



City of San Marcos

Meeting Minutes City Council

Tuesday, June 16, 2020

6:00 PM

Virtual Meeting

This meeting was held using conferencing software due to the COVID-19 rules.

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 6:04 p.m. Tuesday, June 16, 2020. This meeting was held virtually.

II. Roll Call

Council Member Marquez arrived after roll call at 6:10 p.m.

Present: 7 - Council Member Melissa Derrick, Mayor Jane Hughson, Mayor Pro Tem Ed Mihalkanin, Council Member Joca Marquez, Deputy Mayor Pro Tem Mark Rockeymoore, Council Member Maxfield Baker and Council Member Saul Gonzales

III. 30 Minute Citizen Comment Period

The following comments were submitted as written comments and read aloud during the citizen comment portion of the meeting:

Catherine Lindemann,

I have read the Copy of Resolution 2020-135R before the Council, and I appreciate the clarity related to the San Marcos Police Department's use of Force and concern for public safety. I would still like to make the following statement and pose the following questions:

This is in regards to ensuring equity and safety for all in regards to our Policing policies. I know that policing is a dangerous hard job, and that our San Marcos police have paid the ultimate sacrifice. My neighbors loved one was one of the officer's badly injured in the recent assault that killed Officer Putnam. I thank the SMPD for putting their lives on the line and responding day and night to keep us safe. However, with respect, that does not eliminate our city's responsibility to look at how the SMPD can be improved to ensure that police brutality and racial profiling are not a part of our city. In addition to Resolution 2020-135R, I believe additional analysis and action will protect all our citizens, and have the following questions: 1. Does the police department reflect the community it serves in terms of racial percentages? If not, what steps is the SMPD and the SMPD Academy taking to encourage

persons of color to become officers? 2. Is there a citizen review board for questionable police actions and/or to review current practices to see if improvements can be put in place to avoid the killing and arrests and profiling that have happened in other cities? And 3. Is policing the only alternative for responding to persons who are experiencing homelessness, having a mental health crisis, etc. or are alternative resources available for crisis intervention with personnel that do not use force (such as the Eugene OR model "Cahoots"? If not, can we consider such an institution for our city to support SMPD. Thank you.

Robert Holeman:

How about you stop wasting time, get back to work, and open the Children's Park? This is what they do when they should be leading. I support the police but the police need more than words. They need a reality. This resolution is a slap in the face. George Floyd was in poor health and had quite the mixture of chemicals in his system. Then he chose, repeatedly, to fight the cops. Bottom line: George Floyd contributed to his own death. We'd all be served well be recognizing that fact and letting the legal system play out in this case. Yet, none of that has anything to do with the SMPD. So to tie them together is a backhanded accusation of our own neighbors. Shame on the entire City Council and (the defacto mayor) City Manager.

Brian Olson:

Dear Mayor and Council,

Thank you for taking the time to discuss Capes Dam in your Thursday meeting. As you all know I have been involved in trying to preserve Capes Dam and the habitat that is created from such structure for 5 years now. I did not get involved until after the vote to remove the dam. At that time the citizens really got involved and fought to reverse that decision. There was a lot of information that was not given to the council prior to the vote that many past council members have acknowledged. Then parking became a topic of concern, if we have a beautiful park where would people park? The county listened to your concerns and came up with a great plan and is willing to pay for a lot of this project. The citizens on the east side should have this. A lot of good has come from Capes Dam discussions. Who would have thought that a discussion would be on the table be to double our park space on the east side of IH35? Without Capes Dam you won't have the Mill Race nor the three great swimming holes. Why not allow the county to continue to have more discussions on rebuilding Capes Dam that is appropriate for the habitat and historical perspective? By doing both the citizens win! We would have a safe place not only to swim but to navigate around the swifter waters that are on

the right channel. It's truly is a win win. Please do not waste funds you have budgeted for Capes Dam on more reports. Allow the City Manager's office to continue to work with the county to come up with the plan on rebuilding Capes Dam & Capes Park first so they can get the appropriate studies that would be needed for the specific project. The funds you have left can be used for better ADA access and bank stabilization that we all know needs to happen. If you have any questions please don't hesitate to ask. Thank you for taking the time to listen and let's give citizens on the east side a park they will always be great-full for generations to come.

Lisa Marie Coppoletta:

Item 6 - Ethics Commission, there has been no discussion on this item at past city council meetings. Is this because so many ethics complaints were filed? I dropped them taking the high road. Was another person asked to drop his complaint thinking Joca has resigned and was leaving. Now she is still up there rendering decisions, often a conflict of interest with her organizational affiliations and far left ideology. Don't you think it would be incumbent on the city to hold a workshop to explain to the citizens the expectations? Or, at least to have a conversation on the Dias?

Item 28 - I do not see anything about the death of an African American woman with a bright future that has captured worldwide attention. Breonna Taylor died at the hands of a police department "no -knock" policy. Is this policy something that SMPD engages in? Is this under review? I did not see it in the packet. Regarding the letter to the Sunday Paper regarding the privileges of Belvin Street. I want to agree with the writer of the letter and add that the separation of Belvin across Bishop is equally as concerning.

