

**CITY OF INGLESIDE
MINUTES
REGULAR CITY COUNCIL MEETING
DECEMBER 15, 2015**

1. Call meeting to order

The meeting was called to order at 6:35 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 Member Paul Pierce arrived at approximately 7:28 p.m. Staff present: City Manager Jim Gray, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were approximately 45 guests.

2. Invocation

3. Pledge of Allegiance

4. Presentations from the Audience

Youth That Care (YTC) representative Brittney Elkins introduced the winners of the "Annual YTC Paste the Waste" contest winners as follows:

- Sculpture 3rd Place – Katelynd Arismendez
- Sculpture 2nd Place – Trinity Glowka
- Sculpture 1st Place – Julian Delgadillo
- Portrait 3rd Place – Madison Ladewig
- Portrait 2nd Place – Brianna Sanchez
- Portrait 1st Place – Amber Flournoy
- Honorable Mention – Zephariah Lipovisky

Mrs. Tracy Friday provided an overview of her situation in which she received a \$330 bill from the City for trimming trees. She requested the Council reconsider the Ordinance and make changes to be more citizen friendly and require more communication with the public.

5. Consideration and action of the Minutes of the Regular City Council Meeting of November 17, 2015.

Council Member Diehl made a motion to approve the Minutes of the Regular City Council Meeting of November 17, 2015 and was seconded by Council Member Wilson. 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 "Deliberation Regarding Economic Development Negotiations" regarding the following item: Kiewit Offshore Services Industrial District Agreement # 8.

Mayor Perkins recessed the Regular Meeting to move the Council into Closed Executive Session at 6:51 p.m.

Mayor Perkins closed the Executive Session and reconvened the Regular Meeting at 7:10 p.m.

7. Consideration and action of an amendment of Industrial District Agreement # 8 with Kiewit Offshore Services.

There was no action taken.

8. Consideration and action of a Resolution approving a Tax Abatement Agreement by and between the City and Occidental Petroleum Corporation or a related company concerning a portion of the 1000 acres constituting Ingleside Reinvestment Zone 2014-1.

Council Member Diehl requested clarification regarding section # 34 regarding a majority vote by the Council.

Council Member Diehl made a motion to approve Resolution # 2015-15 approving a Tax Abatement Agreement by and between the City and Occidental Petroleum Corporation or a related company concerning a portion of the 1000 acres constituting Ingleside Reinvestment Zone 2014-1 with the clarification by the Attorney's regarding the majority vote by the Council; and was seconded by Mayor Perkins. The motion was approved unanimously.

9. **Consideration of and action of a Resolution approving an Interest Waiver Agreement by and between the City and Occidental Petroleum Corporation or a related company concerning the lawsuit by and between the Cities of Corpus Christy and Ingleside regarding their jurisdiction.**

City Manager Jim Gray explained that currently Occidental Petroleum Corporation and similar entities are paying taxes to both Ingleside and Corpus Christi while these two communities continue to resolve our disagreement in the courts. When the lawsuit between the two communities is finally settled, one of the entities will have to reimburse the taxpayers their taxes, with interest. This agreement is stating that Occidental Petroleum Corporation is forfeiting their interest should Ingleside not win the lawsuit.

Council Member Adame made a motion to approve Resolution # 2015-16 approving an Interest Waiver Agreement by and between the City and Occidental Petroleum Corporation or a related company concerning the lawsuit by and between the Cities of Corpus Christy and Ingleside regarding their jurisdiction and was seconded by Council Member Diehl. The motion was approved unanimously.

10. **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 City and described as follows: THE 399.79 +/- ACRES OF LAND, INCLUDING ALL ATTACHMENTS, PROJECTIONS AND EXTENSIONS THEREFROM, SUCH AS PIERS, BULKHEADS, DOCKS, AND WHARVES, WHICH CONSTITUTES INGLESIDE INDUSTRIAL DISTRICT NO. 8 AND WHICH IS THE SUBJECT OF INDUSTRIAL DISTRICT AGREEMENT NO. 8 BY AND BETWEEN THE CITY AND KIEWIT OFFSHORE SERVICES, LTD. (Final Reading)**

Council Member Diehl made a motion to approve Ordinance # 2015-24 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 City and described as follows: THE 399.79 +/- ACRES OF LAND, INCLUDING ALL ATTACHMENTS, PROJECTIONS AND EXTENSIONS THEREFROM, SUCH AS PIERS, BULKHEADS, DOCKS, AND WHARVES, WHICH CONSTITUTES INGLESIDE INDUSTRIAL DISTRICT NO. 8 AND WHICH IS THE SUBJECT OF INDUSTRIAL DISTRICT AGREEMENT NO. 8 BY AND BETWEEN THE CITY AND KIEWIT OFFSHORE SERVICES, LTD.; and was seconded by Mayor Perkins. The motion was approved unanimously.

