

**CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
June 24, 2025
Tuesday
5:00 P.M.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 5:01 p.m.

Mayor Alexander recessed the meeting to go into Executive Session at 5:02 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 551.072 (Deliberation Regarding Real Property)

A. Approximately 4.5 acres of land in Medina County for future facilities

B. Approximately 17 acres of land in Medina County for future parkland

Opened: 5:04 p.m.

Closed: 5:46 p.m.

III. Reconvene in open session

Mayor Alexander reconvened in open session at 6:00 p.m.

IV. ROLL CALL

Present:

Mayor Bruce Alexander

Mayor Pro Tem Sheena Martinez

Councilmember Houston Marchman

Councilmember Phil King

Scott Dixon, City Administrator

Debra Howe, City Secretary

Jonah Chang, Parks and Recreation Director

Mike Haley, Airport Manager

Absent:

Councilmember David Merz

Councilmember Robert Lee

V. PLEDGE OF ALLEIGENCE

VI. INVOCATION

Mayor Bruce Alexander 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.

Helen Delevan, 1105 Lisbon, spoke to the city council on not drainage issues but the proposed UDO. Ms. Delevan said she had become more involved in learning about the UDO process after hearing some people wanted to stop the project. Ms. Delevan felt the large amount of money spent on the UDO should not be for nothing. Ms. Delevan said she had went so far, as to contacted her grandson and asked his opinion reading his response on what he felt his generation wanted - density, amenities, and walkability. Ms. Delevan said after reviewing and seeing where the original historic area and older subdivisions would not be affected she felt there were more pros than cons and was in favor of the City Council adopting and moving on.

Ms. Delevan thanked the City Council for what they did for the city.

Priscilla Garrett, 702 Florence, spoke to the City Council on participating on the UDO as a member of the PAC Committee, planning and zoning commission, and historic landmark commission. Ms. Garrett said the document had been changed several times to address the citizens concerns and Ms. Garrett felt inside the “horseshoe” they were protected with the proposed UDO and the restrictions in the historic district. Ms. Garrett said in 2014 the City Council included in the Master Plan the city was to review the Land Use Plan every three years, the city would revise the zoning and subdivision ordinances to implement the policies in the Land Use Plan, and the city was to develop a hybrid zoning code which maintained the traditional zoning ordinance and added form based zoning techniques which would concentrate on design-based elements. Ms. Garrett felt the city had not done any of these in the last 10 years. Ms. Garrett said the UDO would do all of what was spoken of in the Master Plan. Ms. Garrett said the UDO could be changed as the current CZO was being done when needed and she felt it would be irresponsible with the taxpayers money if the city council did not adopt.

Ali Welch, 704 Lisbon, spoke on being a member of the parks and recreation board and her work with special needs children. Ms. Welch wanted to see support from the City Council for an all-inclusive playground in the city. Ms. Welch said the closest one was 24 miles away and if the city could build it, it would show the heart of the city and be appreciated by so many.

Adriana Arrington-Calk, 1114 Gentilz, member of the parks and recreation board, spoke to the city council on the Texas Parks and Wildlife Grant application for park improvements. Ms. Arrington-Calk said the funds would be used for playground improvements. Ms. Arrington-Calk handed out a copy to the City Council on the survey results on what citizens wanted.

Lori Marchman, 1616 San Jacinto, thanked the city council and staff for the notification on the siren drill held that day. Ms. Marchman said that it was the first one she had heard and was pleased they were tested.

Patrick Conner, 811 Washington, asked Mayor Alexander if he thought the UDO would bring higher density. (During citizen comments Mayor nor City Council could respond). Mr. Conner felt the UDO would not cause higher density and was unclear as to why some citizens were still so angry over the development that did not happen. Mr. Conner spoke on the Lions Park not being a good park in the past but with the changes was one they enjoy now. He was in support of park improvements.

Kyle McVay, 307 Madrid, said the current CZO had loopholes and one was no lot sizes noted. Ms. McVay said the UDO was like a recipe and could be tweaked when necessary, and citizens had been involved with the UDO process and wanted to move forward. Ms. McVay said the current CZO was over 20 years old and gave an example of the city not looking at the future saying TxDOT had approached the city about 25 years ago, offered a bypass to help with traffic and the city did not take the offer and they had not offered again. Ms. McVay wanted the City Council to look at the future and listen to the citizens.

VIII. CONSENT AGENDA

- a. Minutes for May 27, 2025 Regular Called Meeting
- b. Minutes for June 10, 2025 Regular Called Meeting
- c. Authorize the Mayor to sign a contract for solid waste services with South Texas Refuse Disposal (STRD) with a commencement date of October 01, 2025.

