

**CITY OF INGLESIDE
MINUTES
CITY COUNCIL MEETING
JUNE 23, 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 8:00 p.m. Staff present: City Manager Jim Gray, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were approximately 20 guests.

2. Invocation

3. Pledge of Allegiance

4. Presentations from the Audience

Ms. Diane Brady asked the Council to consider changing the Noise Ordinance. She provided statistics of noise complaints in our city limits and quotes from other City's ordinances. Ms. Brady states that she now has a documented hearing loss due to her neighbor's noise and requests that the Council make changes to the noise ordinance.

5. Consideration and action of the Minutes of the Regular City Council Meeting of June 9, 2015.

There was a typographical error and a correction to agenda item # 14, paragraph # 4 that Council Member Knippa made the motion (not Council Member Diehl) to deny individuals to travel to China and/or Taiwan.

Council Member Diehl made the motion to approve the Minutes of the Regular City Council Meeting of June 9, 2015 as corrected and was seconded by Mayor Perkins. The motion was approved unanimously.

6. A Public Hearing of an application for a Rezone of the NE ¼ and the NW ¼ of Lot 6, Block M, Burton and Danforth Subdivision, otherwise known as 1255 Fourth Street from L-1 (Light Industrial) to I (Industrial).

Mayor Perkins opened the Public Hearing at 6:40 p.m.

Speaking in favor of the Rezone was Robert Dendy and Stewart Wilson. Mr. Dendy explained that over the years they have had potential buyers for this property; however, the potential developers preferred Industrial property instead of Light Industrial. Some of the potential developers have been welders. Light Industrial requires the welding to be in within enclosed structures; whereas, Industrial allows welding out in the open. The neighboring property has been used for a halo-pad and the City has a Lift Station at the edge of this property (donated land by the Dendy's). Mr. Wilson noted that this property is already zoned Light Industrial and just outside our city limits is heavy industry all along FM 2725 which has no restrictions because it is under County jurisdiction. This is a good fit for a small industrial business.

Ms. Heidi Boatwright, who lives just outside the City Limits at 1239 4th Street spoke against this zoning change. Her concerns were the possibility of the decrease in value to the nice homes in the area, the possibility of increased noise, and the increased traffic causing the further demise of the streets. She was further disturbed that only residence within 200 feet of the property were notified of the zoning change when it could affect other residents in the area. Ms. Boatwright recalled when previously a sand blasting/paint shop tried to start up a business in that area before the City's Building/Code Enforcement Department notified them that they were required to get permits and use certain precautions to ensure the neighbor's property was not damaged.

Also speaking against this zoning request was Ms. Elizabeth Beebe from the Planning and Zoning Commission. She explained their only issue against this request is to keep from spot zoning since it is surrounded by Light Industrial.

Mayor Perkins closed the Public Hearing at 6:50 p.m.

- 7. Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of L-1 (Light Industrial) to I (Industrial) and further providing for effective date, reading, severance, and publication: NE ¼ and the NW ¼ of Lot 6, Block M, Burton and Danforth Subdivision, otherwise known as 1255 Fourth Street. (First Reading)**

City Manager Jim Gray stated this is a straight zoning change from L-1 to I with no objectionable uses requests. Building Official John Davis explained that the main difference between the two zoning options is working indoors vs. outdoors, but there is still a requirement for screening in order to not damage any neighbor's property.

Council Members Wilson and Diehl stated they felt spot zoning was more when putting Industrial within Residential, not Industrial within Light Industrial which provides a buffer from other zoned areas. It was noted that the nice homes being built in the area acknowledge that they are building within an existing Light Industrial zoned area and thereby know the risks of being in that area. The potential businesses area still required to apply for permits and are subject to protect their neighbors from their products.

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 L-1 (Light Industrial) to I (Industrial) and further providing for effective date, reading, severance, and publication: NE ¼ and the NW ¼ of Lot 6, Block M, Burton and Danforth Subdivision, otherwise known as 1255 Fourth Street; and was seconded by Council Member Adame. The motion was approved unanimously.

- 8. Consideration and action of a Resolution ordering the preparation of a Service Plan and setting or authorizing the setting of Public Hearings to consider annexation of the area identified as follows: the 399.79 +/- acres of land, including all projections, attachments, and extensions therefrom, such as bulkheads, docks, piers, and wharves, which constitutes Ingleside Industrial District No. 8 and which is the subject of Industrial District No. 8 and between the City and Kiewit Offshore Services, Ltd.**

City Manager Jim Gray explained that the Kiewit and Flint Hills Industrial Districts are coming to an end December 31, 2015 that agenda items # 8 and 9 are required to set the dates, timelines, and direction for the preparation of a Service Plan in order to Annex these properties. City Secretary Kimberly Sampson provided a handout of the timeline and explained to the Council that the proposed timeline includes the first and second reading of the Ordinances to be set for November 17, 2015 and December 15, 2015 which are the third Tuesdays of each month since during November and December we are only required to have one City Council Meeting. The proposed schedule for Public Hearings and the reading of the Ordinances will be published late September and early October time-frame. Once these dates are published, the dates cannot be changed to be effective as of January 1, 2016 unless we start all over and the annexations have to be approved by December 31, 2015.

