



City of San Marcos Visioning

January 2026

Agenda



Day 1

- **What is Visioning and What Guides It?**
- **Guide: Fiscal Operations**
 - Financial Overview (Jon)
- **Guide: Infrastructure to Support our Community's Growth**
 - Ten-Year Capital Improvement Program (Shaun)
- **Strategic Plan Achievements**
- **Review & Revise Strategic Plan**

Day 2

- **Review & Revise Strategic Plan**



What is Visioning?

Visioning is the first step in the annual budget process. Through visioning, Council reviews and revises the Strategic Plan which the City Manager uses as a guide to develop the FY27 Proposed Budget and to ensure appropriate service levels are met in regard to specific areas.

Council's visioning shapes our community's future through clear goal statements and direction that are intended to guide and influence the City Manager's strategies to deliver City services and investments in infrastructure. The goal topics have been previously categorized as follows:

- Quality of Life & Sense of Place
- Economic Vitality
- Public Safety, Core Services & Fiscal Excellence
- Mobility & Connectivity
- Environmental Protection



What Guides Council's Visioning?

Council visioning is guided by previous community input, Council-approved documents, community needs, operational needs, growth projections, and the financial wherewithal to implement the goals. Key examples include the following:

- Financial Forecasts
- Vision SMTX
- Other Previously Adopted Plans
(Airport, Arts, Downtown, Flood Protection, Habitat Conservation, Parks/Recreation/Open Space, Stormwater, Transit, Transportation, Water, Wastewater, etc.)
- Current Strategic Plan & Achievements
- Community Surveys/Feedback
- Ten-Year Capital Improvement Program
- Unfunded Department Budget Requests
- Growth Projections
- Existing and Future Community Needs
- City Charter Statement of Goals:
(People, Place, Environment, Economy, Public Services)



Visioning Outcomes

- Complete this First Step in the Budget Process
- Review and Revise the Strategic Plan Goals & Outcomes

Roles and Responsibilities





Fiscal Planning Considerations



Fiscal Planning Considerations:

- Financial Overview
- Unfunded department needs to adequately service our growing community
- Prior Council direction
- Long range planning and housing initiatives
- Tax rate
- Regional Animal Shelter Partnership
- New City Hall
- San Marcos/County EMS - \$4M+
- Capital Improvements Program
- Future Bond Election



City Council Visioning

Financial Overview

**Jon Locke,
Director of Finance/Chief Financial Officer**

January 29-30, 2026

Fiscal Year 2027 Budget Calendar

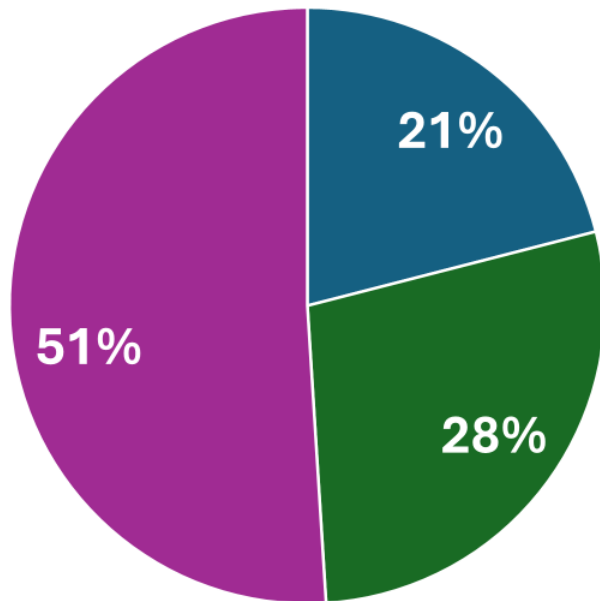


BUDGET EVENT	DATE	DONE
Council Visioning & Strategic Planning Work Session	January 29 - 30	
Budget Policy Workshop	February 26	
Budget Policy Adoption	March 31	
Neighborhood Commission Presentation	April TBD	
Budget Workshop & Preliminary CIP	May 19	
Budget Workshop	June 25	
Budget/CIP Submitted to Council & Maximum Tax Rate Set	August 18	
Neighborhood Commission Presentation	August TBD	
Public Hearings on Budget, Tax Rate & Fee Changes	September 1 & 15	
Budget, Tax Rate & CIP Adoption	September 15	

Tax-Exempt Properties City Wide



City-Wide Land Area (Acreage)

