

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
August 12, 2025
Tuesday
5:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 5:03 p.m.
A quorum was present.

Mayor Alexander recessed the meeting to go into executive session at 5:05p.m.

II. EXECUTIVE SESSION

The City Council will convene in closed session pursuant to the Texas Open Meetings Act, Chapter 551.071 Consultation with the Attorney of the Texas Government Code for one or more of the following authorized reasons:

Open: 5:07 p.m.
Closed: 5:42 p.m.

- a. The City Council will meet in closed session pursuant to Texas Government Code Section 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the following public officers or employees:
 - a. City Administrator R. Scott Dixon
 - b. City Secretary Debra Howe
 - c. Police Chief James Kohler

This item was not conducted.

The foregoing officers or employees may request the discussion and deliberation be held as a public hearing rather than a closed session.

- b. Section 551.072 (Deliberation Regarding Real Property)
 - A. Approximately 6.65 acres of land in Medina County for Right-of-Way.

Opened: 5:47 p.m.
Closed: 5:53 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 David Merz

Councilmember Robert Lee

Scott Dixon, City Administrator

Debra Howe, City Secretary

Breana Soto, Community Development Director

Darin Hamm, Tourism/Business Director

Absent:

Councilmember Phil King

Others in attendance:

Dan Santee, City Attorney, Denton, Navarro, Rodriguez, Benal, Santee & Zech (during the executive Session only)

V. PLEDGE OF ALLEIGENCE

VI. INVOCATION

Pastor Matt Gutierrez of the Discovery 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.

No one requested to speak.

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

A motion was made by Councilmember Merz and duly seconded by Martinez to authorize the City Administrator to negotiate the purchase and sale agreement for 6.65 acres in Medina County for Right-of-Way. Discussion followed before a vote was taken.

Councilmember Lee had questions about if the city purchased the property would the city be responsible for maintenance until the road was built. City Administrator Dixon said they would, as it was like any other right of way. Mr. Dixon said the northern route did not have a timeline to be built and Alsatian Oaks was already approved with a 60 ft. right of way before the northern route was conceived. Mr. Dixon said the City Council had an example from the executive session. Councilmember Lee asked from the examples would Alsatian Oaks build on the areas shown if the city did not purchase. Mr. Dixon said it was an ongoing discussion. Mr. Dixon said the city had looked at the area with the school and county for traffic relief and it

was up to the City Council if they wished to pursue this future project. Mayor Alexander said basically the city would purchase and donate the land and future developments would need to agree to the wider right of ways. Mr. Dixon said the Flat Creek Development had donated the additional land. Mr. Dixon said the County Engineer was tasked with trying to plan the best route. Councilmember Marchman said in looking at the area the 6.65 acres would still not reach FM471. Mr. Dixon said that was correct about the same length left. Councilmember Lee asked if TxDOT had looked at a loop. Mr. Dixon said he wasn't sure, but if this did not work they were looking for a route around the city to Uvalde.

A vote was taken (3 ayes: 1 nay (Lee)) the motion carried by a majority vote.

IX. CONSENT AGENDA

- a. Minutes for July 22, 2025 Special Called Meeting
- b. Minutes for July 22, 2025 Regular Called Council Meeting

Councilmember Lee had submitted a few changes to the July 22, 2025 Regular Called Meeting minutes to the City Secretary. City Secretary Howe provided the City Council with the corrections.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve the consent agenda with noted changes. A vote was taken (4:0 all ayes) the motion carried by all present.

