City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes
City Council

Tuesday, July 7, 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 6:12 p.m. Tuesday, July 7, 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

Pastor Ric Robertson from New Zion Baptist Church provided this evening's invocation.

IV. Pledges of Allegiance - United States and Texas

V. Citizen Comment Period

Joe Castillo of Hays Helping Hands asked the Council to reconsider HSAB's recommendation of no funding for the organization's community assistance program, stating it is essential for helping families with rent, utilities, and emergency needs. He requested combining the group's two requests (Shoes and Coats plus Community Assistance) for a total of $15,000 to $20,000.

Chrispy Polanco spoke about digital accessibility on the city's website, noting upcoming compliance deadlines and offering to assist with testing, suggesting additional resources from state and local agencies.

Melinda Grahmann, a resident on FM 1978, opposed the Sedona South subdivision, expressing concern that road widening would encroach on her property.

Lucia Diaz, also from FM 1978, expressed unease about unsolicited interest in

purchasing her property and said she was present to better understand the proposed development, noting she and neighbors would return with more questions.

Veronica Reyes Ibarra described longstanding wastewater issues in the Rancho Vista and Redwood neighborhoods and asked the city to join ongoing efforts to connect the area to a nearby treatment facility, stating her community has already organized and secured some federal support.

Jessica Cain of Southside Community Center highlighted increasing demand for eviction prevention, meals, and shelter services and urged development of a long-term plan to expand human services funding.

Kylie Contreras of BR3T discussed rising rent burdens and eviction rates and the loss of temporary housing resources, asking the Council to consider the scale of need in next year's budget.

Bill Miller praised the recent ban on high water use developments and data centers, raised concerns about the sale of city water resources and student-only housing developments, and suggested exploring a financial model similar to College Station's arrangement with Texas A&M.

Sam Young supported the ban on data centers, encouraged staff led updates to the Land Development Code, noted ongoing budget and police staffing concerns, and suggested Texas State University police could assist with downtown coverage.

CONSENT AGENDA

Items 1 through 20 were presented as the consent agenda. Council Member Rodriguez requested that Item 9 be pulled for separate discussion. No other items were pulled
Deputy Mayor Pro Tem Garza and Council Member Rodriguez voted against item # 13.

A motion was made by Council Member Rodriguez seconded by Council Member Paselk to approve consent items 1-8 and 10-20.
The motion carried by the following vote:

Deputy Mayor Pro Tem Garza and Council Member Rodriguez voted against item # 13.

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 by motion, of the following meeting minutes:
A. May 5, 2026 - Regular Meeting Minutes
B. June 3, 2026 - Special Meeting Minutes
C. June 10, 2026 - Special Meeting Minutes
D. June 16, 2026 - Work Session Meeting Minutes

2. Consider approval of Ordinance 2026-25, on the second of two readings, amending Chapter 2, Article 3, Boards, Committees and Commissions, of the San Marcos City Code to add a new Division 23, establishing a Historic Preservation Plan Oversight Committee and amending Section 2.067 of the Code to allow persons to serve on the committee and another city board or commission; providing for the repeal of any conflicting provisions; providing a savings clause; and declaring an effective date.

3. Consider approval of Resolution 2026-98R, approving an agreement with McCamant Consulting Services, LLC for the provision of Wholesale Power and Utility Consulting Services in the estimated amount of $92,400.00 with up to $7,700.00 in reimbursable expenses annually and authorizing three additional one-year automatic extensions for a total allowable term of four years; authorizing the City Manager, or her designee, to execute the agreement on behalf of the city; and declaring an effective date.

4. Consider approval of Resolution 2026-99R, approving a Professional Services Agreement with BGE, Inc., to provide professional design and engineering services for the North Side 12-inch Water Connection Project approved in the Capital Improvements Program in an amount not to exceed $500,000.00; authorizing the City Manager, or her designee, to execute the agreement on behalf of the city; and declaring an effective date.

5. Consider approval of Resolution 2026-100R, approving a contract with Ardurra Group, Inc., for engineering design, bid and construction phase services for the Highway 80 - Davis Lane Utility Improvements Project, in an amount not to exceed $165,640.00; authorizing the City Manager, or her designee, to execute the contract on behalf of the city; and declaring an effective date.

6. Consider approval of Resolution 2026-101R, naming the city's new wastewater treatment and water reclamation facility to be constructed southeast of the city as the "FM 1978 Water Reclamation Facility"; authorizing the City Manager, or her designee, to approve the use of the FM 1978 Water Reclamation Facility name on behalf of the city; and declaring an effective date.

