



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Regular Meeting Minutes City Council

Tuesday, April 21, 2026

6:00 PM

City Council Chambers

630 E. Hopkins St.

I. Call To Order

With a quorum present, the regular meeting of the San Marcos City Council was called to order by Mayor Hughson at 6:13 p.m. Tuesday, April 21, 2026. This meeting was held both in-person and online.

II. Roll Call

Present: 7 - Mayor Pro Tem Shane Scott, Deputy Mayor Pro Tem Alyssa Garza, Council Member Amanda Rodriguez, Mayor Jane Hughson, Council Member Lorenzo Gonzalez, Council Member Matthew Mendoza and Council Member Josh Paselk

III. Invocation

Decon Robert Gutierrez from Saint John's Catholic Church provided this evening's invocation.

IV. Pledges of Allegiance - United States and Texas

V. Citizen Comment Period

Kristan Beluso opposed loosening regulations for data centers; invited council to a community math event to foster engagement.

Rodrigo Amaya raised concerns about political appointments lacking expertise harming city governance.

Randall Terrell opposed easier approval of data centers due to resource strain and financial risks.

Torrie Martin expressed distrust of council on data centers; emphasized community opposition and local water concerns.

Lucas Kraft called for separate zoning and approval process for data centers with public input.

Zachary Tyndall supported considering resource impacts in permits; suggested stricter controls on data centers and related infrastructure.

Gena Fleming framed data center issues as social-spiritual; warned of environmental and security risks; advocated community-focused decisions.

Chrispy Polanco urged code simplification; highlighted community opposition on ethical, economic, and environmental grounds.

Lisa Young presented homelessness data to raise community awareness.

Bobby Levinsky thanked the council for slowing the code process, urged stronger data-center rules, and cautioned against certain landscaping changes.

CONSENT AGENDA

A motion was made by Council Member Rodriguez, seconded by Council Member Gonzalez to approve items 1-2, 5-6 and 8. Items #3, 4 and #7 were pulled and considered separately after the public hearing.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

- 1.** Consider approval of Ordinance 2026-09, on the second of two readings, annexing into the City approximately 11.548 acres of land, generally located on the south side of Highway 21 and 900 feet north of the Highway 21 and Highway 80 intersection, commonly known as 1710 Highway 21 in Hays County, Texas (Case No. AN-25-07); approving an amended service agreement for the provision of services to said property; including procedural provisions; and declaring an effective date.
- 2.** Consider approval of Resolution 2026-55R, approving a Second Amendment to Lease Agreement providing for a five year extension of the commercial lease term for the space at 550 North Highway 123 Bypass, Seguin, Texas for the operation of a WIC Program Satellite Office, authorizing the City Manager, or her designee, to execute said lease; and declaring an effective date.
- 5.** Consider approval of Resolution 2026-58R, approving a release of an Electric Easement within the Hunters Crossing subdivision near the intersection of Wonder World Drive and Dutton Drive, such easement being no longer necessary due to facilities already available within another easement on the property; authorizing the City Manager, or her designee, to execute the release of easement on behalf of the city; and declaring an effective date.

6. Consider approval of Resolution 2026-59R, approving a Mediated Settlement Agreement with Two Rivers Interests, LP, providing for the city to purchase a 0.311 acre, a 0.025 acre, and a 1.165 acre wastewater easement, and an approximate 0.07 acre temporary construction easement located along Staples Road, between Broadway Street and Old Bastrop Highway, for the Staples Road Wastewater Improvements, for a price of \$168,900.00 plus associated closing costs; authorizing the City Manager, or her designee, to execute said agreement and associated closing documents on behalf of the city; and declaring an effective date.
8. Consider approval of Resolution 2026-61R, approving a Change in Service to the agreement with Booth Management Consulting, LLC, for the provision of consulting services for oversight and compliance in connection with the American Rescue Plan Act of 2021 to extend the agreement for one additional year in the amount of \$120,000.00; authorizing the City Manager, or her designee, to execute the Change in Service; and declaring an effective date.