X. PRESENTATIONS

- a. **Presentation and discussion of the draft Vision and Goals for the Castroville Active Transportation Plan**

Kalynn Levine, with Toole Design and Community Development Director Breana Soto gave a presentation on the Planning Grant the City had received from TxDOT. Ms. Soto said TxDOT had awarded the project to Toole Design out of Austin. Ms. Levine said they had worked on over 350 transportation projects. Mayor Alexander asked the amount of the grant. Ms. Soto said it was for \$200,000 with the project budgeted for \$207,430. Ms. Levine said the project would be from June 2025 to May 2026 with extensive research on past plans for the City. Ms. Levine said they were working to have safety, connectivity, access, and community. Ms. Soto said they were starting the phase to identify the needs of the community and there would be a stakeholder committee. Councilmember Lee asked if this study was on existing Castroville area or further outside of City. Ms. Soto said it was inside City but a little was in the ETJ. City Administrator Dixon said the City needed the study to be eligible for grants. Councilmember Martinez suggested having representatives from the east and westsides. Mayor Alexander asked if this would be a City committee. City Administrator Dixon said it would be and this would be brought back for appointments. Mr. Dixon said they could decide on the composition of the board then approve. Mayor Alexander recommended two citizens per district to serve on the committee. Councilmember Lee was excited about the plan and said the city had been talking about something like this for years. Mr. Lee said the key was to get the right people on the board and he recommended including one from the Historic Landmark Commission. The City Council agreed there should be (1) City Council rep, (1) Planning and Zoning, (1) Parks and Recreation, (1) Business, (1) School, (2) community representative, and at least (2) from each district. Ms. Soto said she recommend for the school rep. to have someone from the elementary and possibly from the Coffee Shop to serve as business

representative. There would also be three or so pop-up events and this would be brought back to the next meeting.

b. Presentation on the Castroville Gas Utility distribution system including the results of the recent Railroad Commission audit and system capacity study

Jeff Rogers, with Engineered Utility Solutions, Inc. briefed the City Council on the city gas system and the results of the Railroad Commission's audit. Mr. Rogers said the recent audit showed six violations and gave kudos to public works for correcting quickly. Mr. Rogers said the City system was in good condition noting the system can support the Town East Crossing and Flat Creek Subdivision on the eastside without compromising normal operations. Mr. Rogers said the key recommendations were: for better support of the east increase Pear Tree outlet pressure to support the anticipated future growth; add a DRS on the north side of Hwy 90; update model with meter coordinates to refine model accuracy; update and maintain GIS mapping for the gas system to mirror model; verify locations where maps and field appurtenances do not match; stay up to date on latest procedures and best practices were implemented for compliance; look at applying for grant opportunities for replacement of older facilities, training and possibility adding a new supply station; and look at potential for a second supply station to support system resiliency. Mr. Rogers said in the future the City would need to look at a system on the high side. Mayor Alexander said that was the main supply line and a new line was a major cost, probably between \$4-\$5 million. Mr. Rogers said the study he completed was interior only and not coming off the high pressure line. City Administrator Dixon said the City would continue to expand and recommended doing a small project to loop the system, keeping the rates reasonable. Councilmember Lee asked if the Shrimp Farm in LaCoste had been included in the study and to look at a SCADA system sensors for the gas. Mr. Rogers said they did include the data in the study and Mr. Dixon said staff were looking at alternative sources for natural gas and would look at an additional feed to the main system.

XI. MAYOR'S REPORT

- a.** Mayor Alexander will speak on the following subjects:
- Budget Process
 - Customer Service
 - Ordinance Review

Mayor Alexander read his comments on the budget process and the City Council held work session to go over the various departments request. Mayor Alexander said the General Fund, Enterprise Fund, and Airport Fund would be reviewing further later in the meeting. Mayor Alexander said customer services were an important part of the City and staff should always take the time to work with the customers. Mayor Alexander said the City Council and City staff work for the citizens. Mayor Alexander reported he wanted to look at assigning City boards, with staff and Council liaisons to look at current ordinances associated with that board for changes. Mayor Alexander said once the boards reviewed, made recommendations, sent for legal review, the City Council would then consider. Councilmember Lee suggested they come to council for review before sending to the attorney.

XII. PUBLIC HEARING

- a. Public Hearing and Presentation on Tax Rate Public Hearing #1**

Opened: 7:00 p.m.