Their side of Belvin, where some of my best friend live they got:

- Road Blocks
- Trees Trims
- Postcards mailed to their house

Our side of Belvin got

- NO Road Blocks
- No Trees Trims
- No postcards mailed to our house
- A dumping ground at the end of our block with no warning
- 18-wheeler getting stuck on our street
- Speeders
- And City staff refusing to answer why we are being treated differently

This is the leadership of a city manager who thinks he is the Emperor of San Marcos and the elected officials we voted in are not holding him accountable. Bert's own employee who filled out a survey he wanted a one-sided street sidewalk, and earned months of overtime making one in my yard, but refuses to have an ADA compliant one in his yard. In your packet tonight there is a robust discussion of the Habitat for Humanity policies. I've sent you the screen capture Section 5.2 Legal Issues and it discusses ADA requirements. That is a private sidewalk in front of that street sweepers house. His new urbanism house and his private sidewalk was the SOLE reason for the butchery of our yards/ And, you are breaking the ADA, that is not an ADA sidewalk. His neighbor Angela will have her Huge Live Oak butchered and mean while his yard is unscathed. Not only is the ADA in violation but it is a liability for both the city and the land owner, a city worker. So, to the Letter to the Editor writer, we have a city manager and elected officials that treat voters different. Finally, the spike in the number of cases of COVID19 is due to the lack of face coverings. According to the article "Study: 100% face mask use could crush second, third COVID-19 wave" published June 12, 2020 it states that "As has been well-publicized, wearing a mask primarily protects others from yourself, rather than the other way around. It is not a sign that you consider others a danger." To that effect since the article says even "Homemade coverings that catch only 50 percent of exhaled droplets would provide a "population-level benefit." Thank you for your time and God Bless San Marcos.

Linda Coker:

I understand that the agenda item for Cape's Dam was pulled and will be addressed at a meeting later this week, but I still feel compelled to use this time. I honestly do not understand why this is still an issue. There is no money to remove it. There are no permits to remove it. But there is a group of people wanting to do what would be a boon to our community. How in the world could a bigger park, with a repaired dam be a bad thing? The East side deserves it as does the rest of the community. There are numerous arguments about the science and the historical aspects. I am going to save making comments on that for the next meeting. But I am pleading, please stop and look at the big picture. Remove ego's and biases and see that working with the County on this project would be a feather in our cap. Believe me, when you are there and seeing the beauty you help create, the fun families will be having that you brought about and the preservation of San Marcos' story, good and bad, that you helped tell; you will know that the right decision has finally been made. I am truly asking, from the bottom of my heart. Let us make a decision and move on. It is time.

CONSENT AGENDA

A motion was made by Council Member Derrick, seconded by Deputy Mayor Pro Tem Rockeymoore, to approve the consent agenda, with the exception of item #7, 9, 10, 14, 15, 16, and 17, which were pulled and considered separately.

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

1. Consider approval, by motion, of the following meeting Minutes:
 - A. May 19, 2020 - Regular Meeting Minutes
 - B. May 28, 2020 - Special Meeting Minutes
2. Consider approval of Ordinance 2020-40, on the second of two readings, amending Chapter 86, Article 5, Division 4 of the San Marcos City Code regarding impact fees to, among other things, change the methodology for establishing impact fees for industrial and commercial uses having peak flow rates in excess of 500 gallons per minute, and to add homes constructed with federal funds awarded to the City and City facilities as projects exempt from the assessment of impact fees; including procedural provisions; providing for the repeal of any conflicting provisions; and providing an effective date.
3. Consider approval of Ordinance 2020-41, on the second of two readings, amending Chapter 86, Article 8, Division 1 and 2 of the San Marcos City Code to, among other things, change the rate structure of the Stormwater Utility to an impervious basis for all customer classes, and to update provisions regarding the maintenance and repair of structural controls in connection with the municipal separate Storm Sewer System (MS4); including procedural provisions; providing for the repeal of any conflicting provisions; and providing an effective date.
4. Consider approval of Ordinance 2020-42, on the second of two readings, adopting Youth Programs Standards of Care for 2020; providing a severability clause; declaring an effective date.
5. Consider approval of Ordinance 2020-43, on the second of two readings, reclassifying and increasing the rank of the firefighter position assigned to the Fire Prevention Division, from the rank of firefighter to the rank of engineer in accordance with Section 143.021 of the Texas Local Government Code; amending the Fire Department staffing table maintained by the City Clerk in accordance with Section 2.373 of the San Marcos City Code to reflect such reclassification; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date.
6. Consider approval of Ordinance 2020-44, on the second of two readings, amending section 2.421 of the San Marcos City Code by adding a new subsection (e) to clearly state that the policy and purpose statements in that section supporting the adoption of the San Marcos Code of Ethics shall not be cited, used, or considered by a citizen or by the ethics review commission as the basis of an ethics complaint filed against any officer or

employee of the city; and declaring an effective date.

7. Consider approval of Resolution 2020-116R, approving the Texas Department of Transportation sponsored Public Transportation Agency Safety Plan and establishing safety performance targets for the City of San Marcos Public Transit Services in accordance with 49 CFR part 673; and declaring an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Deputy Mayor Pro Tem Rockeymoore, to approve Resolution 2020-116R.

Council Member Baker asked if the policy going to apply with our partnership with the Texas State University Bus System or just CARTS? Pete Binon, Transit Manager for the City of San Marcos, stated the plan would not include the University. If the University becomes a recipient of federal funds then they would develop a safety plan of their own and the City could assist.

Council Member Baker suggested the inclusion of some type of mobile device monitoring. Mr. Binion stated this plan is a living document and part of the requirement is a yearly review and amendment to continue to improve safety. It only applies to public transportation and CARTS.

Council provided consensus, to bring back additional information regarding the addition of adding mobile device monitoring within the safety plan and bring back more details including budgetary information.

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

8. Consider approval of Resolution 2020-117R, authorizing the filing of applications with the Federal Transit Administration, an operating administration of the United States Department of Transportation, for federal transportation assistance authorized by 49 U.S.C. Chapter 53; Title 23, United States Code, or other federal statutes administered by the Federal Transit Administration; and declaring effective date.
9. Consider approval of Resolution 2020-118R, approving a change in service to the engineering services agreement with Brown and Gay Engineers, Inc. (Contract No. 219-129) relating to the Briarwood and River Ridge Improvements Project in the estimated amount of \$262,148.00 to add environmental and final design services bringing the total contract price to \$386,183.00; authorizing the City Manager or his designee to execute the appropriate documents to implement the change in service; and declaring an effective date.