7. Consider approval of Resolution 2026-102R, approving the name "River Road Water Reclamation Facility" for the city's existing wastewater treatment facility located at 720 River Road; authorizing the City Manager, or her designee, to approve the use of the

River Road Water Reclamation Facility name on behalf of the city; and declaring an effective date.

8. Consider approval of Resolution 2026-103R, approving and authorizing the filing of an application with the Texas Water Development Board ("TWDB") seeking financial assistance in an amount not to exceed $23,000,000.00 for the construction and financial services related to the Blanco Vista Elevated Storage Tank; designating an authorized representative of the city for purposes of furnishing information and executing required documents in connection with the preparation and filing of the application; designating firms and individuals authorized and directed to aid and assist the city in the preparation and submission of the application and appear on behalf of and represent the city before any hearing held by TWDB on the application; and declaring an effective date.

10. Consider approval of Resolution 2026-105R, authorizing a request for reimbursement from the Texas Department of Transportation for 100 percent of the cost of the Airport Control Tower Improvements for the San Marcos Regional Airport in the estimated amount of $130,000.00; authorizing the City Manager, or her designee, to execute all contracts and agreements necessary to obtain such reimbursement and to execute a Designation of Sponsor's Authorized Representative on behalf of the city; and declaring an effective date.

11. Consider approval of Resolution 2026-106R, approving Change Order No. 3 to the contract with Guerra Underground, LLC for the Dunbar Water and Wastewater Improvement Project for asphalt paving repair upgrades in the amount of $476,665.00 for a total contract price of $7,397,390.07: authorizing the City Manager, or her designee, to execute the Change Order on behalf of the city; and declaring an effective date.

12. Consider approval of Resolution 2026-107R, approving the sale of a used 2014 Spartan ERV 100-ft Aerial Ladder Truck to Austin Community College to be utilized for fire academy training and hands-on instructional purposes in the amount of $321,000.00; authorizing the City Manager, or her designee, to execute documents necessary to complete the sale on behalf of the city; and declaring an effective date.

13. Consider approval of Resolution 2026-108R, approving an Interlocal Agreement with the San Marcos Consolidated Independent School District for the City's provision of police officers to the school district to serve as School Resource Officers; authorizing the City Manager, or her designee, to execute said agreement on behalf of the city; and declaring an effective date.

14. Consider approval of Resolution 2026-109R, approving a contract with CommServPros, LLC, through the Texas Interlocal Purchasing System, for fiber installation from the Redwood Electrical Substation to the Wastewater Treatment Plant and for the City Hall Complex Fiber Replacement Project in the amount not to exceed $350,000.00; authorizing the City Manager, or her designee, to execute the contract on behalf of the city; and declaring an effective date.

15. Consider approval of Resolution 2026-110R, approving an agreement with Industrial

Disposal Supply for the purchase of a 2027 TYMCO Model 600 Regenerative Air Street Sweeper, through the Houston-Galveston Area Council Purchasing Cooperative, for street maintenance operations in the amount of $372,985.00; authorizing the City Manager, or her designee, to execute the agreement on behalf of the city; and declaring an effective date.

16. Consider approval of Resolution 2026-111R, approving an Interlocal Agreement with the City of Euless, Texas, to enable the City of San Marcos and the City of Euless to utilize each other's vendor contracts for goods and services; authorizing the City Manager, or her designee, to execute the agreement on behalf of the city; and declaring an effective date.

17. Consider approval of Resolution 2026-112R, approving a contract with Emergicon for fire and emergency management services billing and collection services, through an interlocal purchasing agreement with the City of Euless, Texas, for an estimated fee of up to $350,000.00 per year; authorizing the City Manager, or her designee, to execute the contract on behalf of the City; and declaring an effective date.

18. Consider approval of Resolution 2026-113R, approving an Interlocal Agreement with Texas State University for a temporary fire suppression service interconnection with the city's water system to allow for elevated storage tank maintenance by Texas State University; authorizing the City Manager, or her designee, to execute the Interlocal Agreement on behalf of the city; and declaring an effective date.

19. Consider approval of Resolution 2026-114R, approving revisions to Amendment No. 3 to the 2024 Regional Wastewater Treatment Plant Cost Sharing Agreement to remove Mulberry Meadows as a participating developer; authorizing the City Manager, or her designee, to execute the amendment to Resolution 2026-35R on behalf of the city; and declaring an effective date.

20. Consider approval of Resolution 2026-125R, approving a contract with Focused Advocacy, LLC for state legislative consulting services; authorizing the City Manager, or her designee, to execute the contract on behalf of the city; and declaring an effective date.