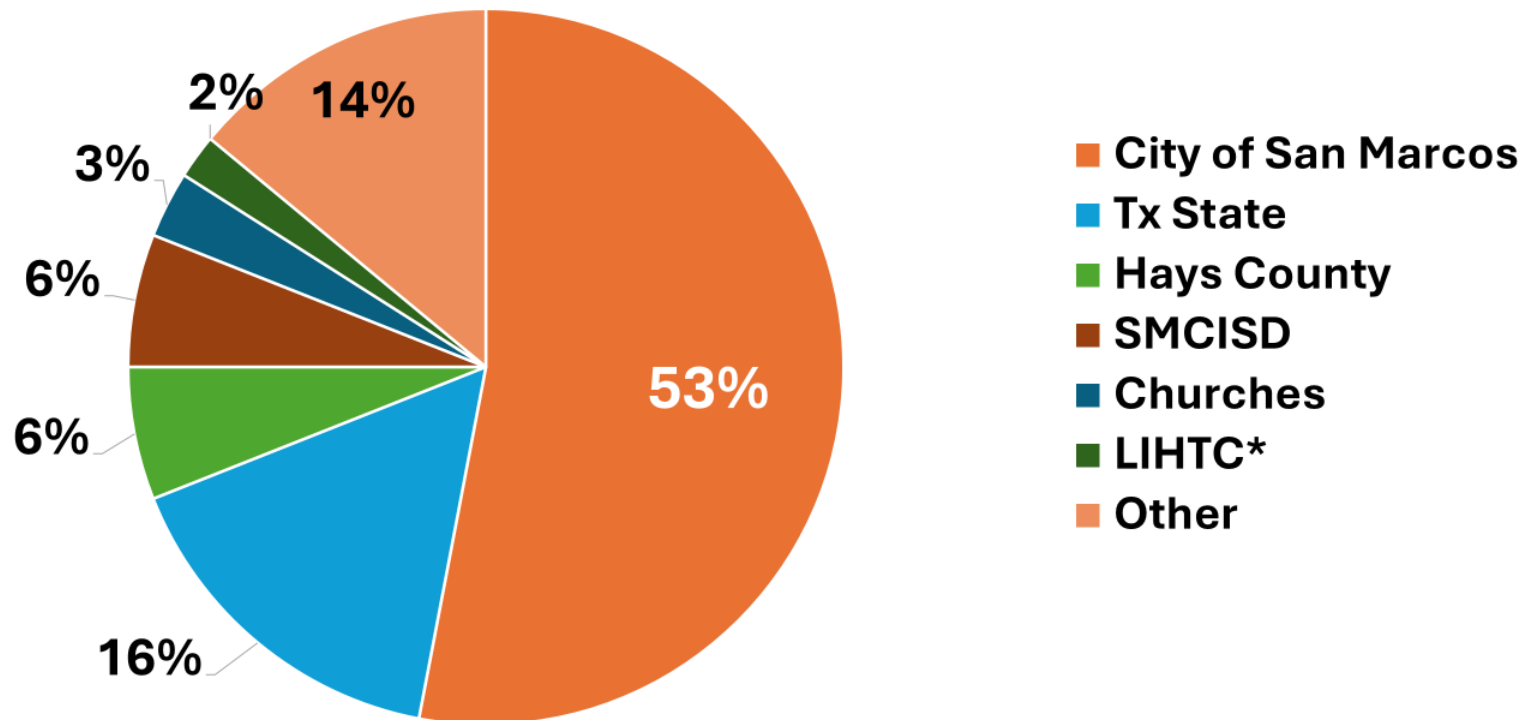


■ Fully Tax-Exempt Land ■ Partial Exemption ■ Taxable Land

- Fully Tax-Exempt Land includes City of San Marcos, Texas State University, San Marcos CISD, Hays County, Churches, Housing Authority, etc.
- Partial Exemption includes homestead exemption, agricultural exemption, etc.
- Taxable Land includes commercial, industrial, multifamily, single family for rent, etc.

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Fully Exempt Property





General Fund

Primary operating fund for core government services and used to account for all resources not required to be accounted for in another fund and not otherwise devoted to specific activities.

Primary Revenue Source:

- Sales Tax
- Property Tax

Supports Core Services such as:

- Public safety
- Parks and Recreation
- Neighborhood Enhancement
- Capital Improvement Program