City Administrator Scott Dixon provided an overview of what the current exemptions Castroville citizens had including the over 65 tax freeze and the homestead exemptions. Mr. Dixon said the City was one of two in Medina County that passed the over 65 exemption several years ago. Councilmember Marchman asked for Mr. Dixon to explain what the I & S and M & O were. Mr. Dixon said the I & S was used to repay debt issued by the City along with General Funds, or Utility Funds and the M & O was used for maintenance and operations for the city. Mr. Dixon said Alsatian Oaks Development agreement was nothing on the M & O but paid 100% of the I & S. Mr. Dixon said the tax rate of 0.5233 had been adopted for the last four years and provided the new tax rates sent from the Medina County Tax Appraisal District. The rates were: No New Revenue – 0.5286, Voter Approval Rate – 0.5982 and De Minimis Rate – 0.6289. Mr. Dixon provided the current rate – $M \& O \ 0.3487 + I \& S \ 0.1746 = 0.5233$, proposed rate – $M \& O \ 0.4015 + I \& S \ 0.1218 = 0.5233$, Voter Approval Rate – $0.4764 + 0.1218 = 0.5982$. Mr. Dixon said the average home value in Castroville was the highest in the county at \$300,405 and provide three options for the City Council to see the amount due for taxes at 0.5233 - \$1,572.01, New Debt – 0.5915 - \$1776.89 and Voter Approval Rate – 0.5982 - \$1797.02 (all amounts shown without exemptions). Mr. Dixon said there would be a second hearing on the tax rate on August 26th and the first public hearing on the budget.

Tammy Alexander, 516 Vienna, spoke on the tax rate and asked that the City Council keep the current rate as they had promised they would for five years. Ms. Alexander said the city had many citizens on fixed incomes.

Closed: 7:22 p.m.

XIII. CITY COUNCIL LIAISON REPORTS

Airport – August 4, 20205 – Martinez
Historic Landmark Commission – July 15, 2025 – King
Library – July 10, 2025 – Lee
Parks and Recreation – July 9, 2025 - Merz
Planning & Zoning Commission – Marchman – No Meeting.

Councilmember Martinez was unable to attend the Airport meeting. City Administrator Dixon did attend and said the board discussed budget items, the suggested changes to the pilot's lounge, airport manager's office and fuel pricing. Mr. Dixon said the board would be writing up their recommendations. Mr. Dixon said John Klaerner was re-elected as Chairman and Kirby Turner was elected secretary.

Councilmember King was absent from the council meeting. HLC Chairman Priscilla Garrett was in attendance and said the board reviewed and approved the signage design listed on the agenda for action.

Councilmember Lee said the Library Board had met and there were two full board positions open. Mr. Lee said the board was working on a Master Plan and felt it was a good group.

Councilmember Merz said the Parks Board did meet and discussed shading at Lions Park, park grant submitted for an all-inclusive playground. Mr. Merz said the board looked at the CIP Projects and wanted to have a siren installed in the parks. Mayor Alexander said this needed to be coordinated with City and County to be on the same page. Mr. Dixon said staff were looking at moving the sirens and was researching the best areas to relocate.

XIV. DISCUSSION AND ACTION ITEMS

a. Discussion and appropriate action regarding the proposed tax rate and related debt issuance

City Administrator Scott Dixon gave the City Council three options and said issuing debt would raise rates and it may be better to look at during the CIP workshop for General Fund issuing debt. The options were (1) issue only Utility Fund Debt and maintain the current 0.5233, (2) issue General Fund Debt but use I & S Fund reserves at approximately \$571,000 as of 9/30/25 to cover initial debt service with no new Certificates of Obligation. The annual payment would be \$225,000 and the current rate would stay the same, (3) raise the tax rate and issue the planned amount of 3.5 million and raise to the total tax rate of 0.5915. Mr. Dixon said from a financial standpoint the property values were conservative but not budgeted were the disputed property values. Mr. Dixon stated the tax calculation work sheet was very confusing when trying to calculate. Councilmember Lee said the City did not have the money in the general fund and would be using reserves to fix streets and other maintenance items and he felt the City Council needed to look at going up on the Tax Rate some to become more in line with expenses. Mr. Lee said when the City Council agreed on the 3.5 million for several projects the City Council needed to be responsible and raise taxes somewhat. Councilmember Merz asked if raising the tax rate would effect citizens over 65 and it was said those over 65 were frozen and it would not. Mr. Merz agreed with Councilmember Lee that there were costs to improve drainage, street improvements and he would be one to pay the increase. Mr. Merz said there was a street plan and would be funded out of reserves. Mr. Merz was interested to hear on tax rate to bring streets into M & O. Mr. Dixon said they would need to look at cost level of doing streets on a continuous basis.. Some of the streets needed to be rebuilt totally. Mr. Dixon said the City Council would need to take action on a rate for the Bond Counsel.

