



MEETING AGENDA
City Council
REGULAR SESSION CITY COUNCIL
May 3, 2022

HAL BALDWIN MUNICIPAL COMPLEX COUNCIL CHAMBERS
1400 SCHERTZ PARKWAY BUILDING #4
SCHERTZ, TEXAS 78154

CITY OF SCHERTZ CORE VALUES

Do the right thing

Do the best you can

Treat others the way you want to be treated

Work cooperatively as a team

AGENDA

TUESDAY, MAY 3, 2022 at 6:00 p.m.

City Council will hold its regularly scheduled meeting at 6:00 p.m., Tuesday, May 3, 2022, at the City Council Chambers. In lieu of attending the meeting in person, residents will have the opportunity to watch the meeting via live stream on the City's YouTube Channel.

Call to Order

**Opening Prayer and Pledges of Allegiance to the Flags of the United States and State of Texas.
(Councilmember Davis)**

Presentations

- **Proclamation-53rd Professional Municipal Clerks Week (May1st-7th, 2022)**

Employee Recognition-Introduce New Employees

- Leanne Latham-Human Resource Manager, HR Dept.
- Ethan Wilson-Animal Services Technician, Police Dept.

City Events and Announcements

- Announcements of upcoming City Events (B. James/C. Kelm/S. Gonzalez)
- Announcements and recognitions by the City Manager (M. Browne)
- Announcements and recognitions by the Mayor (R. Gutierrez)

Hearing of Residents

This time is set aside for any person who wishes to address the City Council. Each person should fill out the speaker's register prior to the meeting. Presentations should be limited to no more than 3 minutes.

All remarks shall be addressed to the Council as a body, and not to any individual member thereof. Any person making personal, impertinent, or slanderous remarks while addressing the Council may be requested to leave the meeting.

Discussion by the Council of any item not on the agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to an inquiry, and/or a proposal to place the item on a future agenda. The presiding officer, during the Hearing of Residents portion of the agenda, will call on those persons who have signed up to speak in the order they have registered.

Consent Agenda Items

The Consent Agenda is considered self-explanatory and will be enacted by the Council with one motion. There will be no separate discussion of these items unless they are removed from the Consent Agenda upon the request of the Mayor or a Councilmember.

1. **Minutes** – Consideration and/or action regarding the approval of the minutes of the SSLGC/Schertz/Seguin Joint Workshop of April 18, 2022, and approval of the minutes of the Regular Council meeting of April 26, 2022. (B. Dennis)
2. **Resolution No. 22-R-43** - Consideration and/or action adopting a Resolution by the City Council of the City of Schertz, Texas, authorizing a program and expenditures as provided for in the Economic Development Performance Agreement between Caterpillar Inc. and the City of Schertz Economic Development Corporation. (M. Browne/A. Perez)

Discussion and Action Items

3. **Ordinance No. 22-M-20** - Consideration and/or action adopting an Ordinance by the City Council of the City of Schertz, Texas setting dates for the end of terms of members of City Boards, Commissions, and Committees, and requiring City Board Volunteer Members to take part in an interview process; repealing all ordinances or resolutions or parts of an ordinances or resolutions in conflict with this ordinance; and providing an effective date. **(First Reading)** (Interview Committee/S. Edmondson)

Workshop

4. Workshop discussion on the rising printing costs and paper supply concerns for the Schertz Magazine (S. Gonzalez/L. Klepper)
5. Discussion regarding City of Schertz process for naming of streets. (Requested by Councilmember Heyward)

Information available in City Council Packets - NO DISCUSSION TO OCCUR

6. Information on Billing Process

Requests and Announcements

- Announcements by the City Manager.
- Requests by Mayor and Councilmembers for updates or information from staff.
- Requests by Mayor and Councilmembers that items or presentations be placed on a future City Council agenda.
- Announcements by Mayor and Councilmembers
 - City and community events attended and to be attended
 - City Council Committee and Liaison Assignments (see assignments below)
 - Continuing education events attended and to be attended
 - Recognition of actions by City employees
 - Recognition of actions by community volunteers

Adjournment

CERTIFICATION

I, SHEILA EDMONDSON, DEPUTY CITY SECRETARY OF THE CITY OF SCHERTZ, TEXAS, DO HEREBY CERTIFY THAT THE ABOVE AGENDA WAS PREPARED AND POSTED ON THE OFFICIAL BULLETIN BOARDS ON THIS THE 29TH DAY OF APRIL 2022 AT 2:30 P.M. WHICH IS A PLACE READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THAT SAID NOTICE WAS POSTED IN ACCORDANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE.

SHEILA EDMONDSON

I CERTIFY THAT THE ATTACHED NOTICE AND AGENDA OF ITEMS TO BE CONSIDERED BY THE CITY COUNCIL WAS REMOVED BY ME FROM THE OFFICIAL BULLETIN BOARD ON ____ DAY OF _____, 2022. TITLE: _____

This facility is accessible in accordance with the Americans with Disabilities Act. Handicapped parking spaces are available. If you require special assistance or have a request for sign interpretative services or other services, please call 210-619-1030.

The City Council for the City of Schertz reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act.

Closed Sessions Authorized: This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Closed Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

COUNCIL COMMITTEE AND LIAISON ASSIGNMENTS

Mayor Gutierrez Audit Committee Investment Advisory Committee Main Street Committee	Councilmember Scagliola – Place 5 Animal Advisory Commission - Alternate Cibolo Valley Local Government Corporation - Alternate Hal Baldwin Scholarship Committee Interview Committee for Boards and Commissions - Alternate Schertz-Seguin Local Government Corporation
Councilmember Davis– Place 1 Interview Committee for Boards and Commissions Main Street Committee - Chair Schertz Housing Authority Board TIRZ II Board	Councilmember – Place 2 (VACANT)
Councilmember Whittaker – Place 3 Audit Committee Interview Committee for Boards and Commissions TIRZ II Board	Councilmember Dahle – Place 4 Cibolo Valley Local Government Corporation Interview Committee for Boards and Commissions TIRZ II Board
Councilmember Heyward – Place 6 Animal Advisory Commission Audit Committee Investment Advisory Committee Main Street Committee	Councilmember Brown – Place 7 Main Street Committee Schertz-Seguin Local Government Corporation - Alternate

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022
Department: City Secretary
Subject: Minutes – Consideration and/or action regarding the approval of the minutes of the SSLGC/Schertz/Seguin Joint Workshop of April 18, 2022, and approval of the minutes of the Regular Council meeting of April 26, 2022. (B. Dennis)

BACKGROUND

The City Council held a Special Workshop meeting with SSLGC and the City of Seguin on April 8, 2022, and a Regular City Council meeting on April 26, 2022.

RECOMMENDATION

Recommend Approval.

Attachments

04-18-2022 Draft min

DRAFT

MINUTES SPECIAL JOINT WORKSHOP MEETING April 18, 2022

A Special Joint Workshop meeting was held at the City of Seguin Utilities Operation Center, 3027 N. Austin Street, Seguin, Texas 78155. The following members present to-wit:

SSLGC Board of Directors:

President, Dudley Wait, Board of Directors Jack Hamlett - Secretary, Richard Braud - Treasurer, Richard Dziewit – Assistant Secretary, Patrick Lindner – Counsel – Davison, Troilo, Ream & Garza, Amber Beard – General Manager, Daniel Meyers – Operations Manager, and Clarissa Barrientes – Office Administrator

SEGUIN Members: Mayor Donna Dodgen, Councilmembers Chris Rangel, Monica Carter, Jeremy Roy, Mark Herbold, Joe Rea, Chris Aviles, Steve Parker City Manager, Tim Howe Water/Wastewater Director and City Secretary Naomi Manski, IT Specialist Leanne Schievelbein,

SCHERTZ Members: Mayor Ralph Gutierrez; Mayor Pro-Tem David Scagliola; Councilmembers Mark Davis, Jill Whittaker; Allison Heyward, City Manager Dr. Mark Browne; Assistant City Manager Charles Kelm; Public Works Director Suzanne Williams, City Secretary Brenda Dennis

Meeting Virtually: Councilmember Michael Dahle and Tim Brown

Others Present: Nathan Cobler – Kimley-Horn; Craig Bell – TRC Engineers, Bill Klemt – Hydrogeologist, Duane Westerman, Ryan Cunningham, and Andrew Friedman – SAMCO; Joseph Jenkins, William “Hunter” Garza – Walker Partners

1. **Call to Order – Dudley Wait, SSLGC President**

- a. Schertz/Seguin Local Government Corporation
President Wait called the joint meeting to order at 6:06 p.m.
- b. City of Schertz
Mayor Gutierrez called the joint meeting to order at 6:07 p.m.
- c. City of Seguin
Mayor Dodgen called the joint meeting to order at 6:07 pm.

