

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
June 10, 2025
Tuesday
5:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 5:00 p.m.

Mayor Alexander recessed the meeting to go into Executive Session at 5:01 p.m.

II. EXECUTIVE SESSION

The City Council will convene in closed session pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code for one or more of the following authorized reasons: Section 551.086 (Competitive Utility Matters)

- a. Update on negotiations with CPSE related to wholesale power contract

Open: 5:02 p.m.

Closed: 5:58 p.m.

III. Reconvene in open session

Mayor Alexander reconvened in open session at 6:01 p.m.

IV. ROLL CALL

Present:

Mayor Bruce Alexander

Mayor Pro Tem Sheena Martinez

Councilmember Houston Marchman

Councilmember Phil King

Councilmember David Merz

Councilmember Robert Lee

Scott Dixon, City Administrator

Debra Howe, City Secretary

Jim Kohler, Police Chief

John Gomez, Public Works Director

Breana Soto, Community Development Director

V. PLEDGE OF ALLEIGENCE

VI. INVOCATION

Pastor Matt Gutierrez of the Discover Church gave the invocation.

VII. 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.

Karen Fifield, 805 Washington, asked the City Council if they listened to the citizens on what they wanted. Ms. Fifield said at the recent city wide yard sale event there were numerous For Sale signs and she felt the citizens were not happy and leaving the city. Ms. Fifield asked why the City Council was still allowing construction during Stage 4 and 5 water restrictions. Ms. Fifield said she did not see any good movement from the new City Council on change and asked about using the airport water during the restrictions.

Karen Brunair, 112 River Forrest, requested an agenda item for answers to questions posed by the citizens at previous meetings. Ms. Brunair felt the city had deceived the citizens by allowing Alsatian Oaks to allow some type of payment in lieu of water rights for Phase 1. Ms. Brunair asked if they would be bringing water rights to the city for Phase II and allowed to build. Ms. Brunair asked about the city allowing any construction during Stage 4 and Stage 5. Ms. Brunair asked for an agenda item for new sources for water; no more building during any drought stages; posting a plan on Stages 1-5 water restrictions for building; and Stage 1-5 water restrictions for farmers.

Councilmember Merz clarified the city did lease the airport water rights and this gave the city a buffer during the drought restrictions.

Meg Connor, 811 Washington, spoke her support of the proposed UDO and was in favor of the City Council approving the proposed document. Ms. Connor said changes could be made after adoption if needed.

Ms. Connor said it would be a big waste if not finished.

Patrick Connor, 811 Washington, spoke on his support of the proposed UDO.

VIII. CONSENT AGENDA

- a. Minutes for May 27, 2025 Regular Called Meeting
- b. Authorize the Mayor to amend the contract for solid waste services with Waste Management to establish a new termination date of September 30, 2025.
- c. Authorize street closure and use of Houston Square for the "Show Your Ride" Car Show event to be held every other third Friday beginning July 18th, 2025.

Mayor Alexander requested items A. Minutes for May 27th and C. Show Your Ride Car Show event be removed for further discussion.

Councilmember Merz also asked for item C. Car show. Councilmember Lee asked for items B. Waste Management amendment and C. Car Show.

Mayor Alexander said he had a few changes to the minutes and would get with the city secretary and they would be brought back at the next meeting. Mayor Alexander said the amendment to the Waste Management Contract was an extension until September 2025 to allow for a smooth transition. Mayor Alexander said the final contract would be brought back with the new vendor for council approval.

A motion was made by Councilmember Lee and duly seconded by Councilmember King to approve authorizing the Mayor to amend the contract for solid waste services with Waste Management to establish a new termination date of September 30, 2025. A vote was taken (5:0 all ayes) the motion carried by all present.

