

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING**

1209 Fiorella

City Council Chambers

September 24, 2024

Tuesday

5:30 P.M.

MINUTES

I. CALL TO ORDER

Mayor Darrin Schroeder called the meeting to order at 5:30 p.m.

II. ROLL CALL

Present:

Mayor Darrin Schroeder

Scott Dixon, City Administrator

Mayor Pro Tem Sheena Martinez

Debra Howe, City Secretary

Councilmember Paul Carey

Jim Kohler, Police Chief

Councilmember David Merz

John Gomez, Public Works Director

Absent:

Councilmember Phil King

Councilmember Herb Dyer

Others in Attendance:

Lloyd Newton, attending attorney, Denton, Navaro, Rocha, Bernal & Zech

III. PLEDGE OF ALLEIGENCE

IV. INVOCATION

Pastor Terry Ballard, Calvery Community Church gave the invocation.

V. CITZENS 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.

Bruce Alexander, 516 Vienna, spoke on the different fees shown on the utility bills. Mr. Alexander said the drainage fee shown had been assessed to pay for drainage projects bonds that should have been paid off by now. Mr. Alexander said he hoped the collected fees would go toward new projects. Mr. Alexander went through the EAA fees, pass through fees for sewer, gas, and electric. Mr. Alexander thanked the city

council for keeping the same tax rate and he felt the city could regulate and allow off-road vehicles such as ATV's, and UTV's on public streets, requiring off-road license plates.

Tammy Alexander, 516 Vienna, spoke on the recent Code Rodeo meetings and was not in favor of proposed additional accessory structures allowed in the UDO. Ms. Alexander felt this would allow multi-family if two dwellings were allowed with separate services on a lot and needed to be looked at closer.

VI. CONSENT AGENDA

a. Minutes for September 10, 2024 Regular Called City Council Meeting.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Carey to approve the consent agenda. A vote was taken (3 ayes: 0 nays) the motion carried by all present.

Mayor Schroeder recessed the meeting for a brief break at 5:41 p.m. due to technical issues.
Mayor Schroeder reconvened in open session at 5:50 p.m. (there was no audio on the livestream)

VII. CITY ADMINISTRATOR'S REPORT:

- a. Gas Operations update
- b. CPS Wholesale Electric Negotiations
- c. Regional Park Community Center Project
- d. WWTP Dams and Ponds
- e. Agenda Management Software
- f. Regional Park Irrigation
- g. Library Certification Lapse
- h. Future Capital Planning

VIII. Consider, review, and take appropriate on applications submitted for open city board and commissions positions (City Secretary Debra Howe)

City Secretary Debra Howe briefed the city council on the applications the city had received for positions on the Historic Landmark Commission (HLC) and the Parks and Recreation Advisory Board. Ms. Howe said the city council had received the applications at the last meeting three being current members – Jeff Gardner, Kyle McVay and Doug DeMino and two new applicants – Mary King and Lori Marchman. Ms. Howe said the city had received one application from Steve Dauphin for a position on the Parks and Recreation board. Both Mr. Dauphin and Ms. Marchman was present at this meeting to introduce themselves. Ms. Marchman said she currently attended the meetings as her husband was on the board and she had a background in historic preservation being a retired teacher of geology at Weatherford College. Ms. Marchman said she had worked on an archaeology find in Castroville before moving to the city.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Carey to reappoint Doug DeMino (#2), Kyle McVay (#3), Jeff Gardner (#4) to a full board position and Lori Marchman to Alternate #2 position for two-year terms ending 2026. A vote was (2 ayes: 1 nay (Merz)) the motion carried by a majority vote.

