



Work Session Meeting Minutes City Council

Tuesday, July 7, 2026

3:00 PM

City Council Chambers

630 E. Hopkins St. - Work Session

I. Call To Order

With a quorum present, the work session of the San Marcos City Council was called to order by Mayor Hughson at 3:09 p.m. Tuesday, July 7, 2026.
This meeting was held both in person and online.

II. Roll Call

Deputy Mayor Alyssa Garza joined the meeting at 3:33 PM.

Council Member Josh Paselk joined the meeting at 3:50 PM.

Present: 6 - Mayor Pro Tem Shane Scott, Deputy Mayor Pro Tem Alyssa Garza, Council Member Amanda Rodriguez, Mayor Jane Hughson, Council Member Lorenzo Gonzalez and Council Member Josh Paselk

Absent: 1 - Council Member Matthew Mendoza

III. Citizen Comment Period

No citizens signed up for the Citizen Comment Period.

PRESENTATIONS

1. Receive a presentation regarding the city's community brand.

City Manager Stephanie Reyes introduced the community branding initiative, noting it originated from City Council visioning sessions in 2024–2025. She clarified the project is funded entirely by hotel occupancy tax (HOT) revenues, which by law may only be used for tourism related promotion, not core city services. City Manager Reyes introduced North Star Place Branding as the consultant and turned the presentation over to Communications and Intergovernmental Relations Director Lauren Surley.

Director Surley outlined the year-long, research-driven process and emphasized that the brand seeks a cohesive citywide identity. She stated implementation would be phased, with digital updates occurring first and physical materials replaced only through normal replacement cycles.

Sam Preston of North Star presented the research, brand strategy, and proposed creative elements. He summarized survey findings, including declining resident likelihood to recommend San Marcos as a place to live and strong positive ratings for the natural environment. He presented the brand DNA statement, new logo, color palette, sample advertisements, and a narrative capturing the city's character. He noted implementation ideas were inspirational only and emphasized a gradual rollout rather than a formal unveiling.

Council discussion followed:

Mayor Pro Tem Scott and Mayor Hughson expressed support for updating the monument entry signage. City Manager Reyes noted that staff were already reviewing updates at the gateways and would evaluate available funds. Council Members Gonzalez and Rodriguez expressed support for the presentation, and Rodriguez thanked staff for clarifying funding sources. Mayor Hughson also noted that the blue shown on screens in council chambers appeared more purple than the true printed blue color. Deputy Mayor Pro Tem Garza asked about plans for a public rollout; Director Surley responded that there would be no large unveiling, and Mr. Preston emphasized the importance of explaining the project's purpose before beginning use of the new brand. Garza raised concerns about resident input, and Mr. Preston clarified that the design examples shown were not final and could still incorporate community feedback.

City Manager Reyes stated that the city's News Hub would help communicate the rollout and the community's role in shaping the brand. The Council confirmed that their approval applied to the brand elements—logo, colors, and messaging—rather than the optional execution concepts. Director Surley confirmed that a licensing process would move forward. Mayor Pro Tem Scott noted community interest in referencing Texas State University on certain signage, and City Manager Reyes stated that partnership opportunities may be available for future gateway locations. Mayor Hughson and Director Surley closed by thanking the community and committee members for their participation.

2. Receive a Staff presentation on the update to Water and Wastewater Impact Fees.

Assistant City Manager Joe Pantalione opened the item by noting that staff previously presented the impact fee update process on May 5th and that this meeting continues that discussion, focusing on how impact fees fund projects and presenting the maximum allowable rates from the updated study. He emphasized that no action was required at this meeting and that staff would

return on August 5th for public hearings, with final adoption scheduled for September 1st. He then turned the presentation over to Director of Engineering and Capital Improvement Shaun Condor.