PUBLIC HEARINGS AND ASSOCIATED RESOLUTIONS

21. Hold a public hearing regarding and consider approval of Ordinance 2026-26 amending Sections 34.805 and 78.103 of the San Marcos City Code and the city's fee schedule to establish payment processing fees for electronic payment of short term rental permit fees and hotel occupancy taxes; providing for the repeal of any conflicting provisions; providing a savings clause; and declaring an effective date; and consider approval of Ordinance 2026-26 on the first of two readings.

Assistant Finance Director Ismael Garcia presented the item, explaining that the city currently absorbs electronic payment processing fees for hotel occupancy tax payments and short term rental permit fees at an annual cost of approximately $40,000. Staff proposed amendments to Sections 34.805 and

78.103 of the San Marcos City Code and the city's fee schedule to shift these costs to the payers, establishing a 3 percent fee for credit card transactions and a flat $2.00 fee for payments made by check through the web portal. Mr. Garcia noted that the city had recently contracted with Azovar for compliance monitoring of hotel tax reporting, and the new payment portal was the appropriate vehicle for this change. The projected annual savings to the city would be approximately $40,000.

Mayor Hughson open the public hearing at 6:44. No one spoke. Mayor Hughson closed the public hearing at 6:44 PM.

A motion was made by Council Member Rodriguez, seconded by Council Member Paselk to approve Ordinance 2026-26- 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

22. Receive a Staff presentation and hold a public hearing to receive comments for or against Resolution 2026-115R, approving a Development Agreement with JLCB 710 Investments, LLC providing standards for the development of approximately 643 acres of land, including an approximately 25-acre tract owned by the city for a new water reclamation facility, generally located northeast of the intersection of State Highway 123 and Farm to Market 1978; authorizing the City Manager, or her designee, to execute the Development Agreement on behalf of the city; and declaring an effective date; and consider approval of Resolution 2026-115R.

Terry Floyd, Director of Planning and Development Services, presented the proposed development agreement for the 643 acre Sedona South project in Guadalupe County within the city's ETJ. The project is mainly single family residential, with about 530 acres for homes, 50 acres of open space, and 47 acres for light industrial, commercial, and limited multifamily uses along SH 123, with multifamily capped at half of that mixed use area. Two Municipal Utility Districts (MUDs) were approved for this area in 2024. Because zoning doesn't apply in the ETJ, the agreement sets the city's development standards. Mr. Floyd noted a Council committee spent two years on the agreement. The developer requested several waivers, including narrower lot widths and longer dead end streets.

The agreement designates about 58 acres of parkland to be privately maintained by a homeowners association and outlines protections for an existing historic cemetery, including access, parking, fencing, and signage.

A companion piece of the agreement includes a 25-acre tract donated by the developer for the FM 1978 Water Reclamation Facility, already conveyed to the city, which may choose to annex the site in the future. Floyd added that while the Planning and Zoning Commission was not required to act on the agreement, Commissioner Agnew recommended prohibiting waste-related industrial uses, and the developer did not object.

Mayor Hughson opened the public hearing at 6:46 PM.

Those who spoke:
Melinda Grahmann asked when construction on the southern portion of the project near her property would begin, and sought clarification about what would be built in the commercial zone across from her home.

Lucia Diaz stated that she had gained helpful context from her meeting with Senior Planner Julia Cleary and indicated that she and her neighbors would follow the process and return with further questions.

Mayor Hughson closed the public hearing at 7:02 PM.

A motion was made by Council Member Gonzales, Seconded by Council Member Paselk to approve Resolution 2026-115 R.

Regarding citizens' questions, Senior Planner Julia Cleary stated that no construction timeline has been set; phasing will be determined during preliminary plat review. Developer representative Nathan Gentry said construction is at least a year away and will occur gradually from north to south as utilities are extended. No builders have been selected.

Council Member Rodriguez asked about prohibiting car washes due to water-use concerns within the Crystal Clear Water CCN area. The developer expressed willingness to consider the issue but declined to commit, and no amendment was made.

City Attorney Sam Aguirre clarified that the Sedona South property remains within the city's ETJ, preserving some city regulatory authority. He also briefly explained that Municipal Utility Districts are state authorized entities that provide utility services and can levy assessments to fund infrastructure that would otherwise be paid for by the developer

MOTION TO AMEND: A motion was made by Mayor Hughson, seconded by Council Member Gonzales amend the Development Agreement with JLCB 710 Investments to exclude waste related services (SIC 5175) from permitted industrial uses by adding “5.1.7.1 through 5.1.7.4 and 5.1.7.6 through” after “Sections” to read
SECTION 1. GENERAL TERMS AND CONDITIONS, 1.01 Conceptual Land Use Plan. 4. Industrial: Includes any uses defined as Industrial Uses in Sections 5.1.7.1 through 5.1.7.4 and 5.1.7.6 through 5.1.7.8 of the SMDC unless excluded in Sections 1.03.B.3(a) thru (e) above. In addition, industrial uses shall not include the following, which is prohibited within this Industrial designation:

