

**CITY OF INGLESIDE
MINUTES
CITY COUNCIL MEETING
JULY 28, 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, and Steve Diehl. Council Members absent: Council Member Paul Pierce. 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 June 23, 2015 (with a revision) and the Regular City Council Meeting of July 14, 2015.

Council Member Diehl made a motion to approve the Minutes of the Regular City Council Meeting of June 23, 2015 (with a revision) and the Regular City Council Meeting of July 14, 2015 and was seconded by Council Member Knippa. The motion was approved unanimously.

6. The City Council may meet in Closed Executive Session in accordance with Texas Government Code Section 551-071 "Consult with Attorney" and Section 551-087 "Deliberations Regarding Economic Development Negotiations" concerning the following items:

- A) The San Patricio County Appraisal Review Board Hearings;**
- B) The City of Ingleside vs. City of Corpus Christi lawsuit; and**
- C) Economic Development Negotiations with Peerless Cleaners.**

Mayor Perkins recessed the Regular Meeting to go into Executive Session at 6:33 p.m.

Mayor Perkins closed the Executive Session and reconvened the Regular Meeting at 7:23 p.m.

7. Consideration and action regarding terms for a future 380 Agreement with Peerless Cleaners.

Douglas Johnson of Peerless Cleaners, along with Allen Johnson and Anita Sanchez, presented handouts to the Council of the preliminary construction design they foresee building in Ingleside along with pictures of the Corpus Christi location. They plan to invest between \$700,000-\$750,000 to build a 4,200 square foot facility behind the existing location. With the larger facility they will have additional staff, increased services, and will be open seven days a week for longer hours. The current building will continue the existing services until the new building is ready for business and then they will remove the current structure and increase their parking area. The concerns at this time is the amount of permit and impact fees involved in this process.

City Manager Jim Gray explained that the full impact fee will be required to be paid by the developer. Following that payment, a one-time grant not to exceed \$45,000 could be negotiated with a 380 agreement.

Council Member Diehl made a motion authorizing the Mayor and City Manager to negotiate a 380 Agreement with Peerless Cleaners for a grant not to exceed \$45,000 and was seconded by Council Member Adame. The motion was approved unanimously.

8. Presentation by Ingleside Independent School District Superintendent Troy Mircovich regarding their plans for a Bond Election for a new High School.

Ingleside Independent School District Superintendent Troy Mircovich provided handouts and an overview of the possible \$44,000,000 bond being considered by the School Board. They will be making a decision at their meeting scheduled for Monday, August 24, 2015 as to whether they will call for a Bond Election to be taken to the voters in November 2015. The current construction being considered is a new High School, new bus barn area, and bus drop off areas for students at the Jr. High and Blaschke Sheldon campuses.

9. Receive the Quarterly Reports from the Ingleside Municipal Court or the periods of January through March and April through June, 2015.

There were no questions from the Council for Municipal Court Judge Cheryl Deal regarding these quarterly reports.

10. Consideration and action of the Interlocal Agreement for Emergency 9-1-1 Public Safety Answering Point Services.

Police Chief Stan Bynum stated this is the standard two-year agreement with the Council of Government for Emergency 9-1-1 Public Safety Answering Point Services and staff recommends approval.

Mayor Perkins made a motion to approve the Interlocal Agreement for Emergency 9-1-1 Public Safety Answering Point Services and was seconded by Council Member Diehl. The motion was approved unanimously.

11. Consideration and action of an Ordinance amending certain sections of the Ingleside Code of Ordinances dealing with prohibited noise levels in residential and other areas as detected by sound measuring device and adopting new provisions concerning the prohibition of noise and vibration levels and the regulation thereof, and further providing for effective date, reading, severance, and publication. (First Reading)

City Manager Jim Gray explained this Ordinance has been brought back to Council for adjustments at the request of a citizen. Police Chief Stan Bynum provided examples inside and outside of the building and showed the decibel readings for these levels of music. The change in the draft Ordinance includes a lowering of the decibels and a reduction of the distance for measuring vibrations.

Council Member Diehl made a motion to pass to a second reading the Ordinance amending certain sections of the Ingleside Code of Ordinances dealing with prohibited noise levels in residential and other areas as detected by sound measuring device and adopting new provisions concerning the prohibition of noise and vibration levels and the regulation thereof, and further providing for effective date, reading, severance, and publication; and was seconded by Council Member Knippa. The motion was approved with Mayor Perkins and Council Members Wilson, Adame, Knippa, and Diehl voting aye; and Council Member Robbins voting no.

12. Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of L-1 (light Industrial) to T1-A (Travel Trailer/Recreation Park) and further providing for effective date, reading, severance, and publication: 10 acres located at Lot 5, Block G, Burton & Danforth Subdivision, located on Sunray Road. (Final Reading)

Mayor Perking made a motion to approve Ordinance # 2015-17 changing the zoning for the following property from its present zoning of L-1 (light Industrial) to T1-A (Travel Trailer/Recreation Park) and further providing for effective date, reading, severance, and publication: 10 acres located at Lot 5, Block G, Burton & Danforth Subdivision, located on Sunray Road; and was seconded by Council Member Wilson. The motion was approved unanimously.

- 13. Consideration and action of an Ordinance granting a Special Permit to be allowed to place a substituting SS-1 Dilute Material in place of concrete or asphalt paving on the property located at PT Abst 292 TT Williamson, 69.26 acres and PT Abst 387 Dayland & Cattle Co. 49.74 acres located at 2269 Avenue B, and further providing for effective date, reading, severance, and publication. (Tabled from 7/14/15) (First Reading)**

City Manager Jim Gray stated that he has received notice from the County Tax Assessor that the tax issue between them and EMAS has been resolved and EMAS is awaiting the corrected tax bill from the County in order to pay the taxes owed.

There was additional discussion between Council Members and EMAS representative Joe Mazzola regarding the need for the project to take three years. Mr. Mazzola explained they plan to not only move the parking area, but also build permanent office space at the East end of property. Because their 2016 budget has already been approved and this project is not in the budget, it will be 2017 before they can budget and therefore begin the construction of this project.

Council Member Diehl made a motion to pass to a second reading the Ordinance granting a Special Permit to be allowed to place a substituting SS-1 Dilute Material in place of concrete or asphalt paving on the property located at PT Abst 292 TT Williamson, 69.26 acres and PT Abst 387 Dayland & Cattle Co. 49.74 acres located at 2269 Avenue B, and further providing for effective date, reading, severance, and publication with an amendment to change the staff inspections from quarterly to monthly; and was seconded by Mayor Perkins. The motion was approved unanimously.

At the request of the developer, agenda item #'s 14 and 15 were removed at this time. They agreed to pay to republish and issues certified letters as needed.

- 14. A Public Hearing to change the zoning for the following property from its present zoning of M (Multi-Family Residential) to C-2 (General Commercial): Lots 3, 4, and 5 Block E, Burton & Danforth Subdivision, otherwise known as 1537 Kenney Lane.**

- 15. Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of M (Multi-Family Residential) to C-2 (General Commercial) and further providing for effective date, reading, severance, and publication: Lots 3, 4, and 5 Block E, Burton & Danforth Subdivision, otherwise known as 1537 Kenney Lane. (First Reading)**

- 16. Consideration and action for the appointment of a new member to serve on the Ingleside Development Corporation (4-B) Board of Directors.**

Council Member Adame nominated George William (Bill) Cone to serve on the IDC Board.

Council Member Knippa stated although he didn't have a resume prepared at this time, Chris Coulter of Ingleside who owns Chris' Marine in Aransas Pass is also interested in serving on this Board in the future.

Council Member Robbins stated he would rather consider Mr. Coulter at this time instead because he doesn't know Mr. Cone. It was explained that is why interested parties provide a resume like Mr. Cone did or attend the Council Meeting in order to provide some background information for the Council to make an informed decision. Council Member Knippa indicated he would be getting a resume from Mr. Coulter for future consideration.

Council Member Adame made a motion to appoint George William (Bill) Cone to serve on the IDC Board and was seconded by Council Member Wilson. The motion was approved with Mayor Perkins and Council Members Wilson, Admae, Knippa, and Diehl voting aye; and Council Member Robbins voting no.

- 17. Consideration and action authorizing the members of the Volunteer Fire Department to solicit for the Muscular Dystrophy Association (MDA) on August 1, 2015.**

Ingleside Volunteer Fire Chief RJ Thomas explained that the Fire Department is seeking approval from Council in order to hold a "Fill the Boot" campaign at the intersection of Hwy

361 and FM 1069 (Main Street) to solicit for the Muscular Dystrophy Association (MDA) on August 1, 2015. This is typically done a couple of times each year.

Council Member Wilson made a motion authorizing the members of the Volunteer Fire Department to solicit for the Muscular Dystrophy Association (MDA) on August 1, 2015 and was seconded by Council Member Knippa. The motion was approved unanimously.