General Fund Assumptions



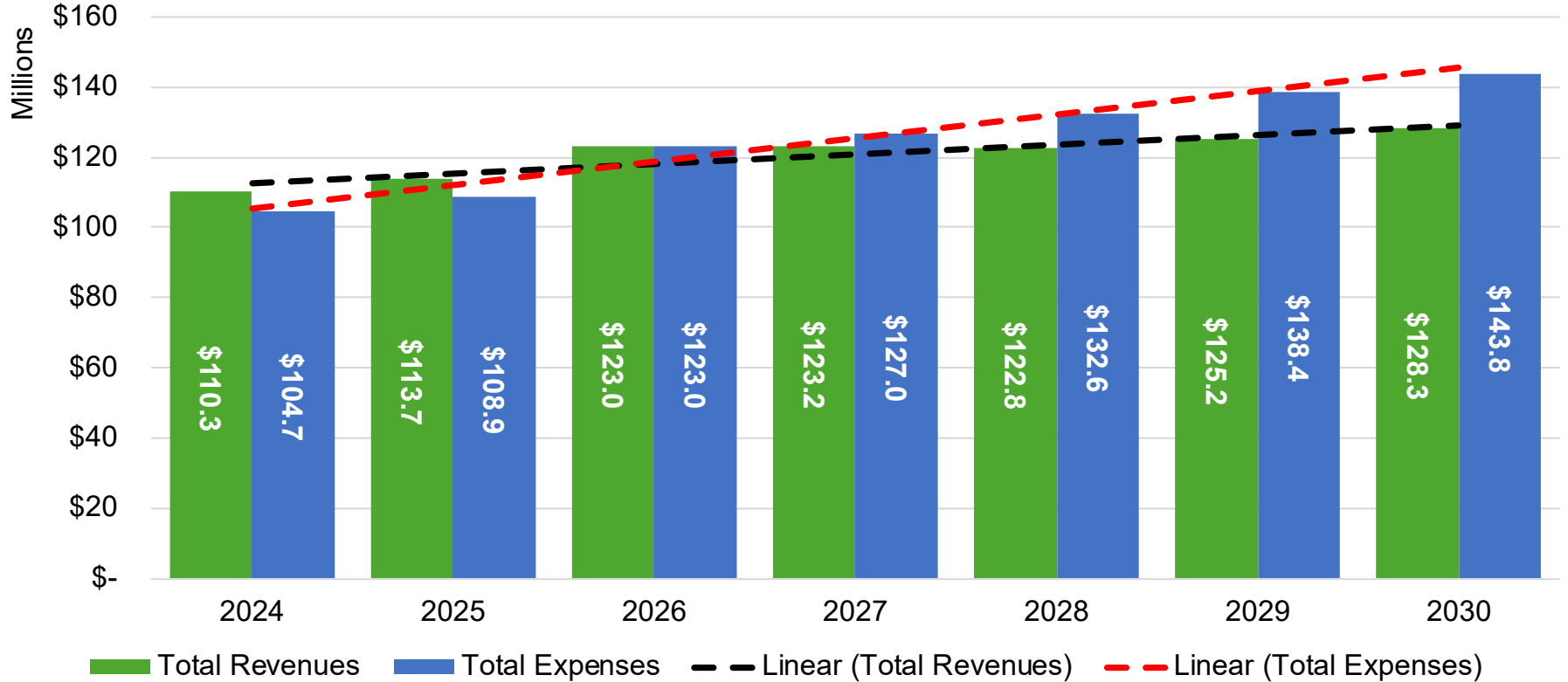
- **Revenues**

- Property Tax – adjusted for new personal property tax law, assumes declining reappraised value offset by new growth = flat.
 - Includes revenue from 3 Housing Finance Corporations.
- Sales Tax – average growth of 1.8%, includes estimated growth from Buc-ee's and HEB.
- Other revenues – fees adjusted 3% annually in accordance with Council direction and evaluated independently based on current trends.

- **Expenses**

- Average 3-5% increase to personnel costs (salary + benefits).
- Expiring Federal funding (2 positions and operational expenses).
- Other (equipment replacement, legacy software allocation, transition vehicles to lease, sales tax contingency).

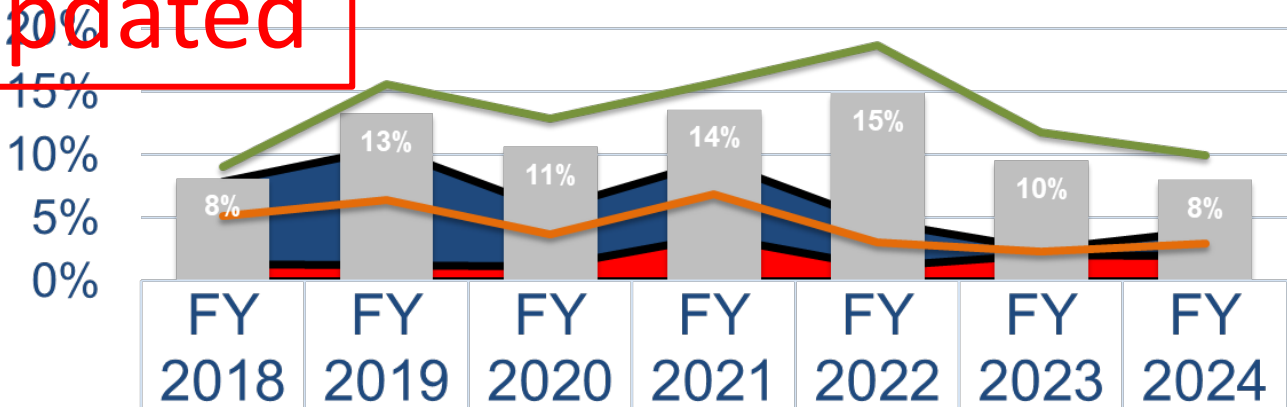
General Fund Forecast



Employee Vacancy Rate Excluding Retirements



Not yet updated



Police	8%	10%	6%	10%	5%	3%	4%
Fire	1%	1%	1%	4%	1%	2%	2%
City-wide	8%	13%	11%	14%	15%	10%	8%
Non-Civil Service	9%	16%	13%	16%	19%	12%	10%
Civil Service	5%	6%	4%	7%	3%	2%	3%



Other Major Funds



Electric

Accounts for the transactions related to the city's operation, maintenance, and improvement of electric utility services. Purchases and distributes electric power to the San Marcos community.

Primary Revenue Source:

- Rates charged to customers for electric service use within the Certificate of Convenience and Necessity (CCN) boundary

Supports:

- Operations
- Electric Conservation
- Meter Operations
- Maintenance
- Administration
- Utility Billing / Business Office
- Capital Improvement Program

Electric Fund



Public Safety, Core Services & Fiscal Excellence



- **Fund Considerations**

- There was a rate adjustment in Fiscal Year 2026.
- City's bond rating was downgraded in 2022 to BBB+.

- **Prior Council Direction**

- Fund balance = Maintain 150 days of recurring operating expenses and work towards 180 days.
- Debt service coverage ratio = Maintain legal minimum of 1.2 and work towards 1.4.
- Continue incremental rate increases and do not include late penalties in rate models.



Water/Wastewater

Accounts for the operations, maintenance, and improvement of the City's water & wastewater utility including water production, distribution, wastewater collection, and treatment system.

Primary Revenue Source:

- Rates charged to customers for water/wastewater service use

Supports:

- Wastewater Collection
- Water Quality Services
- Water Distribution Maintenance
- Water Conservation
- Water / Wastewater Administration
- Capital Improvement Program

Water-Wastewater Fund



Public Safety, Core Services & Fiscal Excellence



- **Fund Considerations**

- There was a rate adjustment in Fiscal Year 2026.
- Alliance Regional Water Authority issued debt in Fiscal Year 2025 and first principal payment is in Fiscal Year 2027 (\$600K).
- Revenue bond will be issued in Fiscal Year 2026 for the Wastewater Treatment Plant (\$80M).

- **Prior Council Direction**

- Fund balance = Maintain 150 days of recurring operating expenses.
- Debt service coverage ratio = Maintain legal minimum of 1.2 and work towards 1.4.
- Continue incremental rate increases and do not include late penalties in rate models.

