENDA

- a. Minutes for March 11, 2025 Regular Called Meeting
- b. Accept and approve grant resolution on TruNarc drug testing instrument through the Federal Justice Assistance Grant
- c. Consider and take appropriate action on the approval of the MVYBA License Agreement for 2024-2027
- d. Accept 2024 Racial Profiling Report: This report has already been submitted to the Texas Commission on Law Enforcement
- e. Approve a contract with Schaumburg & Polk for engineering services
- f. Adopt a resolution authorizing the Mayor, City Administrator, and Director of Finance as signatory authority for USDA forms related to the Community Center Project

Mayor Schroeder wished to pull off 6A. Minutes due to the incorrect date listed, move 8a. Presentations to 11b. Discussion and action and move up 11a. Appointment of a representative for District 5 up after 7a Proclamations. Councilmember Martinez requested 6c MVYBA License Agreement and 6e Contract with Schaumburg & Polk Engineering services be removed for further discussion.

**A motion was made by Councilmember King and duly seconded by Councilmember Merz to approve Items B, D, and F under the consent agenda. A vote was made (3:0 all ayes) the motion carried by all present.**

Councilmember Martinez asked about 6c. the MVYBA agreement and making sure they pay sales tax or were they a 501C organization. Ms. Martinez asked if the association could sublease the fields to others and was showing to remove all equipment from property if the lease was terminated. City Administrator Dixon said they could as they had exclusive rights to the property. Councilmember King thought council had discussed last time when the lease came up and he thought they were a 501C organization. Mr. King said he was not in favor of the agreement if they were not. Mr. Dixon said he would go back and review the language and check on the organization's tax status. Ms. Martinez recommended adding the organizations status to the contract so there would be no confusion for future councils.

**A motion was made by Councilmember Martinez to table the item until future research was conducted. Motion died from a lack of a second.**

**A motion was made by Councilmember King and duly seconded by Councilmember Merz to approve with clarification of the organization being a 501C; include nonprofit language and removal of all equipment with termination of agreement. A vote was taken (2 ayes: 1 nay(Martinez) the motion carried by a majority vote.**

Councilmember Martinez asked on Item 6e if there were penalties to the city for leaving KFrieese Engineers. City Administrator Dixon said the city was not leaving KFrieese but adding this engineering firm to help with plan reviews. Mr. Dixon said there had been time lag on plan reviews and had looked at using KSA Engineering but it would be a conflict of interest as most of the plans were submitted by Pape-Dawson and KSA Engineering was now part of Pape-Dawson. Mr. Dixon said the city currently did business with KFrieese Engineers, KSA Engineering, Schnider Engineering and RESPEC Engineers. Mr. Dixon said he was also tasking this new company, if approved, to look at the water loss for the city.

**A motion was made by Councilmember Martinez and duly seconded by Councilmember King to enter into a contract with Schaumburg & Polk for engineering services. A vote was taken (3:0 all ayes) the motion carried by all present.**

## **VII. PROCLAMATIONS**

### **a. Proclamations recognizing the outstanding accomplishments of Mr. Jonah Winkler and Miss Juliana Herrera**

Mayor Schroeder recognized Jonah Winkler and Juliana Herrera for their accomplishments and being named Junior Boy and Girl of the Year by the Chamber of Commerce. Mayor Schroeder read a proclamation for each declaring them Mayor for the day on March 11, 2025. Both Mr. Winkler and Ms. Herrera were present for the presentation and pictures.

## **XI. DISCUSSION AND ACTION ITEMS**

### **a. Discuss and take appropriate action to appoint a person to the unexpired term of Councilman Herb Dyer of District 5**

Mayor Schroeder spoke on district 5 seat being open and the need for representation. Robert Lee was to be sworn in as the elected official in May but there was a need to have representation for the district before the May 3<sup>rd</sup> election.

**A motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to appoint Robert Lee to the open seat of District 5. A vote was taken (3:0 all ayes) the motion carried by all present.**

Mayor Schroeder proceeded to administer the oath of office to Robert Lee and Mr. Lee then took his seat as the District 5 representative.