11. **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 City and is described as follows: THE 104.21 +/- ACRES OF LAND, INCLUDING ALL ATTACHMENTS, PROJECTIONS AND EXTENSIONS THEREFROM, SUCH AS PIERS, BULKHEADS, DOCKS, AND WHARVES, WHICH CONSTITUTES INGLESIDE INDUSTRIAL DISTRICT NO. 3 AND WHICH IS THE SUBJECT OF INDUSTRIAL DISTRICT AGREEMENT NO. 3 BY 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.). (First Reading)**

Mayor Perkins 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 City and is described as follows: THE 104.21 +/- ACRES OF LAND, INCLUDING ALL ATTACHMENTS, PROJECTIONS AND EXTENSIONS THEREFROM, SUCH AS PIERS, BULKHEADS, DOCKS, AND WHARVES, WHICH CONSTITUTES INGLESIDE INDUSTRIAL DISTRICT NO. 3 AND WHICH IS THE SUBJECT OF INDUSTRIAL DISTRICT AGREEMENT NO. 3 BY 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.); and was seconded by Council Member Diehl. The motion was approved with Mayor Perkins and Council Members Wilson, Robbins, Knippa, and Diehl voting aye; and Council Member Adame abstaining from the vote due to his employment affiliation with Koch/Flint Hills.

12. Consideration and action to award the bid for the sale of the old Sewer Plant land located on the South West area of town.

City Manager Jim Gray stated there was only one bid for this property and that was by Mr. Ken Berry. Mr. Berry currently owns property directly next to this land and therefore there is no concern for a land-lock situation.

Council Member Adame made a motion to award the bid of the old Sewer Plant land located on the South West area of town to Mr. Ken Berry for the price of \$5,000.00 and was seconded by Mayor Perkins. The motion was approved unanimously.

13. Public Hearings:

Mayor Perkins opened the Public Hearings at 7:25 p.m.

- a) **An application to rezone the South 300 feet (300'X330') of Farm Lot 11, Block F, Burton and Danforth Subdivision to be allowed to change the zoning from its present zoning of R-1 (Single-Family Residential) to R-3 (Three and Four Family Residential).**

As Operations Manager, Mr. Doug Reed spoke on behalf of Wiser LLC who has a contract to purchase the land from the current property owner Mr. Richard Stone. They plan to remove the existing trailer and build a 4-plex. The property is current surrounding by T-1 C (Travel Trailer/Recreation Park) on two sides, M (Multi-Family on one side, and R-1 (Single Family Residential) on one side.

There were no speakers against this rezone.

- b) **An application for the right of way closure located at the unimproved 30 ft. wide portion of Oakvale Drive, being that portion of West Oakvale Drive that begins at the northwest corner of Lot 9 of Oakvale Meadows Subdivision and heads North for approximately 469 feet where it intersects and curves into North Oakvale Drive, and approximately 152 feet of North Oakvale Drive, being the remaining portion of North Oakvale Drive that still remains open after the closure recorded in Ordinance # 983, Document # 595333. Also that unimproved 30 feet wide portion of East Oakvale Drive that begins at the Northeast corner of Lot 3 of Oakvale Meadows Subdivision and runs North approximately 781 Feet to the Southern boundary of the street closure recorded in Ordinance # 983. This closure is being requested as part of an agreement with the landowner for the acquisition of a drainage easement.**

Speaking in favor of the ROW closure was Craig Thompson of Naismith Engineering. Property owner Jim West was in the audience for any questions. Mr. Thompson explained that as part of the City's drainage improvements for Tiner Lane, this is one of the first key components. As the engineers speak with other property owners, there may be similar request to assist them on their property.

Speaking against this ROW closure was Mr. Jerry Global who is concerned that the City won't be able to get all of the easements to move the water across Tiner Lane and therefore do further damage to Lover's Lane area.

Staff reminded the public that the staff and Council can discuss during the action item (agenda item # 15), but cannot discuss during the Public Hearing.

Mayor Perkins closed the Public Hearings at 7:31 p.m.