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Stormwater

Established to provide funding for the planning, engineering, construction, maintenance, improvement, and reconstruction of stormwater management projects throughout the City.

Primary Revenue Source:

- Rates charged to customers for stormwater management based on impervious cover

Supports:

- Maintaining all City-owned drainage infrastructure
- Street Sweeping Operations
- Municipal Separate Storm Sewer System Program (MS4)
- Capital Improvement Program

Stormwater

 Public Safety, Core Services & Fiscal Excellence



- **Fund Considerations**

- There was not a rate adjustment in Fiscal Year 2026.

- **Prior Council Direction**

- Fund balance = Maintain 90 days of recurring operating expenses.
- Debt service = Use hybrid approach for funding CIP by covering up to \$5 million with Stormwater and remainder with General Fund.
- Continue incremental rate increases and do not include late penalties in rate models.



Resource Recovery

Established to account for activities related to the City's integrated solid waste disposal system.

Primary Revenue Source:

- Rates charged to customers for solid waste services

Supports:

- Residential trash, recycling, and green waste pickup
- Multifamily recycling
- Recycling and brush drop off
- Downtown trash collection
- Household Hazardous Waste
- Reuse Warehouse
- Brush drop-off & mulch pick-up
- Mattress removal program

Resource Recovery



Public Safety, Core Services & Fiscal Excellence



Environmental Protection

- **Fund Considerations**

- There was a rate adjustment in Fiscal Year 2026.

- **Prior Council Direction**

- Fund balance = Maintain 90 days of recurring operating expenses.
 - Excess fund balance has been reserved for a new Resource Recovery facility.
- Continue incremental rate increases and do not include late penalties in rate models.



Airport

Established to account for the revenues and expenses of the San Marcos Regional Airport.

Primary Revenue Sources:

- Commercial and agricultural leases
- Hangar rentals
- Fuel flowage fees

Supports:

- Operations at the San Marcos Regional Airport

Airport



Economic Vitality



Mobility & Connectivity



- **Fund Considerations**

- Texas Aviation Partners manages the Airport and their contract term ends September 2030.
- COVID funding (\$90K) used to fund employee ended Fiscal Year 2025.

- **Prior Council Direction**

- Identify the appropriate time for utilizing property tax revenues generated at the airport for airport operations in FY 2027.



Transit

Accounts for the revenues and expenses related to the public transit system within the City.

Primary Revenue Source:

- Federal and State transit grant funds
 - Approximately 70%
- General Fund contribution
 - Approximately 30%

Supports:

- Public transit operations to include
 - Local fixed bus routes
 - Paratransit – ADA Service
 - Commuter bus route, San Marcos - Austin



- **Fund Considerations**

- The General Fund's contribution has been lower due to COVID funding.
- COVID funding will end in Fiscal Year 2026.
 - General Fund's contribution will increase approximately \$213K in Fiscal Year 2027 and \$350K in Fiscal Year 2028 and beyond.

- **Prior Council Direction**

- Fund balance = Maintain 60 days of recurring operating expenses.

Hotel Occupancy Tax



Established to account for a local occupant tax of 9%. Hotel Tax monies collected are used to support tourist development activities, downtown events and promotion, and the arts in accordance with State law.

Primary Revenue Source:

- Hotel/Motel Occupancy Tax Fees
 - Occupancy Tax of 7%
 - Venue Tax of 2%

Supports:

- Marketing and promotion of the City
- Tourist development activities
- Downtown events and promotion
- Promotion and improvement of the arts
- Historic Restoration and Preservation

Hotel Occupancy Tax (HOT)



Economic Vitality



Quality of Life & Sense of Place



- **Prior Council Direction**

- Fund balance = Maintain 25% of recurring operating expenses.
- Continue to budget revenues based on conservative historical trends and the impact COVID-19 had on hospitality and tourism industry.
- Allocate funding for historical restoration and preservation projects based on capacity and explore how to meet the 51% of tourism function requirement.
- Use hotel tax funding for the City's branding plans and incorporate a community input component.

Community Enhancement Fund



Community Enhancement Fee became effective January 2016 for activities and programs contributing to the beautification and cleanliness of the City that may include, but are not limited to, litter and nuisance abatement, street cleaning, mowing and landscaping, dead animal removal, and building improvement grant programs.

Revenue Source:

- Residential and Commercial fees

Supports:

- Beautification efforts
- Graffiti abatement
- Litter pickup
- Maintaining public flower beds
- Downtown sweeping
- Mowing neighborhood parks and additional I-35 mowing
- Code enforcement for unsafe structures and blight

Community Enhancement



Environmental Protection



Quality of Life & Sense of Place



- **Fund Considerations**

- There was not a rate adjustment in Fiscal Year 2026.

- **Prior Council Direction**

- Fund balance = Maintain 25% of recurring operating expenses.
- Continue to budget funds to address items that come up during the fiscal year.
- Transfer the second of two code compliance officers to the General Fund.
- Use the fund to support new intersection plantings and gateway monuments.



Questions?



City Council Visioning

Capital Improvements Program Overview

Shaun Condor, PE
Director of Engineering and CIP

January 29-30, 2026

What is a CIP Project?