2. **Welcome and Opening Remarks – Dudley Wait, SSLGC President, Ralph Gutierrez, Mayor, City of Schertz, and Donna Dodgen, Mayor, City of Seguin.**

Dudley Wait, SSLGC President welcomed everyone here this evening and provided opening remarks regarding the workshop. Mayor Donna Dodgen, City of Seguin also welcomed everyone in attendance this evening. Mayor Ralph Gutierrez, City of Schertz thanked SSLGC President, Dudley Wait and Mayor Donna Dodgen for hosting the Workshop meeting.

3. **Introductions – Dudley Wait, President**

President Dudley Wait had all in attendance provide their name, title and for whom they worked.

4. Workshop – Presentation, Schertz/Seguin Local Government Corporation – Dudley Wait, SSLGC President, Amber Beard, SSLGC General Manager.

President Dudley Wait introduced SSLGC General Manager Amber Beard who provided a PowerPoint regarding the following:

- Establishment of SSLGC

Formed under Subchapter D of Chapter 431 Texas Transportation Code – 1998
2002 – Initial Gonzales wellfield and water treatment plant started producing water

Board of Directors

Dudley Wait, President Robin Dwyer, Vice
President Jack Hamlett, Secretary Richard
Braud, Treasurer
Richard Dziewit, Assistant Secretary

Ex-Officio Members (non-voting)

Donna Dodgen, Mayor, City of Seguin
David Scagliola, Place 5 Councilmember, City of Schertz

Executive Committee

Dudley Wait, President
Mark Browne, City Manager, City of Schertz Steve Parker, City Manager, City of Seguin

- Organizational Structure
- Extended Team: Consulting & Professional Services
- Water Rights
 - Gonzales County:*
 - 4,600 acres owned
 - 16,000 acres leased
 - \$2.2 million annual lease payments
 - Permitted water rights from GCUWCD: 19,356 acre- feet/year (6.3 billion gallons)
 - Guadalupe County:*
 - 1,500 acres owned
 - 10,900 acres leased (265 acres of county roads provided by Guadalupe County)
 - \$520,000 annual water lease payments to landowners
 - Permitted water rights from GCGCD - 5,323 acre-feet/year (1.7 billion gallons)
- Wholesale Customers

SSLGC provides water to over 180,000 people in the respective communities of SSLGC's wholesale customers

Entity	Contract Year	Acre feet/year	Gallons/year	Gallons/day
Schertz	1999	*		
Seguin	1999	*		
Springs Hill WSC	2003-2023	840	274 million gallons	750,000
Universal City	2003-2043	800	261 million gallons	715,000
Selma 1	2003-2043	800	342 million gallons	937,000
Selma 2	2015-2046	250		
SAWS	2011	500	163 million gallons	447,000
SAWS Wellfield Water	2011-2051	11,688	3.8 billion gallons	10.4 million gallons

*50% of treated groundwater produced after customer contracts are met

Schertz Seguin
LOCAL GOVERNMENT ASSOCIATION

- Water Production & Treatment

Water Wells (28 wells total)

- Gonzales County: 21 wells
 - 12 wells
 - 9 SAWS wells
- Guadalupe County
 - 7 wells (under construction)

Water Treatment Plants (40 million gallons per day total)

- Gonzales County
 - Plant 1: 20 million gallons per day
 - Plant 2: 14 million gallons per day
- Guadalupe County
 - Plant 1: 6 million gallons per day (under construction)

- Water Storage & Pumping Facilities

Storage Tanks: 17.1 million gallons

- Gonzales Plant (6.5 MG)
 - 3 storage tanks
- Guadalupe Plant (2.0 MG)
 - 1 storage tank
 - Surge Tank (2.0 MG)
 - Hal Baldwin Pump Station (6.6 MG)
 - 2 storage tanks

Pumps: 18 high service pumps

- Gonzales Plant: 8 pumps
- Guadalupe Plant: 3 pumps
- Hal Baldwin Pump Station: 7 pumps

- Wellfield Collection & Transmission Pipelines (existing & under construction)

Asset	Diameter	Linear Feet (LF)	Miles
Gonzales Wellfield Pipelines	12-24 inch	78,800 LF	15 miles
Guadalupe Wellfield Pipelines	10-30 inch	26,700 LF	5 miles
Transmission Pipelines	18-42 inch	332,400 LF	63 miles
TOTAL		437,900 LF	83 miles

- Texas Water Development Board Projections – Texas' population is expected to increase more than 70

percent between 2020 and 2070, from 29.5 million to 51 million. (73% increase in Region L)



City of Schertz
Water Supply Projections
10/12/2021

Year	*Population	*Connections	*Total Annual Demand (ac-ft/yr)
2020	42,000	15,849	5,779
2030	57,599	21,735	8,281
2040	69,106	26,078	9,936
2050	80,370	30,328	11,555
2060	92,102	34,755	13,242
2070	100,391	37,883	14,434

*Estimates only and subject to change

City of Seguin
Water Supply Projections
10/12/2021

Year	*Population	*Connections	*Total Annual Demand (ac-ft/yr)
2020	29,540	7,673	3,459
2030	32,444	8,427	3,792
2040	34,492	8,959	4,032
2050	36,284	9,424	4,241
2060	37,410	9,717	4,373
2070	37,784	9,814	4,416

*Estimates only and subject to change

Schertz Seguin
LOCAL GOVERNMENT ASSOCIATION

- FY 2021-22 Budget and Debt Service

Amount	Item
\$9.7 million	2022 Annual O&M Budget
<u>\$6.9 million</u>	2022 Annual Debt Service Payments
\$16.6 million	2022 Total Annual O&M + Debt Service
\$196 million	Total Outstanding Debt Service

- 2021 Winter Storm Event
 - SSLGC successfully continued to send water to customers throughout the winter storm
 - SSLGC's water provided to our customers never required boil water notice
 - GVEC Bill \$535,000
 - Winter Storm Relief Credit to Customers \$36,000
- Current/Recent Projects

South Schertz Delivery Point (Corbett):

\$2.6 million (Impact Fees)

- 2 miles of 18" pipeline to serve south Schertz (08/2021)

Seguin Emergency Connection:

\$900,000 (Repair & Replacement)

- Replace existing emergency connection at the Guadalupe River crossing (09/2022)

Expanded Carrizo Project:

\$66.5 million (TWDB SWIFT funding)

- Parallel Pipeline Project: \$32.2 million (12/2022)
 - Installation of 18 miles of 36" diameter pipeline from the Hal Baldwin Pump Station in Seguin to the Schertz Live Oak tank
- Guadalupe Project: \$34.3 million (05/2023)
 - Guadalupe Water Treatment Plant: 6 million gallons per day
 - Guadalupe Wellfield: 7 wells
 - Guadalupe Roads and Well Pipelines
- Upcoming/Proposed Maintenance & Expansion Projects
 - Senate Bill 3: Emergency Preparedness Plan Implementation
 - Gonzales Plant: Pressure Filter Rehab
 - 5-year CIP Update 2023
 - Condition Assessment: Transmission Pipeline System
 - Well Lowering: Wells 1 - 8
 - Gonzales Plant – High Service Pump Room Expansion
 - Gonzales Plant – Surge Analysis & Tank Installation
 -
- Future Proposed Projects
 - Water Model Project Implementation
 - Cibolo Valley Local Government Corporation (CVLGC)

Members presented addressed various questions to Mr. Wait, Ms. Beard, and others.

Members agreed together every 2 years so that each entity can stay up to date on current construction projects. Closing comments provided by President Wait, City Manager Dr. Mark Browne, City Manager Steve Parker, Mayor Gutierrez, and Mayor Dodgen.

5. Adjournment

President Wait adjourned the Joint workshop meeting at 7:07 p.m.

Mayor Gutierrez adjourned the Joint Workshop meeting at 7:07 p.m.

Mayor Dodgen adjourned the Joint Workshop meeting at 7:07 p.m.

ATTEST:

Ralph Gutierrez, Mayor

Brenda Dennis, City Secretary

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022

Department: Economic Development Corporation

Subject: Resolution No. 22-R-43 - Consideration and/or action adopting a Resolution by the City Council of the City of Schertz, Texas, authorizing a program and expenditures as provided for in the Economic Development Performance Agreement between Caterpillar Inc. and the City of Schertz Economic Development Corporation. (M. Browne/A. Perez)

BACKGROUND

Caterpillar Inc. is an American *Fortune* 100 corporation that designs, develops, engineers, manufactures, markets, and sells machinery, engines, financial products, and insurance to customers via a worldwide dealer network. It is the world's largest construction-equipment manufacturer. Caterpillar Inc. is ranked number 78 on the 2022 *Fortune* 500 list and number 283 on the 2021 Global *Fortune* 500 list. Their stock is a component of the Dow Jones Industrial Average. With more than 97,300 associates, the company operates 150 locations in 25 countries worldwide and delivers over 4 million Cat products to customers around the world. For fiscal year 2020, the company generated sales of more than \$14.7 billion.

