



COUNCIL AGENDA
 City Hall Council Chambers
 210 E. Gonzales
 Seguin, Texas 78155

The City Council met in a Workshop on Tuesday, August 24, 2011 at 5:30 p.m. in the City Hall Council Chambers, City Hall, 210 E. Gonzales Street in the City of Seguin with Mayor Betty Ann Matthies presiding.

1. Call to Order

2. Roll Call

ATTENDANCE

| Councilmember | District | Present | Absent |
|-----------------------------------|----------|---------|--------|
| 1. Don Keil | 7 | Present | |
| 2. Manuel Cevallos | 1 | Present | |
| 3. Mary Louise Gonzales | 2 | Present | |
| 4. Carlos Medrano | 5 | Present | |
| 5. Bob Pees | 8 | Present | |
| 6. Tomas Castellon(Mayor Pro Tem) | 4 | Present | |
| 7. Nick Carrillo | 3 | Present | |
| 8. Steve Tschoepe | 6 | Present | |
| 9. Mayor Betty Ann Matthies | | Present | |

3. Discussions of the following items-Doug Faseler, City Manager

- a. River, San Marcos and Heideke Street and Drainage Project and possible additional street and utility work in the vicinity of the project.

Joe Ramos, City Engineer provided information regarding additional street and utility work in the vicinity of the current River, San Marcos and Heideke Street and Drainage Project. He provided the council with a chart broken down by asphalt and concrete construction. He also provided a cost breakdown of the various options (1-7) of additional streets and utility work.

- b. Proposed projects to be funded by the Hydro Subordination Payment

Doug Faseler, City Manager provided a list of recommendations for the use of the lump sum hydro right subordination payment which totaled 7 million dollars.

He stated that the City purchased the Hydro Plant/Water Rights in 1907 for \$50,000.

He asked that council consider adding \$500,000 to the general fund as a return on the investment to the city which is included in the recommendations that he provided in a handout to the council for their review.

The next item that was recommended was the purchase of GVEC equipment (depreciated assets/wire & poles) and also fund transformers, meters and equipment which would need to be installed since the city operates with a different type of equipment out in the field in order to serve customers in the Seguin Service Area. This would allow the city to serve customers presently served by GVEC with the City of Seguin Service Area in the vicinity of 123 Bypass, FM20 and Martindale. (GVEC has taken this to their board and the transfer has been approved.)

Other items recommended:

- Seguin Cushman Substation Breaker Replacement of Ten Breakers
- Outage Management System
- Two Under Build Circuits from Cushman Substation to King Street and Cushman Substation to 123 Bypass
- Warehouse Improvements, additional office building, and parking
- Re-conductor from Seguin Substation (Martindale, Bauer, Baxter, Austin to Krezdorn St.)
- Re-conductor-King Street (College to Schuessler)
- Ten 3 Phase Switches Electric System
- Re-conductor along Heideke from 1-10 to Martindale Street
- Re-conductor from Seguin Substation (along 1-10, N. Heideke to Bauchman Lane)
- Re-conductor Heideke and E. Court (Heideke/Walnut South to E. Court, Heideke/E. Court & W. to Milam)
- Re-conductor/Poles Seguin West Substation to Guadalupe Street along RR to RNPP
- TLU Underground Replacement
- Additional Future Electric Utility System Assets Improvement/Replacement/Contingency

City Manager, Doug Faseler also pointed out an annual hydro plant revenue phase-out. (first of a two year phase out) He recommended that in 2012 \$250,000 and \$125,000 in 2013.

William Bisette, Director of Utilities pointed out that 50% of the electric projects listed had been on the books for the past 9 years.

City Manager shared with council that he would come back to council and recommend several projects which need to be addressed and follow up with more discussion.

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c. General Fund Capital Improvement Projects/Equipment.

Scotty MyCue, Fire Chief asked that the council consider replacing the 18 year old Fire Department Pumper Truck. The cost at present was \$450,000 with a present estimated interest rate of 2% or less.

If the council decided to wait after January 1, 2012 there would be a 3%-5% price increase which could increase the price of the firetruck from \$13,000-\$22,500.

4. **Adjournment**

There being no further business before the council the meeting adjourned at 12:55 PM.

Mayor Betty Ann Matthies

City Secretary, Thalia Patlán Stautzenberger