Mayor Perkins made a motion to approve Resolution # 2015-07 ordering the preparation of a Service Plan and setting or authorizing the setting of Public Hearings to consider annexation of the area identified as follows: the 399.79 +/- acres of land, including all projections, attachments, and extensions therefrom, such as bulkheads, docks, piers, and wharves, which constitutes Ingleside Industrial District No. 8 and which is the subject of Industrial District No. 8 and between the City and Kiewit Offshore Services, Ltd. And was seconded Council Member Diehl. The motion was approved unanimously.

- 9. Consideration and action of a Resolution ordering the preparation of a Service Plan and setting or authorizing the setting of Public Hearings to consider annexation of the area identified as follows: the 104.21 +/- acres of land, including all projections, attachments, and extensions therefrom, such as bulkheads, docks, piers, and wharves, which constitutes Ingleside Industrial District No. 3 and which is the subject of Industrial District No. 3 and between the City and Flint Hills Resources, LP (successor to original landowner Port of Corpus Christi Authority of Nueces County, Texas, and improvements owner, Koch Gathering Systems, Inc.) as more particularly described on Exhibit A hereto attached.**

Mayor Perkins made a motion to approve Resolution # 2015-08 ordering the preparation of a Service Plan and setting or authorizing the setting of Public Hearings to consider annexation of the area identified as follows: the 104.21 +/- acres of land, including all projections, attachments, and extensions therefrom, such as bulkheads, docks, piers, and wharves, which constitutes Ingleside Industrial District No. 3 and which is the subject of Industrial District No. 3 and between the City and Flint Hills Resources, LP (successor to original landowner Port of Corpus Christi Authority of Nueces County, Texas, and improvements owner, Koch Gathering Systems, Inc.) as more particularly described on Exhibit A hereto attached; and was seconded by Council Member Adame. The motion was approved unanimously.

- 10. Consideration and action of a Resolution of the City of Ingleside approving cooperation with the Cities served by AEP TCC to review AEP Texas Central Company's requested approval of an adjustment to its Energy Efficiency Cost Recovery Factor; hiring legal and consulting services to negotiate with the company and direct any necessary litigation and appeals; finding that the meeting at which this Resolution is passed is open to the public as required by law; requiring notice of this Resolution to legal counsel.**

City Manager Jim Gray stated this is the annual request by AEP for their rate increase and our alliance representatives attempt to refute those rates. There is no additional cost to the City because any fees incurred are passed through the rates.

Council Member Diehl made a motion to approve Resolution # 2015-09 of the City of Ingleside approving cooperation with the Cities served by AEP TCC to review AEP Texas Central Company's requested approval of an adjustment to its Energy Efficiency Cost Recovery Factor; hiring legal and consulting services to negotiate with the company and direct any necessary litigation and appeals; finding that the meeting at which this Resolution is passed is open to the public as required by law; requiring notice of this Resolution to legal counsel; and was seconded by Council Member Wilson. The motion was approved unanimously.

- 11. Consideration and action of a Resolution to nominate a candidate to fill a vacancy on the San Patricio County Appraisal District Board of Directors.**

Council Member Diehl nominated Mayor Perkins and was seconded by Council Member Knippa. Mayor Perkins stated he was very busy but would attempt to make these meetings if appointed.

Council Member Diehl made a motion to approve Resolution # 2015-10 to nominate Mayor Pete Perkins to fill a vacancy on the San Patricio County Appraisal District Board of Directors; and was seconded by Council Member Knippa. The motion was approved with Council Members Wilson, Robbins, Adame, Knippa, and Diehl voting aye; and Mayor Perkins abstaining.

- 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. (Final Reading)**

Council Member Adame made a motion to approve Ordinance # 2015-15 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 Council Member Wilson. The motion was approved unanimously.

- 13. Receive and discuss the City's financial situation, including but not limited to its budget, revenues, expenses, assets, and debts.**

Finance Director Paul Baen provided an overview of the City's finances. There has been a noticeable increase in sales tax and an increase in property values. The sales tax is due the industrial development in the area and once they are built out, that will decline again. However, the property values are anticipated to continue to increase as new businesses come into the area.

City Manager Jim Gray stated at this time, the staff has been talking with the City's Financial Advisors to consider new debt. With the increase in property values, the city could afford payments for as much as \$7,000,000 in bonds to be paid over 20 years. These bonds could allow the city to perform improvements to drainage, streets, sidewalks, park improvements, or other long term projects. This will be brought back to Council July 14 to authorize the notice of intent to be published.

Mr. Baen stated that it is anticipated that the Certified Tax Rolls will be ready no later than July 25, 2015 and therefore, we will be bringing the effective tax rate to Council on July 28, 2015 for a vote and setting of the dates for Public Hearings. The suggested calendar of events has been included in the Council Packet. At the next Council Meeting (July 14, 2015), the staff will also be presenting the response(s) for the RFQ for Auditor.