In 2010, Caterpillar Inc. established its Schertz, TX Facility at 6800 Doerr Ln. Caterpillar is a model corporate partner and has consistently participated in workforce development events such as Job Shadow Day, Manufacturing Day and other community events.

Currently, Caterpillar Inc. is operating elements of production in another country and is considering a \$24,000,000 capital investment into its Schertz, Texas manufacturing facility with the addition of 24 new primary jobs consisting of \$1,651,420 of new payroll. Caterpillar is seeking a personal property tax rebate to improve the return on investment for the project as incentives are one of the factors in the project's financial analysis.

Under the agreement, Caterpillar Inc. must retain 145 team members with an annual base payroll of \$6,775,000, create an additional 24 jobs by 2026. The company must maintain a total of 169 jobs and base payroll of \$8,462,420 in 2026 and through the end of the agreement. It must also maintain a minimum of \$50,000,000 in personal property investment for the life of the agreement. Upon certification of successful annual performance, the company will receive a grant from the Schertz Economic Development Corporation for personal property taxes paid to the City of Schertz on new tangible personal property at a percentage referenced in the following table and for no more than five of this agreement.

Performance Period Ending	Full-Time Employees Created and Retained/	Minimum Retained Existing	New	Certification Date	Grant on Incremental Tangible Personal
			Tangible Personal Property		

December 31	Required Minimum Payroll	Personal Property	Required & Max Rebate Base Value	Date	Personal Property Investment
Year 0 – 2023	Manufacturing equipment is located on-site by December 31, 2023				
Year 1 – 2024	145/ \$6,775,000	\$50,000,0000	\$21,750,000	15-Feb-25	100%
Year 2 - 2025	145/ \$6,775,000	\$50,000,0000	\$19,750,000	15-Feb-26	90%
Year 3 - 2026	169 / \$8,426,420	\$50,000,0000	\$17,750,000	15-Feb-27	85%
Year 4 - 2027	169 / \$8,426,420	\$50,000,0000	\$16,000,000	15-Feb-28	80%
Year 5 - 2028	169 / \$8,426,420	\$50,000,0000	\$14,000,000	15-Feb-29	75%
Year 6 - 2029	169 / \$8,426,420	\$50,000,0000	\$12,000,000	15-Feb-30	0%
Year 7 - 2030	169 / \$8,426,420	\$50,000,0000	\$10,000,000	15-Feb-31	0%
Year 8 - 2031	169 / \$8,426,420	\$50,000,0000	\$8,000,000	15-Feb-32	0%
Year 9 – 2032	169 / \$8,426,420	\$50,000,0000	\$6,500,000	15-Feb-33	0%
Year 10 - 2033	169 / \$8,426,420	\$50,000,0000	\$5,000,000	15-Feb-34	0%

GOAL

To grow the Schertz economy through Projects that focus on the creation/retention of Primary Jobs through partnerships with local industrial Fortune 500 companies to lower cost of expansion, making Schertz a community of choice for new investment and job creation.

COMMUNITY BENEFIT

This action helps to secure additional jobs, investment, and expansion prospects for the community through a partnership with Caterpillar Inc. Securing and maintaining working relationships with local Fortune 500 companies helps to ensure Schertz is a community of choice for future expansions and/or follow-on investment and job creation. In addition, the authority to enter into partnerships to lower expansion costs continues to be an essential tool for communities to remain competitive as corporations respond to the post-COVID market with expansions and consolidation activity.

SUMMARY OF RECOMMENDED ACTION

SEDC Staff recommends approval of Resolution 22-R-43 authorizing funding Agreement between Caterpillar Inc. and the City of Schertz Economic Development Corporation.

FISCAL IMPACT

Total new investment is estimated to generate a minimum of \$670,000 in new personal property tax revenue over the life of the agreement. A grant of up to \$398,000 will be issued annually based on personal property taxes paid to the City of Schertz. This grant will be issued from the SEDC Reserve Fund. Each annual payment is allocated through to the incentive budget approved by City Council each year.

RECOMMENDATION

Staff recommends approval of Resolution 22-R-43 authorizing a program and expenditures as provided for in the Economic Development Performance Agreement between Caterpillar Inc. and the City of Schertz Economic Development Corporation.

Attachments

Resolution 22-R-43

SEDC Caterpillar Agreement

SEDC Res. No. 2022-3

RESOLUTION NO. 22-R-43

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ TEXAS AUTHORIZING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION AND CATERPILLAR INC; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (“SEDC”) is a non-profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”);

WHEREAS, all of the powers of the corporation are vested in the SEDC Board of Directors (the “Board”) appointed by the governing body of the corporation’s authorizing unit; and

WHEREAS, the Act authorizes a development corporation to fund certain projects as defined by the Act and request development corporations enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Caterpillar Inc. (“Company”) desires to expand its Schertz Texas operations within an existing building that is located at 6800 Doerr Ln, Schertz TX 78154; and

WHEREAS, Company’s Project is expected to create an additional 24, and maintain 145 full time employees with a minimum annual payroll of \$8,426,420 at the end of Calendar Year 2026 and throughout the life of the agreement; and

WHEREAS, Corporation intends to provide an Economic Development Grant in the form of a rebate of a percentage of the taxes paid by Company for new tangible personal property on-site at Company’s Schertz operation; and

WHEREAS, Section 501.155 authorizes expenditures for certain projects that the board of directors in the board's discretion determines promotes or develops new or expanded business enterprises that create or retain primary jobs; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Section 505.159 of the Act requires that a corporation hold at least one public hearing on the proposed project before spending money to undertake the project, the public hearing was held on April 28, 2022; and

WHEREAS, Section 501.073 of the Act requires the Corporation’s authorizing unit to approve all programs and expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCHERTZ TEXAS THAT:

Section 1. The City of Schertz City Council hereby approves program and expenditure contemplated in the Economic Development Performance Agreement attached hereto as Exhibit A and authorizes the President of the Corporation to execute same, in substantially the same form as attached.

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this ____ day of _____, 2022.

CITY OF SCHERTZ

Ralph Gutierrez, Mayor

ATTEST:

Brenda Dennis, City Secretary

Exhibit A

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

[SEE ATTACHED]

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT

Caterpillar Inc.

This Economic Development Incentive Agreement (“Agreement”) is entered into to be effective as of _____, by and between the Schertz Economic Development Corporation, located in Guadalupe County, Texas (hereinafter called “Corporation”), a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 505 and the Texas Non-Profit Corporation Act and Caterpillar Inc., a Delaware Corporation authorized to do business in Texas (hereinafter called “Company”), otherwise known as the “Parties” to this Agreement.

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq, Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Company desires to expand its Schertz Texas operations within an existing building that is located at 6800 Doerr Ln, Schertz TX 78154; and

WHEREAS, over the term of the Agreement, Company intends to create an additional 24 and maintain 145 full time employees with a minimum annual payroll of \$8,426,420 at the end of Calendar Year 2026 and throughout the life of the agreement; and

WHEREAS, Corporation intends to provide grants as outlined in Performance Table A based upon the personal property taxes on New Tangible Personal Property paid by Company over five (5) years and other terms and conditions set forth in this Agreement; and

WHEREAS, the location of the Company, as proposed, will contribute to the economic development of the City of Schertz by creating new jobs and increased employment, promoting and developing expanded business enterprises, increased development, increased personal property value and tax revenue for the City of Schertz, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy;

WHEREAS, the Corporation desires to offer incentives to Company to enable Company to expand the personal property investment in the existing Facility pursuant to this Agreement in substantial conformity with the City of Schertz Economic Development Incentive Policy and the Act; and

WHEREAS, the Parties are executing and entering into this Agreement to set forth certain terms and obligations of the Parties with respect to such matters; and

WHEREAS, the Parties recognize that all agreements of the Parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Parties agree that all conditions precedent for this Agreement to become a binding agreement have occurred and been complied with, including all requirements pursuant to the Texas Open Meetings Act and all public notices and hearings; if any, have been conducted in accordance with Texas law; and

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations of the Parties.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

ARTICLE I RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II AUTHORITY AND TERM

1. Authority. The Corporation's execution of this Agreement is authorized by the Act and constitutes a valid and binding obligation of the Corporation. The Corporation acknowledges that Company is acting in reliance upon the Corporation's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the establishment of the Project, hereinafter established.

2. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, unless terminated sooner or extended by mutual agreement of the Parties in the manner provided for herein.

3. Purpose. The purpose of this Agreement is to formalize the agreements between the Company and the Corporation for the granting of funds in the form of an incremental personal property tax rebate on New Tangible Personal Property to cover certain costs associated with Company's Project and specifically state the covenants, representations of the Parties, and the incentives associated with Company's commitment to abide by the provisions of the Act and to

abide by the terms of this Agreement which has been approved by the Corporation and the Company as complying with the specific requirements of the Act. It is expressly agreed that this Agreement constitutes a single transaction. A failure to perform any obligation by the Company may constitute a breach of the entire Agreement and terminate any further commitments (if any) by the Corporation unless an alternative penalty or remedy is provided for herein.