A motion was made by Council Member Baker, seconded by Mayor Pro Tem Mihalkanin, to approve Resolution 2020-118R.

Council Member Baker stated it is important to highlight when we see big budgetary changes that the community understands where that cost difference is coming from. Some of this flooding seems like it came after the development in that area, hopefully the new Development Code keeps us from seeing these after the fact stormwater projects that we have played catch up with. Rey Garcia, Senior Engineer for the City of San Marcos, stated this project started with a preliminary engineering report and there are some proposed improvements and we are currently applying for a Texas Water Development Board application in order to receive construction funds. This is fully funded from the drainage utility, but we are gearing it towards where we can utilize the Texas Water Development Board funding. With regard to future development, the Land Development Code states that we look at fully developed conditions. We will recognize in future developments upstream that we are mitigating the conveyance of those flows. Council Member Baker asked if this project will only convey water to the Blanco River or does it also have some detention qualities? Mr. Garcia stated there is infiltration testing being done and this project is a combination of detention and water quality.

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockey Moore, Council Member Baker and Council Member Gonzales

Against: 0

- 10. Consider approval of Resolution 2020-119R, approving a professional services agreement with Jones and Carter for engineering services relating to the Dunbar Utility Improvements project in the estimated amount of \$311,094.00; authorizing the City Manager or his designee to execute the agreement on behalf of the City; and declaring an effective date.**

A motion was made by Council Member Baker, seconded by Mayor Pro Tem Mihalkanin, to approve Resolution 2020-119R.

Mayor Hughson asked when is the earliest start date for this project and does it relate to the Hopkins Street project, she wants to ensure these projects do not overlap. Mr. Garcia, stated this project will not receive construction funding until 2022, so these two projects will not overlap.

The motion carried by the following vote:

For: 6 - Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockey Moore, Council Member Baker and Council Member Gonzales

Against: 0

Absent: 1 - Council Member Derrick

11. Consider approval of Resolution 2020-120R, approving the award of a construction contract to Insituform Technologies, LLC for the Fredericksburg Street wastewater Replacement Project in the amount of \$93,300.00 through the Texas Local Government BuyBoard Purchasing Cooperative (Contract No. 555-18); authorizing the City Manager or his designee to execute the agreement on behalf of the City; and declaring an effective date.
12. Consider approval of Resolution 2020-121R, authorizing the execution of a Ground Lease and Acquisition Agreement between the City and Hunt San Marcos Development, LLC for the City's New Public Services Center; establishing a facility purchase price under the ground lease in an amount not to exceed \$44,400,000.00; approving and authorizing the execution of amendment one to the exclusive negotiating agreement (ENA) with Hunt San Marcos Development, LLC to, among other things, provide for \$62,409 of additional pre-development services for a new total amount payable under the ENA of \$1,562,409.00; authorizing other matters in connection therewith; and declaring an effective date.
13. Consider approval of Resolution 2020-123R, approving Change Orders No. 1 and No. 3 to the construction contract awarded to The Brandt Companies, LLC for the Redwood, Strahan, and McCarty Substation Improvements Project (Contract No. 219-310) in the net increase amount of \$91,276.77 bringing the total contract price to \$1,986,449.30; authorizing the City Manager or his designee to execute the appropriate documents to implement the change orders; and declaring an effective date.
14. Consider approval of Resolution 2020-124R, approving an agreement with Simpleview, LLC for the redesign of the San Marcos Convention and Visitor Bureau website in the initial amount of \$102,700.00 and authorizing up to nine annual extensions for website support in a not-to-exceed amount of \$547,000.00; authorizing the City Manager or his designee to execute the agreement on behalf of the City; and declaring an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Council Member Gonzales to deny Resolution 2020-124R.

Mayor Hughson asked if the \$100,000 for this year comes out of the Hotel Occupancy Tax Funds. Stephanie Reyes, Assistant City Manager stated this will come out of the Hotel funds. Rebecca Ybarra Ramirez, Director of Destination Services for the City, stated this money has been budgeted for and they have been working on it for years. Mayor Hughson asked if the money has been set aside? Ms. Ybarra Ramirez stated money has been set aside this

year and some has been rolled over from previous fiscal years.

Mayor Hughson wanted confirmation that Council approved \$300,000 to go from General Fund to assist with Hotel Tax expenses this year because we are not bringing in the Hotel Tax money like we usually do. Mrs. Reyes stated that is correct. Mayor Hughson asked how long are these bids good and how long can we postpone this item without having to start over? Mrs. Reyes stated that there was no time stated in the solicitation. We can go back to the bidder and ask if they can hold the prices until the fiscal year or August or September. Mayor Hughson would like to see the sales tax and the Hotel Tax numbers for the upcoming months before we spend money on a new website, even with all the improvements, since we have one now. Dr. Mihalkanin noted that the final cost, over several years is \$547,000.00.

Mayor Pro Tem Mihalkanin withdrew his motion to deny. Council Member Derrick asked if we can maintain this website once built. Ms. Charlotte Wattigny confirmed that we create the content once the site is built with all the new features and functions.

A new motion was made by Mayor Pro Tem Mihalkanin, seconded by Mayor Hughson, to postpone Resolution 2020-124R to the first meeting September.

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

15. Consider approval of Resolution 2020-125R, approving a Change in Service to the agreement with Knight Security Systems, LLC for the provision of professional high technology services, maintenance, and equipment related to security at the San Marcos Police Department, Trace Fire Station #6 and Rattler Electric Substation in the estimated amount of \$268,684. through the Texas Comptroller of Public account's Department of Information Resources ("DIR") program (contract DIR-TSO-3430) bringing the total contract price to \$623,063.37; authorizing the City Manager or his designee to execute the appropriate purchasing documents on behalf of the City; and declaring an effective date.

