

**CITY OF CASTROVILLE CITY COUNCIL
SPECIAL CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
August 01, 2025
Tuesday
11:00 A.M.
MINUTES**

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 11:01 a.m.

II. ROLL CALL

Present:

Mayor Bruce Alexander	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Houston Marchman	Forest Knutson, Police Detective
Councilmember Phil King	John Gomez, Public Works Director
Councilmember David Merz	Jonah Chang, Parks and Recreation Director
Councilmember Robert Lee	

II. 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.

III. DISCUSSION AND ACTION ITEMS

a. Discussion and review of FY25/26 proposed Operating Budget General Fund (GF) Line-Item expenditures including wants vs. needs

City Administrator Scott Dixon briefed the City Council on the proposed General Fund budget expenditures. Mr. Dixon said the original thought had been a \$700,000 deficit but after reductions and reallocation the budget was balanced. Mr. Dixon said the City Council would make the choice of what level of services as the policy makers. Councilmember Lee clarified the \$700,000 deficit had been resolved. Mr. Dixon said the city would be approximately \$40,000 to the good. Mr. Dixon said they had cut approximately \$400,000 from the police department, parks, and revisited the estimated Sales Tax and increased the revenues for the coming year. Mr. Dixon provided the unfunded GF expenditures that included City Administrator – full time intern, increase in attorney fees, increase in building and maintenance, City Secretary – digitalization, Finance – Audit services (single audit), increase in awards/recognition, and Incode Cloud Based services; Library – maintenance, outside services, patron

computers, self-checkout station, ADA door opener, keyless entry; Police – new detective position, K9 purchase and supplies; Municipal Court – court clerk, increase in Judge and Prosecutor services due to two courts per month; Community Development – increase in Engineering services, and increase in contracted services: Street – increase in travel, equipment purchases – SCAG mower, attenuator for dump truck, increase in maintenance and repairs, traffic control- stop signs and street signs; Parks and Recreation – full time building/ground maintenance, utility expenses (Community Center Building) uniform expense, increase in travel/training, vehicle maintenance/repairs, and miscellaneous park improvements; RV Park – Park improvements, building repairs, and ground maintenance; Swimming Pool– pool equipment upgrades, and building maintenance/repairs; Animal Services/Code Enforcement – part-time employee and body cameras; Tourism/ Business development – reduced; Information Technology – secondary internet backup for City Hall, Public Works, Library, Police and Parks, increase in contracted services, increase computer hardware upgrades; and non-departmental – increase in unemployment insurance and copier lease overages. Councilmember Martinez wanted to fund the new detective position and purchase of a K9 and supplies. Councilmember Lee was not in favor of digitizing at that time but felt the records should be indexed first then digitize after that. Mayor Alexander wanted additional funds put in for the street maintenance crew to maintain drainage and he was willing to sacrifice other items to do this. Mr. Dixon said the City Council had approved drainage funds for debt service for the Geneva Street project. Mr. Dixon said the street department was understaffed and would need more people to cover the street and drainage maintenance. Councilmember Martinez said she had asked for general fund operational vs. one-time expenditures wanting the top three priority items from department heads. Ms. Martinez was in favor of maintenance on City Hall, Library, purchase a K9 for Police Department, purchase street department equipment- SCAG mower and for safety reasons an attenuator for dump truck. Mayor Alexander wanted to clarify the incinerator located at the wastewater treatment plant area was not to be used to euthanize animals. Mr. Dixon said the city received a grant approximately two and one half from ACCOG and the city was still in the process of getting the incinerator approved by TCEQ. Councilmember Martinez asked about the \$67,700 for IT shown in unfunded and wanted to make sure that was enough. Mr. Dixon said that was on top of the budgeted amount. Mr. Dixon said the City Council could look at one-time expenditures for additional internet back to Police Department, City Hall, Public Works, Parks, and Library for an automatic switch over option. Mayor Alexander wanted staff to look at what each building would need for security cameras. Councilmember Martinez asked about TxDOT project on moving items out of their right of way. Mr. Dixon said that would be a bid with TxDOT to do. Ms. Martinez asked about the pool heaters and if all were in working order. Mr. Dixon said they were. Councilmember Lee had asked about heater coverings and it was an unfunded expense of approximately \$2500. Mayor Alexander hoped the heaters/pool was in good order and more people would start to use. Councilmember Lee said he had sent over a request for the Parks and Recreation Board look at ways to heat the pool at a lesser cost. Mayor Alexander asked there was any more expenses associated with the pool and one-time expenses. Mayor Alexander wanted a true number of reserves to know what they could use. Mr. Dixon said the \$450,000 was not reflected in the current reserves. Councilmember Marchman asked for the heated temperature for the pool. Parks Director Jonah Chang said 80-83 degrees. Mr. Dixon said the parks budget for the outdoor changing areas and restrooms had been removed, but was still needed for a better use of the pool. The IT budget for VC3 contract was at \$140,000; public works looking at changing out street lights for LED lighting; street repairs was shown at \$35,000. Councilmember Marchman asked about the pond project costs. They were not in the General Fund. Rental equipment/ in-house costs lower. Councilmember Merz felt