PUBLIC HEARINGS

9. Receive a Staff presentation and hold a public hearing to receive comments for or against Ordinance 2026-14, annexing into the City approximately 38.45 acres of City-owned land, generally located north of the Blanco River and west of the intersection of Post Road and Old Stagecoach Road, in Hays County, Texas, known as Five Mile Dam Park; including procedural provisions; and declaring an effective date; and consider approval of Ordinance 2026-14 on the first of two readings.

Planning and Development Services Director Terry Floyd presented the annexation of Five Mile Dam Park, approximately 38.45 acres of city-owned property. Parks and Recreation Director Jamie Lee Case clarified that this property was previously owned by Hays County, officially closed on by the city in November, and has a deed restriction requiring it remain parkland in perpetuity.

Mayor Hughson open the public hearing at 6:51 PM

Diego Molina spoke during the public hearing, discussing concerns about data centers and technological advancement, referencing Winter Storm Uri's impact on vulnerable communities and arguing that rapid technological advancement makes data center investments obsolete.

Mayor Hughson closed the public hearing at 6:55 PM.

A motion was made by Council Member Rodriguez, seconded by Council Member Gonzalez to approve Ordinance 2026-14 on the first of two readings. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

10. Receive a Staff presentation and hold a public hearing to receive comments for or against proposed Resolution 2026-62R, regarding the North of Campus Neighborhood Area Plan, and provide direction to staff.

Planner Craig Garrison presented the North of Campus Neighborhood Area Plan, one of seven area plans identified in the comprehensive plan. The plan encompasses the area between north of Sessom Drive on both sides of North LBJ Drive, along Chestnut Street, with the northwestern boundary of Ramsey Street. The plan was developed through extensive community engagement including five steering committee meetings, three community workshops, and over 1,700 postcards mailed to property owners and tenants.

Mayor Hughson opened the public hearing at 7:04 PM

Rodrigo Amaya questioned how neighborhood “DNA” was determined and criticized past engagement methods.

Mayor Hughson closed the public hearing at 7:06 PM.

As this was a public hearing with "no action" scheduled, no vote was taken.

11. Receive a Staff presentation for or against Ordinance 2026-08, amending the City's Development Code and associated design manual to, among other things, update applicability and processes for certain development permits; update provisions concerning parkland dedication requirements; establish an optional Development Overlay Regulating Plan to accompany zoning change requests; provide standards for new and emerging development types within the Land Use Matrix such as Data Centers; update and clarify landscaping and tree mitigation requirements for new development; correct typos and inconsistencies, and update the code to reflect recent changes to state law; providing a savings clause; providing for the repeal of any conflicting provisions; and declaring an effective date; and consider approval of Ordinance 2026-08 on the first of two readings.

David Soto, Planning Manager for Planning and Zoning, presented an overview of the item, explaining that the proposed Development Code update contains approximately 325 edits. He stated that the edits fall into several categories, including compliance with state law, process improvements, clarifications, typographical corrections, and other adjustments. Mr. Soto highlighted the proposed inclusion of data centers as a new, distinct land use within the land use matrix, with specific associated zoning conditions. He noted that staff recommends approval of the Development Code as presented, along with six proposed amendments addressing topics such as eating establishments serving alcohol. Mr. Soto also provided the timeline for the item, with the first reading scheduled for April 21, 2026, and the second

reading anticipated on May 5, 2026.

Mayor Hughson opened the public hearing at 7:26 p.m.

Randall Terrell opposed any easing or streamlining of data center approvals, emphasizing the resource strain these centers impose and warning of long-term financial risks to the community and utilities.

Torrie Martin spoke with concern about water infrastructure issues in her area and expressed deep distrust toward council on the topic of data centers. She urged the council to honor community opposition and avoid placing data centers in residential or business park zones.

Zachary Tyndall called for stronger regulations on data centers, including new zoning and conditional use permits for associated infrastructure like large backup generators and power plants. He also raised concerns about proposed changes on cleaning responsibilities in front of businesses in the downtown area for hospitality workers.

Gena Fleming framed data center development as a spiritual and collective issue, emphasizing the need for bottom-up community-based decision making and expressing concern over environmental risks, including potential nuclear transitions and security risks.