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

MAIN MOTION: to approve motion as amended
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

23. Hold a public hearing regarding and consider approval of Resolution 2026-116R, providing no objection to the submission of an application for Low-Income Housing Tax Credits to the Texas Department of Housing and Community Affairs for the Riverstone Multifamily Housing Project (Case No. LIHTC-2019-01(A)) located at 2005 Crystal River Parkway (formerly 1430 Wonder World Drive); approving findings related to the application; imposing conditions for such non objection; providing authorizations for execution or submission of documents related to the application; and declaring an effective date; and consider approval of Resolution 2026-116R.

Mr. Floyd presented the item. He explained that Riverstone Apartments, a 336-unit LIHTC complex approved in 2019 at 51–61 percent AMI, was not tax-exempt at that time.
The amendment requested by LDG Development involves partnering with the Texas Housing Foundation, making the property tax-exempt.

The developer proposed a Payment In Lieu Of Taxes] (PILOT) of $100,000

annually with a 2 percent Increase annually.
Mr. Floyd detailed that the property currently generates about $293,000 in annual taxes, projecting roughly $7,800,000 over 20 years. The PILOT would yield about $2,500,000, resulting in approximately $5,300,000 in lost revenue to the city.

The amendment would shift 51 units to the 0–30 percent AMI range, with 285 units remaining at 51–60 percent AMI.
Mr. Floyd noted the project meets five of eight workforce housing criteria but falls short on bus stop proximity, legacy zoning, and renovation. A typo regarding the number of ADA-compliant units was corrected.

Mr. Floyd stated the workforce housing committee—Council Members Mendoza, Rodriguez, and Mayor Pro Tem Scott—gave a neutral recommendation.

Mayor Hughson opened the public hearing at 7:17 PM.

Those who spoke:
Jake Brown representing LDG Development, introduced himself and offered to answer questions.

Allison Smith of the Texas Housing Foundation said the partnership aims to stabilize Riverstone's finances and increase affordability for the lowest income residents. She noted the Foundation operates under Section 392 of the Texas Local Government Code, requiring cooperation agreements from both the city and the local housing authority, and thanked Senior Planner Cleary for her work.

Ryan Thomason, San Marcos' representative on the Capital Area Housing Finance Corporation board, said the board declined LDG's partnership request due to its policy against removing properties from the tax rolls. He noted past off roll agreements have already reduced San Marcos' tax base and, while expressing no ill will toward LDG, stated he could not support further losses.

SMCISD Trustee Miguel Arredondo warned that approval would cost the school district about $495,000 annually, significantly straining its budget. He said the loss would impact student meals, the community school's capital budget, and staff raises. He emphasized his comments were not a criticism of the Texas Housing Foundation or affordable housing but urged the Council to

consider the unintended effects on the district.

Mayor Hughson closed the public hearing at 7:39 PM

A motion was made by Council Member Gonzalez, seconded by Council Member Mendoza to deny Resolution 2026-116R

Mayor Hughson led a detailed discussion with Mr. Brown, Ms. Smith, and Council members.

Mayor Hughson questioned the developer's claim that taxes had tripled; Mr. Brown explained taxes rose from about $400,000 at the 2020 loan closing to nearly $1 million due to valuation issues with LIHTC properties which they had not expected. Council Member Gonzalez noted the large valuation discrepancy, which Mr. Brown acknowledged as an error. Mr. Brown stated no tenants would be displaced by the shift to 30% AMI units due to current vacancies. He also said the Housing Authority deferred its cooperation agreement pending the Council's action.

Council Member Mendoza raised concerns about using Sam's Club as a grocery proximity measure for low income residents. Council Member Rodriguez described the effort as resembling a bailout but recognized the need to protect affordability. Brown asked the Council to postpone action and said he was willing to discuss broader PILOT options, warning the property could face foreclosure without relief. Council Member Gonzalez opposed postponement, and the Council generally agreed. Deputy Pro Tem Scott requested financial documents; Mr. Brown was willing to provide them in a less public format.

The Motion to deny 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

24. Receive a Staff presentation and consider approval of Resolution 2026-117R, approving a Cooperation Agreement with Texas Housing Foundation pursuant to Section 392.059 of the Texas Local Government Code in connection with the Riverstone multifamily apartment development at 2005 Crystal River Parkway providing for the annual payment in lieu of property taxes to the city in the amount of $100,000.00 per year, with annual increases of two percent; authorizing the City Manager, or her designee, to execute the Cooperation Agreement on behalf of the city; and declaring an effective date; and consider approval of Resolution 2026-117R.