- A major capital project generally involves a significant expenditure of funds, beyond operation and maintenance costs, for the acquisition or construction of a needed facility or infrastructure.
- Total project cost should exceed \$100,000 in cost and tie to long term assets
- Source of projects ~ Typically requested from all City Departments
 - Master Plans
 - Operations Request
 - Council Direction
 - Citizen Input



Funding CIP Projects – Summary



Fund	FY 2027 +
General	± \$10M
Storm*	± \$5M
Water/Wastewater	± \$15M
Electric	±\$10M
Total	±\$40M

*Any costs above \$5M will need to be supplemented by the General Fund

Big Projects In Future

- **Sunset Acres Subdivision**
- **Wallace Addition Improvements**
- **Bishop/Belvin Improvements**
- **IH 35 Shared Use Path Connection**
- **FM 1978 Water Reclamation Facility**
- **Kissing Alley**
- **Cape Road**
 - Bridge Repair
 - Shared-Use Path

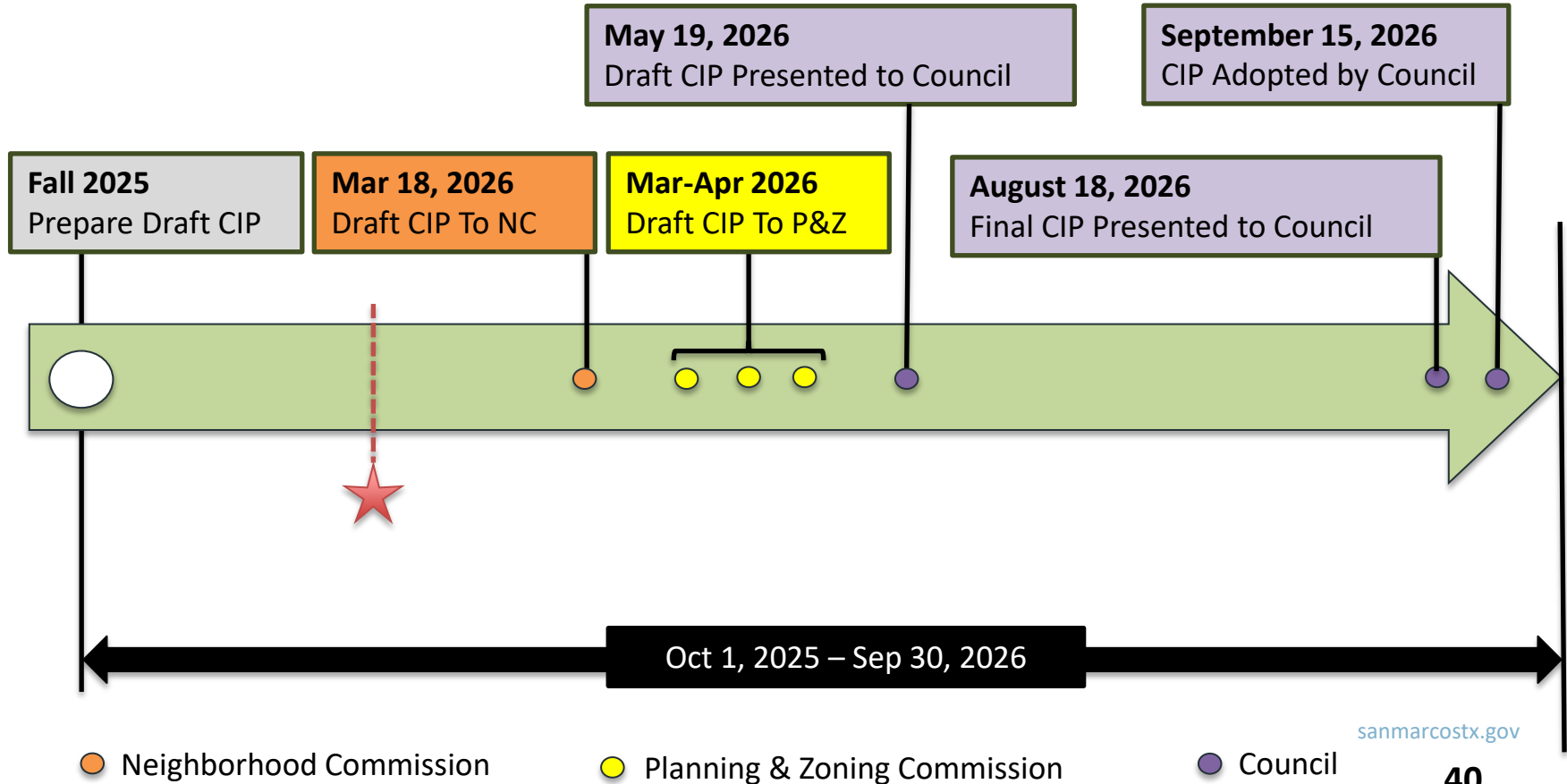


Bond Election Information



- **Bond Election Amounts Identified: \pm \$165M**
 - \$135M~ General Fund
 - \$30M ~ Stormwater Fund
- **Schedule**
 - *Timing of the bond election was adjusted in light of economic uncertainty*
 - 2029: Update Design & Costs
 - 2030(Jan/Feb): Seek direction during Visioning
 - 2030: Bond Committee: Finalize Project List 1 Year Prior to Election
 - 2031: Bond Election in November
 - 2032: Start Construction

FY 2027 CIP Schedule



Questions



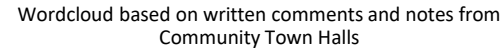
- Location of CIP
 - Digital Copy & Interactive Map
 - <http://www.sanmarcostx.gov/366/10-Year-Capital-Improvements-Plan>
 - City Of San Marcos Webpage > Departments > Engineering > 10 Year Capital Improvements Program





Community Town Halls on Vision and Priorities

- Unique participation included:
 - 61 Community members
 - 8 Staff members
 - 2 City Council members



Community Town Halls on Visioning – Priorities, Themes, and Take Aways



Access, Transparency, and Trust in Government

- Financial impacts
- Providing information in digestible formats and frequency
- Clarity on processes, ethics, and conflict of interest

Environmental Protections

- Water conservation
- Flood mitigation
- River and parks protections
- Opposition to data centers
- Responsible economic development