Lisa Young presented data on homelessness in the city, highlighting the number of individuals and children experiencing housing instability as part of public comment.

Bobby Levinsky expressed overall support for the development code amendments but urged caution on technical details related to impervious cover and tree planting requirements, emphasizing ecological concerns.

Hayat Qurunful strongly opposed any streamlining related to data center approvals, emphasizing the community's longstanding opposition and urging council to listen to public concerns about environmental and social impacts.

Heather Ogden Hunter implored council to protect San Marcos' river and environment by rejecting data center proposals, underscoring Earth Day's significance and advocating for community values over development.

Abigail Lindsey shared personal and community concerns about

contamination, displacement, and broken promises related to data centers' impacts. She called for an outright ban on data centers in the region.

Chrispy Polanco urged council to simplify and clarify the land development code to improve community understanding. He highlighted the widespread community opposition to data centers, emphasizing economic, moral, and environmental arguments against them, and warned of political backlash seen in other cities.

Rachel Wolbraeck cautioned against transferring signage responsibilities to private companies, supported stricter review of watershed protection plans, and called for data centers to be designated as not permitted uses.

Regan Gray echoed the strong community opposition to data centers, emphasizing San Marcos' unique environment and the need to protect water resources.

Sam Young supported data centers for economic reasons but acknowledged concerns about impacts happening outside city limits; he encouraged constructive regulation rather than outright bans.

Diego Molina discussed AI technology advancements and raised concerns about exponential technology growth making large data centers obsolete; he highlighted racial biases in AI used in health care.

Lucas Kraft reiterated support for banning data centers in all but heavy industrial zones with conditional use permits, warning about risks of welcoming large developments without strict controls.

Evelyn Middleton cited studies from other regions showing data centers bring fewer jobs and higher costs than promised and urged caution over fatal economic assumptions.

Saunders Drukker warned council to treat data centers like toxic hazards given their environmental impact and ethical implications. He opposed any data center development, emphasizing community resolve.

Brett Harris raised concerns about environmental impacts from data centers including light pollution, heat emissions, water use, and capacity strain. He stressed the need for enforceable restrictions.

Rodrigo Amaya criticized political corruption and financial motivations overriding community welfare, warning council against becoming “morally bankrupt” by enabling data center development.

Diana Emely Wiebe urged council to personally experience the local natural environment and to protect it from the potentially damaging effects of data centers.

Jess Wade criticized data center companies for bullying the community and lacking transparency, questioning the virtue of partnering with them for the city’s future.

Si Frede expressed ongoing opposition to data centers and highlighted the environmental challenges they pose, noting community activism against them.

Jamie Wade emotionally implored council to protect community values and natural resources against powerful data center interests, referring to widespread community resistance and ethical imperatives.

There being no further speakers, Mayor Hughson closed the public hearing at 8:17 p.m.

MAIN MOTION: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, to approve Ordinance 2026-08 on the first of two readings.

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Matthew Mendoza to amend Section 2.5.1.2 Waiting Periods for Certain Amendments, (1)(a) which currently reads “A City Council vote to deny the same requested change for all or any portion of the parcel;” by striking the words "vote to deny" and inserting the words “Passage by” and “of a motion to deny”.

The new section will read:

(1)(a) Passage by the City Council of a motion to deny the same requested change for all or any portion of the parcel.

The motion carried by the following vote:

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

Against: 1 - Deputy Mayor Pro Tem Garza

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Matthew Mendoza to amend Section 2.5.1.2 Waiting Periods for Certain Amendments (1)(b) which currently reads “Withdrawal of the same requested change by the applicant after the City Council meeting at which the change is to be considered has been called to order;” by inserting "at any time after" and "first".

The new section will read:

(1)(b) Withdrawal of the same requested change by the applicant at any time after the first City Council meeting at which the change is to be considered has been called to order;”

The motion carried by the following vote:

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

Against: 1 - Council Member Gonzalez

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Mendoza, to amend Section 3.5.2.7 New Streets (C) by striking "at the option of the applicant" and inserting "if the names have historical significance.