Councilmember Lee and Merz requested item C. Show Your Ride Car Show event for further discussion. Councilmember Merz read the conditions recommended by the staff on this event. They were: receive and review street closure plan, and coordinate with the Emergency Service District (ESD), confirmation of outreach to all affected downtown business and churches with documentation of any objections or requests, coordinate with the Police Department on staffing and any additional public safety concerns, confirmation there would be no alcohol sales unless a TABC permitted vendor was engaged and appropriate controls were put in place, and waiver of city fees for barricades and use of public space as requested subject to city council approval. Mr. Jose Colón was requesting the event to be held every other month on the third Friday. Mr. Colón was unable to attend the council meeting to answer questions.

A motion was made by Councilmember Merz and duly seconded by Councilmember King to approve with conditions as read until the end of the year, including the waiver of fees.

There was further discussion before a vote was taken. Councilmember Lee said it was a good event years ago until it became too large and started having a negative impact on the area due to visitors to the event. Yvonne Patton, owner of The House of Funky Chunky Jewels and organizer of Fiorella Friday's said she was working with Mr. Colón and she would watch over the activities. Ms. Patton said it would bring in revenue and sales tax to the city and could bring back more information at the next meeting.

Councilmember Merz said he lived the furthest from the activities, noise was not something that would affect him. Mayor Alexander said he was closest and if the noise was managed properly it could be a success. Councilmember King said the handling of the event could learn from past mistakes.

Councilmember Marchman recommended communicating with car show event on what happened in the past and keeping it under control. Councilmember Martinez was in favor of a trial period to see if the event would work and revisit in December. Councilmember Marchman asked if there was going to be something the city council could look at on the sales tax. City Administrator Dixon asked if the City Council wished to waive the fees for the special event (\$100). City Council decided to not waive the fees.

Councilmember Merz amended his original motion to approve with conditions and allow event until the end of the year with fees not waived. Councilmember King seconded the motion.

Councilmember Lee recommended revisiting the item and getting responses on conditions at the next meeting. Councilmembers did not agree. **A vote was taken (4ayes: 1nay (Lee)) the motion carried by a majority vote.**

IX. PRESENTATIONS

a. Recognition of Officer Dorsey Krause 10 years with the City of Castroville Police Department

Police Chief Jim Kohler recognized Officer Dorsey Krause for his 10 years of service with the city. Officer Krause received a plaque and engraved knife for his service.

X. MAYOR'S REPORT

- * Boards & Commissions
- * Ordinance & Policies Review
- * Budget
- * Legislative Update

Mayor Alexander started off by thanking everyone for attending and watching online. Mayor Alexander spoke on terms expiring on the city boards and commissions on June 30th and encouraged citizens to submit an application for the City Council to consider at the June 24th meeting. Mayor Alexander said there were many people out in the community that were qualified for a position on one of the city boards and commissions and asked that interested persons to please submit. Mayor Alexander spoke on his recommendation to the City Council to have a full review of the city ordinances and policies for amendments to meet any changes to the law and for regulatory compliance. Mayor Alexander said after the boards appointments were completed he would be appointing two council member committees to work with the appropriate advisory board associated with the ordinances for changes followed by a legal review and city council review with adoption at a later date. Mayor Alexander encouraged the citizens to review the code of ordinances and provide suggestions to their City Council representative on changes they would like to have considered. Mayor Alexander said the budget process was underway with the city council having received a briefing from each department on their proposed budget with thoughts from the departments on the impact of a possible up to 10% cut in funding, if the budget remained the same, and if their budget could be increased. Mayor Alexander said work was being completed on developing a draft budget to provide the City Council for discussion at a special called meeting. Mayor Alexander said the proposed budget being developed for operations and capital improvements for the city would be to meet the needs of the city without the need to issue additional debt on the citizens, unless necessary, or legally required to do so. Mayor Alexander provided several legislative actions that could have affected the city if they had passed. Mayor Alexander said one bill for Accessory dwelling units (ADU's) allowed anywhere in the city did not pass; an automatic approval after a 45 day submittal for building permits did not pass and restriction on cities from any regulations in the ETJ did not pass. Mayor Alexander provided a few of the bills that did pass affecting the city were delays in increasing impact fees for three years; Homeowner Associations were prohibited from issuing fines to residents for brown grass during water use restrictions; and the legislation increased the bidding threshold for cities from \$50,000 to \$100,000. Mayor Alexander said legislation that would have affected Medina County by removing the exemption that the county had for streamlining expedited release of property from a water or sewer CCN failed. Mayor Alexander gave the history of when the exemption was put into place back in 2011. Mayor Alexander said the city only had limited control over development regulations in the ETJ but did maintain control of the water/sewer in the CCN within the area. Mayor Alexander said the city was entitled to recoup all costs for providing services to the developments within the CCN. Mayor Alexander said the cost for improvements should not be placed on the current water/wastewater customers to meet the needs of new developments.