Downtown growth

- Revitalization of vacant structures
- Flooding concerns with development

Community Needs

- Mental Health
- Social service agency funding
- Affordable housing and childcare
- Accommodations and building community for residents with disabilities
- Transit and Mobility options and updates
 - Scooters, bike programs, bike lanes, micro-transit
 - Transit Update

Interest in opportunities for education and dialogue on challenges or items impacting the community, such as:

- Budget
- Economic Development and Incentive Agreements
- Growth of University enrollment and impacts to the City



Current Strategic Plan & Achievements



Strategic Goals

- Quality of Life & Sense of Place
- Economic Vitality
- Public Safety, Core Services & Fiscal Excellence
- Mobility & Connectivity
- Environmental Protection



Quality of Life and Sense of Place

Cultivate a community that promotes inclusivity, equity, and belonging; has a unique sense of place due to our distinct natural, historical, and cultural assets; and commits to a healthy quality of life for families of all types.



Quality of Life & Sense of Place

- Comprehensive Planning
- Strong Community Engagement
- Downtown Vitality
- Arts, Culture, and Special Events
- Parks, Open Space, and Recreation
- Neighborhood Preservation and Enhancement
- Housing Affordability



- **Comprehensive Planning**

- Awarded the Texas American Planning Association (APA) State Comprehensive Plan Award for the Vision SMTX Comprehensive Plan.
- Initiated an update to the Development Code and Design Manual including stakeholder survey, working group, and community workshop engagement. Final consideration of the Code by City Council will occur in March 2026.
- Began updating the Transportation Master Plan to be complete in October 2027.

- **Strong Community Engagement**

- North of Campus Area Plan and South of Downtown Area Plan Committees met in workshops, charettes and walking tours to discuss planning in these areas.
- Hosted three Homeowner Title Workshops in English and Spanish to help residents legally document inherited property.



Strong Community Engagement (continued)

- Launched our inaugural Love Where You Live program in the Sunset Acres neighborhood.
- Launched online budget interactive tools via Prioritize and Balancing Act.
- Designed participatory budgeting process.
- Initiated Dunbar History Walk project and invited neighborhood advocates to serve on planning committee.
- Developed a Neighborhood Resource Leader Program to increase outreach and host community teach-ins to engage community in education centered on topics of recycling and waste diversion.
- Garnered feedback from community members via Equity Cabinet.
- Collaborated with CDBG staff to conduct Dream Sessions in-person at City facilities, San Marcos Senior Citizen Center, and virtually via Zoom to present the program.

Achievements



Quality of Life & Sense of Place



Downtown Vitality

- Selected Downtown Area Plan priority projects for FY26: building infill & development, streetscapes, and small business support.
- Presented the draft Historic Preservation Plan to multiple commissions; City Council consideration scheduled for early 2026.
- Updated Downtown landscaping.

Arts, Culture, & Special Events

- Created videos for the "Legend Has It" series to engage and educate on community history.
- Created initial draft of Public Art Policy.
- Promoted programs and events on social media, paid digital advertising, and Visit San Marcos website listing and blogs.
- Awarded 30 Arts and Cultural grants for Community, Tourism, and Spark projects and events.
- Coordinated with downtown businesses to host a Family Weekend Scavenger Hunt.
- Dunbar History Walk project approved by Arts Commission and City Council to move forward.

Achievements



Quality of Life & Sense of Place



Parks, Open Space, and Preservation

- Implemented Managed Access Pilot Program for Rio Vista Park for weekends and holidays during the summer season.
- Implemented City Park Paid Parking Pilot.
- Continued community engagement phase for the Riverfront Parks Design Plan and Quail Creek Master Plan; engagement included multiple open houses and online surveys.
- Collaborated with SMCISD to provide fields space for community recreation programs.

Achievements



Quality of Life & Sense of Place



Neighborhood Preservation & Enhancement

- Presented the draft Historic Preservation Plan to multiple commissions; City Council consideration scheduled for early 2026.
- Continued development of North of Campus Area Plan and South of Downtown Area Plan.
- Held work-day led by volunteers in order to help residents clean up yards of trash and vegetative debris.
- Initiated the procurement process for additional contractors for CDBG housing rehabilitation and repair program.

Achievements



Quality of Life & Sense of Place



Housing Affordability

- Presented possible options for a Tenant's Bill of Rights to City Council; work continues to place the requirements in an Ordinance to bring forward for City Council consideration.
- Continue working on a proactive apartment inspection program.
- Held joint meeting of the City Council and Housing Authority Board of Directors to discuss the Housing Authority's policies and procedures and possible areas for improvement.



Economic Vitality

Foster a vibrant economic climate for our community through new commercial and residential uses, education, workforce development, and support of new and existing businesses of all sizes.



Economic Vitality

- Economic Development Policy
- Business Community
- San Marcos as a Destination
- Education and Workforce Development
- Responsible Growth



Economic Development Policy

- Reviewing Economic Development Policy and identifying opportunities to integrate workforce development into jobs-based incentives
- Launching Sustainable Resources Grant and the Small Business Retention Incentive within the City's Economic Development Policy.
- Reviewed the Main Street Facade Grant and will provide recommendations to Council in early 2026.

Education & Workforce Development

- Continued partnership with Workforce Solutions Rural Capital Area to host monthly Multiple Industry Job Fair.
- Hosted Justice-Involved Job Fair designed to connect people who have experienced incarceration with employers that have a commitment to second-chance hiring.