A motion was made by Councilmember Lee and duly seconded by Councilmember Merz to ratify the city's intent to issue 3.5 million for General Fund Debt. A vote was taken (3 ayes: 1 nay (Marchman) the motion carried by a majority vote.

b. Discussion and appropriate action to authorize the placement of decorative sign in the commercial historic district

Tourism/Business Director Darin Hamm provided the City Council designs of historic signage to be installed in the commercial historic district.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve the white tricolor sign. A vote was taken (1 aye: 3 nays (Martinez, Lee, Merz) the motion failed.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Merz to approve the red background sign. A vote was taken (4:0 all ayes) the motion carried by all present.

c. Consider and take appropriate action on approving request from Alternate Board members on the Library and Parks and Recreation Advisory Boards to be considered for an open full board position

City Secretary Debra Howe briefed the City Council on request from Parks and Recreation Alternate Steven Dauphin and Library Alternate Dr. Julieanna Renner- Ramirez to be considered for open full board positions.

A motion was made by Councilmember Lee and duly seconded by Councilmember Martinez to appoint Steven Dauphin to the Park and Recreation Board full board position #5 with a term ending in 2027

and Dr. Julieanna Renner-Ramirez to the Library full board position #3 with a term ending 2027. A vote was taken (4:0 all ayes) the motion carried by all present.

Parks Liaison Councilmember Merz said Mr. Dauphin had been attending the meetings and would be a good full board member.

d. Discussion and possible action to create a joint Airport Zoning Board

City Administrator Scott Dixon said to have a Joint Airport Board the County would need to participate and he was trying to schedule a meeting. Mr. Dixon said technically the City could zone by it's self but could only zone property in the City. Mayor Alexander said he placed on the agenda and wanted to get started with creating the City's portion by ordinance and initiate engagement with the County.

A motion was made Councilmember Lee and duly seconded by Councilmember Martinez to approve creating Joint Airport Zoning Board, authorizing staff to draft an ordinance and initiate engagement with County officials.

Councilmember Merz was not in favor of the actions of the previous board on the extension of zones. Mr. Merz felt the city should adopt the minimum zoning and have a stipulation the board members were to live in the city in the affected areas. Chuck Friesenhahn, Airport Consultant was asked to speak and Mr. Friesenhahn said there was a state statute that clearly stated the process and authority of the zoning board. Councilmember Lee said zoning approval would come back to the City and County and before adopting a new ordinance do more research.

A vote was taken (3 ayes: 1 nay (Merz)) the motion carried by a majority vote.

e. Discussion and possible action to create a Building Appeals Review Board

Mayor Alexander briefed the City Council on creating a Building Appeals Review Board. Mayor Alexander said the City Council approved the formation of the board in 2017. Mayor Alexander wanted to have it activated. Councilmember Merz asked for an example of why the city needed this board or could the city have an additional vendor to review any appeals. Councilmember Lee said the city should go by the building codes and should not need the board. A question of if the City Council could be the appeal review board was asked. It was not a good practice for the City Council to hear appeals on requirements they passed.

A motion was made by Councilmember Merz and duly seconded by Councilmember Martinez to direct staff to research 2017 Ordinance and draft an ordinance to resend the Building Appeals Review Board.