Following the denial of Item 23, City Attorney Aguirre noted that while the cooperation agreement under Item 24 is a related companion item, it should be formally disposed of on the record. Following a brief recess, the developer's representative formally withdrew the request on the record.
The applicant withdrew the request. No action was taken.

25. Receive a Staff presentation and hold a public hearing and consider approval of Resolution 2026-118R, amending the terms of the River Bridge Ranch Public Improvement District (PID), by reducing the PID boundaries and increasing the estimated costs for public improvements from $10,000.000.00 to $60,000,000.00; in accordance with Chapter 372 of the Texas Local Government Code; and declaring an effective date; and consider approval of Resolution 2026-118R.

Items 26 and 27 were read into the record by City Clerk Trevino
Director of Economic and Local Business Development Helen Ramirez presented Items 25, 26, and 27 together.

Ms. Ramirez explained that the River Bridge Ranch PID, created in 2020 with $10,000,000 in improvements, now needs an amendment due to higher infrastructure costs. Lennar Homes proposes reducing the PID area to 329 acres and increasing authorized improvements to $60,000,000.

The project includes 1,351 homes priced around $260,000–$390,000, with an estimated $437 million buildout value and about $2.5 million in annual city tax revenue. Public improvements total about $53 million, with $40 million funded by PID assessments and the remainder by Lennar. The city carries no bond repayment risk, though failed projects can affect bond rating management.

Ms. Ramirez noted the assessment rate is below regional averages. Community benefits tied to the PID include 5.5 acres for a fire station, voluntary compliance with development code updates, a bus shelter, and a public-accessible amenity center.

Following negotiations, the fire station contribution increased to up to $5,000,000, timelines for the amenity center were tightened, landscaping requirements were enhanced, and a $40,000 administrative fee with a 2 percent escalator was added. Lennar also agreed to a mortgage rate buy-down, reducing buyer rates from about 6.5 percent to 3.75 percent.

The public hearing, which had been opened at the January 20, 2026 meeting and left open, was reconvened by Mayor Hughson

No members of the public came forward to speak.

Mayor Hughson closed the public hearing at 8:36 PM.

No substantive questions were raised on Item 25 beyond Mayor Pro Tem Scott's clarification that the $10,000,000-to-$60,000,000 increase referenced in both Items 25 and 27 is a single increase referenced in two related resolutions, not two separate increases. City Attorney Aguirre confirmed this

A motion was made by Council Member Rodriguez and seconded by Mayor Pro Tem Scott to approve Resolution 2026-118R

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

26. Consider approval of Resolution 2026-119R, approving a Financing and Reimbursement Agreement with Lennar Homes of Texas Land and Construction, Ltd., a Texas Limited Partnership, in connection with the River Bridge Ranch Public Improvement District (PID); authorizing the City Manager, or her designee, to execute said documents on behalf of the city; and declaring an effective date.

A motion was made by Council Member Gonzalez and seconded by Council Member Rodriguez.to approve Resolution 2026-119R

Mayor Hughson noted she wished to make an amendment to the Financing and Reimbursement Agreement to insert the phrase "in the vicinity of the project" into the fire station provisions, which she stated appears twice in the agreement. Her rationale was that the fire station will serve a broader area than just the PID, and the agreement's language should reflect that reality.

MOTION TO AMEND: A motion was made by Mayor Hughson and seconded by Council Member Gonzalez to amend the resolution by inserting "in the vicinity of the project" in the fire station provisions (appearing in both sections entitled Fire Station Agreement section)

The motion carried to amend 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: 0

Absent: 1 - Deputy Mayor Pro Tem Garza

MAIN MOTION: to approve Ordinance 2026-1119R. as amended approving a Financing and Reimbursement Agreement with Lennar Homes.
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: 0

Absent: 1 - Deputy Mayor Pro Tem Garza

27. Consider approval of Resolution 2026-120R, determining costs of the proposed public improvements in the River Bridge Ranch Public Improvement District (PID); approving a proposed assessment roll for Improvement Area #1; and making related findings and determination with respect to an increase in the estimated cost of authorized improvements from $10,000,000.00 to $60,000,000.00, in accordance with Chapter 372 of the Texas Local Government Code; authorizing the City Manager, or her designee, to execute said documents on behalf of the city; and declaring an effective date.

No additional discussion was held on Item 27.