XI. Consider possible action(s) resulting from items posted and legally discussed in Executive Session

No action was taken.

XII. DISCUSSION AND ACTION ITEMS

- a. Discussion by SAMCO Capital Markets, the City's Financial Advisor, regarding proceeding with the issuance of Certificates of Obligations for Utility System Improvements (The Water Well Project which was previously authorized by the Council on March 25, 2025) and the possibility of combining that project with potential General Fund Projects and other matters related thereto

Mayor Alexander provided the City Council with his thoughts on not supporting the issuance of the Certificates of Obligation for utility system improvements that the previous City Council authorized at the March 25, 2025 council meeting. Mayor Alexander requested the current City Council to withdraw the authorization until this city council could discuss other potential options for the Water Well Project that was proposed to support growth on the east side of town. Mayor Alexander also stated he was not in favor of any new debt without an approved plan on what the debt would be used for. Mayor Alexander did not agree with the projects identified as immediate needs of the city over other infrastructure needs. Mayor Alexander wanted council support on his position until an agreed plan of action could be determined. Mark McLiney, City Financial Advisory with SAMCO Capital Markets proceeded with information on the issuance of 3.5 million approved by the previous City Council and the notice of intent was that day. Mr. McLiney said he could bring back at the following meeting for the Water Well Project and spoke on the city having some debt service going away and if they wished to keep the same tax rate and do other projects they could borrow 4.5 million for General Fund projects if the city council wished. City Administrator Dixon provided potential projects such as City Hall remodel, new police station, parks improvements, street improvements, library expansion, and vehicles and equipment. Mr. McLiney said he needed direction at this meeting from the City Council as to how to proceed. Councilmember King said the city already had a development agreement with developers in place. City Administrator Dixon said the Flat Creek Development Agreement had been approved and the water well project was in the process of being bid out with plans to award at the next council meeting. Councilmember Merz said he was in favor of paying by issuing debt, not having the citizens pay out of pocket and was in support of issuing debt for the elevated tank now. Councilmember Merz was not in favor of issuing debt for General Fund projects. Councilmember King was in favor of issuing additional debt for projects without increasing the tax rate. Mayor Alexander said it was a flatline as the tax rate went down meant it was a tax increase. Councilmember Lee recommended looking at income on utility income from the developments. Mr. McLiney said he could project out from information provided by the county. Councilmember Lee was not in favor of issuing debt for vehicles/equipment or fixing streets. Councilmember Marchman stated the city could not fix streets but would give water to new developments. Councilmember Merz said streets should be fixed not by issuing debt but out of pocket. Mr. Merz was not in favor of putting on top of budget items through General Fund debt. Councilmember Martinez said the city was legally obligated to provide the elevated tank and she felt the city needed a new police station for the department. Mayor Alexander said this would be brought back at the June 24th meeting and to send any questions to Mr. Dixon before the meeting. Mr. McLiney said he would bring the legal documents for 3.5 million for the water well project and for 4.5 million for General Fund projects. Mr. McLiney if the city council wished to do both he could combine into one document.

Mayor Alexander recessed the meeting for a short break at 7:22 p.m.

Mayor Alexander reconvened in open session at 7:31 p.m.
Mayor Alexander moved item 12c up for discussion.