A vote was taken (4:0 ayes) the motion carried by all present.

f. Discussion and possible action to assign specific tasks to advisory boards and commissions

Mayor Alexander provided a handout to the City Council on what he wanted to assign the boards and commissions to work on. Mayor Alexander said he wanted staff to work with the Airport Board to recommend current and future lease rates for airport facilities based on market rates and along with the Joint Airport Board to review and recommend future development on the airport property. For the Historic Landmark Commission – direct staff and HLC to review and provide recommendations for update design standards for the historic overlay district and determine mandatory vs. non mandatory language. Library Board – direct staff to work with Library Board to provide recommendations for improvements to the Library

for current and future needs. Mayor Alexander wanted all grant applications with matching city funding to come to the City Council for approval. Park and Recreation – direct staff to work with Parks and Recreation Board for recommendations/updates to the Parks Rules & Regulations with legal review, and City Council approval. Have the board review fees/services associated with the parks and provide a recommendation to the City Council for consideration. Planning and Zoning Commission – direct staff to work with the Planning and Zoning Commission on recommendations for changes to the CZO and Subdivision Ordinance. Mayor Alexander wanted the draft UDO to be used as a reference on development ordinance amendments. Mayor Alexander wanted legal review provided before the City Council considered. Councilmember Lee said the Airport, Parks & Recreation, and Library were advisory boards and did not want to put boards in positions they were not generally doing as an advisory board. Mr. Lee was not in favor of having City Council seeing after legal review from recommendations by Planning and Zoning Commission as it would be very costly. Mr. Lee said the City Council should give a scope of what the City Council wanted the Planning and Zoning to work on. Example was Subdivision Ordinance. Mr. Lee felt all grant applications for the Library should come to the City Council for approval, even if there were no matching funds. Councilmember Merz asked where the Historic District Map came from. Mr. Merz said there had been vigorous discussions in the past and he would like to see a set of non-contributing properties process from staff. Councilmember Marchman agreed on map and the City Council needed to look at what was built beside the historic properties. Mr. Marchman questioned how they would update the CZO and the Subdivision Ordinance. Mayor Alexander wanted to put the boards to work and he agreed to the City Council should review before going for legal review. City Administrator Dixon said the council liaisons should work with the boards on what the City Council wanted. Councilmember Merz volunteered to work with Councilmember Marchman on task list for the Planning and Zoning Commission and would bring back at a future meeting. HLC Chairman Priscilla Garrett said the board was already working on some of the topic one being non-conforming/ conforming and the board knew the city had issues with guidelines. Mr. Dixon said staff would work on design guidelines and bring back.

g. Discussion and possible action regarding the Geneva Street drainage project and the extension of a public right-of-way to the property located at the rear of 1306 Gentilz

Megan Dybrowski, 1306 Gentilz, spoke on the drainage channel being constructed on the city right of way. Ms. Dybrowski said there was a safety issue to get back to the back of their property with the depth of the channel. Ms. Dybrowski said she was not opposed to the channel but felt FEMA should approve the work first and the open ditch could be a safety issue and cause erosion. Ms. Dybrowski was appreciative of the City Administrator offering bollards as a safety measure separating the ditch from the road they were going to put into the rear lot, but was unsure if the dirt would be stable enough for heavy equipment to use for construction access on the property. Abe Salinas, PE with KFrieese was in attendance for questions. Mr. Dixon said KFrieese had reviewed the replat of the property in 2020 and the letter reflected at the time of the replat there were no plans to extend Geneva Street. Mr. Dixon said recently the city had started a low-cost drainage project along the platted unimproved Geneva Street right of way. Mr. Dixon said the engineered plans showed with no alternations 11 ft. and this was wide enough for a driveway, but not a road. Mr. Dixon provided an alternative for the City Council to consider of shifting the channel to the eastern edge of the City's property closest to the eastern neighbor. This would consist of removal of a chain-link fence built 1.5 ft inside the City's property, clearing of a large growth of ash trees, but this would extend the timeline and have additional cost. Mr. Dixon said the property owner would be responsible for replacing the fence and