A motion was made by Mayor Hughson, seconded by Council Member Gonzales, to postpone Resolution 2020-125R, per request by Staff. The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

16. Consider approval of Resolution 2020-126R, approving an agreement with Moore Iacofano Goltsman, Inc. for services related to the City's Comprehensive Plan project in the estimated amount of \$673,418; authorizing the City Manager or his designee to execute the agreement on behalf of the City; and declaring an effective date.

A motion was made by Mayor Hughson, seconded by Council Member Baker, to approve Resolution 2020 126R.

Council Member Baker asked if there is support to encourage staff to do critical area plans ahead of master plan or how to do them in tandem? He doesn't want to create inconsistencies from the Comprehensive Plan but if there are plans that we like we do those first so that the Comprehensive Plan will not be in conflict.

Mayor Hughson asked for the source of this funding. Michael Ostrowski, Assistant Director of Development Services, stated this is from several funds and all funding has been appropriated in prior budgets. There is no new money needed at this time. The breakout is below:

General Fund \$76,154

Electric/Water/Wastewater/Drainage Funds \$327,263

General Fund (Downtown Master Plan) \$100,000

Water/Wastewater (Downtown Master Plan) \$100,000

Hotel Occupancy Tax (Downtown Master Plan) \$100,000

Funds Needed for Architectural Standards Project (\$30,000)

Total Funds Available for this Project \$673,418

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

17. Consider approval of Resolution 2020-127R, approving the award of a construction contract to Trimbuilt Construction, Inc. for the Police Department Building Additions and Renovations Project in the amount of \$9,141,358.00; authorizing the City Manager or his designee to execute the agreement on behalf of the City; and declaring an effective date.

MAIN MOTION: a motion was made by Mayor Hughson, seconded by Mayor Pro Tem Mihalkanin to approve Resolution 2020-127R.

MOTION TO AMEND: a motion was made by Council Member Baker, seconded by Council Member Gonzales, to amend Resolution 2020-127R by removing Alternate #5 to the contract which adds a 25-yard extension to the shooting range. Interim Chief Klett stated that the reason this has been added is because the Advanced Law Enforcement Rapid Response Training range is not as available as in the past. In addition, depending on the situation such as a school shooting or shooting at one of our malls, we need to be proficient at the 50 yard range. To make this change in the future means tearing out the range we just improved at a higher cost. Council Member Gonzales withdrew his second on the motion and Council Member Marquez seconded this motion.

The motion to amend failed by the following vote:

For: 3 - Council Member Derrick, Council Member Marquez and Council Member Baker

Against: 3 - Mayor Hughson, Mayor Pro Tem Mihalkanin and Council Member Gonzales

Absent: 1 - Deputy Mayor Pro Tem Rockeymoore

MOTION TO APPROVE: to approve Resolution 2020-127R.

The Motion carried by the following vote:

For: 5 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Baker and Council Member Gonzales

Against: 1 - Council Member Marquez

Absent: 1 - Deputy Mayor Pro Tem Rockeymoore

18. Consider approval of Resolution 2020-128R, authorizing the submission of the terms and conditions and certification documents to the State of Texas Division of Emergency Management for funding from the Federal Coronavirus Relief Fund; authorizing the City Manager to submit the required documentation and accept funds from the Coronavirus Relief Fund as authorized expenditures related to COVID-19 relief activities during the period from March 1, 2020 through December 30, 2020; and declaring an effective date.
19. Consider approval of Resolution 2020-129R, approving a Change in Service to the agreement with Strategic Government Resources (Contract No. 220-117) relating to the Interim Community Development Block Grant Administrator position in the estimated amount of \$75,000.01 bringing the total contract price to \$125,000.00; authorizing the City Manager or his designee to execute the appropriate documents to implement the Change in Service; and declaring an effective date.
20. Consider approval of Resolution 2020-130R, approving a Change in Service to the agreement with Strategic Government Resources (Contract No. 220-186) relating to the Interim Finance Director position in the estimated amount of \$80,000 bringing the total

contract price to \$125,000.00; authorizing the City Manager or his designee to execute the appropriate documents to implement the Change in Service; and declaring an effective date.

PUBLIC HEARINGS

21. Receive a Staff presentation and hold a Public Hearing to receive comments for or against Ordinance 2020-46, amending the project plan and reinvestment zone financing plan for Tax Increment Reinvestment Zone No. 5, also known as the "Downtown TIRZ" to add eligible projects and associated eligible project costs, including the acquisition of property for parking and other public priorities and related operations and maintenance costs up to \$2,000,000.00; approving an amendment to the Tax Increment Participation Interlocal Agreement with Hays County to reduce the City's and the County's contribution rate of the tax increment deposited into the Tax Increment Fund from 70 percent to 25 percent for one year; authorizing the City Manager, or his designee, to execute such amendments on behalf of the City; including procedural provisions; and declaring an effective date; and consider approval of Ordinance 2020-46, on the first of two readings.

Victoria Ruckle, Interim Finance Director, provided a brief presentation on the project plan and reinvestment zone financing plan for Tax Increment Reinvestment Zone No. 5, also known as the "Downtown TIRZ."