Councilmember Merz asked if it was a conflict for three members of the HLC, Priscilla Garrett, Jeff Gardner, and Kyle McVay also served on the Planning and Zoning Commission. Attorney Newton said it was not a conflict if the members were not in a paid position. Steve Dauphin spoke on his application for a position on the parks board, saying he had lived by Lions Park for several years and his children growing up in Castroville. Mr. Dauphin wished to give back to the community and wanted to serve on the Parks Board. **A motion was made by Councilmember Carey and duly seconded by Councilmember Martinez to appoint Steve Dauphin to Alternate #2 for a term two-year term ending in 2026. A vote was taken (3 ayes: 0 nays) the motion carried by all present.**

IX. Receive update and provide direction regarding the Castroville Comprehensive Plan and Unified Development Ordinance regarding land use and development standards by Simplecity
(Matt Lewis, Simplecity Design)

Zack Lewis, of Simplecity Design, briefed the city council on the progress of the Comprehensive Plan and the UDO ordinance regarding the land use and development standards. Mr. Lewis provided a brief presentation on the comprehensive plan with a proposed zoning translation table, Place Type map and definitions of the translated districts. Mr. Lewis said the information he was providing was on-line and encouraged citizens to review and submit their comments. Councilmember Merz noted typo's under P3M definition on manufactured homes and the map showing a few individual lots sprinkled through out with mobile homes noted. Mr. Merz verified in P4 zone there were no 12,000 sq.ft. lots shown. Mayor Schroeder said they were still working on the draft and there were some properties missing. Mayor Schroeder said a form was on the website to provide information if a property was incorrectly identified. There was a QR Code provided and this information was located at city hall and it was suggested to add links to emails. Councilmember Martinez said she did not see the historic commercial district shown and felt if it was an overlay it could cause confusion. City Council discussed notices on zone changes being sent out to the citizens. Ms. Martinez said they should include a notice that the historic district was an overlay feature. Mayor Schroeder said he invited questions as that opened up communications. Mayor Schroeder said the timeline shown was a guideline and they would take as much time as needed with final confirmation from the Historic Commission. Mayor Schroeder said they would update and release with a map. Councilmember Merz asked If the current PUD's would be affected by the changes in designations as RA-1 would go away. City Administrator Dixon said he had asked about the underlaying zoning at the past evening meeting related to the current PUD's. Mr. Dixon said another suggestion was to have underlying zones for civic properties, i.e. city, church and Landmark Inn.

Jenny Andermatt, 1201 Alamo, said she had concerns with the P4 Neighborhood Commercial encroaching into P3 Historic Residential. Mayor Schroeder asked her to provide this feedback so that her concerns could be noted.

Bruce Alexander, 516 Vienna, said he felt there were mixed messages being sent out on the timeline for completion with the draft going to Planning and Zoning then City council and adopt by December. The timeline was closer to June 2025.

Tami Alexander, 516 Vienna, spoke her concerns with the UDO now proposing 12,000 ft. lots instead of the one-third of an acre they had now. Ms. Alexander saw the wording in the UDO allowing additional

structures and a developer could divide the lots just like the recent proposal next to her home. She wanted the lots to go back to a third of an acre. Mr. Lewis said they could put in 12,005 sq. ft. to address the concerns of dividing lots.

Valarie Jungman, 218 Alvina, suggested putting the streets on the maps and removing the zones. Ms. Jungman spoke again on the rumor of the sale of the public works property and pointed out the property had a historic building on the property and felt the citizens should get a vote on what should be done with the property.

Mike Holzhaus, 514 Washington, spoke on attending several of the public meetings on the Comp plan and UDO project. Mr. Holzhaus said he had a problem with understanding the vision and changes. He agreed with Councilmember Martinez that the process was causing confusion. Mr. Holzhaus said as far as commenting there are some residents that do not have or use emails and need more ways of communications. Mayor Schroeder said that was why they have held several public meetings and a walk about to see what they were trying to do. Mr. Holzhaus said it was a very short walk/talk and felt the amount of money the city was paying Simplecity they should not be putting out confusing information. Mayor Schroeder stressed to Mr. Holzhaus the city was committed to working with the citizens and would go as slow as necessary to get the changes right.

