

**CITY OF INGLESIDE  
MINUTES  
REGULAR CITY COUNCIL MEETING  
JULY 24, 2018**

**1. Call meeting to order**

The meeting was called to order at 6:30 p.m. with Mayor Ronnie Parker presiding. Council Members present: Mayor Ronnie Parker and Council Members Ben Tucker, Kody Fahrenthold, Oscar Adame, Pete Perkins, and John Schack. Council Members absent: Council Member Dennis Knippa. Staff present: Interim City Manager Florencio Pena, Interim Finance Director Linnette Barker, and City Secretary Kimberly Sampson. There were approximately 30 guests.

**2. Roll Call**

Council Member Knippa is absent for personal reasons.

**3. Invocation**

**4. Pledge of Allegiance**

**5. Citizen Comments**

There were no comments from the public.

**Presentations:**

**6. Presentation by Gulf Coast Growth Adventures Project Update representative Paul Guilfoyle, Venture Executive.**

Paul Guilfoyle of Gulf Coast Growth Ventures (GCGV) provided an overview of the recent activities with the ExxonMobil & SABIC project located on the west side of Gregory. They have hired 83 individuals from the local area who are currently in Baytown for training while the plant is being built. The main purpose of this plant is to make high performance polyethylene, polyester raw material, and coolants. This plant will provide over 600 new permanent jobs on site with the average annual salary of \$90,000 and an estimate of about 3,500 indirect and induced jobs in the State. The operation will pay over \$250,000,000 in taxes in the first five years. GCGV is working with DelMar College to provide scholarships, Workforce Solutions to provide jobs, and local businesses contracts. At this time, 54% of their bidders were local companies and 93% of the contracts awarded were to local contractors. They have contributed \$90,000 in charitable contributions to local environmental organizations and \$250,000 in charitable contributions in 2017/2018. At this time they are in site preparation mode and have over 300 crew on site for roadway improvements, water line connection, entrance road, and perimeter fence. They are scheduled to start production by the middle of 2022.

**7. Presentation by Rockport Warriors United representative Tracy and David Jones.**

Mr./Mrs. David and Tracy Jones own this property and started the project to help active duty and honorably discharged veterans to provide a place to come together and talk about anything. One weekend each month the veterans do anything from hunting, fishing, skeet shooting, games, etc. depending on the season. They have separate male versus female retreats. This is a great method for these individuals to talk with someone with similar situations in a stress free environment and without a "doctor" analyzing them. There is no cost to the veterans, it is paid 100% through donations to their 501.C.3 organization. They hope to be able to increase to two weekends per month by the end of the year. They invited everyone to attend their July 28, 2018 Luau and help support these Warriors.

## Zoning Public Hearings:

Mayor Parker opened the Public Hearing at 6:51 p.m.

- 8. Regarding to rezone S/Pt Lt 8 Blk P (120X205.6 ft) Burton & Danforth Subdivision to be allowed to change the zoning from its present classification of R-1 (Single Family Residential) to C-2 (General Commercial).**

Kenneth Markos and Sarah Feagin spoke in favor of this rezoning request. Mr. Markos stated that he and his family have had a roofing and construction company for many years in the Corpus area and he hopes to bring their business to this side of the bridge.

Speaking against the rezone was Brenda Carroll who relayed her frustration that several different purposes have been mentioned for this property by this new owner. Such as building duplexes, a home, and now a roofing company. During this time, he attempted to cut Ms. Carroll's trees in order to bring his own trailers onto his property.

- 9. Regarding an application to rezone Lt 11 Blk F Burton & Danforth Subdivision also known as 1776 Indian Trail to change the zoning from its present classification of R-1 (Single Family Residential) and R-3 (Three & Four Family Residential) to M (Multi-Family).**

Mr. Tom Mannerling spoke in favor of this rezone to change from its current mixed zoning of R-1 and R-3 to make it all M (Multi-family). All ingress and egress will be via Indian Trail as will the hook up to the utilities. He is working with the City staff to make sure the appropriate connections and size of lines and any other requirements are met for City code and TCEQ guidelines.