18. Consideration and action authorizing the Volunteer Fire Department to participate in the Texas Emergency Services Retirement System (TESRS) and to appoint a member to serve on the Local Board.

Ingleside Volunteer Fire Chief RJ Thomas stated that several of the volunteer firefighters are interested in the program for not only the additional retirement option but also for the option for free tuition towards firefighting education. They are willing to forgo the fees they are paid by the City for attending meetings and fires in order to participate in this program. Therefore there will be no additional cost to the City because these fees are already budgeted. Additionally, the Council needs to appoint a representative to the local board.

Mayor Perkins made a motion authorizing the Volunteer Fire Department to participate in the Texas Emergency Services Retirement System (TESRS) and to appoint the City Manager, or his designee to serve on the Local Board; and was seconded by Council Member Adame. The motion was approved unanimously.

19. Receive and discuss the City's financial situation, including but not limited to its budget, revenues, expenses, assets, and debts. Presentation by Ernest Garza regarding the implementation of new pension accounting rules (GASB#68).

City of Ingleside Auditor, Ernest Garza explained that due to changes in reporting requirements there is an unfunded retirement of \$1,381,935. In the past, this has been noted in the audit but new pension accounting rules (GASB#68) now requires this to be reflected in the financial statements. How this will affect the City's credit rating is unknown at this time. Creditors are aware that this has been in the City's audit for many years; however, now that this is affecting the Total Net Position, it could potentially draw more attention to the unfunded need.

20. Consideration and action regarding the setting of the public hearings, the proposed tax rate, and any direction to staff with regards to the FY 2015/2016 Budget.

Ingleside Chamber of Commerce Chairman, John Tummons provided a handout to the Council and explained their need for the use of Hotel/Motel Tax Funds. He noted the public's attendance at events, number of Web Page likes, number of E-Blasts, and number of members. At this time they will begin their budgeting with the expectation of \$115,000 of funding from the City of Ingleside. There were no questions from the Council at this time.

City Manager Jim Gray stated that due to the City not having a certified tax role at this time, we will not discuss details of the proposed budget. We have already seen a decline in the property values by the Appraisal Review Board. Although we originally drafted a budget with additional staff and various other items; we are currently reducing that budget to be the same budget as the current year with the inclusion a 2% wage increase for staff, an increase in medical and retirement costs and the inclusion of Capital Improvement Projects/Funds. The staff has also included the bond payments needed if the Council approves a \$7,000,000 Certificate of Obligation Bond. The new bond will include items for Street/Sidewalks, Drainage, and the expansion of Live Oak Park. At this time, the staff is recommending a reduction in the tax rate from \$0.615 to \$0.610/\$100 value. For the average household this will be an additional \$11.00 annually.

Mayor Perkins made a motion that the property tax rate be increased by the adoption of a tax rate not to exceed \$0.610, which is effectively a 3.97% increase in the tax rate; and was seconded by Council Member Diehl. The motion was approved with Mayor Perkins and Council Members Wilson, Adame, and Diehl voting aye; and Council Members Robbins and Knippa voting no.

Council Member Diehl made a motion to set the Public Hearings for the budget and tax rates to be August 11 and 25, 2015; and was seconded by Mayor Perkins. The motion was approved with Mayor Perkins and Council Members Wilson, Adame, Knippa, and Diehl voting aye; and Council Member Robbins voting no.

21. Staff Reports

City Manager Jim Gray reminded the Council of the Joint Special Meeting between City and IISD scheduled for August 4, 2015 at 6:30 p.m. at City Hall and noted that the contract with HGAC regarding the Comprehensive Master Plan was approved by HGAC and thereby the staff will begin working with Kendig Keast to set up future public meetings for input.

22. Requests from Council Members

Council Member Diehl thanked the Police Officers for their additional hours and speed enforcement recently and stated he hopes the staff continues to do this on a routine basis.

Council Member Knippa questioned an End of School Zone on Avenue A near 6th Street. City Manager Jim Gray stated he would look into that sign.

Council Member Wilson requested a future update regarding the apartments that are currently under construction here in Ingleside.

23. Adjourn

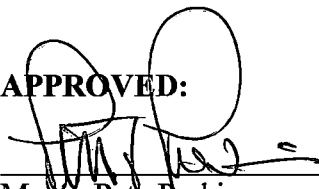
There being no further business, the meeting was adjourned at 9:20 p.m.

ATTEST:



Kimberly Sampson, City Secretary

APPROVED:



Mayor Pete Perkins