On April 29, 2020 the Board met to make changes to the project plan. These recommendations include:

- * Support of Multi-modal transportation and mobility including sidewalks and downtown shuttle services**
- * Provide overall enhancement of the downtown area, including: lighting, Safety and other aesthetic features**
- * Acquisition of property for parking and other public priorities**
- * Payment of other amounts for the required operation and maintenance costs within the Zone**
- * Ensured addresses and locations of improvements were appropriately defined**

On June 5, 2020 the Board met to alter the 2020/2021 financing agreement. These recommendations include the following:

- * Changed the City and County Property tax Contributions from 2020 Assessments from 70% to 25% for one year**
- * The property tax assessments increased from \$268,922,632 to \$409,464,557 (52% growth in assessed value)**

At 70% contribution:

- * City would have put in \$1,311,881 from \$692,450 in 2019**
- * County would have contributed \$771,359 from \$387,578 in 2019**

At 25% contribution:

*** City's contribution will be \$468,529 in 2021 from 2020 AV**

*** County's contribution will be \$275,414 in 2021 from 2020**

Recommendation is this will change for only one year this was done to accommodate the impacts the City, in particular will have due to COVID 19 issues and other revenue shortfalls (short term positive revenue of nearly \$840,000) and County will have a one-year benefit of this change of \$495,745 due to this change.

Council Member Derrick inquired about the proposed shuttle bus system for downtown. Mr. Hitchcock noted that the Request for Proposal was put on hold, per the Parking Advisory Board, until more is known about the effects of Covid, but the funding is earmarked for that purpose.

Mayor Hughson, who also serves as the chair of this TIRZ board, noted that none of the projects will be detrimentally affected since the increase in assessed valuation has increased so much this year.

Mayor Hughson opened the Public Hearing at at 7:22 p.m. There being no speakers, the Mayor closed the Public Hearing at 7:22 p.m.

A motion was made by Council Member Derrick, seconded by Mayor Pro Tem Mihalkanin, to approve Ordinance 2020-46, on the first of two readings. The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

- 22. Receive a Staff presentation and hold a Public Hearing in regards to proposed projects and programs for the 2020 Community Development Block Grant (CDBG) - Entitlement allocation of \$722,904 and reallocation of \$125,000 in the 2019 CDBG Entitlement allocation.**

Michael Ostrowski, Assistant Director of Planning and Development Services provided a presentation on the 2020 Community Development Block Grant (CDBG) entitlement allocations.

Mr. Ostrowski provided the requirements due to COVID 19. The HUD Allocation for Program Year 2020-2021 is \$722,904 + \$125,000 for a total of \$847,904. Seventy percent must benefit low moderate income people. All can be used for Public Services if used

for COVID 19 response.

No more than 20% can be used for Administration.

Action Plan Due Date = August 16, 2021

The following steps will be taken

June 16th: Public hearing on proposed projects and programs, along with City Council direction on which projects and programs to proceed with and at what funding level.

July 5th - August 4th: Public comment period on draft action plan

August 4th: Request City Council approval of action plan and proposed projects and programs

5 non-City applications were received, these include:

1. Centro Cultural Hispano de San Marcos

Project Title: Making Centro More Accessible and Energy Efficient through Renovation

Amount Requested: \$388,461

2. Court Appointed Special Advocates

Project Title: Advocacy Services for Abused and Neglected Children

Amount Requested: \$60,000

3. Habitat for Humanity

Project Title: Housing Counseling

Amount Requested: \$23,656

4. Habitat for Humanity

Project Title: Land Acquisition for Home Construction

Amount Requested: \$151,000

5. Southside Community Center

Project Title: Owner-Occupied Home Rehabilitation

Amount Requested: \$100,000

TOTAL \$723,117

City programs and projects considered:

6. Code Enforcement

Project Title: Substandard Home Demolition

Amount Requested: \$125,000

7. Code Enforcement

Project Title: Priority Repair

Amount Requested: \$45,000

8. Parks Department

Project Title: Paul Pena Park

Amount Requested: \$125,000

Project Title: Dunbar Education Building Rehab Study

Amount Requested: \$25,000

9. Community Initiatives

Project Title: Homebuyer Assistance

Amount Requested: \$84,000

10. Community Initiatives

Project Title: Program Administration

Amount Requested: \$144,000

TOTAL \$548,000

Mr. Ostrowski noted that staff found that all applications meet the threshold criteria and are eligible for funding.

Staff evaluated all applications with the following in mind: That the activity meets a Consolidated Plan priority, the impact and cost effectiveness and the ability to be implemented in a relatively short time period.

A review of the projects followed.

Application 1. Centro Cultural is located in a building that is owned by the school district and the district is in support of their application to rehabilitate the building and the building must continue to meet the qualifications for at least 5 years after the completion of construction. We will have to put a 5-year lien on the building. The programs are open to the public and making the building more safe and comfortable will be a benefit to those who participate.

2. Court Appointed Special Advocate is seeking funds to recruit and train volunteer case workers to advocate for children removed from their homes. They are seeking funds for two-thirds of the need in San Marcos.

3. Habitat for Humanity is seeking funding for Housing Counseling, to include practical salaries, marketing and class materials.

4. Habitat for Humanity is also seeking funding for Land acquisition, four lots, for Home Construction

5. Southside Community Center is seeking funding for Owner-Occupied Home Rehabilitation which includes Interior and exterior repair and rehabilitation of up to seven substandard homes performed by contractors and volunteers. This is an on-going project since the 1990's and has done over 100 homes have been included at an average cost of \$15,000.

6. The City is requesting funding for Substandard Home Demolition to be used when private funds are not available. At approximately \$15,000 each, this will handle about 8 structures to be identified by the Code Compliance department from an extensive list. There will be a lien on the property should it sell for a profit in the near future. This will remove blight from a neighborhood and

address safety concerns.

7. The City is requesting funding for Priority Repair Substandard to be used when private funds are not available. This will be for repairs on substandard owner-occupied homes to remove code violations, safety hazards, unfit conditions. There will be a lien on the property should it sell for a profit in the near future. This will provide a safe and suitable living environment.

8. The City is requesting funding for Parks Priority Projects

a. Improvements to Paul Pena Park, which serves Hills of Hays, to extend the existing concrete ADA walking path, include installation of updated playground and equipment, and the addition of skating area. This project received approval last year but has not moved forward yet.

b. Dunbar Educational Building Rehab Study \$25,000

Assessment to determine what would be needed to renovate this historic school building as another city facility for rent by the public.