- 14. Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of R-1 (Single-Family Residential) to R-3 (Three and Four Family Residential) and further providing for effective date, reading, severances, and publication: South 300 feet (300' X 330') of Farm Lot 11, Block F, Burton and Danforth Subdivision. (First Reading)**

Building Official John Davis reminded the Council that this property is current surrounding by T-1 C (Travel Trailer/Recreation Park) on two sides, M (Multi-Family on one side, and R-1 (Single Family Residential) on one side. This is not spot zoning and therefore is a good fit for the property.

Council Member Diehl made a motion to move to a second reading the Ordinance changing the zoning for the following property from its present zoning of R-1 (Single-Family Residential) to R-3 (Three and Four Family Residential) and further providing for effective date, reading, severances, and publication: South 300 feet (300' X 330') of Farm Lot 11, Block F, Burton and Danforth Subdivision; and was seconded by Council Member Adame. The motion was approved with Mayor Perkins and Council member Wilson, Adame, Diehl, and Pier voting aye; and Council Members Robbins and Knippa voting no.

- 15. Consideration and action of an Ordinance of the City of Ingleside; Texas for the right of way closure located at the unimproved 30 ft. wide portion of Oakvale Drive, being that portion of West Oakvale Drive that begins at the northwest corner of Lot 9 of Oakvale Meadows Subdivision and heads North for approximately 469 feet where it intersects and curves into North Oakvale Drive, and approximately 152 feet of North Oakvale Drive, being the remaining portion of North Oakvale Drive that still remains open after the closure recorded in Ordinance # 983, Document # 595333. Also that unimproved 30 feet wide portion of East Oakvale Drive that begins at the Northeast corner of Lot 3 of Oakvale Meadows Subdivision and runs North approximately 781 Feet to the Southern boundary of the street closure recorded in Ordinance # 983; and providing for effective date, reading, severances, and publication. (First Reading)**

In response to Mr. Jerry Gobal's question, Craig Thompson of Naismith Engineering explained that absolutely no movement of dirt for this project would take place until all easements/ROW's are finalized.

Mr. Gobal questioned why the engineers won't consider bringing the water across Tiner Lane. City Manager Jim Gray stated that engineers are still considering that option; however, their initial review of that option is that it potentially causes damage to other property owners and thereby only shifts the problem from one area of town to another. The best case scenario is the route currently being discussed with specific property owner which does not cross Lover's Lane. The engineers are meeting with the property owners and so far the negotiations appear promising. This staff and engineers will continue working on this preferred path until we meet an impasse, then other options will be considered.

If a compromise with land owners for a viable project cannot be met, the funds can be shifted to another project by City Council. The bond funds must be significantly obligated and spent within three (3) years of the date of the bond sales. This includes drainage, streets, sidewalks, and parks projects.

Council Member Wilson made a motion to pass to a second reading the Ordinance of the City of Ingleside, Texas for the right of way closure located at the unimproved 30 ft. wide portion of Oakvale Drive, being that portion of West Oakvale Drive that begins at the northwest corner of Lot 9 of Oakvale Meadows Subdivision and heads North for approximately 469 feet where it intersects and curves into North Oakvale Drive, and approximately 152 feet of North Oakvale Drive, being the remaining portion of North Oakvale Drive that still remains open after the closure recorded in Ordinance # 983, Document # 595333. Also that unimproved 30 feet wide portion of East Oakvale Drive that begins at the Northeast corner of Lot 3 of Oakvale Meadows Subdivision and runs North approximately 781 Feet to the Southern boundary of the street closure recorded in Ordinance # 983; and providing for effective date, reading, severances, and publication; and was seconded by Mayor Perkins. The motion was approved unanimously.

Mayor Perkins moved agenda item # 25 forward.

- 25. Consideration and action regarding a customized Economic Development Agreement and a seat on the Board of Directors with Corpus Christi Economic Development Corporation.**

Corpus Christi Economic Development Corporation (CCREDC) President Iain Vasey provided an overview of the current makeup of the CCREDC Board of Directors. These Board Members are representatives of those entities (municipalities included) that have paid \$50,000 or more for annual memberships. The Board has discussed the inclusion of additional voting members who contribute \$50,000 or more and they are open to the change in their numbers. Mr. Vasey continued to provide a summary of businesses that CCREDC has already assisted in bring to the Coastal Bend and their plans for future promotions. They don't focus on small retail and housing, but more on and increase in jobs and payroll figures. When potential developers are discussed with the Board Members, confidentiality statements are signed and typically fictional names are assigned until the details are finalized. But this still gives the Board Members a better look at what is going on in the region and an opportunity to better represent your specific interest.