## **VIII. PRESENTATIONS**

### **a. Accept and approve resolution through the Texas Department of Emergency Management for a generator (MOVED TO 11B)**

**IX. MAYOR'S REPORT**

- a. **Announcement of upcoming meeting to discuss ways for citizens to save money. Details will be in the Newsletter in the Utility Bill**
- b. **SB15 is new legislation proposed to reduce a city's ability to regulate lot size and density. While the language suggests the goal is to increase affordable housing, the actual impact of this affects small towns like Castroville - preferring developers over citizens. Testimony heard on 3/10/2025**

Mayor Schroeder spoke on there being an hour long discussion at the Landmark Inn on March 26<sup>th</sup> at 6:30 p.m. to alert citizens of ways to save money on utilities and understanding property taxes. Mayor Schroeder said there would be more information coming in the city newsletter. Mayor Schroeder spoke on SB15 and agreed with Ms. Alexander the bill would not affect the city at its current population but it could in the future. Mayor Schroeder said past legislature had changed the city's authority in the ETJ and this would also be watched.

**X. CITY COUNCIL LIAISON REPORTS**

**Airport Advisory Board** - March 3, 2025 – Councilmember Martinez

**Library Advisory Board** - No February meeting

**Historic Landmark Commission** - February 18, 2025 - Councilmember King

**Parks and Recreation Advisory Board** - February 19, 2025 – Councilmember Merz

**Planning and Zoning Commission** - February 12, 2025 - Councilmember Carey

Councilmember Merz reported to city council on the February 19<sup>th</sup> Parks and Rec Board meeting. Mr. Merz said the members discussed the GAGA Board Pit project, the progress on the Community Center, work on the Splash Pad, Soccer Fields and concerns on the ponds and dam at the wastewater treatment plant.

Councilmember King reported there were five cases submitted for HLC to reviewed for Certificate of Appropriateness and four were approved with changes and one submitted by the St. Louis Church was denied for an electronic sign.

Councilmember Martinez reported on Arnie Dollase meeting with Representative Tony Gonzales and Medina Valley ISD on an aircraft maintenance program. The Airport Manager Mike Haley was now full time: utility poles had been removed; looking at an FAA Grant for fencing and a new sign had been mounted. Ms. Martinez said the Air Force was in the process of changing airspace and they were looking to move west. Airport Manager Haley was working on a draft environmental assessment. Ms. Martinez said this was a large scope on training.

Mayor Schroeder spoke on updates to the community center would be in the newsletter and staff had attended a meeting in Seguin regarding the project the previous week and they were moving forward with the project. Councilmember Lee noted there was not a liaison for Library or P & Z and volunteered to be the Library liaison.

**XI. DISCUSSION AND ACTION ITEMS**

- b. **Accept and approve resolution through the Texas Department of Emergency Management for a generator** (MOVED from 8a.)

City Administrator Scott Dixon briefed the city council on the police department having the opportunity to go for a grant to purchase a generator to supply emergency power to the police department. Police Chief Kohler said the current generator was not in working condition and this opportunity would not cost the city anything other than upfront costs as this grant allowed reimbursement back to the city. Chief Kohler said he hoped they got the grant the second time around. Chief Kohler thanked Councilmember Lee for providing the manual for the generator. Councilmember Lee said the current generator was a military generator and having the book on that model did help as they did not have one previously. City Administrator Dixon said the city council could look at this size of generator for the new facility during the CIP discussions. Councilmember Martinez asked how much would a generator that size power up. Chief Kohler said it would provide power for the whole building. Councilmember Lee said staff needed to look at a maintenance agreement related to diesel when they installed one.

**A motion was made by Councilmember Martinez and duly seconded by Councilmember King to approve a resolution for the Hazard Mitigation Grant Program under FEMA for a new police department generator. A vote was taken (4:0 all ayes) the motion carried by all present.**

