

**CITY OF INGLESIDE
MINUTES
CITY COUNCIL MEETING
JUNE 9, 2015**

1. Call meeting to order

The meeting was called to order at 6:30 p.m. with Mayor Pete Perkins presiding. Council Members present: Mayor Pete Perkins and Council Members Cynthia Wilson, Kevin Robbins, Oscar Adame, Dennis Knippa, Steve Diehl, and Council Member Paul Pierce arriving at 8:08 p.m. Staff present: City Manager Jim Gray, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were approximately 30 guests.

2. Invocation

3. Pledge of Allegiance

4. Presentations from the Audience

There were no presentations from the Audience.

5. Consideration and action of the Minutes of the Regular City Council Meeting of May 26, 2015.

Council Member Diehl made a motion to approve the Minutes of the Regular City Council Meeting of May 26, 2015 and was seconded by Council Member Adame. The motion was approved unanimously.

6. Receive donation from Ingleside Masonic Lodge # 1361 for the Ingleside Senior Citizens Center.

Members of the Masonic Lodge; Lester Thompson, Daniel Honig, Roger Townsend, James Bryant, and Chuck Dixon presented the City of Ingleside Senior Citizens Center with a check in the amount of \$3,000.00 to be used for the needs of the Senior Citizens.

7. Discussion regarding current City lawsuits and Highway 200. The Council may meet in Closed Executive Session in accordance with Texas Government Codes Section 551.071 to "Consult with Attorney" and Section 551.072 regarding "Deliberations about Real Property."

Mayor Perkins recessed the Regular Meeting to open the Executive Session at 6:35 p.m.

Mayor Perkins re-convened the Regular Meeting at 6:53 p.m.

Council Member Robbins was excused from the Executive Session during the discussion regarding the zoning lawsuit.

8. Presentation and update of the progress of Cheniere Energy by Jason French.

Cheniere Energy representative, Jason French, provided an update to the Council and Public regarding both Cheniere's Gregory/Portland project and the Ingleside project.

They have all of their permits and have broken ground on the \$14-Billion Gregory/Portland project. This will include over 3,000 construction workers and eventually 350 permanent employees. There is even a new expansion being discussed with the Federal Government and as information is available, Mr. French will forward to the City Staff.

The Ingleside Marine Terminal is still in the development stage. Phase I will consist of five (5) tanks, and one (1) marine birth. Once the market requires, Phase II will consist of four (4) more tanks, and one (1) more marine birth. Mr. French stated they currently plan to break ground in the first quarter in 2016 and Phase I should be complete within twelve (12) months. Originally they were planning to use the dredge materials to build a visual

buffer. At this time, they are considering other options for visual buffers in order to use the dredge materials elsewhere. A Condensate Splitter is still a possibility but they have not determined at what point they are going to build it.

An additional site is being considered in Taft that will be known as "San Patricio Hub"

At this point, Cheniere has already committed \$2-Million grant towards the SH-200 Project as well as gifting the eleven (11) acres or ROW through the Cheniere property. Cheniere is also considering another \$2-Million for this project pending the tax abatement agreement with the City of Ingleside.

Cheniere is not only beginning to hold job fairs, but they are also working with the area high schools and technical colleges to get welders and operators as quickly as possible.

9. Presentation by John Michael regarding the City's current drainage system.

Mr. John Michael of Naismith Engineering gave an overview of the San Patricio County Drainage District which was established in 1974 and maps that are dated from 1960's, 1979, 1990, and even today's maps provided by our GIS department that was originally started by the use of Local Redevelopment Association (LRA) Federal Grant Funds. He explained some of the projects that have been completed over the years and what still needs to be accomplished. Even though we have been in a drought for five (5) years, this rain has really shown the drainage needs in the area. Projects need to begin in the downstream area and work upstream in order to not overload any area with flooding. What is difficult is that most people want their area fixed first and don't understand they can cause more problems if we don't address this in the correct order of things. One of the most difficult items is to acquire ROW's for the drainage. Everyone want's their property cleared of water, but they don't want the water to flow across their own property.

Council Member Diehl requested that the Staff and Engineers accelerate the progress and bring ideas back to the Council as soon as possible.

10. Public Hearing of an application to replat the following property for the purpose of developing a subdivision at the 4.850 acre Tract of Land, more or less, Replat of Westing Subdivision, Lots 1 and 2, Block 1, to Country Oaks Subdivision located on Eight Street, City of Ingleside, San Patricio County, Texas.

Mayor Perkins opened the Public Hearing at 7:39 p.m.

Speaking in favor of this replat was Tracy Long. He explained that about six-months ago he attended a meeting at which City Manager Jim Gray made the statement that housing was needed in Ingleside. He has been doing the research for investors; however, because there is no market data in the small town of Ingleside, investors are not ready to commit to a large project. Therefore, he is attempting to begin a small subdivision with \$175,000-\$200,000 homes. This is approximately five (5) acres for about 16 lots, which one will include a retention pond for drainage. This plan has been reviewed by the City Engineers.

