

**CITY OF INGLESIDE
MINUTES
REGULAR CITY COUNCIL MEETING
NOVEMBER 15, 2016**

1. Call meeting to order

The meeting was called to order at 6:30 p.m. with Mayor Luis Lamas presiding. Council Members present: Mayor Luis Lamas and Council Members Ben Tucker, Bill Underbrink, Oscar Adame, Dennis Knippa, Steve Diehl, and John Schack. Staff present: Acting City Manager Florencio Pena, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were approximately 50 guests.

2. Roll Call

3. Invocation

4. Pledge of Allegiance

5. Citizen Comments

There were no comments from the citizens.

6. Consideration to establish procedures for citizens to provide comments during city council meetings.

Acting City Manager Florencio Pena explained the use of signature cards and established procedures is a more formal process for both agenda and non-agenda items and will help with the flow of the meetings in general.

Council Members Schack, Underbrink, and Adame agreed they didn't want to restrict the public to only speaking if they notify the staff in advance. They feel it would hinder the public's voice and thereby are against this idea. Council Member Diehl stated he feels since we are spending the public's money, that they need the opportunity to speak at any point of the meeting.

Mayor Lamas stated he didn't request this item but he does agree with the idea to keep on topic, reduce the time of the meetings, and the formality of it.

7. Presentation of awards to the winners of the YTC "Paste the Waste" competition.

The object of the contest is to have students use discarded trash, rubbish, and debris to create art. The contest is held in November to coincide with Texas Recycles Day which is November 15th. Mayor Lamas and Code Enforcement Officer Carey Dietrich presented the winners of the "Paste the Waste" competition as follows:

3 rd Place – Sculpture:	John Rowen
3 rd Place – Portrait:	Kadance Smith
2 nd Place – Sculpture:	Madason Carroll
2 nd Place – Portrait:	Madison Ladewig
1 st Place – Sculpture:	Omerion Watts
1 st Place – Portrait:	Clarissa Garza
Overall Favorite:	Ashley Garcia
Honorable Mention:	Makayla Buescher

8. Acceptance and Acknowledgment of donations.

Acting City Manager Florencio Pena stated the City has received donations as follows: \$4,000 from Cheniere for the Ingleside Volunteer Fire Department for wildland equipment and an estimated value of \$625 from Ingleside Independent School District for a Delta Radial Arm Saw, three Tubular Gates, and a John Deer Gator (for parts). Mr. Pena recommended Council to approve the acceptance of these donations.

Council Member Diehl made a motion to accept the donations from Cheniere and IISD as noted above and was seconded Council Member Underbrink. The motion was approved unanimously.

9. Consideration and action of an appointment to the Library Board.

Council Member Diehl made a motion to appoint Mary Kelly to the Library Board and was seconded by Council Member Knippa. The motion was approved unanimously.

10. Consideration to award a one year contract to the Ingleside Chamber of Commerce in the amount of \$120,700 for fiscal year 2016-17 out the Hotel Motel Occupancy Tax Fund to perform promotional services for the City of Ingleside.

Acting City Manager Florencio Pena explained this is the typical annual contract between the City and the Chamber of Commerce.

Council Member Diehl made a motion authorizing the one year contract with the Ingleside Chamber of Commerce in the amount of \$120,700 for fiscal year 2016-17 out the Hotel Motel Occupancy Tax Fund to perform promotional services for the City of Ingleside; and was seconded by Council Member Adame. The motion as approved unanimously.

11. A Public Hearing regarding an application to rezone Lots 6 & 7 block P Burton & Danforth Subdivision (Fronting Sunray Road) from its present zoning of R-1 (Single Family Residential) to T1-A (Travel Trailer/RV Park).

Mayor Lamas opened the Public Hearing at 6:48 p.m.

Speaking in favor of the rezone was Mark Marlow. He explained he is planning an upscale RV Park and would like to move forward with the project.

There were no speakers against this rezone.

Mayor Lamas closed the Public Hearing at 6:40 p.m.

12. Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of R-1 (Single Family Residential) to T1-A (Travel Trailer/RV Park) and further providing for effective date, reading, severance and publication: Lots 6 & 7 block P Burton & Danforth Subdivision (Fronting Sunray Road). (First Reading)

Council Member Underbrink was concerned that no residents on Pace Avenue were notified of this change that can affect the traffic on Sunray Road and thereby affect Pace Avenue residents.

Council Member Underbrink made a motion to table this agenda item until notices could be provided to residents on Pace Avenue and was seconded by Council Member Knippa.

There was further discussion regarding the road repairs and amount and type of traffic on Sunray and Pace Avenue. Council Member Diehl called for a Point of Order because the repair of the roadway is not part of a rezoning discussion. Council Member Underbrink stated he believes it is because the rezone affects the traffic on the roads.

Building Official John Davis noted that the signs indicating the property was being considered for rezone were posted approximately three weeks prior to the first public hearing. The signs were placed at each end of the property along Sunray Road and in the middle of the property along Sunray Road. Council Member Underbrink is concerned that the residents of Pace Avenue were not notified and didn't see the signs. Council Member Diehl stated that the staff notified and posted the sign according to our City Ordinance and State Law and if we begin notifying more property owners than required by Ordinance/State law for one situation, then we have to do it for all. We could be setting a precedence that could adversely affect the City in a different situation.

Acting City Manager Florencio Pena explained that there is a review of the Ordinance to increase the notification from 200 feet to 400 feet, but that is not in effect at this time and thereby we cannot send out separate notification for property owners outside the 200 feet. The purpose of the notice in the newspaper and signs is to give everyone notice.

Council Member Underbrink questioned the need for a lift station as well and Mr. Davis explained that is a stipulation for the developer that is handled by the Building Department. Council Member Schack questioned the entrance/exit of the traffic from the site. Mr. Marlow stated the only entrance for the residence will be along Sunray Road. There will be a service maintenance entrance towards Pace Avenue, but it will be for staff only, not the

public. Council Member Diehl questioned if this is in line with the Future Master Use Plan and Mr. Davis said that area of town is suggested for Industrial Use and T1-A is a lesser zoning than Industrial. Mayor Lamas stated that our City Ordinance for RV parks is very demanding and this developer is willing to meet these demanding stipulations. Council Member Underbrink stated he lives there and he doesn't want it in his neighborhood and he believes Pace Avenue should be notified even if he has to notify them himself. There was discussion that the next reading is not scheduled for four weeks.

Council Member Underbrink withdrew his motion to table.

Council Member Knippa and Tucker questioned the amenities and privacy fencing. Mr. Marlow stated that all RV sites will be on concrete slabs and because of the size of the Park they are planning to have two club houses and two swimming pools to all be built in stages as the park develops. There will be a Privacy Fence along the R-1 (Single Family Residential) side and was planning to use the thick brush line along the game side of the park.

Council Member Diehl made a motion to pass to a second reading the Ordinance changing the zoning for the following property from its present zoning of R-1 (Single Family Residential) to T1-A (Travel Trailer/RV Park) and further providing for effective date, reading, severance and publication: Lots 6 & 7 block P Burton & Danforth Subdivision (Fronting Sunray Road): and was seconded by Council Member Adame. The motion was approved with Mayor Lamas and Council Members Tucker, Underbrink, Adame, Diehl, and Schack voting yes; and Council Member Knippa voting no.

- 13. Consideration and action of an Ordinance providing for the Annexation of certain land lying adjacent to the present boundary limit of the City of Ingleside, San Patricio County, Texas, and within the Extraterritorial Jurisdiction of the of the City and described as follows: The 284.56 acres of land, including all attachments, projections and extensions therefrom, such as bulkheads, docks, piers and wharves, which constitutes Ingleside Industrial District Nos. 9, 10, and 11 and which is the subject of Industrial District Agreement Nos. 9, 10, and 11 by and between the City and Occidental Chemical Corporation, Dupont and Air Liquide. (First Reading)**

Council Member Diehl made a motion to pass to a second reading the Ordinance providing for the Annexation of certain land lying adjacent to the present boundary limit of the City of Ingleside, San Patricio County, Texas, and within the Extraterritorial Jurisdiction of the of the City and described as follows: The 284.56 acres of land, including all attachments, projections and extensions therefrom, such as bulkheads, docks, piers and wharves, which constitutes Ingleside Industrial District Nos. 9, 10, and 11 and which is the subject of Industrial District Agreement Nos. 9, 10, and 11 by and between the City and Occidental Chemical Corporation, Dupont and Air Liquide: and was seconded by Council Member Adame. The motion was approved unanimously.