- c. Discuss and take appropriate action on the application of the proposed unified development ordinance (UDO), comprehensive zoning ordinance (CZO), and subdivision ordinance where applicable to current or proposed development agreements

Mayor Alexander said the city should start all development agreements with requirements in the CZO and the Subdivision Ordinance. Mayor Alexander said the development agreements should not be designed after a proposed ordinance, not yet adopted. Mayor Alexander said if developers wanted anything else they should submit a proposal for the city to consider. Mayor Alexander said all proposed agreements should be reviewed by the Planning and Zoning Commission first with recommendations to the City Council unless the city attorney determined a portion of the agreement required legal consultation with the City Council.

Patrick Connor, 811 Washington, was recognized to comment on the item. Mr. Connor said he was in support of the City Council adopting the UDO and the document could be amended as needed.

Mickey Holzhaus, 514 Washington, asked the Mayor to restate his comments and thought he heard something different from what he restated. Mr. Holzhaus heard the adopted development policy. Mr. Holzhaus said he felt the city had negotiated the development agreements on the proposed UDO for the water well tank and he thinks the UDO was devised to have high density in the old part of town and future development agreements should be reviewed under the current ordinances. Councilmember Lee said the new developments would use the current services and desired to have City Council and staff to look at using the current ordinances vs. UDO and the cost to the city if the developers did not wish to build under the UDO and opt out of the ETJ. City Administrator Dixon said the city would still provide services in the CCN if the city had the capacity. Mayor Alexander said development agreements should be constructed through current ordinances. Councilmember Merz asked Community Development Director Breana Soto if the current CZO had PUD provisions with flexibility. Ms. Soto said it did and the UDO had four different processes with percentages, which allowed flexibility. Ms. Soto said the UDO did have a mandate for commercial properties, the CZO did not. Mr. Merz said the current ordinances were similar to San Antonio and other cities and may be named differently but will see the same with restrictions. Ms. Soto said developers are aware of the ordinances and have honed their developments. Councilmember Merz said some developers may not come to Castroville, but the ones that wanted to work with the city would. Councilmember King said some developments had PID's and they also were more strenuous than the CZO. Councilmember Martinez said the city should be using the current ordinances and not future UDO that was not approved. Councilmember Merz said the development agreement policy already allowed the Planning and Zoning Commission to have input.

No action was taken.

- b. Discussion and possible action on the status of the proposed UDO and Comprehensive Plan

A motion was made by Councilmember Merz and duly seconded by Councilmember King to amend the draft UDO and remove ADU's from P2.5 zones and place for adoption of the Comprehensive Plan and modified UDO on the agenda for July 8th for discussion and appropriate action. Discussion followed.

Mayor Alexander stated there was no need for a staff report on the proposed UDO and Comp Plan as the City Council had all the information needed to make a decision on how to proceed. Mayor Alexander felt the UDO process had divided the citizens and he wanted the process to end at that council meeting. Mayor Alexander said he was elected Mayor due to development agreements conflicting with current ordinances and changes to current ordinances that would support more dense development of the city. Mayor Alexander said during the process citizens were told the changes would not effect the city as it was known, just new developments. Mayor Alexander felt the citizens were not informed properly of the proposed changes and development agreements were not in line with current ordinances. Mayor Alexander recommended the city council end any further discussion on the proposed UDO and review and amend the current CZO and Subdivision Ordinance as needed.

Patrick Connor, 811 Washington, was recognized and again stated he was in favor of the proposed UDO and the document could be amended as needed. Mr. Connor asked Mayor Alexander if the UDO was stronger or weaker than the current CZO. Mayor Alexander said allowing him to comment on the item did not allow for him to hold a back and forth. **A motion was made by Councilmember King and duly seconded by Councilmember Lee to allow open exchange with Patrick Connor. A vote was taken (4ayes: 1nay (Marchman)) the motion carried by a majority vote.**