Director Condor explained how the impact fee process fits within the broader planning framework, beginning with the comprehensive plan, followed by the water and wastewater master plans, and culminating in the impact fee study. He noted that the city updated its master plans beginning in 2022 and waited for the comprehensive plan's completion in late 2024 to ensure consistency. He described the master plans as documenting the existing system, identifying capacity issues, analyzing needs, and producing outputs that include the impact fee study, tools for developer agreements, and CIP project lists.

He then reviewed how impact fees may be used, noting that they can only be applied to system expansion projects, while water and wastewater rates may be used more broadly. He explained that if a project is impact-fee eligible and funds are available, impact fees are used; otherwise rate funding is required, which staff tries to avoid. He reviewed the FY 2026 CIP and recent funding timing, as well as historical impact fee collections, which have stabilized at about \$4.5 to \$5 million per year. The city had collected \$3.2 million so far this fiscal year, with a projected total of \$5.5 to \$6 million. Using a rain-barrel analogy, he noted that impact fee revenues vary with development and that insufficient collections must be supplemented with rate funding. Looking ahead to the FY 2027–28 CIP, he noted an approximate \$3 million shortfall but expressed confidence in a pending grant for the Blanco Vista Elevated Storage Tank and anticipated further collections before January. He cautioned that the scale of future projects makes the upcoming policy decisions especially important. He summarized the policy tradeoff: setting fees at the maximum allowable rate may deter some development but reduces pressure on existing ratepayers, while lower fees may encourage development but shift more costs to utility customers.

Director Condor then turned the presentation over to Assistant Director Richard Reynosa, who introduced the consulting firm Freese and Nichols and reminded Council of the statutory timeline requiring action by September 1st after the August 5th public hearing. He described Council's options: adopt the maximum fee, set a lower fee, or decline adoption, which would restart the process.

Assistant Director Reynosa reported that the water master plan identified \$140 million in projects, with \$134 million recoverable after credits. With 9,000

projected service units over ten years, the maximum allowable water impact fees \$14,519 per residential unit. He showed regional comparisons noting that the city's current fee places it near the bottom of the rates used by cities in our vicinity, while the proposed rate would place it mid range. He also explained the meter size equivalency system and clarified that Special Utility Districts differ from municipalities.

On the wastewater side, he reported \$568 million in identified projects, with \$295 million recoverable after credits and 26,000 projected service units. The resulting maximum allowable wastewater fee is \$11,161 per residential unit. He noted that the proposed fee represents a substantial increase due to construction inflation and the scale of needed projects, though the city's relative position compared with peers remains similar to 2018.

Mayor Hughson asked when and where fees are applied, and Mr. Reynosa clarified that fees are set at final plat and collected at building permit. Council Member Rodriguez asked about impacts on housing prices and the potential for sustainability or affordability incentives. Mr. Reynosa noted that statutory credits exist for demonstrable reductions in water demand and for developer-built infrastructure, and City Manager Reyes added that past councils have generally avoided impact fee waivers except for nonprofits at times, with most incentive discussions occurring through economic development policies. Mr. Pantaloni noted that utilities already offer green-building rebates, though separate from impact fees.

Several Council Members expressed interest in balancing maximum fees with sustainability-related flexibility. Mayor Pro Tem Scott asked about LEED certification as a potential qualifying activity, and Mr. Reynosa agreed to research allowable credits. Council Member Paselk noted that although builders pay the fee, costs ultimately reach buyers.

Mr. Reynosa outlined the upcoming timeline: a second meeting with the Impact Fee Advisory Committee was scheduled for July 13th to finalize their recommendation to Council; public hearings on both the financial audit and the impact fee study were set for August 5th; and the second reading and final adoption vote were scheduled for September 1st. He reminded Council of the key decisions ahead: approving the Land Use and Capital Improvement Plans, deciding whether to adopt the maximum allowable fee or a lower amount, and establishing an effective date — which could be as soon as October 1st or later, though he noted that delaying the effective date simply defers the city's ability

to recover costs through the updated fee.