- 14. Consideration and action of an Ordinance ordering an Election to be held on May 6, 2017 in the City of Ingleside for the purpose of submitting amendments to the Ingleside City Charter; designating the place of holding such Election, naming the officers thereof; prescribing the form of ballot; providing for notices; providing a severability clause; and declaring an effective date. (First reading)**

City Secretary Kimberly Sampson explained the Charter Review Committee has prepared their recommendations to the City Attorney for legality and proper wording. The draft Ordinance does not include the Proposition "Wording" but it does include the proposed final changes within Attachment A of the draft Ordinance. This is due to the fact that the Council has not voted on the various propositions to confirm which ones will move forward to the ballot and which ones may not. At this point, the Council can accept all, none, or some of the proposals; as well as add additional items. The Proposition "Wording" will be added between the first and final reading of the Ordinance. It was decided that each potential proposition will be voted on separately by Council as Ms. Sampson explains them.

Potential Proposition # 1 is regarding Section 3.01.C which currently only requires an individual who is term limited (serves three consecutive terms) to sit out one year before they can run for office again. The majority of the Committee has requested this be increased to four years (equivalent to two consecutive terms). Charter Review Committee Chairperson Debra Sanders explained there was discussion of two years versus four years and the reason was to give different individuals an opportunity to be elected and the possibility of new ideas. Council Member Underbrink agreed there is a potential for career

politicians. Council Diehl stated there have been years when the "career politicians" have pleaded with other citizens to run for office and they just won't do it. Charter Review Committee Member Stewart Wilson stated he voted against this suggestion because if the voters want you out of office, they will not only run for office, but they will vote for whomever runs against you.

Council Member Schack made a motion to strike Potential Proposition # 1 and was seconded by Council Member Diehl. The motion was approved with Mayor Lamas and Council Members Tucker, Adame, Knippa, Diehl, and Schack voting aye; and Council Member Underbrink voting no.

Potential Proposition # 2 is regarding Section 3.01.B and D-G and if approved, would affect Section 5.04. Ms. Sampson explained the majority of the committee would like to remove the By-Place System and adopt a different type of At Large system. The committee originally requested a "Limited" at large system which means if there are 3 positions available, the voters only get 2 votes. When talking with an Attorney at the Secretary of State's office, they did not know about that type of system in Texas; however, they suggested a "Cumulative" at large system as an alternative. The "cumulative" system allows a voter to cast their 3 votes any way they want to; all 3 votes for 1 candidate, 2 votes for 1 candidate and 1 vote for a second candidate, or 1 vote for 3 candidates. Mrs. Sanders agreed the "Limited" at large system was what the committee discussed, not the "Cumulative" at large system.

Council Member Adame made a motion to strike Potential Proposition # 2 and was seconded by Council Member Underbrink. The motion was approved unanimously.

Potential Proposition # 3 is regarding Section 3.09 and would reduce the number of Council Members required to call a Special meeting from 3 to 2. The thought was to keep a potential walking quorum from possibly occurring.

Council Member Underbrink made a motion to strike Potential Proposition # 3 and was seconded by Council Member Tucker. The motion was approved unanimously.

Potential Proposition # 4 is regarding Section 3.10 in which the majority of the Committee would like to adopt a specific version of the Roberts Rules of Order instead of referring to an Ordinance for guidelines for the way in which the Council and Boards conduct their meetings. City Attorney Michael Morris stated he does not encourage this format because it is very detailed oriented and it would require a staff member to be the parliamentarian instead of the Mayor/Chairperson running the meetings. He suggested that the Council can adopt stricter guidelines by Ordinance, but he does not recommend strict guidance by Roberts Rules of Order.

Council Member Adame made a motion to strike Potential Proposition # 4 and was seconded by Council Member Tucker. The motion was approved with Mayor Lamas and Council Members Tucker, Adame, Knippa, Diehl, and Schack voting aye; and Council Member Underbrink voting no.