Speaking against the rezone were Ronny Hale and Jason Haze. Their concerns is an existing lack of police protection, increased traffic, infrastructure issues, potholes not being repaired, low water pressure, and no loop to their systems. With increased usage on the existing lines, they feel their concerns will only get worse.

Mayor Parker closed the Public Hearing at 7:02 p.m.

## Action Items:

- 10. Consideration and action of an Ordinance change the zoning for the following property from its present zoning of R-1 (Single Family Residential) to C-2 (General Commercial) and further providing for effective date, reading, severance, and publication: S/Pt Lt 8 Blk P (120X205.6 ft) Burton & Danforth Subdivision.**

Kenneth Markos and Sarah Feagin left the meeting prior to answering any questions from the Council. Mayor Parker noted that the Planning and Zoning Commission recommended denial of this request.

No motion was made by Council. No action was taken.

- 11. Consideration and action of an Ordinance change the zoning for the following property from its present zoning R-1 (Single Family Residential) and R-3 (Three & Four Family Residential) to M (Multi-Family) and further providing for effective date, reading, severance, and publication: Lt 11 Blk F Burton & Danforth Subdivision.**

Council Member Schack and Fahrenthold reminded the Council that this request for rezone has been brought to Council before and during that time it was noted that there is mixed zoning surrounding this property with T-1A, M, R-2, and R-1. It was stated at that time that other than the few residents that spoke up, the rest didn't appear to have an issue with their zoning. Since the previous attempt to rezone this acreage there have been no attempts by any surrounding property owners to rezone their own property to R-1. Nobody has attempted to start any movement to get this mixed area to a lesser zoning but they want the Council to say "No." This location would be difficult to sell as R-1 due to all of the mixed zoning surrounding it, that is why a M (Multi-family) zone is a good fit.

Council Member Schack made a motion to pass to a second reading this Ordinance changing the zoning for the following property from its present zoning R-1 (Single Family Residential) and R-3 (Three & Four Family Residential) to M (Multi-Family) and further providing for effective date, reading, severance, and publication: Lt 11 Blk F Burton & Danforth Subdivision; and was seconded by Council Member Fahrenthold. The motion as approved unanimously.

**12. Presentation by Hanson Engineering regarding an update of the City's Land Use Assumptions and Capital Improvements Plan associated with the City's Impact Fee Program.**

Mrs. Melanie Gavlik of Hanson Professional Services reported that the Impact fees were initiated in 2007. The current program is based on units and this does not always fit the situation for the structure being built. She recommended the program be revised to be configured on a meter size. Other items being considered are the population growth, land use assumption map, capital improvements in the assumed improvement areas, and the analysis of the current system. The City is currently at about 67% wastewater capacity and with the growth expected, a new plant will need to be started within the next 10 years. What is being presented tonight are the maximum fees that can be charged for water and wastewater connections based on a meter sized system. The Council can choose to lower the fees, but they cannot exceed them. To be in compliance with the State guidelines the City must adopt the rates no later than August 24, 2018 or begin the process all over again.

Council Member Schack stated this is for future development and the City can only charge 50% of the fees onto the developer; with the other 50% being put on the existing utility customer. He feels the developers should be charged for as much as possible and will support the maximum amount recommended by this study.

**13. Public Hearing Regarding an amendment of Land Use Assumptions and Capital Improvements Plan associated with the City's Impact Fee Program.**

Mayor Parker opened the Public Hearing at 7:27 p.m.

Mr. Willie Vaden suggested that the City consider using the growth of industry to support bonds to provide for the needs mentioned in the Land Use Assumptions and Capital Improvements Plan. Reporting the increased cost of land and Impact Fee is holding development back on a daily basis. There is no incentive to home builders in this community.

Mr. Ed Stewart identified that he built in the Aransas Pass Industrial Park instead of Ingleside because they are more business friendly.

Mayor Parker closed the Public Hearing at 7:33 p.m.