9. The City would like to continue the successful Homebuyer Assistance Program. All funds for this year have been distributed. The program provides Down payment and closing cost assistance for low- to moderate-income potential homeowners. It is a deferred forgivable loan for 5 years at 0% interest.

10. Funding of 20% is allowed by CDBG for program administration. This is to provide technical assistance to funded programs, ensure the appropriate use and documentation of funds, and monitor and report progress to HUD.

Employees who performs these functions are paid partially through CDBG funds.

When evaluations occur it is preferable to select programs and projects that provide direct service to people in this time of economic need. Home maintenance and affordability ranked as high priority by data and public comments. Staff stated all proposed programs and projects are eligible. The City's CDBG housing programs are about to be remarketed and affordable lots will be needed. While extremely important, the Parks projects provide the least direct service and connection to highest priority needs. Lastly, staff recommends reducing Centro Cultural's amount and declining to fund Habitat lots and Parks projects.

Staff Recommendation is Making Centro More Accessible and Energy Efficient through Renovation for \$268,000, Advocacy Services for Abused and Neglected Children \$60,000 \$60,000, Housing Counseling for \$23,656, Owner-Occupied Home Rehabilitation \$100,000, Substandard Home Demolition (Reallocate 2019 funds) \$125,000 , Priority Repair \$43,248 Homebuyer Assistance \$84,000, and city Program Administration \$144,000 for a total of \$847,904.

Mayor Hughson opened the Public Hearing at 7:47 p.m.

Those who spoke:

Wayne Gerami, representative for Austin Habitat Humanity spoke on behalf of the land acquisition and spoke on construction. Their partnership in San Marcos began in 2017 and have opened the Habitat ReStore on IH 35. They are scaling up their engagement in the community and with the ReStore and their housing counseling and construction. They are doing two homes per year. They are a HUD certified counseling agency that can interface with banks on behalf of home owners. The Housing Counseling program is a first line effort that assists low and moderate income families facing foreclosure in keeping their homes. This is especially important during this time of layoffs due to the CoronaVirus pandemic.

Andy Alarcon, representative for Austin Habitat Humanity, stated they recently merged with San Marcos and with this merger they have committed to building at least two homes per year. The third home is underway. We have applied for land acquisition funding and he is available for any questions. Since staff is not recommending their request, they ask that Council consider a future request.

Bertie Flores Samilpa, is the head housing counselor for Austin Habitat Humanity. She stated she is looking forward to bringing services to Hays County and helping the community.

Dr. Ricardo Espinoza, representative of Centro Cultural Hispano, thanked Staff for their work. He stated Centro has a great partnership with San Marcos CISD and other entities in the community. Centro is all inclusive and all encompassing and he is here to answer any questions.

Norma Castilla Blackwell, Executive Director with CASA, thanked the Mayor and Council for their support over the years. She is here to answer any questions regarding the application.

Ruben Garza, Director of Southside Community Center, thanked Council for their support. Without this program it would be much harder to keep the houses they have up to code. Bringing houses up to code is important and we must maintain current stock.

There being no further comments, the Mayor closed the Public Hearing at 7:55

p.m.

Mayor Hughson asked if the Human Services Advisory Board reviewed these fund allocations and made recommendations. Due to a timing change in this program, that review did not happen this year.

Council Member Derrick expressed her concern that we are denying funding for habitat for humanity because this is a new partnership. Staff stated this particular request is being recommended for denial because Council approved something similar to this in 2018 and the City does not want to compete for lots with Habitat for Humanity but we do want to have a partnership going forward.

Deputy Mayor Pro Tem Rockey Moore asked what does direct service to individuals mean? Mr. Ostrowski, provided the example of the homebuyer assistance program and how this funding goes directly to the individual so this is direct service to individuals, such as CASA funding. Indirect would be park improvements which benefits the community but no one directly.

Council Member Baker, asked if all funds are expended for the homebuyer assistance program. Mr. Ostrowski, stated these CDBG allocations are always fully expended. Council Member Baker asked that given that staff is recommending a lower amount to Centro, he wants to ensure they can still reach their goals. Dr. Espinoza, with Centro, stated they will work on getting additional funding. They will keep the projects they currently can afford and move projects that can be pushed to the future.

Dr. Espinoza said they have big plans and they will grow and flourish. Mayor said Centro is great and she is curious if this building will still be available in the future. Dr. Espinoza stated that they are working with the school district. This is a historic building they plan to keep it and renovate. They want to make it more accessible and more efficient. They want to buy the lot and build on the lot. Mayor Hughson expressed her concern for a couple of the programs that if we are using federal funds to improve a structure and then if it is sold for a profit, that would be a problem. There is a solution for that.

Council Member Gonzales asked about the home repair projects and how they will work. Staff stated that Code Enforcement would identify properties that would qualify and they would reach out to the homeowner.

Council consensus was to move forward with the staff recommendations.

NON-CONSENT AGENDA

23. Consider approval of Ordinance 2020-47, extending the temporary waiver of the 15 percent late charge and the one percent per month interest charge for delinquent hotel occupancy tax payment under section 78.103 of the San Marcos City Code to monthly payments due on July 20, 2020 due to the continuing COVID-19 pandemic; providing for adoption of this ordinance as an emergency measure on only one reading; and providing an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Council Member Gonzales, to approve Ordinance 2020-47, on first and final reading. The motion carried by the following vote:

For: 6 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

Absent: 1 - Council Member Marquez

24. Consider approval of Resolution 2020-131R, amending the Community Development Block Grant (CDBG) Action Plan for Program Year 2019 to add the awarded Community Development Block Grant-Coronavirus (CDBG-CV) allocation of \$425,261 and approving projects for the use of these funds; authorizing the City Manager or his 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.