The new section will read:

C. All new streets shall be named at the time of platting. Street names shall be subject to City and County approval when located within the City limits, and County approval when located within the ETJ. The applicant shall include a list of proposed street names with the plat application including, a summary of the significance of the requested street names if the names have historical significance.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Matthew Mendoza to amend Table 5.1 Land Use Matrix page 5:4 Add the option of C* Conditional Use Permit Council Approved. Data Centers would be a Conditional Use Permit recommended by PZC and approved by Council in Zoning District HI and Data Centers would be defined in new Section 5.1.7.10.

The motion carried by the following vote:

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

Against: 1 - Mayor Pro Tem Scott

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Scott, to amend Table 5.1 Land Use Matrix to prohibit data centers in all zoning districts.

The motion to amend failed by the following vote:

For: 3 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza and Council Member Rodriguez

Against: 4 - Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Council Member Scott, to amend Table 5.1 Land Use Matrix to replace "C" to C* under CD-5 and CD-5D in Purpose Built Student Housing. This is not a change in policy; it has always gone to Council for final approval but one had to read the definition section to know that. Now that we have the designation of C asterisk (C*) for Council approval we should use it here. A plain C requires only Planning and Zoning Commission approval.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Council Member Mendoza, to amend Section 5.1.5.5.B.4.b.3 Restaurant/Bar by the following:

by removing "serve meals" and inserting "have meals available"

by removing "during at least two meal periods at least 8 hours each day" and inserting "during the hours that".

by removing "meal period" and "A meal period means a period of at least four hours".

The new section will read:

The business must have meals available to customers during the hours that the business is open. A meal must consist of at least one entree, such as a meat

servings, a pasta dish, pizza, a sandwich or similar food in a serving that serves as a main course for a meal. At least three entrees must be available during each meal service.

The motion carried by the following vote:

For: 4 - Mayor Pro Tem Scott, Mayor Hughson, Council Member Gonzalez and Council Member Mendoza

Against: 3 - Deputy Mayor Pro Tem Garza, Council Member Rodriguez and Council Member Paselk

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, to amend Section 5.1.7.10 Data Center (A), by inserting "including, but not limited to, cryptocurrency mining and facilities"

The new section will read:

Defined. A facility, or group of facilities, housing a collection of computer servers and associated components, such as telecommunication, storage and backup systems, that supply information to single or multiple end users off-site, including, but not limited to, cryptocurrency mining and facilities. May also be referred to as a server farm. The use of on-site gas/coal power generation for the data center shall be considered the use of a Major Utility and shall require a Conditional Use Permit.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, to amend Section 5.1.7.10 Data Center (B)(1) by inserting the following language "and 1,000 feet from a property with any of the following: (i) a residential use; (ii) a zoning category which permits residential use; (iii) hospital or health facility with overnight patients; (iv) hotel; (v) agricultural use; (v) school; and (v) day care facility"

The new section will read:

All structures shall be setback 200 feet from the property line, and 1,000 feet from a property with any of the following: (i) a residential use; (ii) a zoning category which permits residential use; (iii) hospital or health facility with overnight patients; (iv) hotel; (v) agricultural use; (v) school; and (v) day care facility.

The motion carried by the following vote:

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

Against: 1 - Council Member Gonzalez

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Paselk, to amend Section 5.1.7.10(B) by adding (4) and inserting the following language: **No data center may use a potable water source for cooling purposes. All cooling systems for data centers must use non-potable water sources, such as reclaimed water, or employ alternative cooling technologies that do not require potable water.**

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, to amend Section 5.1.7.10(B) by adding (5) and inserting the following language: **The location and operation of any power generation on the property shall be subject to conditions as part of the conditional use permit process.**

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, to amend Section 5.1.7.10(B) by adding (6) and inserting the following language: **The site shall be designed to minimize noise impact on neighboring residential, hotel, hospitals, and other uses where people sleep overnight, and activity on the property shall not produce sound in excess of 60 decibels in accordance with Section 7.4.2.1 (B). As part of the conditional use permit process, conditions may be placed on the property to regulate noise.**

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Council Member Rodriguez, to amend Section 5.1.7.10(B) by adding (7) and inserting the following language: On-site generators serving as a backup power source shall be designed, installed, and operated to meet the United States Environmental Protection Agency Tier 4 emission standards and certification requirements

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO TABLE: A motion was made by Mayor Hughson, seconded by Council Member Paselk, to table this item until later in the evening.