Mr. Connor asked the Mayor his opinion on whether the proposed UDO was stronger or weaker than the CZO to the city. Mayor Alexander said he was not in favor of the proposed UDO and felt it allowed for more density. Community Development Director Soto wanted to clarify in the current Subdivision Ordinance there were no minimum lot sizes in a Planned Unit Development (PUD). Councilmember King said the proposed UDO would not affect the infill lots but would affect development to the east. Mr. Connor asked what the status was of the proposed UDO and Comp Plan. Mayor Alexander said his understanding was it had gone through Planning and Zoning and staff recommended to approve. Councilmember Merz read his motion again and said the removal of ADU's from P2.5 would not allow to build anywhere in the current single family zone. Mr. Merz said his neighbors did not want big box stores in the city and under the current CZO the lot sizes allowed them, but in the proposed UDO lot sizes the current Walmart could not be built. Mr. Merz felt the proposed UDO encouraged what Castroville citizens wanted smaller buildings on smaller lots as is in the Fiorella area. Councilmember King questioned the Mayor's comment on the UDO bringing high density and said that was incorrect. Mr. King said the UDO was more restrictive and he felt the citizens should have an open forum on the UDO for questions. Councilmember Lee said he was confused on the wording of status and was unsure of what it meant related to this item. Mr. Lee said he was not willing to let all of the work go. Councilmember Marchman said he felt the citizens had been disrespected during the process with Simple City and asked why the city spent \$556,000. Mr. Marchman felt the city should not have spent that much. Councilmember Martinez said originally the process was to incorporate the CZO and Subdivision and all other ordinances into one document to have a more streamlined process. Ms. Martinez said the renaming of zones, adding zones, and including old and new language had caused much confusion. Ms. Martinez said she was still against alleys shown in the UDO and did not see parking requirements to meet ADA and Federal compliance. Ms. Soto said the requirements to meet ADA and Federal requirements were in the document and alleys were in the current Subdivision Ordinance. Ms. Martinez said she could not support the document and suggested plugging in the changes to the CZO and Subdivision Ordinances. Councilmember Merz asked if historic buildings could be demolished now and under the UDO. Ms. Soto said the provisions were already in the Subdivision Ordinance. Councilmember King said the UDO considered of merging the CZO and Subdivision Ordinance into

one document and said anyone who had a question should contact staff and give the citizens an opportunity to discuss. There was no further discussion.

A vote was taken (2ayes: 3nays (Lee, Martinez, Marchman)) the motion failed.

A motion was made by Councilmember Merz and duly seconded by Councilmember King to table the item. A vote was taken (4ayes: 1nay (Marchman)) the motion carried.

d. Discussion and possible action regarding the reservation of water rights with the Nueces River Authority

Mayor Alexander told the city council he did not agree with paying for the potential future water rights from the proposed desalination project by the Nueces River Authority. Mayor Alexander said the cost to reserve the water rights was comparable to the current cost of purchasing additional Edwards Aquifer Unrestricted Water Rights to meet the needs of the city. Mayor Alexander said both of the largest water utilities in the county and the Medina County Regional Water Alliance had agreed to not participate.

Mayor Alexander asked the city council to support him in saying no to the proposal.

Patrick Connor, 811 Washington, was recognized and said he was in favor of the staff getting all sources of water. Mayor Alexander asked if the reservation of water rights was a one time payment. Travis Pruski with Nueces River Authority (NRA) was present for questions. Mr. Pruski said the cost was broken up into two payments, one this year and the second one in 2026 with plant built in 2029 and online in 2031. Mr. Pruski explained the plant would be built near Port Aransas and the piping costs would be shared with customers plus production fees. Mr. Pruski said Hondo and Lytle had signed on with Benton City Water Supply. Councilmember Marchman asked about where the salt from the desalination of the seawater would go. Mr. Pruski the salt would be returned to the Gulf approximately 2.5 miles out at a depth of 40 feet. Senate Bill 7 was passed and this allowed the company to pipe up Hwy I 37 in the future. Councilmember King said some plants sweetened desalination water with spring water. Mr. Pruski said they would be adding calcium and fluoride. Mr. Pruski said they would have an engineering study completed before the city would make the decision to take or not. Councilmember Merz felt it would be high piping cost but only one source and small amount to reserve now. Mr. Merz was in favor of reserving now for a future option. Councilmember Lee asked if SAWS was involved with the project. Mr. Pruski said no they had discussed the project with them but wanted control to get to the smaller cities. Mr. Pruski was asked the size of the pipeline. He said it would either be a 10 ft. or two 6 ft. depending on how much water was needed. Mr. Pruski said the pipe cost would be included in the cost per gallon, not upfront. Mr. Pruski said the name of the project was Medina/Atascosa Line and he would be coming back to council with a cost in about 12-18months.