most valuable was experience and was glad the city was closer to plan for streets maintenance. Mr. Dixon said he would look at CIP on drainage. Mr. Dixon was still in support of a tax increase to close the gap on maintenance. Mayor Alexander said I & S and O & M would change with doing more projects and one would drop and other go up. Councilmember Lee felt the city should engage with the Chamber of Commerce for them to do more promoting of the city and use some of the funds allotted to the Tourism budget for streets. Mr. Lee suggested cutting back on IT and rebidding the contract. Mr. Lee said he was not in favor of reducing the work force but was more in favor of increasing the number of street/facility people. Mr. Lee said the Library needed better security, and wanted indexing before digitizing records. Court increases was a wash, police department- more community policing. Mr. Dixon said the higher cost for police department was offset by a Stonegarden Grant that the department received for two police officers and it paid for overtime for patrolling on Hwy 90. Mr. Lee said the city had to maintain the streets and facilities and he felt the RV Park did not serve the citizens.

Mayor Alexander called a short recess for lunch at 12:57 p.m.
Mayor Alexander reconvened in open session at 1:12 p.m.

City Administrator Dixon said the city did budget for on a single audit for the coming year. Mayor Alexander was not in favor of special activities being shown in other departments and wanted removed and placed under the City Administrator's budget. Mayor Alexander questioned the vehicle allowances for some department heads and the take home policies of city vehicles. City Secretary Debra Howe spoke on her receiving an allowance for the past 18 years for doing errands for the city. Mr. Dixon said the police department had very few vehicles taken home. City Council wanted fees for the Library and Community Development looked at for possible increases. Mayor Alexander said he had a complaint on the contracted inspector not doing the job properly. Mr. Dixon said they would look into. Mayor Alexander felt the Animal Control and Code Enforcement should be a dedicated position not a dual position. Economic Development should have Chamber of Commerce more involved, COLA shown at 3%, Mayor Alexander disagreed on certification pay – should adjust the salary and look at the fleet list on vehicle/equipment replacement. Detective Forest Knutson was present and handed out information to support the request for an additional detective in the department. Councilmember Marchman asked if they had a plan for the growth and when to add additional officers. Mr. Marchman asked Detective Knutson if he felt they could utilize a K9 unit. Detective Knutson said they could and there might be a grant the department could use for the purchase. City Council was in favor of that option. It was clarified the streets department of three doubled for the maintenance on the gas system at this time with a request for one new dedicated position. Parks Department had two and a half persons plus the Parks Director. Mr. Dixon said he felt a full time position for right of way and drainage maintenance was warranted. Councilmember Martinez asked about the part-time airport manager and when this position would go Fulltime. Mr. Dixon said he felt the current manager was not ready to take on the full responsibility of the airport manager position yet. Councilmember Martinez felt with the growth coming the part-time manager should take over and Ms. Soto could concentrate on the development. Mayor Alexander felt Ms. Soto could be moved off sooner rather than later due to growth. Councilmember Merz asked if they were looking to explained the street crew. Mayor Alexander said they should look at adding a full time gas employee. Councilmember Lee wanted funds placed in the budget for street maintenance.

Councilmember Merz asked what amount should they put. It was agreed a good number was \$400,000 - \$450,000 from the reserves for street work either in-partner with the county or in-house.

Councilmember Marchman asked if the city had a current street plan. Mr. Dixon said they did, but it was to do the streets with no water or sewer issues first. Councilmember Merz felt a good range for the street maintenance was between \$250,000 to \$400,000 and the budget would be balanced with the use of fund balance. City Council discussed options for City Hall, Public Works yard, and Police Department for new buildings and or remodel. Mr. Dixon said police department needed space and could be moved to city hall or build new building. Public works could be moved to the wastewater treatment plant area, possibly locate where the ponds were located after filled in, or out at the airport. Mr. Dixon asked what the City Council's vision would be for the public works yard. Councilmember Merz said he would like to see the numbers to see what made sense, whether it be the remodel of City Hall, building a new Police facility and building a new Public Works facility or building a new City Hall, move Police to City Hall building with minor remodel and a new Public Works facility. Councilmember Marchman said he had experience in his hometown when they remodeled the courthouse and he thought it would be better to move the City Hall, but would like to also see the numbers. From this work session the City Council was in favor of adding \$250,000 to the streets maintenance program from General Fund reserves, add a new detective position, purchase of a K9, if grant funds were available, hiring freeze in General Fund other than police, supported Library request for maintenance and technology, supported new mower (SCAG), and staff was to research State base pay for wage/benefit comparison to city. Mayor Alexander said the budget had a 3% COLA included and wanted pay adjustments and look at the city partnering more with the Chamber of Commerce for promoting the city.

Enterprise Utility and Airport Line-Item expenditures including wants vs. needs
Staffing - positions, qualifications based on job descriptions, pay rates, current staffing levels
including wants vs. needs to maintain quality services

The other items listed – Enterprise Utility and Airport, and staffing were not discussed and would be discussed at the next council meeting.

IV. ADJOURN

Mayor Alexander adjourned the meeting at 2:57 p.m.

Bruce Alexander
Mayor

ATTEST:

Debra Howe
City Secretary