The motion carried by the following the vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

3. Consider approval of Resolution 2026-56R, approving an Emergency Water Supply Agreement for the sale of treated water to the City of Kyle; authorizing the City Manager, or her designee, to execute the agreement on behalf of the city; and declaring an effective date.

MOTION TO POSTPONE: A motion was made by Mayor Hughson, seconded by Council Member Rodriguez, that Resolution 2026-56R be postponed to the May 5, 2026 Regular City Council meeting.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

4. Consider approval of Resolution 2026-57R, approving an agreement providing for the city to sell water on a temporary basis to the City of Kyle; authorizing the City Manager, or her

designee, to execute the agreement on behalf of the city; and declaring an effective date.

MOTION TO POSTPONE: A motion was made by Mayor Hughson, seconded by Council Member Rodriguez, that Resolution 2026-57R be postponed to the May 5, 2026 Regular City Council meeting.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

7. Consider approval of Resolution 2026-60R, approving amendments to the funding agreements with Operation Triage and Mission Able to provide an additional \$100,000.00 each, for a total allocation in the amount of \$500,000.00 to each from American Rescue Plan funds, for the purpose of continuing a Home Repair and Rehabilitation Program to support community recovery; authorizing the City Manager, or her designee, to execute said amendments on behalf of the city; and declaring an effective date.

A motion was made by Council Member Scott, seconded by Council Member Paselk, to approve Resolution 2026-60R.

Council Member Rodriguez and Council Member Mendoza expressed concern with Mission Able and the work performed on the foundation performed by contractors that left one resident's home in poor condition with significant structural and habitability issues.

Council consensus is for staff to have separate meetings with Mission Able and hold another meeting with the homeowner and city staff.

MOTION TO POSTPONE: A motion was made by Council Member Rodriguez, seconded by Council Member Mendoza, that the contract funding for Mission Able is postponed until solutions are ready to be presented to council for action.

The motion carried by the following vote:

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

Against: 1 - Council Member Gonzalez

A motion was made by Council Member Rodriguez, seconded by Council Member Gonzalez, to approve Resolution 2026-60R, contract funding in the amount of \$100,000.00 to Operation Triage.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

NON-CONSENT AGENDA

- 12.** Consider approval of Ordinance 2026-15, on the first and final reading, authorizing the issuance and sale of an amount not to exceed \$15,255,000.00 of Combination Tax and Revenue Certificates of Obligation, Series 2026, levying an ad valorem tax and pledging certain surplus revenues in support of the certificates; approving an official statement, a paying agent/registrar agreement for improving, constructing, equipping, acquiring, or designing the city's: airport; parks and recreation facilities; streets, alleys, and sidewalks; public safety facilities; stormwater management for flood control and drainage; technology infrastructure and facilities; electric utility system; and the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the certificates of obligation and other matters related thereto; and providing for the approval of this Ordinance 2026-15, on one reading as authorized by state law.

A motion was made by Mayor Pro Tem Scott, seconded by Council Member Mendoza, approve Ordinance 2026-15, on the first and final reading.

Finance Director Jon Locke explained that this covers Capital Improvement Program projects totaling just over \$15 million, with \$8.7 million from General Fund, \$4.3 million for Stormwater, and \$2.3 million for Electric Utilities.

Financial Advisor Dan Wegmiller reported that the city's bond rating was affirmed at AA (two notches from the highest AAA rating) by rating agencies.

The bonds received 11 competitive bids, with the winning bid from BOK Financial at 3.778954 percent interest rate. The strong competition and high credit rating reflected positively on the city's financial management. The amount is now closer to \$14,355,000. The bid from BOK with an interest rate of 3.778954 percent is the one recommended to accept, as presented at the meeting.