Houston Marchman, 1616 San Jacinto, asked about the dark blue shown as 3,000 sq. ft. lots scattered around the city. Mr. Lewis said that these could be changed if the city council wanted. Mayor Schroeder said he didn't want to have clusters together, better to spread out. Mayor Schroeder said they were trying to be sure and have protection in place for the future.

Bruce Alexander, 516 Vienna, said with the writing of the UDO ordinance they were trying to protect the city from developers. Mayor Schroeder agreed and asked that they look at this document closely. Councilmember Martinez pointed out the Airport property was shown as green but should be peach in the color coding. Mr. Lewis said they would make that change.

Richard Baes, 304 Paris, said in looking at the map his property was shown in the pink but the older home across from his was not shown the same. Mr. Baes asked if the comments would be answered from this meeting. Mayor Schroeder said no he had to come to the meetings or go to the QR Code provided. Mr. Baes said he would like to see a comment form provided to turn in. Councilmember Martinez said they needed to look at the best way to get feedback to the citizens to close that gap. The timelines shown were dependent on comment period and community engagement process. It was noted to change Houston Square and show as purple.

Mr. Lewis spoke on the ADU Policy being a challenge, as Castroville was a unique town. Mr. Lewis said this policy was a draft with accessory structures allowed. Mayor Schroeder said they wanted to protect against multiple structures on one lot. Mr. Lewis said they could go by lot coverage percentage/lot coverage allowed.

Bruce Alexander, 516 Vienna, spoke on his own property, if going by this proposal he could have at 40% coverage two 1500 sq ft. dwellings with a 400 sq. ft. accessory building. Mr. Lewis said they could limit percentage or square footage. Mayor Schroeder said they needed to come up with options to prevent abuse of the policy. Councilmember Merz did not think the city council should put a limit of one to an area as it could cause others to go out and do one. City Administrator Dixon said he would need to check on the Fairing Housing regulations to see if any of this would be a violation.

Tami Alexander, 516 Vienna, asked if the city could stop developers from buying multiple lots. The city did not have the authority to regulate purchasing of private property.

Mr. Alexander said it was a good start and he thought the city should slow down and look ordinances from other entities on compatibility with primary structures. Mayor Schroeder said some restrictions could become issues of property rights. Mayor Schroeder suggested reaching out to state representatives with their concerns on the state reducing cities authorities. Mr. Lewis said he would go back and research and look at ordinance and include options in the ADU. He moved on to the short-term rentals being allowed and included control with residential usage. The recommendation was to be owner occupied and to include a definition on number of days considered as short-term. Councilmember Merz asked if P4 & P5 would allow hotels. Mr. Lewis said he would double check but he felt P4 did allow. Mr. Lewis said the Special Use Policy was changing with the buildings not the business. Mr. Lewis said recommendation was on the use type. Mr. Lewis said it became difficult when a new business started up and would make it easier if based on buildings and easier to regulate. Mayor Schroeder asked about addressing off-loading large trucks and noise issues. Mr. Lewis said it would be part of the Specific Use Permitting process. Councilmember Carey reported short-term rentals were for less than 30 days. Mr. Lewis said they would be looking for more details on what they, the city council wanted. Mr. Dixon said most of what was being discussed was addressed in new development agreements. Mr. Lewis said they would have steps in the UDO. Councilmember Martinez suggested hyperlinks to the sections; council wanted research of laws and provide options on ADU allowance; and Specific Use Permits based on structures in the codes.

X. Consider and take appropriate action on adopting an Ordinance amending the FY 24 Annual Budget (Leroy Vidales, Finance Director)

City Administrator Scott Dixon briefed the city council on the 1.4 million approved by the city council throughout FY24. Mr. Dixon said there was a list of expenditures with the largest amount being the Community Center Building Project Funding. Mr. Dixon said the city council had agreed to setting aside \$450,000 with some of the funds spent. Councilmember Martinez asked about the additional amount for the VC3 and was the city getting good service with the recent/current issues with the livestream. Mr. Dixon said the city was paying more but they had helped with better security. Councilmember Merz asked if there would be any surplus this year. Mr. Dixon said not this year, but if the Community Building was out, then yes approximately \$300,000. Mr. Dixon said the next years' audited numbers would have the city in the black. **A motion was made by Councilmember Carey and duly seconded by Councilmember Merz to adopt an ordinance amending the FY24 Annual Budget. A vote was taken (3:0 all ayes) the motion carried by all present.**