A motion was made by Mayor Pro Tem Scott and seconded by Council Member Rodriguez to approve Resolution 2026 120R .
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: 0

Absent: 1 - Deputy Mayor Pro Tem Garza

9. Consider approval of Resolution 2026-104R, approving a First Amendment to Commercial Aviation Ground Lease with 2080 Airport Drive, LLC, a First Amendment to Airport Redevelopment Lease Agreement for Commercial Use with Sykes-Vaughan Investments, LLC, and an Assignment and Assumption of Ground Leases from 2080 Airport Drive, LLC to Berry Aviation, Inc.; authorizing the City Manager, or her designee, to execute said instruments on behalf of the city; and declaring an effective date.

This item had been pulled from the consent agenda by Council Member Rodriguez who requested to ask the applicant a question. Mr. Stanley Finch, representing Berry Aviation, came to the podium.

A motion was made by Council Member Rodriguez, seconded by Mayor Pro Tem Scott to approve Resolution 2026-104R.

Council Member Rodriguez asked about the government services component of Berry Aviation's business, specifically whether the company does any work related to immigration enforcement. Mr. Finch confirmed that the company does not perform any immigration related work and that all federal government contracts are conducted outside the United States. He clarified that the company's domestic government work consists of selling aircraft parts to the Department of Public Safety and providing aircraft maintenance services.

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

28. Consider approval of Ordinance 2026-27, on the first of two readings, appointing William Henry as the Presiding Municipal Court Judge for the San Marcos Municipal Court of Record to fill the vacancy ending October 31, 2026 and continuing for a two-year term thereafter; including procedural provisions; and providing an effective date.

A motion was made by Council Member Gonzalez, seconded by Mayor Pro Tem Scott to approve Ordinance 2026-27 on the first of two readings.

City Attorney Aguirre clarified that the appointment of a municipal court judge is not a contractual arrangement, as is the case with some other city appointees—it is simply an appointment to the position, with no salary or benefits to be determined by this action.

The motion carried by the following vote:

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

Against: 0

Absent: 1 - Council Member Rodriguez

29. Consider approval of Resolution 2026-121R, approving a Change in Service to the agreement with Burns & McDonnell Engineering Company, Inc. authorizing the next phase of Design-Build Services for the FM 1978 Water Reclamation Facility project in the estimated amount of $42,000,000.00; authorizing the City Manager, or her designee, to execute the Change in Service and to finalize any non-material revisions on behalf of the city; and declaring an effective date.

A motion was made by Mayor Pro Tem Scott, seconded by Council Member Paselk to approve Resolution 2026-121R .

Assistant Director of Capital Improvements Marcus Naiser was present to answer questions. No questions were raised; the Council indicated the packet information was sufficient

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

30. Consider approval of Resolution 2026-122R, approving a Contribution in Aid of Construction agreement with Bluebonnet Electric Cooperative, Inc., for Bluebonnet to install overhead electric distribution facilities for the FM 1978 Water Reclamation Facility Project in the amount of $2,550,000.00; authorizing the City Manager, or her designee, to negotiate final terms of and execute the agreement on behalf of the city; and declaring an effective date.

A motion was made by Council Member Rodriguez, seconded by Council Member Paselk to approve Resolution 2026-122R .
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

31. Receive a Staff presentation providing: 1) comments received and staff recommendations for the Action Plan allocating $774,306.00 in Community Development Block Grant (CDBG) Entitlement funding for Program Year 2026-2027; and 2) recommendations from the Human Services Advisory Board (HSAB) on the allocation of $750,000.00 in Human Services Grant funding for Fiscal Year 2026-2027; discuss allocations for CDBG and HSAB grants; and provide direction to staff.

Housing and Community Development Manager Carol Griffith presented the CDBG and HSAB recommendations together.

CDBG Overview
The 2026–2027 HUD confirmed CDBG entitlement is $774,306. After public hearings, scoring, a 30 day comment period, and Mission Able’s withdrawal, staff recommended reallocating those funds to home repair. Public feedback favored more housing and social services. The final recommendations are to fund eight public service programs, multiple home repair initiatives, Dunbar

Park lighting, and standard administrative costs, while excluding BCL of Texas's rental assistance request.

HSAB Overview
HSAB reviewed 40 applications to distribute $750,000. Top-funded programs included Hays County Food Bank, Hays Caldwell Women's Center, and Southside Community Center. Programs such as PALS, Any Baby Can, and Bobcat Pride received full or near-full funding. High-threshold requests, including mental health and BR3T housing programs, were not recommended due to budget constraints.

MOTION TO AMEND: A motion was made by Council Member Gonzalez, seconded by Mayor Pro Tem Scott to amend the CDBG allocations by reducing Home Center's funding to zero and increasing CASA of Central Texas by $8,295

Council Member Gonzalez wanted to shift Home Center's $8,295 CDBG allocation to CASA, with plans to reverse the shift in HSAB so each organization used a single funding source. Council Members Rodriguez and Garza opposed, noting Home Center had not been consulted and expressing concern about singling them out. Mayor Hughson agreed with the general goal but opposed the motion at this time.