MOTION TO AMEND: A motion was made by Council Member Scott, seconded by Council Member Mendoza, to approve Ordinance 2026-15 as presented on April 21, 2026.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

- 13.** Consider approval of Ordinance 2026-16, on the first and final reading, authorizing the issuance and sale of an amount not to exceed \$93,060,000.00 of Waterworks and Wastewater System Revenue Bonds, Series 2026A, pledging the revenues of the water and wastewater

system in support of the bonds; approving an official statement, a paying agent/registrars agreement for improving, constructing, equipping, acquiring, or designing the water and wastewater utility system and the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the revenue bonds and other matters related thereto; and providing for the approval of this Ordinance 2026-16, on one reading as authorized by state law.

A motion was made by Mayor Pro Tem Scott, seconded by Council Member Mendoza, to approve Ordinance 2026-16, on the first and final reading. Ordinance be approved as presented on April 21, 2026.

Finance Director Jon Locke explained this covers water and wastewater projects totaling just over \$93 million, with \$80 million designated for the new wastewater treatment plant.

Financial Advisor Dan Wegmiller reported that these revenue bonds also received a AA rating, the same as the tax-backed bonds, which is uncommon and reflects strong utility system management. The issue received 13 bids and was resized to \$88,140,000.00 with an interest rate of 3.874943 percent, purchased by Jefferies Investment Bank.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

- 14.** Consider approval of Ordinance 2026-17, on the first and final reading, authorizing the issuance and sale of an amount not to exceed \$8,310,000.00 of Waterworks and Wastewater System Revenue Bonds, Series 2026B, for improving, constructing, and equipping the water and wastewater utility system in connection therewith including loan origination fees or costs of issuing the revenue bonds and other matters related thereto; and providing for the approval of this Ordinance 2026-17, on one reading as authorized by state law.

A motion was made by Council Member Mendoza, seconded by Council Member Paselk, to approve Ordinance 2026-17 on the first and final reading.

Finance Director Jon Locke explained this represents the loan portion of funding from the Texas Water Development Board for a project including a wastewater lift station at Highway 80 and Old Martindale Road, wastewater force main, and reclaimed water transmission line. The city was awarded just under \$13.7 million in total financial assistance, with \$8.3 million as a loan at 2.4 percent interest and \$5.3 million in loan forgiveness.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

15. Consider approval of Resolution 2026-63R, approving a principal forgiveness agreement with the Texas Water Development Board in the amount of \$5,389,120.00; and declaring an effective date.

A motion was made by Mayor Pro Tem Scott, seconded by Council Member Paselk, to approve Resolution 2026-63R.

The motion 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

16. Consider approval of Ordinance 2026-18, on the first and final reading, authorizing the issuance and sale of City of San Marcos, Texas General Obligation Refunding Bonds in an amount not to exceed \$61,135,000.00 in one or more series; approving an official statement, a paying agent/registrar agreement, a bond purchase agreement, and an escrow agreement; establishing the procedures for selling and delivering one or more series of the bonds and other matters related thereto; and providing for the approval of this Ordinance 2026-18, on one reading as authorized by state law.

A motion was made by Council Member Scott, seconded by Council Member Rodriguez to approve Ordinance 2026-18 on the first and final reading as presented on April 21, 2026.

Finance Director Locke explained this refinancing opportunity for existing bonds, similar to refinancing a mortgage. The city identified \$19 million in existing bonds for refunding with estimated savings of over \$742,000. The ordinance provides delegation authority to price bonds when market conditions are most favorable, with parameters including maximum principal amount of \$61,135,000, maximum maturity date of August 15, 2037, and minimum net present value savings of 3 percent.

The motion 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

17. Consider approval of Resolution 2026-64R, approving the purchase of radios and associated equipment from the Lower Colorado River Authority for use by the Police and Fire Departments in the amount of \$1,499,971.00; authorizing the City Manager, or her designee, to execute any documents necessary to complete the purchase; and declaring an effective date.

A motion was made by Council Member Rodriguez, seconded by Council

Member Paselk, to approve Resolution 2026-46R.

Fire Marshal Jonathan Henderson explained this radio replacement program for police and fire departments, with additional departments to follow in subsequent funding tranches totaling approximately \$3 million in FY 27 and FY 28. He stated some replaced radios from the police and fire departments will trickle down to other city departments.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

- 18.** Discuss and consider the appointment to fill a vacancy on the Human Services Advisory Board.