Potential Proposition # 5 is regarding Section 3.15 to remove the requirement for a notification to be published in the newspaper that the audit report is available for inspection at the City offices. Staff feels this is an unnecessary expense and is not required by State Law. The audits are an attachment to Council Packets and once accepted they are posted on our City Website.

Council Member Diehl made a motion to approve Potential Proposition # 5 to move forward to the voters and was seconded by Council Member Underbrink. The motion was approved unanimously; however, it was noted that Council Member Adame had stepped out of the room during the discussion/vote of this item.

Potential Proposition # 5-B is regarding Section 4.01.E.6 and list out duties of the City Manager. This item would change the submittal period for the annual report of the finance and administrative duties from 60 to 90 days (which is more reasonable) and remove the requirement that report of individual audit to be incorporated into the annual report (when the individual audit is actually part of the annual audit).

Council Member Diehl made a motion to move forward to the voters the Potential Proposition # 5-A; and was seconded by Council member Underbrink. The motion was approved unanimously.

Potential Proposition # 6 is regarding Section 4.01.E.12 in an attempt to include in the City Manager's duties the requirement to sign contracts approved by Council.

Council Member Schack made a motion to move forward to the voters the Potential Proposition # 6 with the exclusion of the word "and" at the end of 4.01.E.11; and was seconded by Council Member Diehl. The motion was approved unanimously.

Potential Proposition # 7 is regarding Section 5.01 to remove the wording for the list of registered voters to be kept by the City Secretary because the list is maintained by the County Voters Registrars/Election Administrative Office since with contract with them to provide for our elections.

Council Member Adame made a motion to move forward to the voters the Potential Proposition # 7 and was seconded by Council Member Underbrink. The motion was approved unanimously.

Potential Proposition # 8 is regarding Section 5.02.2 which currently requires that at the time of filing for office, that a candidate shall not be in arrears in the payment of any taxes or other liabilities due to the City. The State Law now prohibits this restriction and it thereby needs to be removed from our Charter.

Council Member Diehl made a motion to move forward to the voters Potential Proposition # 8 and was seconded by Council Member Tucker. The motion was approved unanimously.

Potential Proposition # 9 is regarding Section 5.02.6 in which the majority of the committee would like to extend the restriction to resign from Council when running for other elected offices (i.e. school, county, state, federal, etc.). If approved, a timeline needs to be set. This was a State Law years ago but has not been a requirement for several years.

Council Member Diehl made a motion to move forward to the voters the Potential Proposition # 9 with the inclusion of setting a timeline for the resignation and was seconded by Council Member Tucker. The motion was approved unanimously.

Potential Proposition # 10 is regarding Section 5.03 and was suggested by staff to keep in line with State regulations since their wording requirements change from time to time.

Council Member Adame made a motion to move forward to the voters the Potential Proposition # 10 and was seconded by Council Member Underbrink. The motion was approved unanimously.

Potential Proposition # 11 is regarding Section 7.07 to clarify that when funds for a specific item comes in under-budget, that the excess funds be re-appropriated by the City Council.

Council Member Adame made a motion to move forward to the voters the Potential Proposition # 11 and was seconded by Council Member Diehl. The motion was approved unanimously.

The City Secretary and City Attorney will work together to put these items into a revised numerical order with the changes noted above and provide in Ordinance/Ballot format at the final reading of December 13, 2016.

- 15. Ordinance amending Chapter 18 – Buildings and Building Regulations, Article II Construction Standards Section 18-27-105.1C Ingleside Code of Ordinances regarding the requirement for General Liability Policy or Surety Bond and providing for effective date, reading, severances, and publication. (Tabled from 10/25/16) (First Reading)**

Acting City Manager Florencio Pena presented two Ordinances to Council specifying his recommendation is to approve the Ordinance that strikes through the requirement for liability insurance with a minimum of \$300,000 altogether.

Council Member Diehl made a motion to approve the Ordinance amending Chapter 18 – Buildings and Building Regulations, Article II Construction Standards sec 18-27 Same Amendments and deletions, 105.1C – Registration required, Ingleside Code of Ordinances and providing for effective date, reading, severance, and publication with the strike through the requirement for general liability insurance altogether; and was seconded by Council Member Knippa. The motion as approved with Mayor Lamas and Council Members Tucker, Adame, Knippa, Diehl, and Schack voting aye; and Council Member Underbrink abstaining.