- 3. Receive a Staff presentation on the draft Riverfront and Eastside Regional Park Preliminary Designs; and provide direction to the City Manager.**

Assistant City Manager Rodney Gonzales presented an update on the preliminary design plans for the Riverfront and Eastside Regional Parks, noting the work followed two phases of community engagement and review by both the Parks and Recreation Board and the Neighborhood Commission. Staff requested Council guidance to finalize the preliminary design reports (PDR). Director Jamie Lee Case explained the purpose of the PDR and outlined that it reflects approximately 30 percent design and will later inform cost estimates and future CIP funding. She reviewed the background of both projects, their funding sources, and their alignment with the 2019 Parks Master Plan. She described the extensive engagement process, including multiple open houses and several hundred survey responses.

Director Jamie Lee Case presented the National Parks and Recreation Association (NRPA) benchmark data showing facility deficiencies and answered questions regarding public access, maintenance needs, and potential considerations such as turf fields and extended park hours. She then summarized the Parks Board's recommendations for both parks and described several concept alternatives. The Neighborhood Commission's concerns centered on preserving fields at Raymond Lucio and avoiding new field placement near nearby neighborhoods.

Council discussed the concepts and unanimously supported retaining all five existing diamond fields at Raymond Lucio Park, aligning with Concept E rather than the Parks Board's recommendation to reduce the number of fields. Council also supported the nine field concept at Eastside Regional Park, following Concept B, with construction phased long-term to accommodate future staffing and maintenance capacity. Council members noted the long term benefits of relocating large tournaments to Eastside Regional Park and emphasized the need for adequate maintenance planning. This will allow parking at Ramon Lucio field for days when Rio Vista park is full. Additional Council preferences included adding soccer areas for pickup play, installing chess and checkers tables, incorporating a community theater or amphitheater, and prioritizing shade and tree planting throughout both parks. Council also supported planning for possible future paid parking infrastructure.

City Manager Reyes summarized Council direction: proceed with Concept E

for the Riverfront Parks, maintaining all five fields; proceed with Concept B for Eastside Regional Park with nine fields and phased development; incorporate requested amenities and shade; and evaluate paid parking options within the PDR. Staff will return with updated concepts and comparisons of existing and proposed features at a future work session. Council members expressed agreement and thanked Director Case for her work.

EXECUTIVE SESSION

- 4.** The City Council will convene in executive session pursuant to the following sections of the Texas Government Code:
 - A. Section 551.074 (Personnel Matters): To deliberate regarding the appointment of a new presiding judge for the San Marcos Municipal Court.
 - B. Section 551.071 (Consultation with Attorney): To receive legal advice regarding the Petition for Declaratory Judgment and Application for Temporary Restraining Order, Temporary Injunction, and Permanent Injunction filed by Hays County Emergency Services District No. 9 against San Marcos/Hays County Emergency Medical Services, Inc. in Cause No. 26-2025-DCE, 453rd Judicial District, Hays County, regarding the distribution of assets of the corporation.
 - C. Section 551.071 (Consultation with Attorney): To receive legal advice regarding an officer involved shooting on June 26, 2026.

A motion was made by Mayor Pro Tem Scott, seconded by Council Member Rodriguez to convene to Executive Session.

The motion to convene carried by the following vote:

For: 6 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez and Council Member Paselk

Against: 0

Absent: 1 - Council Member Mendoza

IV. Question and Answer Session with Press and Public.

Council convened in Executive Session at 5:27 p.m. and reconvened at 6:07 p.m.

Mayor Hughson noted that there was not enough time to complete the executive session. She explained that the executive session items also appeared on the regular meeting agenda and would be addressed after the regular meeting concluded.

There were no questions from the press or public this afternoon.

V. Adjournment.

**Mayor Hughson adjourned the Work Session of the City Council on Tuesday
July 7, 2026 at 6:08 p.m.**

Elizabeth Trevino, City Clerk

Jane Hughson Mayor