**14. Discussion and possible action regarding an update of the City's Land Use Assumptions and Capital Improvements Plan associated with the City's Impact Fee Program.**

Council Member Schack reported that the San Patricio Economic Development Corporation (SPEDC) Executive Director recently told the Council that Corpus Christi has only seen a 20% increase in housing growth whereas Ingleside has seen a 60% increase in housing growth.

Mr. Willie Vaden stated Corpus Christi and Ingleside cannot be compared since Corpus Christi builds over 400 homes per year and Ingleside builds about 40 homes per year. He still doesn't understand why acreage in Ingleside is anywhere between \$10,000 and \$40,000 per acre for residential areas with no true reasoning to support. Ingleside has an antiquated wastewater plant, we need to do bonds and use the Industrial taxes to pay for the bonds.

Council Member Tucker noted that when the Impact fees were started in 2007 there were those that said Ingleside wouldn't grow, but it has continued to grow even with Impact fees.

Mayor Parker stated without proper fees in place, the city will fall further behind with the needs for infrastructure. He feels while we plan for the future, we need to fix the existing needs as well. As we use other funds to pay for the existing needs, the Impact Fees will help to pay for the future needs along with Industrial taxes.

Council Member Adame reported although he is not in favor of the increase, he does support keeping the rates where they are now in order to prepare for the future. The City needs to support the existing infrastructure and let new developers pay for their own lines.

Mrs. Melanie Gavlik of Hanson Professional Services noted that the Impact Fees can only be spent on new development listed within the Capital Improvement Plan. That's why they adoption of the plan as well as the fees within the next month is imperative.

Mrs. Cindy Wilson reminded the Council that there are still residents well within the City limits that have septic systems. While she doesn't really want a rate increase, there has not been any Ingleside water or wastewater rate increase since 2006 other than straight pass through rates from SPMWD. Everyone has to pay to live here; existing customers as well as the new customers. We all want the larger HEB, Walmart, etc, but we are an industrial community and we will probably not have those things.

Mr. Tracy Long reported that the Planning and Zoning Commission, serving as the Advisory Committee for the Impact Fee process, doesn't agree with the assumptions for the Capital Improvement Plan. They feel if the assumptions were more accurate, the more appropriate impact fees would be suggests. The Advisory Committee feels the proposed impact fees are too high. Other cities charge development fees instead of impact fees and they are not quite as high. Ingleside does not compete well with other cities for development fees.

It was questioned where Mrs. Gavlik acquired the assumed growth rate numbers from and she explained they were from the US Census Data and estimates based on historical data.

Interim City Manager Florencio Pena stated this will be brought back to Council at the next regular Council Meeting.

## **15. Hurricane Harvey Recovery updates**

- a) Insurance**
- b) Buildings and Facilities**
- c) Business Disruption Insurance Reimbursement**
- d) FEMA Debris Removal**
  - i. Debris Removal**
  - ii. Personal Property Debris Removal**
  - iii. Personal Property Demolition & Debris Removal**
- e) Status of Grant Requests**
- f) Fund 19 Fund Report**

City Secretary, Kimberly Sampson, explained that the adjuster from the Windstorm provider, a building specialist, and a forensic accountant met with staff on Wednesday, July 28, 2018. The Forensic Accountant agreed that utility billing, rental fees (Humble, Garden Center, and Pool), and library fees are all subject to lost revenue. He was not sure and would be consulting with Axis regarding the lost Hotel/Motel Funds, Sales Tax Funds, and Building Permit fees. Pending the response from Axis regarding this inquiry, this may be an area to consult with Attorneys.

The adjuster and building specialist toured numerous structures with Kimberly Sampson, Shane Torno, and the respective Department Manager/Staff Members and had a very positive outcome for majority of the structures. Most of the structures would be paid at

the submitted amount and saw no concerns. The main areas of concern are City Hall, Library, Little League Concession Stand/Announcers Booth, and Public Works Administrative/Lab Office. They are relooking at the items we pointed out in the City Hall and Library. The Little League Concession Stand/Announcers Booth they agree it needs to be demolished and rebuilt; however, the cost to rebuild is their question. The Public Works Administrative/Lab Office is the main area of concern and they may want their own engineer to review it.