4. Administration of Agreement. Upon the Effective Date, the Corporation delegates the administration and oversight of this Agreement to the Executive Director of the Corporation. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the Corporation.

ARTICLE III

DEFINITIONS

As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

“Annual Payroll” shall mean the total wages paid, exclusive of employee benefits, to Full-time Employees at the Facility.

“Bankruptcy” shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any party of such Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Certificate of Occupancy” shall mean the signed certificate issued by the City of Schertz Inspections Division granting the Company the right to occupy the Facility and confirming that the entire work covered by the permit and plans are in place.

“Default” shall mean failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant if uncured sixty (60) days following receipt of written notice from any other Party.

“Effective Date” shall be the date of final signature on this Agreement

“Expiration Date” shall mean the earlier of:

1. May 15, 2034 or
2. The date of termination, provided for under Article VII of this Agreement.

“Facility” shall mean the property and improvements being located at Schertz facility located at 6800 Doerr Ln, Schertz TX 78154.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party, including, without limitation, acts of God or the public enemy, war riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of a party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Full-time Employee” shall mean: (1) an employee with a regular work schedule of at least 36 hours per week as reported on the Texas Employers Quarterly Wage Report from the Texas Workforce Commission and (2) are entitled to at least the customary employer-sponsored employee benefits package afforded by the Company to its similarly situated employees at other locations.

“Grant” shall mean the cash payments from Corporation to Company as set forth in Performance Table A based upon the taxes paid by Company for New Tangible Personal Property on-site at the Facility.

“New Tangible Personal Property” shall mean new personal property in the form of new manufacturing equipment put into service at the Facility before December 31, 2023, that is added to the Project subsequent to the execution of this Agreement and accounted for in a separate account on the tax rolls by the Comal County Appraisal District and Comal Count Assessor Collector.

“Project” shall mean the investment of New Tangible Personal Property at the Facility, the retention of 145 jobs, the addition of 24 jobs with a minimum payroll of \$6,775,000 for retained jobs and \$8,426,420 for total jobs as described in Performance Table A.

ARTICLE IV ECONOMIC DEVELOPMENT INCENTIVE TERMS AND CONDITIONS

1. Incentive.

Subject to the satisfaction of all the terms and conditions of this Agreement, including the creation and retention of the minimum number of full-time jobs set forth herein, and the obligation of Company to repay the Grant pursuant to Article V hereof, the Corporation agrees to provide Company with the following economic development incentives:

Corporation shall provide a grant based on taxes paid to the City of Schertz and in accordance with Performance Table A in the form of an annual grant capped at the personal property taxes payable to the City of Schertz as to the New Tangible Personal Property Required & Max Rebate Base Value (Example: 60 days after receiving certification of Year 1 performance the SEDC shall grant 100% of personal property taxes paid to the City of Schertz on up to \$21,750,000 worth of New Tangible Personal Property).

The Grant shall be paid within sixty (60) days after receipt of a copy of the Annual Report reflecting that the applicable performance period objectives have been met as shown in the following Performance Table:

Performance Table A

Performance Period Ending December 31	Full-Time Employees Created and Retained/ Minimum Payroll	Minimum Retained Existing Personal Property	New Tangible Personal Property Required & Max Rebate Base Value	Certification Date	Grant on Incremental Tangible Personal Property Investment
Year 0 – 2023	Manufacturing equipment is located on-site by December 31, 2023				
Year 1 – 2024	145/ \$6,775,000	\$50,000,0000	\$21,750,000	15-Feb-25	100%
Year 2 - 2025	145/ \$6,775,000	\$50,000,0000	\$19,750,000	15-Feb-26	90%
Year 3 - 2026	169 / \$8,426,420	\$50,000,0000	\$17,750,000	15-Feb-27	85%
Year 4 - 2027	169 / \$8,426,420	\$50,000,0000	\$16,000,000	15-Feb-28	80%
Year 5 - 2028	169 / \$8,426,420	\$50,000,0000	\$14,000,000	15-Feb-29	75%
Year 6 - 2029	169 / \$8,426,420	\$50,000,0000	\$12,000,000	15-Feb-30	0%
Year 7 - 2030	169 / \$8,426,420	\$50,000,0000	\$10,000,000	15-Feb-31	0%
Year 8 - 2031	169 / \$8,426,420	\$50,000,0000	\$8,000,000	15-Feb-32	0%
Year 9 – 2032	169 / \$8,426,420	\$50,000,0000	\$6,500,000	15-Feb-33	0%
Year 10 - 2033	169 / \$8,426,420	\$50,000,0000	\$5,000,000	15-Feb-34	0%

State Enterprise Zone Project Nomination :

The Corporation will facilitate the City of Schertz consideration a nominating resolution for Company's Project for a State Enterprise Project designation through the Expiration Date of the Project.

2. Current Revenue. The funds distributed hereunder shall be paid solely from lawfully available funds of the Corporation. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

3. Confidentiality. The Corporation agrees to the extent allowed by law, to keep all tax information and documentation received, pursuant to this Agreement hereof, confidential. In the event a request is made for such information pursuant to the Texas Public Information Act, Corporation will not disclose the information unless required to do so by the Attorney General of Texas under the provisions of the applicable statutes.

4. Conditions Precedent. The obligation of the Corporation to pay funds in the form of a Grant shall be conditioned upon Company's continued compliance with and satisfaction of each of the conditions set forth in this Agreement as reflected in the Performance Table above.

5. Annual Report. The Company shall submit an Annual Certification Report (an "Annual Report") for the preceding Calendar Year to the Executive Director of the Corporation each year not later than February 15th. The Annual Report should substantially conform to the Form of Annual Certification Report attached as Exhibit A to this Agreement. The first Annual Report will be due February 15th, 2025.

ARTICLE V COVENANTS AND DUTIES

1. Company's Covenants and Duties. Company makes the covenants and warranties to the Corporation and agrees to timely and fully perform the obligations and duties contained in Article IV of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Company.

(a) Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement and shall timely and fully comply with all of the terms and conditions of this Agreement to commence and complete the Project in accordance with the Agreement.

(b) The execution of this Agreement has been duly authorized by Company's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Company's by-laws, or of any agreement or instrument to which Company is a party to or by which it may be bound.

(c) Company is not a party to any Bankruptcy proceedings currently pending or contemplated, and Company has not been informed of any potential involuntary Bankruptcy proceedings.

(d) To its current, actual knowledge, and subject to the Certificate of Occupancy (or other approvals and permits to be obtained under subpart (f) immediately below), Company has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in the City of Schertz and will continue to use commercially reasonable efforts to maintain all necessary rights, licenses, permits, and authority.

(e) Company agrees to obtain or cause to be obtained, all necessary permits and approvals from City of Schertz and/or all other governmental agencies having jurisdiction over the construction of any improvements to the Facility and shall be responsible for paying, or causing to be paid, to City of Schertz and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project.

(f) Company shall cooperate with the Corporation in providing all reasonably necessary information to assist them in complying with this Agreement.

(g) During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Company shall be in Default (subject to the remedies in Article V above). Company is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts provided however that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Company enters into with any subsidiary, assignee, affiliate, or franchisee for which Grant provided herein will be used.

(h) Maintain and prepare financial statements in accordance with generally accepted accounting principles in the United States of America as established by the Financial Accounting Standards Board.

(i) Grant Corporation the right to periodically (and with reasonable advance notice) verify the terms and conditions of this Agreement including, but not limited to, the number of persons employed by Company as a result of the assistance provided hereunder, the addresses of those persons, the number of hours each employee worked during the previous 12 months, the total expenses attributable to training and employing those employees, and the cumulative payroll for the Facility.

2. Corporation's Covenants and Duties. The Corporation is obligated to pay Company a Grant in the form of a rebate on New Tangible Personal Property taxes paid to the City of Schertz as outlined in Article IV. and Performance Table A as the New Tangible Personal Property Required and Max Rebate Base Value. The Grant shall be paid within sixty (60) days after receipt of a copy of the Annual Report reflecting that the applicable performance period objectives have been met as set forth in this Agreement..

3. Substantial Compliance and Default. Failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant shall be considered an act of Default if uncured sixty (60) days following receipt of written notice from any other Party.

Failure of Company to timely and substantially cure a Default will give the Corporation the right to terminate this Agreement, in whole or in part, as reasonably determined by the Board of Directors of the Corporation.

4. Recapture. In the event of Default by the Company, the Corporation shall as its sole and exclusive remedy for Default hereunder, after providing Company notice and an opportunity to cure for the stated cure period, have the right to discontinue or reduce, in whole or in part, all future Grant payments and recapture any and all amounts previously paid under this Agreement (as applicable, the “Recaptured Amount”).