this option maximized the available space on the west side for a future road or driveway. This would also reduce the need for significant protective measures along a steep drop-off. Mr. Dixon said staff recommended moving to the eastside. Mayor Alexander asked if the city was aware of the replat before the project. Mr. Dixon spoke to early on of the paper streets were public right of ways. Ms. Dybrowski said the 11ft. was good but it went down to 3-4 ft. so the fence would have to be moved. Councilmember Martinez said the paper street had to stay open and asked who approved the fence permit. The fence was built many years before and now that the city was aware of the discrepancy it needed to be corrected. Councilmember Lee said he used to own the property and the property's characteristic of splitting of lots on paper streets and using the paper street frontage to meet CZO requirements was common throughout the city on the river. Mr. Lee was concerned with safety with the deep ditch. Mr. Dixon said there were other ditches in town with this depth. Councilmember Merz asked about the property having a 20ft right of easement. Mayor Alexander said no there was no ingress/egress. Councilmember Merz said the value on the tax roll and maintenance on that street would never pay for the maintenance. Mr. Dixon said he would look into fence and would provide 11 ft on property. City Council agreed. No formal action.

h. Discussion and possible action regarding the use of undeveloped Rights-of-Way ("Paper Streets") for vehicle traffic

Mayor Alexander said he had placed on the agenda for the City Council to set rules on paper streets access. Mayor Alexander said the paper streets were used to have river access, but the City Council should look at the issues of restricting vehicle access and still allow pedestrian access. The property owner at 1306 London going up Cross Hill spoke on having dead animals dumped, stealing, and trespassers on their property. Mayor Alexander said people on the river would support closing of the river access streets. Councilmember Marchman said people were misusing the paper street near him by playing loud music and partying. Councilmember Merz suggested placing signage for pedestrian foot traffic only. Councilmember Lee said London was not a paper street and Public Works Assistant Public Works Director said it was closed to the public due for safety purposes.

A motion was made by Councilmember Marchman and duly seconded by Councilmember Martinez to direct City Administrator Dixon and City Attorney to draft an ordinance on restricting vehicle access on unimproved roadways. A vote was taken (4:0 all ayes) the motion carried by all present.

i. Discussion and appropriate action on city mosquito abatement services

Assistant Public Works Director Ricky Carrasco briefed the City Council on the mosquito fogging that evening. Mr. Carrasco said they were working toward bringing back in house. City Administrator Dixon said they were evaluating the city equipment. Mr. Dixon said the ideal time to fog was April through July. Mayor Alexander felt precautions on how to help prevent mosquitos should be put in the monthly newsletter. Councilmember Martinez recommended putting out on InFo. Councilmember Marchman recommended looking at repairability of the mosquito equipment. No action was taken.

j. Discussion and possible action on hangar rental rate adjustments for the Castroville Municipal Airport

Councilmember Lee briefed the City Council on hangar rental rates adjustments at the Airport. Mr. Lee said

he was good with the recommended 2.7% and the City Council needed to look at adding office space in terminal and ground leases to the City fee schedule.. City Administrator Dixon said the city had to notify the tenants 60 days in advance for increase and the deadline was passing.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve a 2.7% increase on hangar rental rates effective October 1, 2025, in alignment with the June 2025 Consumer Price Index. A vote was taken (4:0 all ayes) the motion carried by all present.

k. Discussion and appropriate action on Airport Business Applications protocol

Councilmember Lee briefed the City Council on why the City adopted a background check years ago, and had a resolution in place with a business application protocol. Mr. Lee said the city just needed to follow the process. No formal action was taken.

l. Discussion and appropriate action to authorize an FAA compliant appraisal of airport land used by the Medina Valley Youth Baseball Association to establish fair market value; payment to airport of that value; require city council to be sole entity representing the airport to include negotiating and approving ground leases

Councilmember Lee briefed the City Council on history of the Airport and inspection report from FAA findings. Mr. Lee said there was City Staff confusion of who owned the Well at the Airport. Mr. Lee said the city was the owner of the Airport Municipal Water System and previously the city had turned into FAA the maintenance costs on the well as in kind services. Mr. Lee said the FAA had concerns with the Airport not receiving fair market value for the little league property. Mr. Lee said the city needed to get an appraisal by an appraiser with knowledge of airport property. Mr. Lee said the city needed to correct the response to the FAA and paid the Airport for the land. Mr. Lee also did not want the Airport property to be under the Parks department. Mr. Lee was not in favor of the Airport having to pay for all the repairs to the well. City Administrator Dixon said he had met with Councilmember Lee and Mayor Alexander and received the history on the well and who owned. City Council requested staff to bring an appraisal back to City Council and then funding of the payment for the appraisal. Councilmember Merz said he would like data on pro rate.