16. Consideration and action of an Ordinances Adopting New Provisions of Chapter 78 Zoning Code of Ordinances, regarding Non-Conventional Housing to allow for Specific Modifications by the Building Official within the Boundaries of the properties identified on The Non- Conventional Housing Area Map and Updating Said Map. (Final Reading)

Council Member Tucker made a motion to approve Ordinance # 2016-26 Adopting New Provisions of Chapter 78 Zoning Code of Ordinances, regarding Non-Conventional Housing to allow for Specific Modifications by the Building Official within the Boundaries of the properties identified on The Non- Conventional Housing Area Map and Updating Said Map: and was seconded by Council member Adame. The motion as approved unanimously.

17. Monthly presentation regarding the status of the city's Capital Improvements Program.

Acting City Manager Florencio Pena and John Michael of Naismith/Hansen Engineering Services provided an overview of the various capital improvement projects and Finance Director Paul Baen provided the unencumbered balances of the various capital funds.

Council Member Diehl questioned if the Street Project would be monitored regularly by the engineer and tested and Mr. Michael agreed this project will be strictly monitored.

18. An Ordinance amending the 2016-17 budget for the City of Ingleside to provide for the transfer of \$462,041 from the Utility Fund Capital Fund Surplus to the General Fund Capital Fund and to appropriate the resulting available surpluses of \$492,331 in the Utility Fund Capital Fund and \$564,178, in the General Fund Capital Fund, for a total appropriation of \$1,056,509 for the 2016-17 Capital Program, and providing for effective date, reading, and severance (Budget Amendment 2007-002). (Single Reading)

Acting City Manager Florencio Pena explained most of these items are from the CIP originally reviewed during the budget process. Some items have been purchased since the budget process and therefore removed. Additional items added are Tazers for the Police, Cameras and a new mower for the Parks Department, and a sewer camera for the Public Works department. There is still a reserve of \$291,331 with these changes and this is before the FY 15/16 Surplus is added to the fund balance. Anything over \$25,000 will still be brought back to Council for approval.

Council Member Adame requested that \$35,000 be added for the Volunteer Fire Department Radio Repeaters and there was no objection.

Mr. Pena requested \$38,000 be added for improvements to City Hall and there was no objection.

Council Member Diehl made a motion to approve Ordinance # 2016-27 amending the 2016-17 budget for the City of Ingleside to provide for the transfer of \$535,041 from the Utility Fund Capital Fund Surplus to the General Fund Capital Fund and to appropriate the resulting available surpluses of \$419,331 in the Utility Fund Capital Fund and \$637,178, in the General Fund Capital Fund, for a total appropriation of \$1,056,509 for the 2016-17 Capital Program, and providing for effective date, reading, and severance with the changes noted above; and was seconded by Council Member Adame.

The motion was approved unanimously.

19. An Ordinance amending the 2016-2017 by transferring \$100,000 from the General Fund Capital Fund (2015 Bond) to the Street Reconstruction Fund and providing for an effective date, reading, and severance. (Single Reading)

Council Member Schack made a motion to approve Ordinance # 2016-28 amending the 2016-2017 by transferring \$100,000 from the General Fund Capital Fund (2015 Bond) to the Street Reconstruction Fund and providing for an effective date, reading, and severance; and was seconded by Council Member Diehl. The motion was approved unanimously.

20. Approval of Change Order #1 reducing the street construction contract with Garrett Construction Company by \$636,832.22. Approval of this change order will reduce the total project cost of \$1,100,000 to \$463,167.78 which includes the list of streets approved by City Council. The contractor agrees to maintain the unit bid price included in the original bid.

Council Member Diehl made a motion to approve Change Order # 1 reducing the street construction contract with Garrett Construction Company by \$636,832.22 and was seconded by Council Member Underbrink. The motion was approved unanimously.

21. Consideration and action to approve the plans and specifications and authority for the City Manager to request bids for the construction Lover's Lane Drainage Improvements. Funding in the amount of \$243,625.00 is available from the CIP funds to pay for the construction.