The Recaptured Amount shall be paid by the Company within one hundred eighty (180) days after the date Company is notified by the Corporation of such Default (the “Payment Date”) provided said Default was not cured during the applicable cure period. In the event the Recaptured Amount is not repaid by the applicable Payment Date, the unpaid portion thereof shall accrue interest at the rate of two percent (2.00%) per annum from the Effective Date until paid in full.

ARTICLE VI TERMINATION

1. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

- (a) The written agreement of the Parties;
- (b) The Agreement’s Expiration Date;
- (c) Default beyond applicable cure period by Company (at the option of the Corporation).

ARTICLE VII DISPUTE RESOLUTION

1. Mediation. If a dispute arises out of or relates to this Agreement or the breach thereof, the Parties shall first in good faith seek to resolve the dispute through negotiation between the upper management of each respective Party. If such dispute cannot be settled through negotiation, the Parties agree to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association, San Antonio, Texas, before resorting to litigation; provided that a Party may not invoke mediation unless it has provided the other Party with written notice of the dispute and has attempted in good faith to resolve such dispute through negotiation. Notwithstanding the foregoing, any Party may seek immediate equitable relief, without attempting to settle a dispute through mediation, in any case where such Party is entitled to equitable relief by law, the terms of the Agreement, or otherwise. All costs of negotiation and mediation collectively known as alternate dispute resolution (“ADR”) shall be assessed equally between the Parties with each party bearing their own costs for attorneys’ fees, experts, and other costs of ADR and any ensuing litigation.

2. During the term of this Agreement, if Company files and/or pursues an adversarial proceeding against the Corporation regarding this Agreement without first engaging in good faith

mediation of the dispute, then, at the Corporation's option, all access to the funds provided for hereunder may be deposited with a mutually acceptable escrow agent that will deposit such funds in an interest bearing account until the resolution of such adversarial proceeding.

3. Under no circumstances will the funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding regarding this Agreement against either the Corporation or the City of Schertz.

ARTICLE VIII MISCELLANEOUS

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. The Executive Director of the Corporation shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the Corporation, on behalf of the Parties related thereto. Notwithstanding any other provision of this Agreement to the contrary, performance of either Party under this Agreement is specifically contingent on Company maintaining a Certificate of Occupancy from the City of Schertz and expanding operations at the Facility under the terms of this Agreement.

2. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

3. Representations and Warranties. The Corporation represents and warrants to Company that this Agreement is within their authority, and that they are duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Company represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement.

4. Assignment. Company shall have the right to assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with prior written approval of the Corporation, which Corporation will not unreasonably withhold. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement.

5. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Company at no time will be acting as an agent of the Corporation and that all consultants or contractors engaged by Company respectively will be independent contractors of Company; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that the Corporation will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Company respectively under this Agreement, unless any such claims are due to the fault of the Corporation.

(b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights,

immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the Corporation with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of the Corporation, or any board member, or agent of the Corporation, shall be personally responsible for any liability arising under or growing out of this Agreement.

6. Notice. Any notice required or permitted to be delivered hereunder shall be deemed delivered by actual delivery, or on the first business day after depositing the same in the hands of a reputable overnight courier (such as United States Postal Service, FedEx or UPS) and addressed to the Party at the address set forth below:

If intended for SEDC: Schertz Economic Development Corporation
Attention: Executive Director of Economic Development
1400 Schertz Parkway
Schertz, TX 78154

With a copy to:
Denton, Navarro, Rocha, & Bernal, PC
Attention: T. Daniel Santee
2517 North Main Avenue
San Antonio, TX 78212

If to the Company:

Attention: Facility Manager
Caterpillar Inc.
6800 Doerr Ln, Schertz TX 78154

With a copy to:
Corporate Real Estate & Economic Development Mgr.
100 NE Adams St. AB4260
Peoria, IL USA 61629-4260

Any Party may designate a different address at any time upon written notice to the other Parties.

7. Governmental Records. All invoices, records and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10

8. Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement (subject to the dispute resolution mechanisms of Article VIII above) shall be in the Courts of Guadalupe County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors of the Corporation.

10. Legal Construction. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

11. Payment of Legal Fees. Each Party shall bear its own attorney's fees in connection with the negotiation of this Agreement.

12. Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

13. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the Board of Directors of the Corporation.

14. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

15. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

16. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

17. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

18. Indemnification.

COMPANY AGREES TO DEFEND, INDEMNIFY AND HOLD THE CORPORATION AND CITY, AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUSTMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO ANY OF THE FOLLOWING: ANY CLAIMS OR DEMANDS RESULTING FROM THE FAILURE OF COMPANY TO MAINTAIN A PLACE OF BUSINESS AT THE FACILITY OR IN THE CITY OF SCHERTZ, OR AS A RESULT OF NON-PERFORMANCE BY

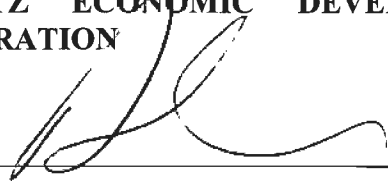
COMPANY UNDER THIS AGREEMENT EXCEPT THAT THE INDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE CORPORATION OR CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

20. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Company, the Company shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

Executed on this 28th day of April 2022.

**SCHERTZ ECONOMIC DEVELOPMENT
CORPORATION**

By: _____

Name: Paul Macaluso
Title: SEDC Board President

ATTEST:

By: _____

Name: Sammi Morrill
Title: SEDC Secretary

Executed on this _____ day of _____ 2022

COMPANY

Caterpillar Inc.

By: _____

Name:

Title:

Exhibit A

SAMPLE ANNUAL CERTIFICATION REPORT FORM

[SEE ATTACHED]

Annual Certification Report

Reporting Period: January 1 to December 31, 20__

The Annual Certification Report for the Economic Development Incentive Agreement between the City of Schertz Economic Development Corporation and _____, is due on **February 15, 20__**. Please sign and return the Annual Certification Report form with the accompanying narrative.

I. PROJECT INFORMATION

Project Information:

Company's legal name: _____

Project address subject to incentive: _____

Company primary contact: _____ Title: _____

Phone number: _____ E-mail address: _____

II. REPORTING INFORMATION

Employment and Wage Information:

Has the Company employed undocumented workers? ☐ Yes ☐ No

What is the total number of Full-time Employees located at the Schertz facility during the calendar year? _____

What is the total Annual Payroll for the Schertz facility during the calendar year? _____

Investment Information:

What is the 20__ appraised ad valorem tax value for New Tangible Personal Property? _____

What is the 20__ appraised ad valorem tax value for Tangible Personal Property? _____

Narrative:

A brief narrative explaining the current year's activities and/or any potential defaults has been provided? ☐ Yes ☐ No

III. ADDITIONAL INFORMATION (VOLUNTARY)

Employment:

Number of full-time jobs added in past year: _____

Number of employees that live in Schertz, Texas: _____

Interested in being contacted about workforce training opportunities? ☐ Yes ☐ No

Interested in being contacted for assistance with City permits? ☐ Yes ☐ No

IV. CERTIFICATION

I certify that, to the best of my knowledge and belief, the information and attachments provided herein are true and accurate and in compliance with the terms of Economic Development Incentive Agreement.

I further certify that the representations and warranties contained within the Agreement remain true and correct as of the date of this Certification, and XXX Corporation. remakes those representations and warranties as of the date hereof.

I further certify that the employment and wage information provided is true and accurate to the best of my knowledge and I can provide documentation from the Texas Workforce Commission to support my claim if so requested.

I understand that this Certificate is being relied upon by the SEDC in connection with the expenditure of public funds.

I have the legal and express authority to sign this Certificate on behalf of Caterpillar Inc. Corporation.

Name of Certifying Officer

Certifying Officer's Title

Phone Number

E-Mail Address

Signature of Certifying Officer

Date _____

STATE OF TEXAS X
COUNTY OF XXX X

This information was acknowledged before me on this _____ day of _____ 20____ by [first and last name], [title] for XX Corporation, a Texas corporation, on behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

The Annual Certification Report is to be completed, signed and returned on or before February 15, 20__.