XI. Consider and take appropriate action on recommended changes to the 2024-2026 Medina Valley Youth Baseball Association contract (Jonah Chang, Parks Director)

Parks Director Jonah Chang briefed the city council on the updated MVBBA contract. Mr. Chang said the current contract was ending in October and they were making recommendations to include the association pay for their water usage and have a two-year contract. Mr. Chang said he had reached out to the association twice and if approved, he would contact after the meeting. Mayor Schroeder said previously the city council had not entered into a long-term contract due to land options. Mr. Chang said the cost to the association based on current usage would be \$9200. City Administrator Dixon said the Soccer Association pays to use the fields and the baseball association should pay their way. Councilmember Carey said they were only using

half their water allotment and that was a large number. Mayor Schroeder said they just wanted to be fair and equitable. Councilmember Merz asked if they were keeping the same otherwise. Mr. Change said the contract would be the same with the exception of payment for water usage.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to approve the 2024-2026 Medina Valley Youth Baseball Association contract with stipulation of payment for water usage. A vote was taken (3:0 all ayes) the motion carried by all present.

XII. Consider and take appropriate action on approving a Professional Service Agreement with Texas Regulatory Consultants (John Gomez, Public Works Director/Scott Dixon City Administrator)

Public Works Director John Gomez briefed the city council on the next three items pertaining to the outcome of voting to keep the gas system. Mr. Gomez said this agreement with Texas Regulatory Consultants would be to help with operations, maintenance and training including regulatory requirements. Mr. Gomez said this contract was not for leak repairs or engineering. Mayor Schroeder said this was a good stop gap.

A motion was made by Councilmember Carey and duly seconded by Councilmember Martinez to approve a professional service agreement with Texas Regulatory Consultants. A vote was taken (3:0 all ayes) the motion carried by all present.

XIII. Consider and take appropriate action on approving a professional services contract with Simon Pena, SRP & Associates LLC for Owner Representative Operations Management services (John Gomez, Public Works Director/Scott Dixon, City Administrator)

Public Works Director John Gomez briefed the city council on the contract with Simon Pena to be the owners representative. Mr. Gomez said Mr. Pena had helped the city for the last several years and wanted to have him under contract to provide services for the city. City Administrator Dixon said he would bill at an hourly rate with an estimate of \$15,000 per year. Mr. Pena would help with compliance and the annual audit of the gas system. Mr. Gomez said this contract would start in October.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Carey to approve a professional services contract with Simon Pena SRP & Associates LLC for Owner Representative Operations Management services. A vote was taken (3:0 all ayes) the motion carried by all present.

XIV. Consider and take appropriate action on approving a list of contractors for emergency and requested services for the city gas system (John Gomez, Public Works Director)

City Administrator Scott Dixon said they had met with a team from CPS and the list was compiled from their vendors. Public Works Director Gomez said they needed to add a line locate company to this list. Councilmember Carey said there was a type o in the name of one of the vendors. It was shown as Badco and should be listed as Badeco. Mr. Dixon said the next step would be to a three-year contract and was within the budget and go out for bid for services in the next three months.

A motion was made by Councilmember Carey and duly seconded by Councilmember Martinez to approve a list of contractors provided for emergency and requested services for the city gas system. A vote was taken (3:0 all ayes) the motion carried by all present.