c. **Applications for open Board and Commissions positions**

City Secretary Debra Howe briefed the city council on the applications the city had received for the open board positions. Ms. Howe said the city had received three applications for the Library Advisory Board and one application for the Planning and Zoning Commission. Applicants Bertha Benedetti, Michelle Estrada and Julieanna Renner-Ramirez were interested in the Library Board and Melanie Knous wished to be considered for the Planning and Zoning Commission. Ms. Howe said Bertha Benedetti and Michelle Estrada, and Melanie Knous were present to introduce themselves. Ms. Benedetti introduced herself and said she was a retired English Language, Arts, Reading teacher and would love to be part of the Library Board and felt her love of reading, and being part of the book club, would help bring out more reading in the community. Ms. Estrada introduced herself and said she was retired military and gave a brief history on how she came to live in Castroville saying she had become friends with Charlie Suehs through civil service in California. Ms. Estrada said she heard so much about Castroville from Mr. Suehs she had to come visit and then moved there. Ms. Estrada said she too was an avid reader and had worked in the Library area and would like to serve in the city. Melanie Knous introduced herself and said she had lived in Castroville for five years and had extensive knowledge of working with cities having been a business owner, served on Heart of Scottsville Board and was experienced in grant writing on State and Federal levels. Ms. Knous said she was also involved with Medina County Women for Good, the Chamber of Commerce and was the first woman on the building and grounds committee at her church and wanted to serve the city. Ms. Howe said she would reach out to Ms. Renner-Ramirez and see if she could attend the next meeting.

**A motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to appoint Bertha Benedetti to the Library Advisory full board position #2 with a term ending in 2026 and Michelle Estrada to Library alternate board position #1 with a term ending in 2026. Appoint Melanie Knous to Planning and Zoning alternate position #1 with a term ending in 2025. A vote was taken (4:0 all ayes) the motion carried by all present.**

**d. Discuss and take appropriate action regarding design build approach to City Hall as discussed by McKinstry**

McKinstry Senior Account Manager Gabriela Fierro spoke with the city council on the company she was associated with and what they could do for the city on the remodeling project for City Hall. Mayor Schroeder said the city was trying to do what was best to maintain the building. Ms. Fierro said her company worked with small municipalities, had worked on the Medina County Court House project and understood the limited funding for these projects. Ms. Fierro provided a slide presentation and City Administrator Dixon spoke briefly on the history of the building and the past updates to the building on the windows and roof. Mr. Dixon spoke on the current plans submitted for consideration to the state for approval. Ms. Fierro said she had spoken with the Texas Historic Commission's representative and they wanted to have the city keep the window seals and expansion. Ms. Fierro provided details on a design and a team from Texas would be assigned to the project. Ms. Fierro said she would work with others to get creative funding, possible grants, or low-interest loans working with the city's financial advisors. Ms. Fierro said the streamline approach of a design build they would be the responsible party and would work with the city on Owner Project Criteria, the Preliminary Service Agreement for schematic designs and the design build proposal for the construction of the project. Ms. Fierro said this type of process sped up project delivery, construction speed, lower unit cost, less change orders/cost increases and less schedule delays. City Administrator Dixon said the city had already spent approximately \$80,000 on the project and could the information of structural soundness and ground testing be used for cost savings. Ms. Fierro said they could be and would look at incorporating. Ms. Fierro said they had looked at cost savings on the utilities and the city could save through solar options and look at ways to reduce water usage. Councilmember King asked about a presentation given at the Economic Development Corporation meeting on available funding for this project. Mayor Schroeder said the information provided had been more for private projects. City Administrator Dixon said there was the option of working with the USDA for funding.

Mayor Schroeder recessed the meeting at 7:34 p.m. for a short break.  
Mayor Schroeder reconvened in open session at 7:42 p.m.

Discussion continued with Councilmember Merz saying he would be leery of federal funding with all that was happening with the government. Councilmember Martinez said she liked seeing all of the options and felt it was a good idea. Ms. Fierro said they could also put multiple buildings together for the procurement process. City Administrator Dixon told the city council staff could go out for Design Build RFQ, if directed. Mayor Schroeder asked about costs and Mr. Dixon said none at this time other than city attorney review.

**A motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to approve city staff to let a Request for Qualifications for the remodel of city hall.**

Discussion continued before a vote was taken. Councilmember King asked if the city had to go out for proposals for professional services. Ms. Fierro said no professional services were a different process. Mr. King recommended the other members of council become educated first on the design build process. Councilmember Martinez made an amendment to her first motion and Councilmember Merz agreed.