The following applicant was nominated for consideration to serve on the Human Services Advisory Board:

Noah Herring - nominated by Mayor Hughson

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

- 11.** Receive a Staff presentation for or against Ordinance 2026-08, amending the City's Development Code and associated design manual to, among other things, update applicability and processes for certain development permits; update provisions concerning parkland dedication requirements; establish an optional Development Overlay Regulating Plan to accompany zoning change requests; provide standards for new and emerging development types within the Land Use Matrix such as Data Centers; update and clarify landscaping and tree mitigation requirements for new development; correct typos and inconsistencies, and update the code to reflect recent changes to state law; providing a savings clause; providing for the repeal of any conflicting provisions; and declaring an effective date; and consider approval of Ordinance 2026-08 on the first of two readings.

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Mayor Hughson, to amend Chapter 2 CUP, Section 2.8.3.4 Criteria for Approval by inserting the following language:

(11) The proposed use may contribute to strain on natural resources, such as water, or similar.

(12) The proposed use may contribute to strain on public services or utilities, such as electricity, water, and wastewater, or similar.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

MOTION TO POSTPONE: A motion was made by Council Member Scott, seconded by Council Member Paselk, to postpone Ordinance 2026-08 on the first of two readings to the next City Council Regular meeting on May 5, 2026. The motion was carried by the following

For: 5 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson and Council Member Paselk

Against: 2 - Council Member Gonzalez and Council Member Mendoza

EXECUTIVE SESSION

19. The San Marcos City Council will convene in executive session pursuant to the following sections of the Texas Government Code:

A. Section 551.074 (Personnel Matters) and Section 551.071 (Consultation with Attorney): To deliberate and receive legal advice regarding the appointment of a new Municipal Court Judge.

B. Section 551.071 (Consultation with Attorney): To receive legal advice regarding the arrest of two individuals near Aquarena Springs Drive and Charles Austin Drive on March 14, 2026.

C. Section 551.072 (Real Property) and Section 551.071 (Consultation with Attorney): To deliberate and receive legal advice regarding the lease of City-owned real property located at 201 South LBJ Drive.

D. Section 551.072 (Real Property): To deliberate regarding a request by the San Marcos Greenbelt Alliance to lease city-owned property for location of an office and facilities related to parks maintenance performed by the Alliance.

A motion was made by Council Member Scott, seconded by Council Member Rodriguez to enter into Executive Session at 11:40 PM.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Scott, Deputy Mayor Pro Tem Garza, Council Member Rodriguez, Mayor Hughson, Council Member Gonzalez, Council Member Mendoza and Council Member Paselk

Against: 0

DIRECTION/ACTION FROM EXECUTIVE SESSION

20. Consider action, by motion, or provide direction to staff related to the City Council's Executive Session deliberation under the following sections of the Texas Government Code:

A. Section 551.074 (Personnel Matters) and Section 551.071 (Consultation with Attorney): To deliberate and receive legal advice regarding the appointment of a new Municipal Court Judge.

B. Section 551.071 (Consultation with Attorney): To receive legal advice regarding the arrest of two individuals near Aquarena Springs Drive and Charles Austin Drive on March 14, 2026.

C. Section 551.072 (Real Property) and Section 551.071 (Consultation with Attorney): To deliberate and receive legal advice regarding the lease of City-owned real property located at 201 South LBJ Drive.

D. Section 551.072 (Real Property): To deliberate regarding a request by the San Marcos Greenbelt Alliance to lease city-owned property for location of an office and facilities related to parks maintenance performed by the Alliance.

City Council concluded Executive Session at 12:10 a.m. on April 22, 2026.

Mayor Hughson stated that Council held discussion on items A, B, C and D.

VI. Question and Answer Session with Press and Public.

There were no questions from the press or public.

VII. Adjournment.

Mayor Hughson adjourned the regular meeting of the City Council on Wednesday, April 22, 2026 at 12:13 a.m.

Elizabeth Trevino, City Clerk

Jane Hughson, Mayor