XV. Consider and take appropriate action on approving the Utility Service Agreement with Flat Creek Development (Scott Dixon, City Administrator)

City Administrator Scott Dixon briefed the city council on the utility service agreement with Flat Creek Development. Mr. Dixon said the agreement was the same as discussed in executive session but the agreement still needed to go through the city's attorney for review. Mr. Dixon said he had sent over for review to Cynthia Trevino but now that she is no longer at the firm he needed to have someone else review. Mr. Dixon identified the three elements in his report as: (1) conveyance of land for the construction of a elevated water tower (2) the construction and dedication of water and sewer mains and their associated utility easements and distribution lines necessary for the proposed development and (3) financial commitments to pay all associated impact fees and costs as stipulated in the agreement. The city's commitments were: responsibility for permitting, design, and construction of a water well and elevated storage facility. There were also construction deadlines highlighted as: submitting permit application for water well within 60 days after the closing date; begin construction of the water well within 180 days after closing date; begin construction of the elevated storage facility within one year after closing date; and complete entire water project within two years from the closing date. Mr. Dixon said the development would be conveying 3 ½ acres of land for the well and elevated storage which was equivalent to 33 LUE's or \$330,000 and the development was to pay the going rate for the LUE's, have sewer capacity in the line and pay current cost of Impact Fees as they started developing. Mr. Dixon said his concerns was starting the water project sooner, they had to wait on the TCEQ application process within in that 180-day time frame. The owner had to transfer a clear title of the water project tract to the city and was subject to the conditions outlined in the agreement but if the city did not meet the deadlines the owner had the right to request the property be reconveyed. Councilmember Merz clarified Flat Creek would provide the land and the city would issue debt to pay for the project but did this agreement change the requirements to bring water rights. Mr. Dixon said it did not, they still had to provide. In the agreement the owner would receive a credit of \$285,000 (fair market value) of the tract of land and would be applied to obligations made under the related multi-party agreement. Mr. Merz asked if the water tower would provide water to the developments east of the river. Mr. Dixon said it would and they would connect the mains and this would meet TCEQ requirements and balance pressure profile. Councilmember Martinez asked about the location of the elevated tank possibly being in the flight plan. Mr. Dixon said it had already been approved by FAA.

A motion was made by Councilmember Carey and duly seconded by Councilmember Merz to approve contingent on legal review the Utility Service Agreement with Flat Creek Development. A vote was taken (3:0 all ayes) the motion carried by all present.

XVI. Staff Reports:

City Council members may request a separate discussion or action on items contained within the submitted reports.

- a. Airport – Gas sales and Operations including revenues.
- b. Community Development – UDO Timeline, July Permits, Board meetings, ongoing projects.
- c. Finance – Financial update for August.
- d. Library – Member Statistics, Circulation Statistics, Summer Camps.
- e. Parks & Rec- Community Center, Splash Pad, Rec Programs, Park Board Meeting, Reservations, work orders, Eagle Scout Project, Parks & Rec Survey, Parks Regulations –Rules –Guidelines.
- f. Police Department – updates on department including hiring, training, and grants. Animal Control and Code Compliance Activity Reports including open and closed cases.

- g. Public Works – work orders – electric, water, wastewater and gas, updates on AMI Meter Project, River Bluff Project, Country Village Lift Station and Gas System.
- h. Tourism/Business Development- Promotion of Events statistics, City Communications, Event Promotion, Tourism promotions, Economic Development opportunities

City Administrator Dixon briefed the city council on the new format of the Financial Report and announced the police department had one officer Tyler Whitehead resign and the chief would start to recruit for that position. Mr. Dixon said he would send a report on the streets/storm water. Mr. Dixon reminded everyone about National Night Out on October 1st at the Airport. Councilmember Martinez said the owners of the Geneva Street property with several citations had moved away and wanted to know what the city would be doing on this problem.

XVII. Discussion on future agenda items

City Administrator Dixon said he had spoken with the Mayor and with Mayor Schroeder being away before the next council meeting and he being gone on vacation the week of the October 8th meeting he asked the city council if they were open to canceling the next meeting. Mr. Dixon said in the near future he would be looking to set a work session on the CIP.

XVIII. Adjourn

Mayor Schroeder adjourned the meeting at 8:40 p.m.

Darrin Schroeder
Mayor

ATTEST:

Debra Howe
City Secretary