Please send an original to the following address:

**Attention: Executive Director
City of Schertz Economic Development Corporation
1400 Schertz Parkway, Bldg. No. 2
Schertz, TX 78154**

SEDC RESOLUTION NO. 2022-3

A RESOLUTION BY THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, TEXAS AUTHORIZING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION AND CATERPILLAR INC. AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (“SEDC”) is a non-profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”);

WHEREAS, all of the powers of the corporation are vested in the SEDC Board of Directors (the “Board”) appointed by the governing body of the corporation’s authorizing unit; and

WHEREAS, the Act authorizes a development corporation to fund certain projects as defined by the Act and request development corporations enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Caterpillar Inc. (“Company”) desires to expand its Schertz Texas operations within an existing building that is located at 6800 Doerr Ln, Schertz TX 78154; and

WHEREAS, Company’s Project is expected to create an additional 24, and maintain 145 full time employees with a minimum annual payroll of \$8,426,420 at the end of Calendar Year 2026 and throughout the life of the agreement; and

WHEREAS, Corporation intends to provide an Economic Development Grant in the form of a rebate of a percentage of the taxes paid by Company for new tangible personal property on-site at Company’s Schertz operation; and

WHEREAS, Section 501.155 authorizes expenditures for certain projects that the board of directors in the board's discretion determines promotes or develops new or expanded business enterprises that create or retain primary jobs; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Section 505.159 of the Act requires that a corporation hold at least one public hearing on the proposed project before spending money to undertake the project, the public hearing was held on April 28, 2022; and

WHEREAS, Section 501.073 of the Act requires the SEDC's authorizing unit to approve all programs and expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION THAT:

Section 1. Subject to the authorization of funds by the City of Schertz City Council, the Board hereby approve the Economic Development Performance Agreement attached hereto as Exhibit A and authorizes the President to execute and same in substantially the same form as attached.

Section 2. The Board hereby recommends the City Council for the City of Schertz consider approving a Resolution authorizing the expenditures contemplated herein for the reasons stated in the foregoing recitals.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this 28th day of April 2022.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION



Paul Macaluso, SEDC Board President

ATTEST:



Sammi Morrill, SEDC Board Secretary

Exhibit A

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

[SEE ATTACHED]

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022
Department: City Secretary
Subject: Ordinance No. 22-M-20 - Consideration and/or action adopting an Ordinance by the City Council of the City of Schertz, Texas setting dates for the end of terms of members of City Boards, Commissions, and Committees, and requiring City Board Volunteer Members to take part in an interview process; repealing all ordinances or resolutions or parts of an ordinances or resolutions in conflict with this ordinance; and providing an effective date. *(First Reading)* (Interview Committee/S. Edmondson)

BACKGROUND

Currently, with Ordinance 12-M-33, all Boards, Commissions and Committees have May 31st expiration term date. If a current volunteer wished to continuing serving on a Board, Commission or Committee, their reappointment was approved without going through an interview process.

The Interview Committee met on March 21st, 2022 to discuss all the Boards, Commissions Committees May 31st expiration term date. The Interview Committee wishes to interview all new volunteer applicants and volunteer members wanting to be reappointed to a board. Volunteer members who have served over 6 years will be automatically interviewed

The Chair of each Board will have the privilege of recommending the volunteer member to be reappointed and bypass the interview process at the 2-year or 4-year service mark. The Interview Committee has the opportunity, by simple majority, to bypass the Chair's privilege and request that the volunteer member go through the complete interview process.

GOAL

With community interest on serving on a City of Schertz Board, Commission or Committee, the Interview Board will have the opportunity to appoint and reappoint volunteer applicants who wish to volunteer and serve on a City of Schertz Board, Commission or Committee.

COMMUNITY BENEFIT

Citizens who apply to volunteer on City of Schertz Boards, Commissions or Committees will have an opportunity to be interviewed when yearly terms expire.

SUMMARY OF RECOMMENDED ACTION

Staff recommends approval of Ordinance No. 22-M-20.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

Staff recommends approval of Ordinance 22-M-20.

Attachments

Ord. 22-M-20

Expiration Term Dates

ORDINANCE NO. 22-M-20

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS SETTING EXPIRATION DATES FOR THE END OF TERMS OF VOLUNTEER MEMBERS OF CITY BOARDS, COMMISSIONS, AND COMMITTEES, AND REQUIRING THE CITY BOARD VOLUNTEER MEMBER TAKE PART OF AN INTERVIEW PROCESS TO BE APPOINTED OR RE-APPOINTED TO A CITY BOARD. REPEALING ALL ORDINANCES OR RESOLUTIONS OR PARTS OF ORDINANCES OR RESOLUTIONS IN CONFLICT WITH THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Schertz, Texas (the “City”) has established the various Boards, Commissions, and Committees set forth in Ordinance No. 22-M-20 and incorporated herein (collectively, the “Boards”), which Boards are composed of volunteer members; and

WHEREAS, currently, the terms for the members of each of the Boards ends on May 31st of the year in which the applicable volunteer members’ term expires; and

WHEREAS, the Interview Committee met on March 21, 2022 to discuss the expiration dates of all the Boards; and to discuss the process of appointments and reappointments of volunteer members; and

WHEREAS, the end date of the terms of the members of each of the Boards is hereby changed to one of the following: June 30th, September 30th or March 31st. See Exhibit A

WHEREAS, volunteer members who term expires must resubmit an application to remain on the board and go through an interview process. See Exhibit B

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS:

Section 1. The end date of the terms of the members of each of the Boards is hereby changed and an Interview Process for appointing or reappointing volunteer members is now required.

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

Section 3. All ordinances, resolutions, and codes, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance authorized herein are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters resolved herein.

Section 4. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 7. This Ordinance shall be effective upon the date of final adoption hereof and any publication required by law.

PASSED ON FIRST READING, the 3rd of May, 2022.

PASSED, APPROVED and ADOPTED ON SECOND READING, the ____ day of _____, 2022.

Ralph Gutierrez, Mayor

ATTEST:

City Secretary, Brenda Dennis

City Seal

EXHIBIT A

The Interview Committee met on March 21, 2022 to discuss the expiration dates of all the Boards.

The following changes are recommended:

1. The Boards, Commissions and Committees will have different expiring term dates for the volunteer members.
2. The following Boards will have a June 30th term expiration date:
Board of Adjustments
Planning and Zoning
Library Advisory Board
Capital Improvement Advisory Committee
3. The following Boards will have a September 30th term expiration date:
The Schertz Economic Development Corporation
Building and Standards Commission
Parks and Recreation Advisory Board
4. The following Boards will have a March 31st term expiration date:
The Reinvestment Zone Number Two Committee
Schertz Historical Preservation Committee
The Transportation and Safety Advisory Committee

See attached spreadsheet.

EXHIBIT B- Interview Process

The Interview Committee met on March 21, 2022 to discuss the process of appointments and reappointments of volunteer members.

1. The Chair of the Board and the Volunteer Member will be notified by the City Secretary's Office that the volunteer member's term is expiring in approximately 45 days and if the volunteer member wants to be reappointed, they will need to resubmit an application to be reappointed to the Board they wish to serve on. If there are new applications from volunteer members wishing to serve, they will be interviewed by the Interview Committee at the same timeframe the interviews for reappointment are to be scheduled.
2. At the end of the term, if the volunteer member would like to be reappointed to their Board, they will go through the Interview Process. The Interview Process consists of the volunteer member being interviewed by the Interview Committee and if approved, be recommended for reappointment to the Board.
3. The Chair of each Board has the privilege to recommend to the Interview Board reappointing the volunteer member at the 2-year and 4-year service mark without going through Interview Process. The Chair of the Board or Vice-Chair may be at the volunteer member's interview to make the recommendation to reappoint the volunteer member.
4. The Interview Committee with a simple majority vote, may bypass the Chair's privilege and request that the volunteer member go through the complete interview process.

EXHIBIT A:	BOARDS, COMMISSIONS AND COMMITTEES			
YEAR:	2022	2022	2023	2023
	CURRENT:	NEW:	CURRENT:	NEW:
1-MONTH EXTENTION	MAY 2022 EXPIRATIONS EXTENDED TO JUNE 2022	JUNE 2022: EXP DATE: WILL INTERVIEW: MAY 2022	MAY 2023 EXP: WILL EXTEND TO JUNE 2023	JUNE 2023 -INTERVIEW IN MAY 2023
Jun-22	BOARD OF ADJUSTMENTS			
Jun-22	LIBRARY			
Jun-22	PLANNING AND ZONING			
Jun-22	CAPITAL IMPROVEMENT ADVISORY COMMITTEE			
4- MONTH EXTENTION	MAY 2022 EXPIRATIONS EXTENDED TO SEPTMENBER 2022	SEPTEMBER 2022: EXP DATE: WILL INTERVIEW: AUGUST 2022	MAY 2023 EXP: WILL EXTEND TO SEPTEMBER 2023	SEPTEMBER 2023 EXP: INTERVIEW IN AUGUST 2023
Sep-22	BUILDING AND STANDARDS			
Sep-22	ECONOMIC DEVELOPMENT CORPORATION			
Sep-22	PARKS			
10-MONTH EXTENTION	MAY 2022 EXPIRATIONS EXTENDED TO MARCH 2023	MARCH 2023: EXP DATE WILL INTERVEIW FEBRUARY 2023	MAY 2023 EXP: WILL EXTEND TO MARCH 2024	MARCH 2024 EXP: INTERVIEW IN FEBRUARY 2024
Mar-23	TIRZ			
Mar-23	HISTORICAL			
Mar-23	TSAC			

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022
Department: Public Affairs
Subject: Workshop discussion on the rising printing costs and paper supply concerns for the Schertz Magazine (S. Gonzalez/L. Klepper)

BACKGROUND

Currently, the paper industry is experiencing supply chain issues and it is impacting printing costs for Schertz Magazine. Printing costs have been steadily increasing since July 2021. The purpose of this workshop is to update City Council on these challenges and cost increases.

