

CITY OF CASTLE HILLS  
SPECIAL CITY COUNCIL MEETING  
MINUTES OF FEBRUARY 26, 2009

A special meeting of the City Council of the City of Castle Hills was held at 5:00 p.m. on Thursday, February 26, 2009, in the Community Room at City Hall, 209 Lemonwood Drive, Castle Hills, Texas.

The attendance roster included Dan Crowley, Louis Lendeman, Jose de la Cruz, and Emma Bridge.

I. OPENING

- A. QUORUM - Present and composing a quorum of the City Council were Mayor Marcy Harper, Douglas Gregory, Tim Howell, Tom Davis, and Marcella Huff. Bruce Smiley was absent.

Staff present was City Manager Mike Rietz, City Secretary Linda Gill, and City Attorney Michael Brenan.

II. ANNOUNCEMENTS - None

III. REPORTS - None

IV. WORKSHOP

A. DISCUSSION ON ESTABLISHING A STORM WATER FEE.

Mayor Harper called the meeting to order recognizing representatives from SAWS. Director of Finance Dan Crowley from SAWS introduced Senior Financial Analyst Louis Lindeman, Director of Customer Service Emma Bridge, and Interim Billing Director Jose de la Cruz.

Mr. Lindeman indicated that SAWS is currently talking to two other communities in the San Antonio area concerning Storm Water Fee billing. He said that those communities planned to give SAWS the actual amount to bill, and they would handle their own changes and inquiries. He said it was his understanding that Castle Hills wants to assess storm water fees to non-residential customers and apply the San Antonio rate structure and also handle changes and inquiries regarding customer accounts.

Mayor Harper mentioned that the council needed to know the cost before deciding. Mr. Lindeman said that he was not prepared to give the cost. He needed more information. He enumerated services that SAWS could provide

Castle Hills, such as technical, customer, and collection services. He said that SAWS is currently billing waste water for Castle Hills.

In response to questions from council members, Mr. Lindeman explained that water service is billed to a tap. He explained that a storm water fee is assessed to a shopping center, for example; and the fee is prorated among the tenants of the shopping center. He said that SAWS is required to use Bexar County Appraisal District records information to assess the fees. He offered to send the council a copy of San Antonio's 1993 ordinance regarding the fees.

Mr. Rietz confirmed that the city has a list of water customers. Mayor Harper said that, typically, the shopping center owner pays the water bill; and in Castle Hills, that would mainly be the property owner. Councilman Davis questioned how collection would be enforced if the property owner gets water service from BexarMet. Mr. Lindeman answered that SAWS has enough leverage to have BexarMet cut the water off if the customer doesn't pay. Mayor Harper stressed that there are no plans to bill residential owners in the future.

Mayor Harper recalled that Councilman Smiley brought up the Development Fee at the city council meeting. Discussion followed regarding how it would be determined and what impact it might have on development. Mr. Rietz said that the fee is for infrastructure. Council member Gregory suggested billing the fees annually with ad valorem taxes. Mr. Brenan clarified that residential property owners would not be billed for a storm water fee; that only multi-family and commercial property owners would be charged storm water fees. Mr. Lindeman indicated that he would like one total inter-local agreement for both technical and customer service support. He said that there is a Texas statute that governs storm water drainage. San Antonio uses the revenue for street cleaning, street maintenance, installing drainage, and maintenance of ditches. It can also be used for debt.

The mayor asked what the other two cities are talking about with SAWS. Mr. Lindeman said that they are only interested in having SAWS do the billing. He went on to say that SAWS will help Castle Hills implement a storm water plan and that the meeting has been helpful for SAWS to develop a proposal for the city. He estimated that they could come back in two to three weeks with a proposal that is more precise. He said that if City Council approves the proposal, SAWS could begin billing in April. Mr. Rietz said that the council will pass an ordinance, and then do an inter-local agreement.

Mr. Lindeman said that City of San Antonio Public Works Department is very knowledgeable about the legal use of fees and would be helpful if the council wanted to call them. He stated that a separate fund would be set up by the city for storm water fees would be handled as any other fund.

## VII. ADJOURNMENT

The mayor adjourned the meeting at 6:15 p.m.

These Minutes were approved on the 10<sup>th</sup> day of March, 2009.

APPROVED:

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Marcy Harper, Mayor

ATTEST:

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Linda Gill, City Secretary