Mayor Alexander requested 8c. contract for solid waste services be removed from the consent agenda and brought back at the July 8th meeting.

A motion was made by Councilmember Martinez and duly seconded by Councilmember King to and table c. contract for solid waste services with South Texas Refuse Disposal (STRD) to be brought back July 8th meeting. A vote was taken (3:0 all ayes), the motion carried by all present.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve the consent agenda items a. and b. minutes for May 27, 2025 and June 10, 2025. A vote was taken (3:0 all ayes), the motion carried by all present.

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

No action was taken.

X. DISCUSSION AND ACTION ITEMS

a. Consider and take appropriate action on applications submitted for open board and commission positions

City Secretary Debra Howe briefed the city council on the applications received for open positions on the Airport and Parks and Recreation Advisory Boards, Planning and Zoning Commission, and Zoning Board of Adjustments. Ms. Howe said the Airport Board had five positions open and five applications to consider. One of the applicants – Michael Torres may not make the meeting, as his flight had been delayed out of Dallas. Mike Haley, Airport Manager was in attendance to answer any questions on the board. First applicant was Kim Torres, 359 Baues Ln., Castroville, an American Airline pilot who spoke on moving to Castroville area and wanting to serve in the community. Ms. Torres said her background in airport safety and being an

active general aviation pilot would be a good fit for the board. David Ortega, 349 West White Oak, Castroville, said his background was retired, an aircraft builder, owner, and a pilot would be a benefit.

Mr. Ortega was a current member of the Pipe Creek Canyon Airport Board near Kelly Airforce base and with his experience would like to help with the changes coming to the area. John Klaerner, 1243 Earlston Dr., San Antonio, current board chairman, spoke on his request to be reappointed to the board. Mr. Klaerner said he was currently serving as chairman, a tenant at the airport, and had a background with different airport boards. Mr. Klaerner wished to continue to serve in Castroville. Karen Fifield, 805 Washington, spoke on her being a lifelong member of the community and although she did not have any aviation experience, she had no special interests for any conflicts serving could bring, would use common sense and good judgment if she was appointed. Mayor Alexander provided the City Council with his recommendations for appointments to the Airport Board, appointing John Klaerner, Karen Fifield, David Ortega to the full board and Kim Torres to alternate position. Before the City Council made a motion Michael Torres, 359 Bauer, Castroville, arrived and spoke on his experience as a Boeing Flight Testing Engineer, a private pilot, airplane owner, and retired military. Mr. Torres hoped he would be considered and felt with his knowledge of aviation he could be a benefit to Castroville.

A motion was made by Councilmember Martinez and duly seconded by Councilmember King to reappoint John Klaerner to full board position #5 with a term ending in 2027; Michael Torres to a full board position #1 for a term ending in 2027; David Ortega to a full board position #3 for a term ending in 2027; and Kim Torres to alternate position #1 for a term ending in 2026; and Karen Fifield to alternate position #2 for a term ending in 2027. A vote was taken (3:0 all ayes), the motion carried by all present.

Ms. Howe said for the Parks and Recreation Advisory Board there were two full board and one alternate position open. There was one application submitted by Ali Welch for reappointment for the city council to consider.

A motion was made by Councilmember Martinez and duly seconded by Councilmember King to reappoint Ali Welch to full board position #1 for a term ending in 2027. A vote was taken (3:0 all ayes), the motion carried by all present.

Ms. Howe said there were two full board positions open for the Planning and Zoning Commission and four applications submitted. Kyle McVay, 307 Madrid, Castroville, spoke on her request to be considered for reappointment. Ms. McVay said she would like to continue to serve as a member of the Planning and Zoning Commission. Jim Welch, 705 Lisbon, Civil Engineer with Pape Dawson, and current chairman spoke on his request for reappointment. Mr. Welch said he and his wife had been in Castroville for 10 years and he felt his experience could benefit the city and wanted to continue to serve the city. Valarie Solis, 1216 Constantinople, Castroville, spoke on her upcoming retirement and wanting to use her passion for shaping the city in the future by serving on the Planning and Zoning Commission. James "Tyne" Tiller, 2112 Geneva Court, Castroville, spoke on his moving to Castroville about five years ago for his children to grow up a community such as Castroville. Mr. Tiller felt his experience in the oil fields doing value project management, also experience as a small business owner in the construction industry would serve him well if he was considered for a position on the board. Mayor Alexander asked Mr. Tiller if not appointed to the Planning and Zoning Commission would he be agreeable to his second choice the Zoning Board of Adjustments. Mr. Tiller said he would. Mayor Alexander gave his recommendations to the city council on appointing Jim Welch and Valarie Solis to the Planning and Zoning Commission. Mayor Alexander thanked Ms. McVay for her time served but wanted to move on to new members.