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022
Department: Executive Team
Subject: Discussion regarding City of Schertz process for naming of streets.
(Requested by Councilmember Heyward)

BACKGROUND

City Council requested that staff provide an overview of process for naming Streets. In most cases, new streets being constructed are named as part of the platting process, with the developer proposing a name, the proposed name being reviewed and then being approved as part of the plat approval process by the Planning and Zoning Commission as provided for in the UDC:

Sec. 21.14.1. Streets.

H. *Street Names and Street Numbers.* Names of new streets shall not duplicate the names of existing streets within the City and its ETJ unless the new street is a continuation of or part of a future continuation of such existing street. Street names shall be chosen to avoid similarity or confusion with existing street names. A new street name shall not differ from an existing street name solely by the addition of a different auxiliary designation such as "avenue", "way", "boulevard", etc. Names of all new streets shall be subject to approval by the Planning and Zoning Commission and be coordinated on an area wide basis. Street names shall have prior approval of the United States Postal Service, Bexar Metro 911, and the applicable County Clerk's Office. Street addresses should also be coordinated with present existing addresses. The City will determine street numbers and advise the subdivider as to the street numbers.

City Council has the authority to rename streets. City Council adopted guidelines for street and road name changes in May of 1989. The guidelines state that the City shall send letters to all owners of property adjacent to the street in question advising them of the change and these letters must be mailed out 10 days prior to the street name change being placed on the P&Z agenda. Staff must consult with Police, Fire, SAFES and E-911 District and place any written recommendations in the P&Z packet. P&Z must hold a public hearing and makes a recommendation to City Council. A second public hearing is needed at City Council.

Attachments

CC Minutes
Name Change Process

REGULAR MEETING OF THE CITY COUNCIL
MAY 2, 1989

The Schertz City Council convened in Regular Sessison, Tuesday, May 2, 1989, at 7:00 p.m. in the Council Chambers of the Municipal Complex, 1400 Schertz Parkway, Schertz, Texas. The following members were present: Mayor Earl W. Sawyer, presiding; Hal Baldwin; Barbara Stanhope; Adolph Aguilar and Ken Greenwald. Absent: Earl P. Hartzog. Staff present were City Manager Kerry R. Sweatt and City Secretary June Krause.

After welcoming everyone to the meeting Mayor Sawyer had the pleasant task of issuing certificates of appreciation to several of our citizens. He mentioned that these citizens have served on the Industrial Development Committee for several years and did a very good job. He then gave certificates to Harry Richburgh, Bob Booth, Cris Frias, Kermit Harborth and Tom Dovey. Two members of the committee, Melvin Gola and Tom Weaver were unable to attend and receive their certificates. Mayor Sawyer thanked them all for serving, adding that with the forming of the Economic Development Task Force some of these same people will still be serving their city.

Mayor Sawyer said we are also tonight saying good bye to an old friend and colleague, Mr. Adolph Aguilar. He has served this city well for many years. He has shown us a lot of leadership and ability while on the City Council. We feel he will be a great loss to the Council and the City for he has had a steadying influence on the City. Mayor Sawyer then presented Mr. Aguilar with a plaque for his years of service on the Planning & Zoning Commission from 1976 to 1981 and on the City Council from 1982 to 1989. Mayor Sawyer said Mr. Aguilar was not through serving his community yet as he was going to be placed on another committee.

The Chief of Police then had a few words to say to Mr. Aguilar.

Chief Agee said Mr. Aguilar would be happy to hear that as of this date, the police captured the burglars that hit his house. They have implicated some other people. They stole a car at Wuests and were caught in Kyle Texas. They were responsible for at least three burglaries in the vicinity.

#1 APPROVAL OF MINUTES: Regular meeting of 4-4-89 and Special meeting of 4-12-89.

Mr. Baldwin moved to approve the minutes of the regular meeting of April 4th and the Special Meeting of April 12, 1989. Mrs. Stanhope seconded the motion, which carried as follows:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#2 HEARING OF RESIDENTS: Mr. Harold Lemm, who owns the property at 820 Aero, and has since 1975, said that he has received a letter from the City Inspector saying the bushes in the yard exceed what is allowed by City ordinance. He said that if he cuts them in accordance to the ordinance, all he would have left would be a stump. He said he would like a little understanding or common sense in the implementation of this ordinance.

Mr. Sweatt said he was not familiar with the area but that we do have an ordinance that describes certain limits. We have sent a number of letters. He said he would be happy to meet with Mr. Lemm and the inspector. He said he would check to see if it is indeed in violation.

Mr. Baldwin asked if the shrub was on his property or on the right of way. Mr. Lemm said it was on his property. Mr. Baldwin said he was familiar with that house and shrub and it creates a very dangerous intersection.

Mr. Lemm said he did not want to be made a scapegoat for the people who were not careful. Mr. Baldwin said he goes that way to work everyday and drives a van, which is higher than an average car, and it is difficult to see on-coming traffic.

Mr. Lemm mentioned that the stop sign is 15 foot back from the corner and if you slowly go forward and people drive carefully, there should be no problem. He said that if people do not pay attention, then they are going to get into trouble.

Mayor Sawyer thanked Mr. Lemm for bringing this up. Mr. Sweatt said he would be glad to meet with Mr. Lemm.

#3 POLICE RESERVE: Consider and take action on appointing Kenny Schmidt as a Police Reserve Officer.

Mayor Sawyer recognized Mr. Schmidt, along with Sgt. Kruetler and Chief Agee.

Mr. Baldwin moved to appoint Kenny Schmidt as a Police Reserve Officer. Mr. Greenwald seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

Mayor Sawyer welcomed Mr. Schmidt to the Police Reserve Force.

#4 ZONING MAP: Consider and take action on accepting the new zoning map.

Mr. Greenwald moved to accept the new zoning map. Mr. Aguilar seconded the motion, which carried as follows:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

Mayor Sawyer said this map was developed by a group of volunteer citizens, many who have served on the Planning & Zoning Committee for a long time.

#5 **ORDINANCE:** Mayor Sawyer introduced an ordinance and read the caption as follows:

ORDINANCE NO. 89-C-15

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF SCHERTZ, TEXAS, BE AMENDED BY REVISING SECTION 7-14 OFFICE OF CHIEF CREATED; APPOINTMENT OF CHIEF, OF SAID CODE AND PROVIDING A REPEALING CLAUSE.

Mr. Aguilar moved to approve the final consideration of an ordinance amending the Code, Section 7-14 that deals with the appointment of Fire Chief. Mrs. Stanhope seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald

NAYS: None

#6 **ORDINANCE:** Mayor Sawyer introduced an ordinance and read the caption as follows:

ORDINANCE NO. 89-S-16

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AMENDING THE ZONING ORDINANCE, NO. 87-S-1, ARTICLE V, SINGLE FAMILY DWELLING DISTRICT REGULATIONS R-1, SECTION 3.9; ARTICLE VI, SINGLE FAMILY DWELLING DISTRICT REGULATIONS R-2, SECTION 3.9; ARTICLE VII, SINGLE FAMILY DWELLING DISTRICT REGULATIONS R-6, SECTION 3.9; ARTICLE VIII, SINGLE FAMILY DWELLING MANUFACTURED HOUSING DISTRICT REGULATIONS R-7, SECTION 3.9; ARTICLE IX, TWO FAMILY DWELLING DISTRICT R-3, SECTION 3.9; ARTICLE X, APARTMENT/MULTI-FAMILY DWELLING DISTRICT R-4, SECTION 3.9; ARTICLE XI, GARDEN HOME DWELLING DISTRICT R-5A AND R-5B, SECTION 4.10 AND SECTION 6.10; ARTICLE XIV, OFFICE AND PROFESSIONAL DISTRICT, SECTION 5.8; ARTICLE XV, NEIGHBORHOOD SERVICES DISTRICT, SECTION

5.9; ARTICLE XVI, GENERAL BUSINESS DISTRICT,
SECTION 5.8; ARTICLE XIX, PLANNED UNIT
DEVELOPMENT, SECTION 1.1, ITEM 9 AND
PROVIDING A REPEALING CLAUSE.

Mr. Greenwald moved to approve the final reading of an ordinance amending the zoning ordinance regulating wall heights on accessory buildings. Mr. Baldwin seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#7 ENGINEERING SERVICE AGREEMENT: Consider and take action on an Engineering Service Agreement, with Ford Engineering for Rittimann Community Development Water Improvement Project.