Speaking against this replat was Brad Kucera. He stated that along 8th Street there are no small subdivisions. All homes along 8th Street are large lots and that is part of the charm. This subdivision would diminish that large lot charm.

Mayor Perkins closed the Public Hearing at 7:44 p.m.

11. Consideration and action of an application to replat the following property for the purpose of developing a subdivision at the 4.850 acre Tract of Land, more or less, Replat of Westing Subdivision, Lots 1 and 2, Block 1, to Country Oaks Subdivision located on Eight Street, City of Ingleside, San Patricio County, Texas.

Council Member Diehl questioned the value of the homes to be built since the Letter of Objection suggests \$80,000 homes. Mr. Tracy Long explained that homes built in a different subdivision were not as big or of the same type and therefore were lesser homes.

The plans provided for this subdivision are for 1,600-2,000 square foot homes and will be worth \$175,000-\$200,000 each.

It was questioned if this nice of a home were in that neighborhood, would it not enhance the area. Mrs. Anna Kucera agreed it would "if" Mr. Long follows through with what he is presenting, but this replat doesn't guarantee the value of the homes to be built.

Council Member Robbins stated he feels these are matchbox homes in the middle of an area with large/nice homes.

Mr. Long stated that the plans include concrete streets with sidewalks, curb, and gutter which are better than 8th Street currently has. Mr. Willie Vaden explained this plan is comparable to the lots and homes located on LaQuinta Street with a better concrete street rather than asphalt.

Council Member Diehl made a motion to approve the replat of the following property for the purpose of developing a subdivision at the 4.850 acre Tract of Land, more or less, Replat of Westing Subdivision, Lots 1 and 2, Block 1, to Country Oaks Subdivision located on Eight Street, City of Ingleside, San Patricio County, Texas; and was seconded by Council Member Knippa. The motion was approved with Mayor Perkins and Council Members Wilson, Knippa, and Diehl voting aye; Council Member Robbins voting no; and Council Member Adame abstaining due to a family connection.

12. Consideration and action of an Ordinance amending the City's Traffic Control Device Schedule to include a Stop Sign at Scott Circle at its intersection with First Street. (First Reading)

City Manager Jim Gray explained this is a new subdivision and therefore a Stop Sign is recommended.

Council Member Wilson made a motion to pass to a second reading the Ordinance amending the City's Traffic Control Device Schedule to include a Stop Sign at Scott Circle at its intersection with First Street; and was seconded by Mayor Perkins. The motion was approved unanimously.

13. Presentation by San Patricio Economic Development Corporation Executive Director Lynn Spencer and consideration and action regarding the City of Ingleside's membership with San Patricio Economic Development Corporation.

San Patricio Economic Development Corporation (SPEDC) Executive Director Lynn Spencer read a speech approved by her Executive Committee explaining what SPEDC does for "all the cities" in San Patricio County.

Council Member Diehl agreed the original concept of the SPEDC from the late 1980's was good; however, things have changed over the years. Currently the Executive Committee nominates the new members and the Board can only vote yes or no, but cannot make other recommendations. Currently the Executive Committee presents changes to the By-Laws and the Board can only vote yes or no, but cannot make other recommendations. Currently the Executive Committee conduct unposted meetings, makes confidential decisions, and says they don't have to explain themselves to the public, even though they admit to comingling their public and private funding. SPEDC's website specifies that "one of our primary functions" is to grow the Port of Corpus Christi; but that is not in our City's best interest, our concern is the growth of our City. He asked City Manager Jim Gray that over the past five years who has provided more contact/leads for potential development and Mr. Gray specified Corpus Christi Regional Economic Development Corporation (CCREDC).

It was asked of Mrs. Spencer if a company (who is considered a competitor for Kiewit) were to come into her office, what/how would she respond. Mrs. Spencer reminded the Council that CCREDC's budget is over \$1,000,000 whereas SPEDC's budget is \$250,000. She stated her office focusses on business retention and to attract new businesses that will support the existing companies already in the area. If a potential developer wants to know

information about the cities, she provides them the contact numbers and "who they contact is their business."

Mayor Perkins explained he is concerned that a member of the Executive Committee called him immature and the same member stated they would offer a seat on the Executive Committee to the Ingleside City Manager but not the Mayor. Additionally, he is troubled by the fact that the Executive Committee would; (1) invite a public official who is publically against any growth to their Executive Committee, and (2) then re-arrange the order of officers to make that individual be their next Chairperson over someone who has multiple years of economic development experience. He asked that the Council consider withdraw from the SPEDC.

Mrs. Spencer indicated she welcomed open discussion and suggested changes to the By-Laws, and hated to see Ingleside withdraw from the SPEDC. She would like the opportunity to try to fix the concerns mentioned tonight. Mayor Perkins stated he tried working with the Executive Committee Chairman and he refused to work with the City of Ingleside to resolve these issues.