A motion was made by Councilmember King and duly seconded by Councilmember Martinez to reappoint Kyle McVay and Jim Welch to the Planning and Zoning Commission.

Councilmember Martinez had questions before the vote was taken on a discussion at an earlier meeting on members of the boards serving on more than one board. Councilmember King said the discussion had been that if someone served on certain boards (Historic Landmark and the Planning and Zoning Commissions) it could be a conflict during an appeals process as the Planning and Zoning Commission was the appeals board for the Historic Landmark Commission decisions. **A vote was taken (1 aye: 2 nays (Martinez, Marchman) the motion was denied.**

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to reappoint Jim Welch to full board position #3 and appoint Valarie Solis to full board position #4 for terms ending in 2027. A vote was taken (3 ayes: 0 nays) the motion carried by all present.

Ms. Howe said the city had received one application from current member Milton Theis Jr. to be considered for reappointment. Mr. Theis spoke on his involvement with the city as a past councilmember and mayor pro tem. Mr. Theis had served for several terms on the Zoning Board of Adjustment and wished to be considered for an additional term. James “Tyne” Tiller had already been asked by the Mayor if he would consider a position on the board and agreed.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to reappoint Milton Theis Jr. to the full board position #4 and appoint James “Tyne” Tiller to alternate position #2 for terms ending in 2027. A vote was taken (3 ayes: 0 nays) the motion carried by all present.

b. Discuss and take appropriate action to adopt a resolution authorizing and approving publication and posting of notice of intention to issue combination tax and revenue certificates of obligation and other matters in connection therewith

City Administrator Scott Dixon briefed the City Council on options presented at the last council meeting. Mr. Dixon said the city could issue debt for \$3.5 million to be paid out of the Utility Fund for the water well project, they could issue \$3.5 – \$4.5 million out of the General Fund for general fund projects listed as: Library Expansion, New Police Department Building, Park Improvements, Street Rehabilitation Projects, City Hall Remodel, and Downtown Revitalization Efforts to name a few. Mr. Dixon said the City Council could choose others if they wished. Mr. Dixon said the city council could use general funds for the utility projects if they chose to. Mr. Dixon said a third option was to issue debt to go out and buy water rights and pay back out of the water acquisition fund. Mr. Dixon said the current rate was \$12,500 per acre foot and with the amount collected to date the city could issue debt for \$1.5 million for purchasing water rights. Mr. Dixon said the purchasing was not urgent for the city as the city would be receiving more water rights from the developments and he asked the City Council if they wanted to borrow money for this option. Councilmember King was in favor of issuing \$3.5 million now and waiting until the full City Council could discuss the projects suggested. Mr. Dixon said the city would need a well when the city had over 2,500 connections. Mayor Alexander said the city had three systems and he had spoken with the city engineering firm RESPEC on the well project and there could be changes made to the current system and not have to dig a new well. Mayor Alexander said the city councils had been speaking on an elevated storage tank since the 1990’s and he did agree the city needed an elevated tank on the east side of town to meet the needs and have the pressure. Mayor Alexander did not think the city needed the well at this time but to use the \$3.5 million for connection upgrades. Mr. Dixon said he would have a conversation with RESPEC as the city was going

by their recommendations for the new well and the well would be on city owned property and was for the city not the developers. Councilmember Marchman asked about the General Fund Projects other than the Police Department Building. Mr. Dixon said only the unfunded CIP projects were left. Councilmember Martinez asked about the drainage project for the Athens area. Mr. Dixon said the \$1.8 million borrowed from the Drainage Fund was for improvements to Garcia Creek, bar ditches, and lowering of streets. Mr. Dixon said the City Council could add new projects if they wished. Ms. Martinez was in favor of the police department getting a new building. Councilmember King said the city was obligated now for the water well from previous City Council approval. Mayor Alexander said he was not in favor of any new debt issuance unless an emergency. Mayor Alexander did not support Certificates of Obligations being issued for future projects, need to be identified. Councilmember Marchman asked what legal issues would arise with not doing the water well project if the city wanted to back out of the development agreements. Mr. Dixon said legal counsel would have to be consulted and they would have to look at the cost for legal fees vs. the well project. Councilmember King said the developer was moving forward under the agreement and the city had obligations. Mr. King said the development was in the city's CCN so the city would still have to provide services. Councilmember Marchman asked if the city had to have an elevated tank. Mayor Alexander said an elevated tank was needed on the east side of town. Mr. Marchman asked the cost for a tank. Mr. Dixon said it would be approximately \$22 million. Mark McLiney, SAMCO was present and said in issuing notice of intent and the issuing of the Certificates of Obligation it was all in the timing. Mr. McLiney said if the City Council approved at this meeting they would issue the notice of intent with an August 26th date to sale the bonds. Mr. McLiney said the Certificates of Obligation for water rights with general funds had to be completed before the tax rate was set in September. Mayor Alexander asked if the July 8th meeting was too late to issue the notice. Mr. Dixon said if the Mayor could call a recess to check dates for meetings.