Education & Workforce Development (continued)

- Held ribbon cutting for new workforce training space in the City Hall complex; courses are provided through Austin Community College; one HVAC course has been completed and a second has started, an automotive maintenance course is also in progress.
- Met with Texas State's Continuing Education Program to discuss possible collaboration efforts and community needs for their certification programs.
- Continued to host regular workforce programming such as cover letters, resumes, job search help, etc. at the Library.
- Planned collaboration with St. David's Mental Health Grant to provide supportive programming that addresses the stress and anxiety that is seen among the job-seekers who come to the library for assistance.

Responsible Growth

- Continued to work through the Economic Development San Marcos Board to vet potential incentives for development projects.



Business Community

- Hosted Spirit Squared and Merry on the Squarey Downtown and collectively brought 3,500 visitors into downtown businesses.
- Highlighted two new businesses, Ollie's Market and Sea Barra, through New Biz alerts on social media for a combined 39k reach.
- Received Texas Downtown Best Business Award (San Market)
- Presented Legacy Business Awards to the following 2025 Cohort: Mochas & Javas, Sunset Bowling Lanes, McCoy's Building Supply, San Marcos Veterinary Clinic, Green Guy Recycling, City Bakery, and Bobcat Movers.
- Developed Downtown Alley Lighting plan as a priority in 2026. Main Street to begin other approved beautification projects in first quarter of 2026.
- Visited 25 downtown businesses. Approved 5 grants to downtown businesses, for a total over \$9,300.



San Marcos as a Destination

- Hosted booth at Summer in the Park to highlight live music and music venues.
- Promoted "Deals and Discounts" program coupons to participating local businesses to visiting groups, conferences, and event attendees.
- Approved the following requests for FY26: Landscaping Project Phase 2, four trash receptacles, eight bike racks, targeted sidewalk improvements, a photometric study to determine dark spots, and a public art project.
- Advertised social media channels and website content promoting the unique experiences found in our natural attractions, downtown, events, and small businesses, live music and arts scene, and pillar attractions.



Public Safety, Core Services & Fiscal Excellence

Deliver quality government services and improve community safety in a fiscally responsible manner with a professional workforce.



Public Safety, Core Services & Fiscal Excellence

- Community Safety
- Core Government Services
- Financial Management
- Workforce Recruitment and Retention
- Support Services
- Infrastructure Management

Achievements



Public Safety, Core Services
& Fiscal Excellence



Community Safety

- Achieved accreditation through the Texas Police Chiefs Association after onsite inspection of adhering to best practices.
- Certified eligible frontline personnel as Mental Health Peace Officers.
- Achieved all goals on Police Department 5-year Strategic Plan.
- Implemented Downtown Police Unit (4) in response to violent crimes.
- Hosted a lateral entry process for Fire in April 2025 to fill openings.
- Completed design of Fire Station 3 (2420 Hunter Road) remodel.
- Worked with Matrix Consulting to conduct staffing studies for Marshals Office, Emergency Medical Services (EMS), and Police Department.
- Conducted table-top exercise to simulate a tornado event, covering response and recovery.
- Conducted Cybersecurity course for 30 attendees from around Central Texas.

Achievements



Public Safety, Core Services & Fiscal Excellence



Community Safety (continued)

- Established Office of Community Support and Resource Navigation; held introductory meeting with internal work group; exploring tools that align with and support a multi-disciplinary, data-informed approach, such as Risk Terrain Modeling (RTM).
- Held active attack classes and drill for all employees at the City Hall Complex to increase preparedness and identify areas to improve security.

Core Government Services

- Launched Know Your Resources campaign, aimed at increasing access to information on resources through web content, print materials, social media, and video synopsis.
- Launched utility payment assistance program with renewed contracts with the four partnering agencies; completed memorandums of understanding with other non-City utilities in our jurisdiction to expand the utility assistance program.
- Promoted GivingTuesday to raise awareness of the program and the donation opportunity.

Achievements



Public Safety, Core Services & Fiscal Excellence



Core Government Services (continued)

- Completed enhancements to the Emergency Operations Center at the Public Services Center.
- Implemented new technologies available through MyGovernmentOnline to increase efficiency in the permitting process.

Financial Management

- Increased funding provided through the Human Services Advisory Board process by \$200,000 to a total of \$750,000.
- Completed grant applications for:
 - Texas Water Development Board (TWBD) Fiscal Year 2024 Clean Water State Revolving Fund (CWSRF) - Highway 80 Utility Project; \$5.3 Million loan forgiveness and \$11.945 Million low interest loan
 - TxDOT Transportation Alternatives Set Aside (TASA) Funding Application for Cape St & Shared Use Path Reconstruction project - approximately \$2.3 Million.
 - FEMA Hazard Mitigation Grant - Sunset Acres Regional Detention Pond project - Total amount of ircostx.gov \$5,577,139 (75% Federal or \$4,182,854) (25% Local \$1,394,285).

Achievements



Public Safety, Core Services
& Fiscal Excellence



Workforce Recruitment & Retention

- Onboarded new Human Resources Director.
- Developed competency-based degree programs for employees through East Texas A&M.
- Implemented market-competitive and equitable pay adjustments across the organization.
- Continued to refine recruitment strategies, including expanded outreach to underrepresented communities, enhanced job marketing efforts, and updated job postings to improve clarity, alignment with organizational needs, and market competitiveness.
- Opened a new employee health clinic.
- Streamlined interview processes, improved candidate communication to ensure a more consistent and equitable hiring experience.
- Onboarded Learning & Development Coordinator, who has already begun assessing current training programs and identifying opportunities to expand professional development across all departments.
- Working on Fair Chance hiring "Ban the Box" and identifying positions that warrant second chance employment opportunities.

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Achievements



Public Safety, Core Services
& Fiscal Excellence



Support Services

- Continued to expand the use of Microsoft's AI tool Copilot, with the availability of the enhanced version of the tool.
- Developed Artificial Intelligence (AI) Use Guidelines, AI Meeting Policy, and updated the Password Policy and Standards for the organization.