Karen Fifield, 805 Washington, was recognized saying she was against both agenda items 12 D and 12 E. related to reserving and purchasing water rights. Ms. Fifield said God was in control and they had the same water as in the past. Ms. Fifield asked if there would be additional costs since it was so far out and find out about any studies on disruptions to the marine life with putting the salt back into the ocean.

A motion was made by Councilmember King and duly seconded by Councilmember Merz to authorize staff to reserve .5MGD/day= \$13,688.16 funded from the Water Acquisition Fund.

Further discussion followed. Councilmember Lee said he was not in favor of using the Water Acquisition Fund for reserving/leasing water. Mr. Lee said the fund was for purchasing water rights. Mr. Lee was in favor of using funds out of the Utility Fund and after discussion the city council chose to reserve 1 MGD/day = \$27,376.32.

A second motion was made by Councilmember King and duly seconded by Councilmember Merz to amend the first motion to change the funding source to Water Utility Fund. Both agreed to change the motion.

A third motion was made by Councilmember King and duly seconded by Councilmember Merz to amend the second motion to change the reserve to 1 MGD/day at a cost of \$27,376.32. Both agreed to amend the motion. A vote was taken (5:0 all ayes) the motion carried by all present.

Mayor Alexander asked if there would be a clause to allow the city to get out of the take or pay. Mr. Pruski said there was language in the contract.

e. Discussion and possible action regarding purchase of Edwards Aquifer Water Rights using the Castroville Water Acquisition Fund

Mayor Alexander started off by saying he was in favor of purchasing all of the Edward Aquifer unrestricted water rights the city could afford at that time. Mayor Alexander gave a history of when and why the water acquisition fund was established to be used for the purchase of water rights. Mayor Alexander said it could be used for water leasing during a drought to meet demand. Mayor Alexander said he was against issuing debt but would be in favor of issuing Certificates of Obligations to purchase unrestricted water rights to be tied to the water acquisition fund. Mayor Alexander said the current acre foot cost was \$12,500 per acre foot this year. Councilmember King asked if the direction from city council to staff was to go out and purchase water rights. City Administrator Dixon said the city was doing fine with the amount of water rights it had but there needed to be a discussion on the future needs. Councilmember Marchman asked if the city had a recent study on the needs of the city. Mr. Dixon said he had the data from RESPEC when they provided the study in 2022 and he would input the new information and provide to the city council. Mr. Dixon said they would do the calculations and see what the city wants or needs. Mr. Dixon said they could bring back at the next meeting how much the city could issue and the amount of water rights that could be purchased. Councilmember Martinez was in favor of purchasing more water rights. Councilmember Lee was in favor purchasing all water rights the city could.

A motion was made by Councilmember Lee and duly seconded by Councilmember Marchman to bring back the amount of water rights the city could purchase. A vote was taken (5:0 all ayes) the motion carried by all present.

e. Discussion and possible action regarding Emergency Generator Power for Water Wells and Emergency Preparedness Plan