Mayor Alexander recessed the meeting at 7:34 p.m.
Mayor Alexander reconvened in open session at 7:45 p.m.

Mr. Dixon said he had checked the dates for setting the tax rate and the July 8th meeting would meet the requirements for issuing the certificates of obligation. Council was asked which of the amounts they were in favor of. Councilmember Marchman was in favor of approving the \$3.5 million for the water well and asked if they separated the certificates of obligations what the difference in cost was. Mr. McLiney said a percentage plus 25% for doing separate issuances. Councilmember Martinez was in favor of the \$3.5 million for the water well and wanted to have funds to get a new police department building. Ms. Martinez said it would make more sense to combine into one and save money. Ms. Martinez said the hardware store and Tractor Supply had been robbed a few weeks before and she wanted the police department to have what they needed to keep Castroville safe. Councilmember King was in favor of the \$3.5 million for the water well and the \$8 million total. City Administrator Dixon said if the city council approved the \$8 million issuance the rate would stay flat because the greater value came from new growth. Councilmember Marchman said he was in favor of issuing one certificate of obligation for \$8 million to save money.

A motion was made by Councilmember Marchman and duly seconded by Councilmember King to adopt a resolution authorizing and approving publication and posting of notice of intention to issue combination tax and revenue certificates of obligation in the amount of \$8 million and other matters in connection therewith. A vote was taken (3:0 all ayes), the motion carried by all present.

c. Discuss and take appropriate action regarding the City of Castroville's sewer rate winter averaging methodology

Terry Beck, 104 Harvest Moon, Castroville, was recognized to speak on his sewer rates. Mr. Beck said his current sewer charge was \$213.35, 12 months prior was \$170.00, prior to that it was \$130.00. Mr. Beck thanked Mr. Dixon for taking the time to show him how to read the new meter information. Mr. Beck did see where his increase was from watering landscape, not a leak. Mr. Beck said it was expensive trying to keep alive and had spoken with other cities and they had lower rates. Mr. Beck felt a second meter for irrigation might be the answer but he didn't know if the cost of utilities kept going up if he could continue to live in Castroville. Mr. Beck asked the City Council to look at some type of relief, ways to fix. Mayor Alexander said he had a lot of people contact him asking for change. City Administrator Dixon said he had been asked to bring back options and provided four for the City Council to consider. Mr. Dixon said currently the city did a winter sewer averaging of four months and throwing out the highest. Mr. Dixon said the first option would be to take the two lowest months of the four months winter average, throwing out the highest two months. Mr. Dixon said another option was to allow reversion to prior year average for customers with higher averages for the next year caused from leaks or higher irrigation. Third option establish a maximum sewer charge and the fourth to promote or require a separate meter for irrigation purposes. Mr. Dixon said all had pros and cons. Mayor Alexander said the original purpose of winter averaging was more accurate in water going through the house not watering yards as in the summer months. Councilmember King was in favor of the lowest averaging of two months out of four in the winter averaging. Mr. Dixon said the sewer rates were not a profit generator, but a cost recovery due the sewer plant build was necessary. The City Council debated the best options and directed staff to bring back amendments to the utility policy with a four month winter averaging throwing out the highest two months and average lowest for following year's rate, including an appeals process of reviewing the previous two years usage for comparison.

f. Discussion and possible action on entering into an agreement with GRANTWORKS, INC. for preparation and submission of a grant application to the Texas Parks and Wildlife Department(TPWD) for the City of Castroville

Parks and Recreation Director Jonah Chang briefed the City Council on having GRANTWORKS, Inc to prepare and submit an application for a \$750,000 50/50 matching grant from the TPWD in the next grant cycle. Mr. Chang said Lions Park was situated one half of a mile of three of the five districts and improvements were needed. Mayor Alexander clarified the city was not obligated to fund unless grant was received and with City Council approval. Mr. Chang said that was correct. City Councilmembers questioned the \$7,000 cost for GRANTWORKS administrative fees to write and submit and felt staff should be able to write. Mr. Dixon said there were funds in the budget to cover the cost of the application and Mr. Chang said he would be going to grant writing classes soon but recommended the grant consultants submit this application. Councilmember Martinez was in favor of an all inclusive park for the city, was a good investment and would be used.