MAIN MOTION: a motion was made by Deputy Mayor Pro Tem Rockeymoore, seconded by Council Member Derrick, to approve Resolution 2020-131R.

Council Member Mihalkanin recused himself from discussion due to his employment at Texas State University.

Council Member Derrick asked about more testing and the turn around time on test results. Mayor Hughson mentioned testing sites and the number of tests conducted this past Sunday. Mayor Hughson asked if we decide not to approve one of these, can still accept another application at this point or is it too late? Mr. Ostrowski stated that we can accept an application but we would need another Public Hearing and have a public comment in order to allow others to apply. The process could be restarted. Mayor Hughson asked if we could approve some of applicants and hold some back to allocate later? Mr. Ostrowski said a portion can be approved.

Bert Lumbreras, stated there are numerous sites and the State has already

stepped up so what would this money be used for? Council Member Derrick wants more tests and quicker results.

Mr. Lumbreras said this is not our timeline, it is the state and they are utilizing their labs. Contact tracing is not associated with this test, but Mr. Lumbreras said an option could be that Rachel Ingle and the Emergency Management Department work with a local lab that has quicker turn around and see if a proposal for a new application could be submitted.

Staff recommends the following CDBG-CV allocations:

1. COVID-19 Small Business Recovery \$200,000
2. Advocacy Services for Abused and Neglected Children \$55,600
3. COVID-19 Collection Station \$105,530
4. Administration \$64,131

Council consensus was to proceed with looking for another lab that could provide quicker turnaround times for test results.

Mr. Ostrowski stated it would take about 30 days from the time we received the application.

MOTION TO AMEND: a motion was made by Council Member Derrick, seconded by Deputy Mayor Pro Tem Rockey Moore, to amend Resolution 2020-131R, by removing the Texas State University COVID-19 Collection Station funding and hold that money back and work with Hays County in submitting an application for testing.

Dr. BJ Spencer spoke on behalf of Texas State University and she stated a long line of people left the testing site this past Sunday. She explained the testing collection station they are proposing and there will be a/c and staff can work longer shifts. The City will own the structure. An agreement with a lab to process the testing must be completed. Mayor Hughson asked how long it takes to get this collection station built. Dr. Spencer stated the shell prototype has been built and it will be completed in 2 weeks and delivered to San Marcos soon after.

Council Member Baker asked if funding is not received this evening what is the likelihood this project would continue. Dr. Spencer stated they would have to look for funding from other sources. Mr. Baker stated that Texas State has an obligation to keep their community and their students safe. Being a State

agency, Texas State has access to these same type of funds so he is confident they can find the funding.

The motion to amend carried by the following vote:

For: 5 - Council Member Derrick, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 1 - Mayor Hughson

Recused: 1 - Mayor Pro Tem Mihalkanin

MOTION TO AMEND: a motion was made by Council Member Baker, seconded by Council Member Derrick, to amend Resolution 2020-131R by inserting "or organization" after the word "business" in the second bullet point under the COVID-19 Small Business Recovery. So it would read "Up to \$5,000 per business or organization." The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

MAIN MOTION: to approve Resolution 2020-131R, as amended. The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

25. Consider approval of Resolution 2020-132R, 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 proposed Lantana on Bastrop Multifamily Housing Project located at the intersection of South Old Bastrop Highway and Rattler Road, approving findings related to the application, imposing conditions for such non objection, including the requirement that the applicant make an annual payment in lieu of taxes; providing authorizations for execution or submission of documents related to the application and for negotiation and execution of an agreement for the annual payment in lieu of taxes, and declaring an effective date.

MAIN MOTION: a motion was made by Mayor Pro Tem Mihalkanin, seconded by Deputy Mayor Pro Tem Rockeymoore, to approve Resolution 2020-132R.

Shannon Mattingly, Director of Planning and Development Services, noted this was approved previously, as the developer started laying out the project, it was

determined they need a CD-5 instead of CD-4. In CD-4 they would have to break it up into multiple lots and CD-5 they would break into two lots. Units will be the same and will only be 3 stories.

MOTION TO AMEND: A motion was made by Council Member Derrick, seconded by Council Member Baker, to amend Resolution 2020-132R, by inserting a subsection "f" under part 3 that states no building in the project will be more than 3 stories.

The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

Shannon Mattingly stated that this item will come forward for annexation and zoning, so Council will see this item again because there was some concern about commercial in a CD-5.

There was a question about the length of time a property must remain a Low Income Housing Tax Credit (LIHTC). Mrs. Mattingly, stated this required for 30 years.

Mark Tolly, addressed the Council and stated this project has not changed in anyway from when it was originally approved. The change is a result of work that has been done in the last three months that will make this project better functioning and a lot of this had to do with access and perimeter parking. This is the best zoning to make this the best project. This included a detention basins, access to Old Bastrop Road, parking considerations and 74 3-bedroom units to be placed in this project. He assured Council this is the same project that was approved.

MAIN MOTION: to approve Resolution 2020-132R, as amended. The motion carried by the following vote:

For: 6 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 1 - Council Member Marquez

26. Consider approval of Resolution 2020-133R, approving an agreement for the provision of services in connection with the proposed owner requested annexation of approximately 10 acres of land, generally located at Highway 123 and Rattler Road, authorizing the City Manager, or his designee, to execute said agreement on behalf of the City; setting a date

for a Public Hearing concerning the proposed annexation of said tract of land; and declaring an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Deputy Mayor Pro Tem Rockeymoore, to approve Resolution 2020-133R. The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

27. Consider approval of Resolution 2020-134R, approving an agreement for the provision of services in connection with the proposed owner requested annexation of approximately 83.291 acres of land, generally located at 2519 Redwood Road; authorizing the City Manager, or his designee, to execute said agreement on behalf of the City; setting a date for a Public Hearing concerning the proposed annexation of said tract of land; and declaring an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Mayor Hughson, to approve Resolution 2020-134R.