Mayor Alexander said he was in support of installing fixed base generators at all of the water well sites the city owned. Mayor Alexander felt the city should have taken the opportunity to purchase the generators with the American Rescue Plan Funds. Mayor Alexander said the funds were used instead for budgeted expenses at that time he thought. City Administrator Dixon said the \$750,000 had been put in the city's reserves and could be used. Councilmember Lee said staff said at the last council meeting they could hook up the mobile generator and he wanted them to do that and install transfer switches at the two wells and on the mobile generator. Mr. Lee stated the city had one mobile generator on a trailer

to be able to use as needed. Councilmember Merz was in favor of installing generators at the wells. Mr. Dixon said the city had looked at grants for the generators and he had approached FEMA three years ago. Mr. Dixon was waiting now for a reply but was not sure the city would be awarded any generators. Councilmember Merz asked if the funding would come out of the Utility Fund if approved. Mr. Dixon said the funds were in the General Fund. Mr. Dixon said the purchase of the generators before the FEMA response may cause issues with the grant process but if on order could be in the city's favor due the lag time on delivery. Councilmember Martinez asked about the costs being different in the backup. Public Works Director John Gomez said the costs shown only included generators and transfer switches, not electrical connection costs. Councilmember Lee said he wanted generator hooked up on current wells now and purchase additional generator for Well #2.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to authorize staff to purchase generators for Wells #2 and #3, complete transfer switches, and electrical connections with funding to come out of the Utility Fund Balance. A vote was taken (5:0 all ayes) motion carried by all present.

f. Discussion and possible action regarding the utility rates charged to customers and how the rates are calculated

Mayor Alexander said he had requested this item to discuss how the city calculated the utility rates, specifically, sewer averaging. Mayor Alexander said due to the city calculating sewer rates by winter averaging of the months of October thru January and throwing out the highest month along with the severe drought conditions and citizens watering more to save their landscaping, some had sewer bills triple from the previous year. Mayor Alexander said he understood and supported the method the city used, but felt the city was taking advantage and should, during drought conditions, take that into consideration with the higher consumption when averaging. Councilmember Merz asked the Mayor if he had a solution to consider. Mayor Alexander did not, but wanted to have a discussion to look at possible ways to reduce costs to the citizens. Councilmember Marchman said he understood rates were high but there were costs associated with using the water. Mr. Marchman asked how they could change. Councilmember Merz said one option was to install a second meter for irrigation and he was in favor of summer averaging when citizens were supposed to not be watering as much. City Council determined installing a second meter was very expensive due to being considered a new service with cost up to \$10,000. Councilmember Lee asked if the city council would consider winter averaging with two months instead of four.

A motion was made by Councilmember King to revise the utility policy from the lowest 3 month averaging to lowest of 2 month averaging and revisiting in March. After further discussion Councilmember King rescinded his motion and staff was directed to bring back options including his recommendation for city council to consider to give relief to citizens for above average sewer rates.

g. Consider and take appropriate action on adopting an Ordinance on revisions to Article VI - Drought Contingency Plan

Mayor Alexander said this was brought back and discussion would be centered on changes identified in the staff report related to entities exempt from drought surcharges. City Administration Dixon said there

had been a lot of discussion at the las meeting with no clear direction as to what all the City Council wanted. Councilmember Lee had requested clarification on language for the ordinance itself not only in the exhibit. City Administration Dixon said due to the lateness of the meeting City Council could send changes and it would be brought back. Councilmember Lee provided language from the exhibit to be included in the body of the ordinance, identifying which entities would be exempt, and providing requirements for the exemption.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to adopt an ordinance amending Chapter 110, Utilities. Article VI. Drought Contingency Plan, 110-151 (f.) amending and updating the Drought Contingency Plan to exclude from drought surcharges the following entities: healthcare facilities, emergency services facilities, and accounts held by the city of Castroville with the stipulations of each will be required to submit practices, regular maintenance of plumbing systems, and promotes water usage awareness among staff and residence while ensuring safe and potable water for residents. If no plan is submitted then consideration will be given to removing the exclusion from the individual account. A vote was taken (5:0 all ayes) the motion carried by all present.