Council Member Diehl requested that the Council hold budget workshops in addition to the dates already provided at which time the City Manager can have the Department Managers within the audience to answer any questions. These can be no-action workshops, but an opportunity to have dialogue regarding each department and possible ask questions of the Department Managers. He also suggested that the staff include the capital items in the budget this year and not revisit at the six month time frame.

14. Consideration and action awarding the contract(s) or the Limestone Base materials and the Two-Course Overlay Project for the Year 2015 Street Improvements Project and authorizing the use of the Street Maintenance Sales Tax Funds.

City Manager Jim Gray stated there were two (2) bids received for the two-course overlay and staff recommends approval of Garret Construction Company and there was one (1) bid for the materials and therefore staff recommends approval of J Carroll Weaver, Inc.

There was some discussion regarding whether the roads would be completely redone or partially. Mr. Gray stated that most of the breakdown is on the outer edges from the quarter-point on and the middle portion of the street is still solid. In order to stretch the funds further and help more people, it has been the practice of the Council to repair the area of roads in the worst condition and only tear up the complete roadway where the entire base has broken down for whatever reason. Mr. Stewart Wilson suggested that Mustang be completely rebuilt instead of quarter-points only. It was questioned the life expectancy of the roads. Mr. Gray explained it could be anywhere from five (5) to twenty (20) years depending on how well the base materials hold up.

Mayor Perkins made a motion to award the two-course overlay bid to Garret Construction Company not to exceed \$149,764.75 and bid for the materials to J Carroll Weaver, Inc. not to exceed \$106,926.00 and was seconded by Council Member Diehl. The motion was approved unanimously.

Council Member Pierce arrived at 8:00 p.m.

15. Consideration and action authorizing the staff to move forward with the construction of the Welcome to Ingleside entryway sign.

City Manager Jim Gray explained that the Engineers have provided two options for entryway signs. The Primary concept is estimated to cost \$45,500 the Alternate option (which includes winged walls and arbor) is estimated to cost \$67,200. The additional expenses of two-inch water line will be approximately \$6,270.58 and engineering cost is currently estimated to be at \$6,000.00 to date. The funds available are \$35,000 from the CIP funds (approved by Council 4/8/14), \$14,167 from the FY 2013/2014 IDC Budget, and \$14,167 from the FY 2014/2015 IDC Budget; for a total of \$63,334 of funds available for this project. There is sufficient space for the Alternate concept, but it would cause the project to go over budget.

Council Member Adame made a motion authorizing the staff to move forward with the construction of the Welcome to Ingleside entryway sign Primary concept only and was seconded by Council Member Knippa. The motion was approved unanimously.

16. Consideration and action regarding the Request for Proposals (RFP) for the designation of the Official City Newspaper.

City Manager Jim Gray stated following the requests of Council, the staff has prepared the RFP for the Official City Newspaper and we are seeking guidance from Council for any other changes. The current RFP includes the stipulation that, "Any publication deadlines should allow for Council Action on Tuesday evenings in order to be published later that same week."

Council Member Robbins voiced his displeasure with what had been written about him and questioned if the content of the newspaper articles should be considered when choosing the official city newspaper.

Council Member Wilson questioned if we can use both papers and Mr. Gray stated we sometimes do use both the Coastal Bend Herald and the Ingleside Index; however, only one newspaper can be the "Official" city newspaper. We currently spend about \$6,000 and if the Council wants us to publish in both papers, we can increase the budget to \$12,000.

Council Member Pierce stated by including the requirement within the RFP, if they want to change their deadline and publication dates, that is their prerogative.

Mayor Perkins made a motion directing the staff to seek Request for Proposals (RFP) for the designation of the Official City Newspaper and was seconded by Council Member Pierce. The motion was approved unanimously.

17. Staff Reports

City Manager Jim Gray explained how Consent Agendas can be used and that it is the Mayor's discretion whether to use them or not. Mayor Perkins stated that we quit using the Consent Agenda due to items being removed from it frequently, but he is willing to try again.

Mr. Gray noted that this Wednesday evening, June 24, 2015 will be the last Heavy Haul load coming through town.

18. Requests from Council Members

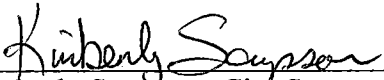
Council Member Diehl requested a future agenda item to discuss the Noise Ordinance and he requested a future Joint Meeting with the City and IISD like we have had for the last two (2) years.

Council Member Pierce questioned why the last few Executive Sessions didn't list out the various lawsuits and requested that they be listed separately in the future.

19. Adjourn

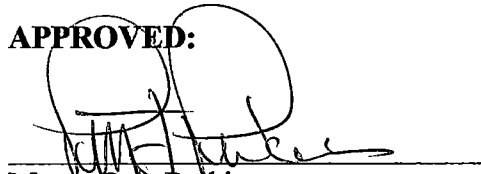
There being no further business, the meeting was adjourned at 8:15 p.m.

ATTEST:



Kimberly Sampson, City Secretary

APPROVED:



Mayor Pete Perkins