Infrastructure Management

- Met with all internal department to capture their FY 2027 CIP Updates.
- Continue implementing 5-year sidewalk plan following City Council direction.
- Developed a comprehensive equipment replacement schedule that identifies equipment replacement needs over the next five years.
- Created a separate fund for Information Technology (IT) that will create funding capacity over time, enabling some IT equipment to be cash funded instead of debt funded.



Mobility and Connectivity

Improve neighborhood and regional connectivity to provide a safe, convenient, and efficient multimodal system for goods, services, and people of all income levels and abilities to move throughout the City.



Mobility & Connectivity

- Multimodal Transportation System
- Bicycle, Sidewalk and Trail Systems
- Transportation and Traffic Operations
- Public Transit

Achievements



Mobility & Connectivity



Multimodal Transportation System

- Working on issuing a request for proposal (RFP) for a transit study update that will include an on-demand component.
- Began early design stage for Thorpe Lane Improvements.
- Completed improvements on Aquarena Springs in February 2025.
- Continue updating the real-time, multimodal transportation map called SMTX/Go to provide real-time location and conditions of buses, sidewalks, and bike lanes (can be accessed at <http://SMTXGO.sanmarcostx.gov>)

Bicycle, Sidewalk & Trail Systems

- Designing IH-35 Shared Use Path Project, with construction expected to start in Summer of 2027.
- Continue to collaborate with Texas State to bring back the e-scooter and e-bike micromobility program.
- Implementing additional multimodal facilities at all new or improved bus stops.

Achievements



Mobility & Connectivity



Transportation & Traffic Operations:

- Presented the Hays County Safety Action Plan, adopted by City Council on December 2, 2025.
- Moving forward to set up a platform for AI train detection, installed detection cameras at more locations.
- Implemented recommendations from the Equity Cabinet, including a seating option at the bus stop on LBJ Drive in front of Garcia's Restaurant.
- Installed a LiDAR-based pedestrian detection system at the Hopkins/LBJ intersection that illuminates the crosswalk when pedestrians are detected.
- Continue adding features to the SMTX/Go transportation map regarding traffic conditions, railroads, and low-water crossings.

Public Transit

- Worked with Texas State staff to issue a new RFP for a transit route study to strengthen coordination efforts.
- Working with the Federal Transit Administration and the Oklahoma Department of Transportation to utilize a federally compliant cooperative to procure vehicles.



Environmental Protection

Advance responsible stewardship of the community's natural, cultural, and historical resources through varied environmentally friendly policies and practices.



Environmental Protection

- Environmental Stewardship
- Environmentally Friendly Growth
- Resilient Infrastructure
- Environmental Programs

Achievements:



Environmental Protection



Environmental Stewardship

- Finalized plans for permeable pavers in Kissing Alley as part the Downtown Alley Reconstruction project; construction expected to start in late 2026.
- Natural channel design has been included in multiple projects, using natural materials like rocks, logs, and native plants to create self-sustaining systems that manage water flow, reduce erosion, improve habitat, and enhance water quality.
 - Sessom Creek Phase 2 project is currently under construction and expected to be completed by late spring 2026.
 - Wallace Addition Offsite Drainage is at the 90% design stage with construction expected to start in 2027.
 - Bishop Street Improvement project at the 60% design stage with construction expected to start in 2027.
- Presented proposed Non-Radioactive Hazardous Materials Transport Route to comply with the Edwards Aquifer Habitat Conservation Plan and U.S. Fish and Wildlife Service Incidental Take Permit.

Achievements:



Environmental Protection



Environmental Stewardship (continued)

- Received the Gold Award in the Environmental Planning category by the Texas American Planning Association (APA) for the Blanco Gardens Neighborhood Area Plan.
- Included water quality devices in the Wallace Additon Offsite Drainage project which will separate sand trap trash, debris, sediment, and hydrocarbons from stormwater runoff.
- Continue to educate the public during ozone action days and provide tips on air quality through social media and the city's webpage as an active Central Texas Clean Air Coalition member through CAPCOG.

Environmentally Friendly Growth

- Hosted Stormwater Technical Manual kick off meeting.
- Updated the Spill Prevention Control and Countermeasures Plan (SPCC), will be in effect until September 2027.

Achievements:



Environmental Protection



Resilient Infrastructure

- Continue to incorporate and anticipate future City needs into CIP projects as we update Master Plans.
- Continue updating building safety and evacuation plans through the Office of Emergency Management and Risk Management.
- Held active attack classes and drill for all employees at the City Hall Complex to increase preparedness and identify areas to improve security.

Environmental Programs

- Implemented river restoration and habitat conservation measures throughout the San Marcos River system in accordance with the Edwards Aquifer Habitat Conservation Plan (EAHCP) and the 2025 CoSM/TXST EAHCP Workplan.
- Secured grant to build a community and pollinator garden at Centro to educate the public on growing food and the importance of native plants.

Achievements:



Environmental Protection



Environmental Programs (continued)

- Submitted grant application for tree planting and restoration of City parkland adjacent to the San Marcos River and the shared-use pathway between IH-35 and Cape Road.
- Continued working with Texas State's River Education and Stewardship Alliance (RESA) to promote environmental education.
- Worked with US Army Corps of Engineers to perform a stormwater outfall improvement project at Veterans Memorial Park to address channel erosion.
- Provided water conservation tips and drought restrictions through KZSM interview, Neighborhood Commission presentation, and social media posts.



Begin Reviewing and Revising Current Strategic Plan



Next Steps

- Budget Policy Workshop – February
- Staff will develop strategies to identified goals/outcomes
- Plan will be brought back for approval