IX. CITY ADMINISTRATOR'S REPORT

a. City Administrator Report Topics:

Gas Operations Update, CPS Wholesale Electric Negotiations, Regional Park Community Center Project, WWTP Dams & Ponds, Regional Park Irrigation, UDO Progress, Hwy 90 Improvements - Utility Relocates, City Hall Remodel RFQ, CDBG Waterline Project, Council Chamber Audio/Video, Athens Area Drainage Project

City Administrator Dixon briefed the City Council on his CA report. Mr. Dixon said the mayor had requested he provide a report each meeting and he had not been prepared to do this, so it was brief this meeting. City Administrator Dixon said after the feedback from City Council the staff reports would be placed back on the agenda under his report, just not separately as in the past. Mr. Dixon verified with Mayor Alexander that was what he wanted, which he agreed. Councilmember King stated the City Council needed to get any questions they had to send to Mr. Dixon by the Monday before the meeting to allow staff to respond. City Administrator Dixon continued with his briefing on his and Parks and Recreation Director Jonah Chang meeting with the Texas Parks and Wildlife Game Warden on the riverbed project. Mr. Dixon said it was complete and he and Mr. Chang had received two citations each for not following state law when doing work in the riverbeds. Councilmember King said you could not use machinery in a riverbed, had to be by hand. Mayor Alexander asked for a copy of the approval issued by the state for the work completed in the riverbeds be provided to the City Council. The gas audit was complete and the draft report was being reviewed with third party – Simon Pena. Mr. Dixon said the gas system was in good shape with a few maintenance requirements noted. Mr. Dixon said the system looping would be discussed during the CIP planning. Mayor Alexander asked for a copy of the Railroad Commissions inspection be provided to City Council. Under the Regional Park irrigation Mayor Alexander said he had met with two councilmembers (Merz and Marchman), Helen Delevan, and Patick Connor to discuss the WWTP dams and ponds and the irrigation system at the park. Mayor Alexander said the ponds and irrigating the park were part of the TCEQ violations but with a discharge permit in place were removed from the wastewater plant, the system did not need the ponds. Mr. Dixon said that was incorrect as the violations were against the wastewater treatment

plant, not the city. Mayor Alexander said in his opinion the city did not need the ponds and could remove but in the future the city could consider a smaller detention type pond to contain runoff upstream during a rainfall event and use for irrigation of the park. City Administrator Dixon said the city could look at selling effluent if there was a pond. Mr. Dixon said staff had been testing the generators and found some minor electrical issues and were working with Future Electric to resolve. Mayor Alexander asked for a report on testing, but there was not one. Mr. Dixon said the city was working with the county on possible street projects and a map of the proposed project was included with his report. Mayor Alexander asked if the city had an interlocal agreement with the county and requested a copy be provided to City Council. Mr. Dixon said the city did but these projects would be individual agreements. Mr. Dixon said staff were still working on the audio/video issues and hoped to have it resolved soon. Mr. Dixon said he had installed Teams and would be working with VC3 and Mr. Peterson in looking at software issue. Mayor Alexander wanted it fixed as soon as possible. Councilmember Lee spoke about a TML Planning training he had received saying it was a good training to attend. Mayor Alexander said he had spoken with the city attorney and he said not to use Blind Copy (BC) and he said the city council and current staff using (BC) on emails could be construed as a violation of the open meetings act. Mr. Dixon said the city attorney did not say using BC was wrong and only if three members of council responds would be a violation, but using BC prevented others from hitting reply to all. Mr. Dixon will stop using this feature as requested by the Mayor and carbon copy all of the recipients. He will have a statement on emails cautioning Do Not Reply to All.

X. DISCUSSION ON FUTURE AGENDA ITEMS

Councilmember Martinez asked the date of the next budget workshop. Mayor Alexander said to send out dates to set one. City Administrator Dixon said he would review with the Mayor and determine a date. Councilmember Merz wished to bring back a discussion item on tree preservation, providing notification to property owners on 811 calls for digging, and possibly revisit the city attorney attending council meetings to obtain legal opinions during the meetings. Councilmember Merz said he would be absent from the June 24th meeting. Mayor Alexander said he would be out the rest of the week.

XI. Adjourn

Mayor Alexander adjourned the meeting at 10:37 p.m.

Mayor

ATTEST:

City Secretary