Mayor Perkins made a motion for the City of Ingleside to withdraw from SPEDC and request the return of the pro-rated funds assessed by SPEDC for membership dues and was seconded by Council Member Knippa. The motion was approved unanimously.

14. Consideration and action authorizing the Mayor, City Manager, and JJ Johnston to travel to China and/or Taiwan for Economic Development purposes.

City Manager Jim Gray explained that the previous Council already approved this trip; however, with a change in dates and Council Members it was requested that we bring this back to the current Council for action. Executive Director of Econogine, JJ Johnston, stated he has six (6) potential businesses eager to meet with us; 2 aircraft manufacturers, 2 agriculture equipment suppliers, 1 watch manufacturer, and 1 textile company. This could be planned for mid-late August 2015. Even though there sufficient jobs in the area; these type of businesses could help to diversify the type of industry in the area and thereby the jobs associated with them.

Council Member Diehl quantified that although we have existing landowners willing to negotiate with these potential developers, he is more concerned with preparing a Comprehensive Master Plan prior to promoting other development. Council Member Knippa expressed his concern that of the three (3) individuals being proposed to promote Ingleside, that none of them are originally from Ingleside. Mayor Perkins offered to allow Council Member Knippa to attend instead of himself. Council Member Pierce specified he is not opposed to going to Taiwan; however, he is still opposed to doing business with the Chinese.

Mr. Willie Vaden stated that industry has supported this community for many years and if they keep coming, we may see our ad valorem taxes decrease to 25¢ or 30¢/\$100 value. The Council needs to be aware that potential businesses listen to the tapes and media coverage of these Council Meetings. If they hear these types of things being said, they will not build here, but just outside our city limits and we get nothing. He urged the Council Members to not get personal, but to think about the community as a whole.

By waiting until the Master Plan is adopted (potentially December 2015), it would be unwise to travel to that area of the world in December and January due to weather. An additional concern is the contract with Econogine ends in December 2015. Mr. Johnston reminded the Council that even though we may meet with these potential industry partners this year, it will take a few years for them to get their funding and resources approved before they can make an offer to this City. The longer we delay meeting with them, the higher the risk that another community will meet with them.

Council Member Knippa made a motion to deny the Mayor, City Manager, and JJ Johnston to travel to China and/or Taiwan for Economic Development purposes at this time; and was seconded by Council Member Robbins.

Council Member Diehl made a motion to amend the original motion to delay this trip until the completion of the Comprehensive Master Plan; and was seconded by Council Member Knippa. The amendment was approved with Mayor Perkins and Council Members Wilson, Robbins, Adame, Knippa, and Diehl voting aye; and Council Member Pierce voting no.

The original motion with the amendment was approved unanimously.

15. Consideration and action authorizing the City of Ingleside to enter into an agreement with Kendig Keast to produce a master plan for the City.

City Manager Jim Gray stated that due to Kendig Keast already being a member of the HGAC that we do not have to go out for separate bids. The original bid is for approximately \$50,000 and the extra items they offer would total no more than about \$8,000. The \$50,000 has already been approved from CIP funds. Staff recommends approval of an amount not to exceed \$58,000.

Council Member Diehl made a motion authorizing the City of Ingleside to enter into an agreement with Kendig Keast to produce a master plan for the City for an amount not to exceed \$58,000 and for the staff to present this to the Ingleside Development Corporation (IDC) as a potential funding partner; and was seconded by Council Member Knippa. The motion was approved unanimously.

16. Receive the Departmental Reports for the month of May 2015.

Council Member Diehl stated he hopes the zero adopted out and zero rescued animals noted within the Animal Control report is not the beginning of a trend.

17. Staff Reports

City Manager Jim Gray stated the Heavy Haul Load dates have changed to June 8, 10, 15, 17, and 19, 2015 instead of interfering with the Shrimporee events. Former Mayor "Doc" C.H. Lewis' Memorial Services will be this Saturday, June 13, 2015 at 2:00 p.m. at Charlie Marshal Funeral Home. Mr. Gray also noted that agenda item # 11 tonight may need to be brought back due to a potential need for a Super Majority Vote; the City Attorney will be asked to review.

Mayor Perkins provided a brief overview on the legislature regarding TWIA. At this time it is on the Governor's desk for signature.

18. Requests from Council Members


Council Member Diehl requested a future agenda item to (1) discuss Consent Agendas, (2) an update of the Entryway Sign, (3) budget process, and (4) annexation process.

Mayor Perkins questioned if anything is done in Ingleside for Memorial Day. Council Member Adame stated there is a video of the photos of the soldiers that are provided by the public that is played prior to the Movie in the Park event.

19. Adjourn

There being no further business, the meeting was adjourned at 9:47 p.m.

ATTEST:



 Kimberly Sampson, City Secretary

APPROVED:



 Mayor Pete Perkins