A motion was made by Councilmember Lee and duly second by Councilmember Martinez to direct staff to get an appraisal of the airport land used by the Medina Valley Youth Baseball Association and bring back for review. A vote was taken (4:0 all ayes)

m. Discussion and appropriate action on the draft proposed general fund budget

Mayor Alexander said he had placed back on the agenda for City Council consensus on what was previously discussed related to the General Fund. Shown was a new detective position in the Police Department, the one-time expenditures were improvements to the Library, body cameras for Code Enforcement, new SCAG mower, safety equipment for Streets Dept. and \$250,000 from the General Fund reserves for street improvements. Councilmember Lee said there were several items not shown for Parks. Mr. Dixon said the budget was balanced.

n. Discussion and possible action regarding the proposed Enterprise Fund budget for the City of Castroville

City Administrator Scott Dixon briefed the city council on the Enterprise Fund and provided information on proposed gas system expansion. Councilmember Lee said the citizens had voted to keep the gas system and to support the utility he felt the city needed to go up on rates to pay for system improvements. City Administrator Scott Dixon briefed the City Council on the Enterprise Fund and provided information on proposed expansion. Councilmember Lee said the citizens had voted to keep the gas system and to support the utility he felt the City needed to go up on rates to pay for system. Mr. Dixon provided Options #1 and #2 in the backup on possible increases. Mr. Dixon said he would also look at volume charges as another option. Mr. Dixon spoke on using Fund Balance, Gas Department Staff, proposed gas rate adjustment, Airport Budget revisions with a new personnel position and removed previously proposed Capital Improvement Projects from the FY25-26 budget cycle to better align. Councilmember Merz liked the options and liked option #2. Councilmember Lee said the city needed to look at funding for the gas system cost. Councilmember Merz said the city did not have enough to start replacement of lines. Mr. Dixon said there may be some, will have Synergy to come in and do a presentation. Mr. Dixon said the Airport Budget was more of wants than needs. The Airport Advisory Board wanted new courtesy Cars, a maintenance storage unit and the manager was going back to part-time and he would go to 30 hrs. per week as of October, 1, 2025. Councilmember Lee suggested giving the Tourism/Business Director a milage stipend and taking the Tourism car for the airport. Mr. Lee said it could go toward the amount the city owed the Airport for ball field Fair Market Value.

XV. City Administrator Report

a. General Fund Budget, Drainage Project Progress, Council A/V, CPSE Dispute, Community Center Project, County Emergency Management, County Streets Plan, EDC Dissolution Process, Lion's Park Splash Pad, Emergency Generators at Wells #2 and #3, Lions Park Well update, ETJ Dis-annexation, Streets Planning

City Administrator Scott Dixon briefed the City Council on his report. Mayor Alexander said he had spoken with CPS representative and they were wanting to meet. Mr. Dixon said the Community Center building had the roof installed, the County was coming to the 26th meeting on emergency management, Splash Pad was out of commission. Mr. Dixon said he would be working with Councilmember King on a recommendation. Councilman Lee suggested removing the equipment and using the pad for a pavilion for shade. Mr. Dixon spoke on Generators for Wells #2 and #3 and said they were on order, looking to dissolve the Economic Development Corporation, preparing a street plan to work with county, and the city had received a petition to remove property from the city ETJ.

XVI. DISUSSION ON FUTURE AGENDA ITEMS

Executive Session on evaluations

XVII. ADJOURN

Mayor Alexander adjourned the meeting at 11:58 p.m.

Mayor

ATTEST:

City Secretary