**An amended motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to direct staff to bring back a presentation on Pros and Cons of different options for the city hall remodel project before the RFQ was let for proposals. A vote was taken (4:0 all ayes) the motion carried by all present.**

**e. Presentation on municipal budgeting methodologies and discuss the FY25-26 budget process**

Finance Director Leroy Vidales briefed the city council with a presentation on budgeting methodologies and what the city was currently using. Mr. Vidales said the city had used for years the traditional line item budget system but wanted to provide options if the city council wanted something different. Mr. Vidales spoke briefly on other budget programs available consisting of a Performance – based or Zero – based. There was based budgeting, capital budgeting, incremental budgeting, rolling budgeting, and priority based budgeting. Mr. Vidales said the city used a hybrid budget that included line-item, incremental and capital budgeting. City Administrator Dixon said a survey was being prepared to be sent out to citizens to get input on what they wish to see when the city council was reviewing the CIP priority list. Councilmember Lee asked how the survey would be provided. Mr. Dixon said they had missed the newsletter deadline and it would be on the website but may use Info to get the word out and they wanted citizens to answer the whole survey. Councilmember Martinez asked if commercial businesses would be able to participate. Mr. Dixon said everyone should be able to fill out. Mr. Vidales continued with grant tracking practices with charts saying the spike in funds in 2022 was from the AARPA funds received. Mr. Vidales said the city’s audit for 2024 was complete and would be presented at the next council meeting. Mr. Vidales said the audited numbers showed the city only decreased by \$3800.00. Councilmember Merz pointed out the charts were not zeroed out and started with 4,000,000 he asked for a correction. Councilmember Lee asked about the number of days the city had in reserves. Mr. Dixon said the required amount was 120 days but the total was 365 days with utilities. Mr. Lee also asked if the city was adding employees in the budget for the gas system. Mr. Dixon said they were adding one position – a supervisor with the street crew members being duly trained on maintenance. Councilmember Lee asked if the overage on budgeted vs actual expenditures had been an oversight or had they been unknown costs. Mr. Vidales said they tried to track and would bring back amendments to the budget each year for the city council to approve. Mr. Lee recommended putting in tracking measures. Councilmember Merz said during approval of the budget, the budget had not been balanced in the utility budget the last few years due to expenditures. City Administrator Dixon said this was correct and the city needed new customers to keep the rates down and be able to issue debt. Councilmember King said he noticed after Mr. Dixon came to the city spending had decreased with better improvements. Councilmember Lee said historically some of the utilities did not support themselves. Mr. Dixon said that had changed and they were now self- supporting, an example given was sewer rates had increased in last few years to whole. Mr. Lee was concerned even though new developments were required to bring water rights would they still put the city in a water shortage. Mr. Dixon said the city council could look at cutting departments and services, or raise taxes, look at fund reserves and put to use but this would be questions for how they wish to proceed for 2025. Councilmember Lee liked the current process showing transparency and able to adjust accordingly. Councilmember Merz was not in favor of tax increases but a poll he took of neighbors brought to light they would be in favor of an increase if tied to a service improvement such as street improvements. Mr. Merz said the budget was online but citizens

were unclear of what the budget was used for and would like to see more explanation of what used for and cost similar to program budgeting. Mr. Merz said it should reflect regular maintenance on infrastructure annually and use. Mr. Merz said he did not see in going to a performance based budget but should have a conversation on what could be done or removed. Councilmember Martinez asked for a department breakdown of projects and manpower for each year to get a better understanding. Mr. Dixon said he would be bringing a presentation on forecasting for next year. Councilmember Martinez asked when they would be reviewing the CIP projects and Mr. Dixon said it would be May as he wanted the survey completed for the city council to see what the citizens felt was important and in conjunction with the budget.

**XII. Discussion on Future Agenda Items**

1. Councilmember Merz – Upcoming Joint meeting with Planning and Zoning on March 17<sup>th</sup> and update on scheduling of a Staff update with Parks and Rec Board and council on dams and ponds. Mr. Dixon said he was working with the engineers still.
2. Request on a report on procurement methods.
3. Mayor Schroeder – street markings were faded on turning lanes on Karm streets and entrance on to Hwy 90. Send a list of streets to Mr. Dixon.
4. Keep Park Board informed on new developments and review policy on how to carry out and best leverage of the Parks Board.
5. Accept resignation of district 2 and appointment to fill open seat.
6. Facilitate council workshop – later in summer.

**XIII. Adjourn**

Mayor Schroeder adjourned the meeting at 9:11 p.m.

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Mayor

ATTEST:

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City Secretary