Overall the meeting with adjusters was positive. They didn't look at the water tower the first time they were here, and between what we previously provided them and the photos we showed them; they are willing to agree to the \$95,833 as long as we agree to not increase the dollar figure. Whether we rebuild it or not is irrelevant to them. Additionally it has been brought to our attention that there was damage to some city vehicles and equipment during the Harvey time frame. Dee Redford has been filing those claims with TML-IRP and we are receiving favorable responses of reimbursement for those expenditures.

Project Manager, Shane Torno of Freeze and Nichols, stated he will update insurance estimates when we receive additional information from the adjuster.

Building Official Carey Dietrich reported that FEMA has inspected twelve (12) Right of Entry (ROE) submitted by the public and we are waiting to hear back for approval.

Interim City Manager, Florencio Pena, stated FEMA has appointed a grant writer to assist with writing the grants approved from the Notice of Intent (NOI) previously presented. This will save funds anticipated up to \$45,000.

Interim Finance Director, Linnette Barker, reported \$51,030 spent from Fund 19 Harvey Funds. It was mainly to H2O and to replace a lift station pump.

**16. Acceptance of a grant in the amount of \$10,000 from the Rebuild Texas Fund to advertise and educate citizens on the emergency notification system.**

EMC, Shanna Owens, let the Council know the City was awarded a \$10,000 grant to advertise and educate citizens on the emergency notification system.

Council Member Adame made motion to accept the \$10,000 grant from the Rebuild Texas Fund to advertise and educate citizens on the emergency notification system; and was seconded by Council Member Fahrenthold. The motion was unanimously.

**17. Discussion regarding the departmental equipment and the status of any damaged items.**

From the list of vehicles and equipment provided to the Council the main area of concern was why old equipment that can't be fixed is still owned and questioned why it hasn't been auctioned off.

Interim City Manager Florencio Pena stated he will move forward to prepare for an auction of unused/unrepairable vehicles/equipment.

**18. Presentation of the Quarterly Reports from the various departments for the period April through June 2018.**

There were no questions from the Council Members regarding the departmental quarterly reports.

**19. Ratification of City of Ingleside expenditures to be paid.**

Council Member Adame made a motion to ratify the City of Ingleside expenditures to be paid and was seconded by Council Member Schack. The motion was approved unanimously.

**Executive Session:**

**20. Council may meet in Closed Executive Session in accordance with Texas Government Code Section 551.071 (Consultations with Attorney) and 551.074 (Personnel Matters) and regarding the following items:**

- a) **Consult with City Attorney and outside counsel, and discuss and consider authorizing appeal of court's ruling in Kenneth Lee Baker v. City of Ingleside, Case No. 18SC600147**
- b) **Discussion regarding City Manager Appointee.**
- c) **Discussion regarding terms and conditions of City Manager Contract.**

Mayor Parker recessed the Regular Meeting to enter into Closed Executives Session at 8:50 p.m.

Mayor Parker re-opened the Regular Meeting at 9:25 p.m.

**21. Possible Action regarding any of the Executive Session Items listed above.**

Council Member Schack made a motion to appeal the court's ruling in Kenneth Lee Baker v. City of Ingleside, Case No. 18SC600147 and was seconded by Council Member Adame. The motion was approved unanimously.

**22. Reports from Staff**

Public Works Director Donald Paty stated the RFP needed for the Wastewater Treatment Plant Solids Removal has not been completed yet.

**23. Requests from Council Members**

Council Member Adame requested that all of the Department Manager salaries be provided to the Council during the budget process.

**24. Adjourn**

There being no further business, the meeting was adjourned at 9:28 p.m.

**ATTEST:**

  
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 Kimberly Sampson, City Secretary

**APPROVED:**

  
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 Mayor Ronnie Parker