Shannon Mattingly, Director of Planning and Development Services provided a brief presentation on the annexation of 83.291 acres of land located at 2519 Redwood Road. The applicant proposes to develop the subject property with a single-family neighborhood. This is adjacent to a recently zoned CD-3 and CD-4 property (annexed in 2019)

The Annexation Schedule is stated below:

- City Council Resolution (Approval of Service Agreement and set a public hearing date): June 16, 2020 (Today)**
- City Council Ordinance 1st Reading (Public Hearing): August 4, 2020**
- City Council Ordinance 2nd Reading: August 18, 2020**

The Zoning Schedule is stated below:

- Planning and Zoning Commission (Public Hearing): June 23, 2020**
- City Council Ordinance 1st Reading (Public Hearing): August 4, 2020**
- City Council Ordinance 2nd Reading: August 18, 2020**

The motion to approve carried by the following vote:

For: 6 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore and Council Member Gonzales

Against: 1 - Council Member Baker

28. Consider approval of Resolution 2020-135R, opposing the senseless death of Mr. George Floyd and supporting the San Marcos Police Department's current policies regarding the use of force; requiring annual review and updates of those policies; and providing an effective date.

A motion was made by Mayor Pro Tem Mihalkanin, seconded by Deputy Mayor Pro Tem Rockeymoore, to approve Resolution 2020-135R.

Mayor Hughson made a statement this resolution never meant to be our full statement about the killing of George Floyd and our reaction to it. She stated she has received a lot of email messages with questions regarding the policies at the Police department and this resolution is solely to record the responses to those questions. She reminded Council that she (with the help of staff) sent out a statement that expressed her concerns about the killing of George Floyd at the hands of police in Minneapolis. A couple of council members stated they wanted to sign on to that message and that was to be part of this agenda item. There was confusion about this agenda item and only the resolution that addresses the policy of SMPD got into the packet and not her message to the public. She is open to Council amending this item or postponing this item to a future date.

A motion was made by Council Member Derrick, seconded by Deputy Mayor Pro Tem Rockeymoore, to postpone 2020-135R.

Council Member Marquez expressed her appreciation of the letter and would like the Council to show their solidarity by signing.

Council provided consensus to move forward with two separate items. One will be the letter from the Mayor with the opportunity to allow Council to sign to show their support (this will be considered at the July meeting). The other item would be a Resolution, after Council is able to have a Work Session to allow Council the opportunity to give their input (this will occur in August).

The motion to postpone carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockeymoore, Council Member Baker and Council Member Gonzales

Against: 0

29. Receive a Staff update and hold discussion on Arts Recommendation Resolution 2020-01RR regarding a one-time withdrawal from the permanent art fund to supplement the FY 2020-2021 Arts and Cultural Grant Program, and provide direction to Staff.

Rebecca Ybarra Ramirez, Director of Destination Services, provided a brief introduction to this item. Staff recommends approval of the one time withdrawal from the permanent art fund to supplement the FY2020-2021 Arts and Cultural Grant Program.

Council provided consensus to bring this back as an action item.

- 30.** Discussion of summer marketing efforts of the Convention and Visitor Bureau, and direction to Staff.

Mayor Hughson stated the Convention and Visitor Bureau (CVB) was directed earlier this year not to advertise tubing in the river. However, they came back with compelling reasons to do so. Ms. Ybarra-Ramirez and Charlotte Wattigny stated that CVB will not promote tubing. Ms. Wattigny stated this is way to get an itinerary to people to visit for about 2-3 days and set the expectations related to social distancing and picking up after themselves. Council consensus is to move forward with these efforts.

- 31.** Hold discussion and consider the addition of City Council meetings for the month of July, and provide direction to Staff.

Council held a brief discussion and provided consensus to move forward with having a meeting on July 7, 2020.

EXECUTIVE SESSION

- 32.** Executive Session in accordance with the following Government Code Sections:
- A. §Sec.551.071 of the Texas Government Code: Consultation with attorney - to receive advice of legal counsel regarding state law preemption of city ordinances regulating the sale or use of single-use packages and containers.
 - B. §Sec. 551.087 of the Texas Government Code: Economic Development - to receive a briefing and deliberate regarding the following projects: Project Rx, Project Molly, Project Red Dawn, Project Free Flow, Project Focus, and Project Big Hat

A motion was made by Council Member Derrick, seconded by Deputy Mayor Pro Tem Rockey Moore, to enter into Executive Session at 10:05 p.m. The motion carried by the following vote:

For: 7 - Council Member Derrick, Mayor Hughson, Mayor Pro Tem Mihalkanin, Council Member Marquez, Deputy Mayor Pro Tem Rockey Moore, Council Member Baker and Council Member Gonzales

Against: 0

DIRECTION/ACTION FOLLOWING EXECUTIVE SESSION

- 33.** Consider action, by motion, regarding the following Executive Session item(s) held during the Work Session and/or Regular Meeting:

A. §Sec.551.071 of the Texas Government Code: Consultation with attorney - to receive advice of legal counsel regarding state law preemption of city ordinances regulating the sale or use of single-use packages and containers.

B. §Sec. 551.087 of the Texas Government Code: Economic Development - to receive a briefing and deliberate regarding the following projects: Project Rx, Project Molly, Project Red Dawn, Project Free Flow, Project Focus, and Project Big Hat

Council concluded Executive Session at 10:59 p.m. Mayor Hughson stated that direction was provided to staff on item A and no action was needed for item B.

IV. Adjournment.

Mayor Hughson adjourned the regular meeting of the City Council at 11:05 p.m. on June 16, 2020.

Tammy K. Cook, Interim City Clerk

Jane Hughson, Mayor