The motion failed by the following votes:

For: 1 - Council Member Gonzalez

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

Absent: 1 - Council Member Mendoza

Council Member Rodriguez proposed reallocating the $5,000 CDBG award from the Hays County Mental Health Court's transitional housing program to Home Center, noting the Court already has substantial funding for its core services while the small allocation would have little impact. She emphasized Home Center's critical work with underserved veterans. Deputy Mayor Pro Tem Garza supported the rationale.

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Deputy Mayor Pro Tem Garza to amend CDGB allocations by moving $5,000 from the Hays County Mental Health Court to Home Center

(bringing Home Center to $13,295).
Mayor Hughson abstained from voting because she serves on the Mental Health Court Advisory Board.
The motion to amend carried by the following vote:

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

Against: 1 - Council Member Gonzalez

Abstain: 1 - Mayor Hughson

Mayor Hughson indicated she intended to make a separate motion at this agenda item regarding combining Hays Helping Hands' two HSAB funding requests, but was advised by Ms. Griffith that HSAB allocations are not being finalized at this meeting—they will return in September. Mayor Hughson noted she would introduce that amendment at the appropriate time.

Council Member Gonzalez suggested that for future cycles, the city should formally clarify that HSAB and CDBG funds will not be used to fund the same program from the same organization. Ms. Griffith indicated she had already moved toward that practice but noted there had been inconsistency. The Council and staff agreed to schedule a future work session prior to the next application cycle to discuss how to better coordinate the two funding streams.

The Council provided direction to staff to incorporate the amended CDBG allocations, as directed, into the formal Action Plan to be voted on under Item 32.

32. Receive a Staff presentation summarizing comments received related to proposed funding allocations, and consider approval of Resolution 2026-123R, adopting the Community Development Block Grant (CDBG) Action Plan that provides for the allocation of $774,306.00 in CDBG Entitlement funds for Program Year 2026-2027; authorizing the City Manager, or her designee, to act as the official representative of the city in matters related to the CDBG program and Action Plan; and declaring an effective date.

Ms. Griffith presented a summary of the Action Plan document, confirming that it incorporated the amended allocations as directed under Item 31—specifically the $5,000 transfer from Hays County Mental Health Court to Home Center, resulting in Hays County Mental Health Court receiving zero CDBG funding and Home Center receiving $13,295.

A motion was made by Council Member Paselk, seconded by Council Member Rodriguez to approve Resolution 2026-123R .

See attachment
The motion carried by the following vote:

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

Against: 1 - Council Member Gonzalez

Absent: 1 - Council Member Mendoza

33. Consider approval of Resolution 2026-124R, approving the Hays Central Appraisal District's purchase of land and construction of an office building in the City of Kyle for an amount not to exceed $15,000,000,00; and declaring an effective date.

Mayor Hughson explained that the Hays Central Appraisal District has outgrown its current facility, which lacks adequate parking during ARB hearings, and that no suitable building is available for purchase in Kyle. The district therefore plans to construct a custom building that meets its operational needs, and the Council's action is to provide the required approval for the land purchase and construction. Council Member Rodriguez noted a clerical error in the resolution caption showing $15,000,000,00 instead of the correct amount, $15,000,000. 00. Mayor Hughson confirmed the request is for up to $15,000,000.00 and the City Attorney stated the correction can be made by amendment.

MOTION TO AMEND: A motion was made by Council Member Rodriguez, seconded by Council Member Gonzalez to amend the resolution to correct the amount from $15,000,000,00 to $15,000,000 wherever it appears.

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

MAIN MOTION: A motion was made by Council member Rodriguez, seconded by Council Member Paselk to approve Resolution 2026-124R as amended.
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

34. Discuss and consider appointments to the Hopkins City Center/New City Hall Steering Committee; and provide direction to Staff.

Each new Council Member (Rodriguez, Gonzalez, Paselk) who did not nominate anyone in 2024 were to nominate two people each.

Council Member Paselk nominate Linda Coker and Betseygail Rand
Council Member Gonzalez nominated Jennifer Rogers and Vikash Patel
Council Member Rodriguez nominated Dylan Sublette

No formal vote was taken, appointment were confirmed.
Because the committee is not scheduled to meet again until late August, and Council Member Rodriguez had not brought an additional nominee name, the Council agreed to place this item on the August 5 agenda for that one remaining slot.

Director of Administrative Services Hayden Migl confirmed the committee's next meeting is anticipated for late August.