Mr. Sweatt refreshed the Council memories by saying this is predicated on the recommendation of the Community Development Block Grant program for Rittimann Addition Water System. We do have an agreement with Ford Engineering but because of the nature of this project, we felt it better to have a separate agreement.

Mr. Greenwald moved to approve the engineering service agreement with Ford Engineering for the Rittimann Addition Water Project. Mr. Aguilar seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#8 COMMITTEE APPOINTMENT: Consider and take action on appointing Adolph Aguilar as a member of the Leadership Committee.

Mrs. Stanhope moved to appoint Adolph Aguilar to the Citizen Leadership Panel. Mr. Baldwin seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#9 GUIDELINES: Consider and take action on approving the Guidelines for changes in Street and Road names within the City.

Mr. Greenwald moved to approve the guidelines for changing street and road names with the city. Mrs. Stanhope seconded the motion, which carried as follows:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#10 **ORDINANCE:** Mayor Sawyer introduced an ordinance and read the caption as follows:

AN ORDINANCE

BY THE CITY COUNCIL OF THE CITY OF SCHERTZ,
TEXAS PROVIDING THAT THE CODE OF ORDINANCES
CITY OF SCHERTZ, TEXAS BE AMENDED BY
REPEALING ARTICLE IV, INDUSTRIAL DEVELOPMENT
COMMITTEE AND ADDING A NEW ARTICLE IV,
ECONOMIC DEVELOPMENT TASK FORCE.

Mr. Aguilar moved to approve the first reading of an ordinance repealing the section on Industrial Development Committee and replacing with the Economic Development Task Force. Mr. Greenwald seconded the motion, which carried as follows:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#11 **SW BELL RATE CASE:** Consider and take action authorizing City of Schertz intervention in Southwestern Bell Rate Case before the Public Utility Commission.

Mr. Sweatt said this is a request as the result of preliminary findings of the Public Utility Commission. As a result of their findings, there is an apparent rate overcharging. He said this represents the first time the PUC has entered on its own an investigation of the reasonableness of a rate. We believe this has substantial implications not only for our city but statewide. We would be an intervener and interested party in the rate case.

Mr. Baldwin moved the City of Schertz intervene in the Southwestern Bell Rate Case before the Public Utility Commission. Mr. Greenwald seconded the motion, which carried as follows:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

#12 **LANDSCAPE PLAN:** Consider and take action on approving Landscape Committee recommended plan.

Mr. Sweatt said that the Council, some time ago, named a Landscape Committee to develop plans for the City Hall area to provide a format and means for long term planning. They have met on a number of occasions and have developed a plan, designating specific types of trees and plants. We believe that if you will adopt this plan, it will provide a means by which people might make contributions. One of the outgrowths of this committee is to broaden the committee functions to develop a more broad based

concept to include beautification of the Cibolo Creek area and a flower mosaic for this complex.

Mrs. Stanhope said they would like to see a large scale of this plan on display so that people could see what they are donating.

Mr. Aguilar moved to approve the beautification and Landscape Plan made by this committee. Mr. Greenwald seconded the motion, which carried with the following vote:

AYES: Councilmembers Baldwin, Stanhope, Aguilar and Greenwald.

NAYS: None

Mrs. Ruth Tienor said that at their previous night's Library Board meeting, because of their love and respect for Ray Stanhope they pledged \$100 for this project and hope this kicks off the start of donations. Mayor Sawyer thanked Mrs. Tienor and the Library Board on behalf of the City.

#13 CITY MANAGER'S REPORT: A. You have a request from the Chamber of Commerce regarding Derby Day. We have received notice from the Chamber of Commerce regarding a Military Appreciation Day at Northcliffe Country Club on June 2nd.

B. We have provided you with a memo regarding a life saving course at our swimming pool May 15-27th. We will be trying to gain some publicity on all our classes at the pool.

C. Call your attention the this month's newsletter.

#14 ITEMS BY COUNCIL: Mr. Aguilar: A. At the Library Board Meeting they expressed their concern for the quality of people manning libraries throughout the district. This is very essential and we do need quality library personnel.

Mr. Greenwald: A. CVADAC has moved to the Student Resource Building on F.M. 78 in Cibolo. This will be a lot bigger building and they can do a lot more things for the area.

B. Notice our paint stripper machine is working again. Several months ago he had asked that a crossing be marked on Curtiss so that our senior citizens could cross safely when going to Wuests. Would like to see that accomplished.

#15 ITEMS BY MAYOR: A. "Derby Day" is May 6th at Rotama, for a Texas horse racing fund raiser. The Randolph Metrocom Chamber of Commerce has passed a resolution to encourage the legislators to amend the horse racing act. Mayor Sawyer said we do support horse racing at Rotama and encourage everyone to participate.


B. Had the honor of standing in for Dr. Steele in Seguin honoring outstanding teachers in our area. One of them was Mary McAllister from our school district.

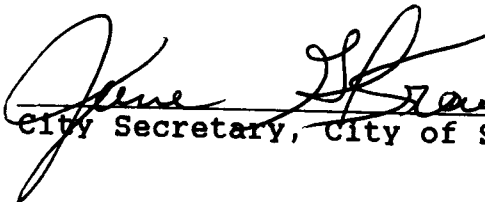
C. Also had the pleasure of speaking to the third grade class and now they want me to speak to the first grade class. They planted a tree and will have a time capsule and will put a copy of our newsletter in the capsule.

D. Mayor Sawyer recommended everyone get a copy of our monthly newsletter and read it. It contains the best information about the city available.

#16 **ADJOURNMENT:** Mr. Aguilar moved the meeting be adjourned at 7:41 p.m. Mr. Baldwin seconded the motion, which carried unanimously.

ATTEST:


Mayor, City of Schertz, Texas


City Secretary, City of Schertz

SUBJECT: GUIDELINES FOR CHANGES IN STREET AND ROAD NAMES
WITHIN THE CITY OF SCHERTZ

1. The applicant seeking to name or rename a street within the City limits shall have written verification from the San Antonio Post Office that the proposed name has the Post Office's authorization. Street names shall be limited to no more than fourteen (14) characters.
2. The applicant seeking street name changes shall contact a Building Inspector or other authorized official as to what street or road the name change will effect. Applicant must provide names and addresses of effected property owners.
3. The City shall send letters to all owners of property adjacent to the street or road in question advising them of the proposed name change. The letters shall be mailed ten (10) days prior to the street name change being placed on the Planning and Zoning agenda along with the dates and times of the public hearings for the Planning and Zoning Commission and City Council meetings. Prior to a public hearing of the Planning and Zoning Commission, the City Staff will also consult the Schertz Police Department, Fire Department, SAFES and E-911 District concerning the name change and place any written recommendations from those departments in the Planning and Zoning packet prior to the scheduled meeting.
4. Following the public hearing, the Commission has 10 days in which to make a recommendation to City Council. Following receipt of the Planning and Zoning recommendation, City Council will schedule a public hearing to consider the request for street name change.
5. It is strongly advised that all interested property owners along the effected street or road attend the Planning and Zoning meeting to state their opinions concerning the name change.
6. Upon adoption of a street name change, notification of such change will follow procedures similar to those used for notification of an annexation, including E-911 District.

Approved: [Signature] 5-1-89

CITY COUNCIL MEMORANDUM

City Council Meeting: May 3, 2022
Department: Finance
Subject: Information on Billing Process

BACKGROUND

When is the penalty notice issued, and when is the fee applied?

The penalty is issued the day after the due date and notices (email/mail) are generated on the same day.

What is our policy when the due date is on the weekend?

Our policy is we apply the late fees at noon on the next business day after we process all mail payments. We advise residents that there are other ways to pay such as Online (one-time or autopay), Payment Kiosk, Auto draft using a bank account and dropbox to avoid late fees.

And do we have grace periods?

No but we do waive late fees once per account. We also have an extension process. After the penalty is applied, if the customer cannot make the payment by the cutoff day, we allow 10 additional days. The first 2 extensions are free, we charge \$5 for any after.

Sections 90-11 of the city ordinance outlines our penalty policy & section 90-14 of the city ordinance outlines our extension policy. The information below is listed on our welcome packet.

The City of Schertz has 2 water billing cycles. Water consumption is billed a month behind. Billing accounts are updated monthly, based on the service address' read date. If the bill due date falls on a weekend or holiday, payments are due by 10:00am the next business day. Payments not received by the billing due date will have a late fee added.

Note: Any account not paid after the penalty date is liable to be turned off until the account is brought current. A disconnection fee of \$20 will be applied to the account.

	Reading	Billing	Due	10% Penalty	Turn Off
Cycle 1	1st	10th	25th	26th	6th
Cycle 2	15th	25th	10th	11th	21st