Council Member Diehl made a motion to approve the plans and specifications and authority for the City Manager to request bids for the construction Lover's Lane Drainage Improvements, and was seconded by Council Member Underbrink. The motion was approved unanimously.

22. Discussion regarding conducting a Utility Rate Study.

Acting City Manager Florencio Pena stated that the previous Utility Rate Study was completed by Naismith Engineering and could be updated for about \$5,600. The main concern is that depreciation has not been included in years past within the City's operating budgets.

Council Member Diehl acknowledged that other city's include depreciation in their rates and thereby when we revisit our rates and include depreciation, there will be a large increase needed. John Michael of Naismith/Hansen Engineering Services noted that he believes the new apartments currently under construction will put the City of Ingleside at 74% capacity of the treatment plant. At 75% we will have to be in planning stage.

Council Member Tucker questioned if the City of Ingleside on the Bay (IOB) getting their own wastewater system will reduce our capacity enough to keep us from being in the planning stage. Mr. Michael explained that IOB is still approximately three or more years out from their own system and by then we will have reached the magic 75% number. Council Member Diehl made a motion for the staff to enter into an agreement with Naismith/Hansen Engineering Services to provide an updated and was seconded by Council Member Knippa. The motion was approved unanimously.

23. Consideration and action of a Resolution changing various fees contained in Appendix "A" Fee Schedule of the Ingleside Code of Ordinances and in particular those monthly fees charged to users of water services.

Council Member Diehl made a motion to approve Resolution # 2016-17 changing various fees contained in Appendix "A" Fee Schedule of the Ingleside Code of Ordinances and in particular those monthly fees charged to users of water services; and was seconded by Council member Knippa. The motion was approved unanimously; however, it was noted that Council member Underbrink had stepped out of the room during the discussion and voting of this item.

24. Consideration and action of the 2017 Holiday Schedule.

Council Member Tucker made a motion to approve the 2017 Holiday Schedule and was seconded by Council Member Adame. The motion was approved unanimously.

25. Presentation of Financial for October 2016.

There were no questions from the Council regarding the monthly financial report.

Mayor Lamas recessed the regular meeting to go into Closed Executive Session at 8:57 p.m.

26. The City Council may meet in closed executive session in accordance with The Texas Government Code Section 551.071 (Consult with the Attorney) or Section 551.074 (Personnel Matters) to confer regarding the selection of a City Manager.

27. The Council may meet in Closed Executive Session in accordance with Texas Government Code Section 551.071 to "Consult with Attorney" and Section 551.087 Deliberations Regarding Economic Development Negotiations" regarding the following items:

A) Flint Hills

B) Kiewit

C) G&M Management Co. D) Oaks on the Bay

Mayor Lamas closed the Executive Session and re-opened the regular meeting at 10:35 p.m.

No action was taken regarding agenda items # 26 and 27.

28. Staff Reports

Council Member were reminded of the Employee/Volunteer Christmas Party scheduled for 12/3/16. Acting City Manager Florencio Pena announced there will be a special meeting the following week for the Chamber of Commerce's annual letter for use of parks and allowed to sell alcohol. He also announced that TxDOT has said no to putting up signs pointing to the Police and Fire departments, but staff is looking into the authorization for the City to install the sign ourselves. Additionally, the staff is working with and Naismith/Hanson Engineering regarding plans for a new Animal Control facility.

29. Requests from Council Members

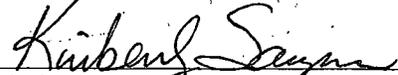
Council Member Diehl requested staff to look into a flashing yellow/red light at 8th Street and Main/FM 1069 in order for emergency staff to be able to stop traffic when necessary.

Council Member Tucker questioned if the outcome of the November Presidential Election will have any type of financial outcome on the cost of healthcare and staff stated it is too early to know.

30. Adjourn

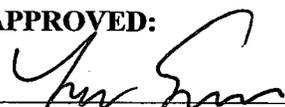
There being no further business, the meeting was adjourned at 10:35 p.m.

ATTEST:



Kimberly Sampson, City Secretary

APPROVED:



Mayor Luis Lamas