35. Discuss and consider an appointment to the Comprehensive Plan Oversight Committee.

Two nominees were presented: Laura DuPont (nominated by Council Member Scott) and Uzziah Rodriguez (nominated by Deputy Mayor Pro Tem Garza). The vote resulted in a 3 3 tie, with Council Member Mendoza absent. The item was deferred to the next meeting.

36. Discuss and consider appointments to the following Boards and Commissions:

A) Economic Development San Marcos Board
B) Main Street Board
C) Neighborhood Commission
D) Parks and Recreation Board
E) Zoning Board of Adjustments

A) Economic Development San Marcos Board
Mr. CJ Odom was designated by San Marcos CISD and appointed by a 6-0 vote, with Council Member Mendoza absent.

B) Main Street Board
Shannon West was jointly nominated by Mayor Hughson and Council Member Rodriguez and appointed 6-0, with Council Member Mendoza absent.

C) Neighborhood Commission
Christian Ellis was nominated by Deputy Mayor Pro Tem Garza and appointed 6-0, with Council Member Mendoza absent.

D) Parks and Recreation Board
JJose Urbizu and Brianna Campbell were nominated by Council Member Paselk and appointed 5-0 with Council Members Mendoza and Gonzalez absent.

E) Zoning Board of Adjustments
Elizabeth Armer was nominated by Council Member Paselk and appointed 5-0 with Council Members Mendoza and Gonzalez absent.

37. Hold a discussion regarding merging the Homelessness Committee and Criminal Justice Reform Committee to establish a Safety Committee, and provide direction to the City Manager.

Assistant City Manager Lonzo Anderson recommended merging the Homelessness Committee and Criminal Justice Reform Committee into a single Safety Committee, guided by coordination, preparedness, and transparency. He emphasized that modern public safety spans multiple areas—emergency preparedness, severe weather, nuisance properties, homelessness, health, EMS, and crime prevention—requiring cross-department coordination. The new committee would provide a regular forum for Council members to discuss emerging issues and strategic priorities without changing operational responsibilities.

The committee's scope would include city marshals, emergency management, neighborhood enhancement, code compliance, and community support. Meetings would be held monthly, focusing on strategic items such as ordinance changes, major risks, intergovernmental issues, and matters needing future Council action, while routine updates would be handled through memoranda

Council Member Rodriguez moved to approve the recommendation, noting the strong collaboration among her colleagues Council Member Garza and Mayor Hughson, with whom she serves in both committees.

A motion was made by Council Member Rodriguez, seconded by Council Member Paselk. The merged committee will include Council Member Rodriguez, Deputy Mayor Pro Tem Garza, and Mayor Hughson, with the chair to be determined.

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

EXECUTIVE SESSION

38. 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 Council Member Rodriguez, seconded by Council Member Paselk to convene in Executive Session.
The Council convened in Executive Session at 8:12 PM

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

DIRECTION/ACTION FROM EXECUTIVE SESSION

The Council reconvened from Executive Session at 11:30 PM.

39. Consider action, by motion, or provide direction to Staff regarding the City Council's Executive Session deliberation under 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.

Consider action, by motion, or provide direction to Staff regarding the City Council's Executive Session deliberation under 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. Mayor Hughson stated that discussion occurred in the 3:00 PM executive session referenced in the agenda.

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. Mayor Hughson stated that the Council directed the City Attorney to retain outside counsel and directed the City Manager to pursue interim measures to ensure that EMS services will be operational on October 1.

C. Section 551.071 (Consultation with Attorney): To receive legal advice regarding an officer involved shooting on June 26, 2026. Mayor Hughson noted that the Council had received legal advice.

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 Tuesday, July 7, 2026 at 11:34 PM.

Elizabeth Trevino, City Clerk **Jane Hughson**

Resolution 2026-123R
EXHIBIT A

Agency	Program	Approved
PUBLIC SERVICES		
CASA of Central Texas	Court Appointed Special Advocates	$23,000
Blanco River Regional Recovery Team	Rental Assistance	$25,000
Hays-Caldwell Women's Center	Safe Start Housing Assistance	$15,000
Central Texas Food Bank	Nutrition Access	$11,850
Salvation Army	Emergency Assistance	$15,000
Greater San Marcos Youth Council	Family and Youth Support	$13,000
HOME Center	Pathways to HOME for Veterans/Disabled	$13,295
PROJECTS		
Combined Community Action	Home Energy Efficiency Improvements	$85,000
Habitat for Humanity	Home Repair (Major Repairs)	$137,500
City-Community Initiatives	Home Repair (Major Repairs)	$205,800
City-Destination Services	Dunbar History Walk Lighting	$75,000
ADMINISTRATION		
City-Planning and Development Services	Administration	$154,861
		$774,306