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to enter into an agreement with GRANTWORKS, INC. for and submission of a grant application to the Texas Parks and Wildlife Department(TPWD) for the City of Castroville. A vote was taken (3:0 all ayes), the motion carried by all present.

XI. City Administrator Report

- a. The City Administrator will provide updates on the following items: recent flooding, council A/V, WTG gas line inspection, Flat Creek water well project, Annual Employee Appreciation, Castroville Cares Initiative, WWTP Pond Closure, Geneva Drainage Channel, Garcia Creek Drainage Project, Annual Budget Process, Commercial Developments

Mayor Alexander said he had been out of state during the recent rains and had asked City Administrator Dixon to check the holding ponds for any flooding. Mayor Alexander said the city needed to go further on drainage work and maintenance. Mayor Alexander said the city needed to rent equipment and do more. Mr. Dixon said the drainage project had begun with work starting downstream and going up. Councilmember Marchman thanked Mr. Dixon for coming out and speaking with a citizen near the apartments. Mr. Dixon said that was a separate issue with the city owning the streets in old town and the right of ways having been maintained by citizens for years. Mr. Sheffield's area had a very steep incline and he did not need to be trying to maintain. Mr. Dixon said he would be coming back to the City Council to discuss the city starting to maintain these areas. Councilmember Martinez started by thanking staff and all city employees for what they do. Ms. Martinez asked about the Gas Audit and what the five issues were. Mr. Dixon said for most of the deficiencies were administrative and were being corrected. Dixon said the city consultant Simon Pena was reviewing the draft report and would be addressing. Mr. Dixon said he would have a report for the City Council at an August meeting. Mr. Dixon said City Engineers KFrese/Lochner would be providing an update at the July 8th meeting on the Garcia Creek Project. Councilmember Martinez said she saw more trees down and someone's trash can in the creek. Mr. Dixon said the city had recently started a Castroville Cares Program for employees to help build pride in the organization. Mr. Dixon said the sound/video system seemed to be operating properly with a change in browser compatibility. Mr. Dixon said he and the finance director were working with Mayor Alexander on refining the proposed budget and would have an item on the June 24th meeting to set a budget work session. Mr. Dixon identified what was discussed in executive sessions related to finances in development/360 agreements. Mr. Dixon said in discussions the City Council wanted developers to provide presentations to the public and will be talking more in the future on the development policy. Mr. Dixon briefed on the different developments – NP Homes (Heights of Castroville), Alsatian Oaks, Endura (Victory Lane), and Flat Creek. Mr. Dixon said all indicated they were moving forward with their developments. Mr. Dixon said Endura had properties east of the car dealership and near the airport could be coming to the city for development agreements instead of utility agreements for needed utility and street infrastructure improvements. Mayor Alexander said he had spoken with the City Attorney and some parts of the development agreements should/could be discussed in open session and with the Planning and Zoning Commission. Councilmember Martinez said when Alsatian Oaks came to the city they held two public meetings with presentations for citizens to ask questions.

XII. Staff Reports

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

- a. Library report June 2025
- b. Airport – Gas sales and Operations including revenues.
- c. Community Development – UDO Timeline, March Permits, Board meetings, steps completed on Thoroughfare Plan, and Active Transportation Grant.
- d. Facilities, Parks & Recreation Monthly Update

- e. Community Development Staff Report
- f. Finance Report - General, Enterprise, Airport Funds and Municipal Court Report (May 2025).
- g. Public Works Monthly Staff Report for May 2025

There were no questions. Councilmember Marchman had questions on the Historic Landmark Commission Meeting denying three requests. Priscilla Garrett, Chairman of the Historic Landmark Commission said to clarify the items brought before the board had not been denied, and the requestors were bringing back modifications to their request at a later meeting. It was noted the electric department was down three employees. Mayor Alexander asked members of the council if they were participating in the 4th of July Parade and the mode of transportation. Councilmember Marchman said he could drive his truck and Councilmember Martinez said she would ride with him. Councilmember King was pulling a float and Mayor Alexander was attending.

XIII. Discussion on Future Agenda Items

- a. Set Date for future budget workshop and other matters.

City Administrator Dixon asked for direction on setting a date for the budget work session. Mayor Alexander suggested July 8th starting at 9a.m. The other members of council would need to confer with on their schedules before the time was formally set.

XI. Adjourn

Mayor Alexander adjourned the meeting at 9:09 p.m.

Bruce Alexander
Mayor

ATTEST:

Debra Howe
City Secretary