City Manager Jim Gray stated Ingleside has received more assistance and leads from CCREDC in recent years than from SPEDC. Our staff and CCREDC work well together to provide each other information.

Council Members Diehl and Adame agreed this is a good use of the 4-B Tax Funds that has strictly limited uses. And they feel that having an Ingleside representative on the Board will help Ingleside to have someone at the forefront of the discussions regarding potential developers. It was noted that the use of 4-B funds would require an application to the IDC Board and then eventually be brought back to City Council for final approval.

Council Member Adame made the motion for the staff to request the Ingleside Development Corporation (4-B Board of Directors) to consider using \$50,000 of 4-B funds to join the CCREDC; and was seconded by Council Member Diehl. The motion was approved with Mayor Perkins and Council Member Wilson, Adame, Diehl, and Pierce voting aye; and Council Members Robbins and Knippa voting no.

16. Consideration and action of an Ordinance amending the Ingleside Code of Ordinances Chapter 14, Article IV Animal and Rabies Control, Section 14-44 (a); relating to Rabies Vaccinations of dogs and cats; and Article II Section 14-16 (B) Written Notice Required; allowing for personal service of notice to an accused by an Animal Control Officer or Peace Officer; and further providing for effective date, reading, severance, and publication. (First Reading)

Police Chief Stan Bynum explained that the City Ordinances are outdated with what is allowed with State Regulations. The Veterinarians can now offer two and three year rabies vaccinations but we don't allow for that by ordinance. The other change is to allow the staff to hand deliver the notices regarding animals that have violated some portion of the ordinances instead of everything requiring Certified Return Receipt mail. It's faster and typically more reliable because they are often reluctant to pick up Certified Mail.

Council Member Adame made a motion to pass to a second reading an Ordinance amending the Ingleside Code of Ordinances Chapter 14, Article IV Animal and Rabies Control, Section 14-44 (a); relating to Rabies Vaccinations of dogs and cats; and Article II Section 14-16 (B) Written Notice Required; allowing for personal service of notice to an accused by an Animal Control Officer or Peace Officer; and further providing for effective date, reading, severance, and publication; and was seconded by Council Member Pierce. The motion was approved unanimously.

17. Consideration and action of a Resolution supporting private sector development of a Seawater Desalination Project.

Mayor Perkins stated this is the same Resolution of Support approved by the County. Council Member Pierce noted a couple of typographical errors and those changes will be made.

Council Member Diehl made a motion to approve Resolution # 2015-17 supporting private sector development of a Seawater Desalination Project and was seconded by Council Member Knippa. The motion was approved unanimously.

18. Consideration and action for exclusive use of the Dixie Diegal Baseball Fields by the Ingleside Little League for the January through August 2016 season.

Council Member Pierce made a motion to approve the exclusive use of the Dixie Diegal Baseball Fields by the Ingleside Little League for the January through August 2016 season and was seconded by Council Member Diehl. The motion was approved unanimously.

19. Consideration and action regarding the appointment/reappointment for members to serve on the Board of Adjustments.

Council Member Diehl made a motion to approve the appointment/reappointment for members to serve on the Board of Adjustments as follows:

- Place # 3 Ben Tucker (1st Term, to expire December 2016)
- Place # 4 Frank Truitt (2nd Term, to expire December 2017)
- Place # 5 Diane Brady (2nd Term, to expire December 2017)
- Alternate Place # 7 Mike Francesco (1st Term, to expire December 2016)
- Alternate Place # 8 Johnny Shouse (1st Term, to expire December 2017)

The motion was seconded by Council Member Pierce and approved unanimously.

20. Consideration and action regarding the appointment/reappointment for members to serve on the Planning and Zoning Commission for the 2016/2017 Term.

Council Member Knippa made a motion to approve the appointment/reappointment for members to serve on the Planning and Zoning Commission for the 2016/2017 Term as follows:

- Place # 1 Brenda Richardson (1st Term, to expire December 2017)
- Place # 2 Elizabeth Beebe (2nd Term, to expire December 2017)
- Place # 3 Steve Cannon (2nd Term, to expire December 2017)

The motion was seconded by Council Member Diehl and approved unanimously.

21. Consideration and action authorizing the appointment of a peace officer to serve as a Reserve/Auxiliary Officer for the City of Ingleside.

Police Chief Stan Bynum requested a 4th Reserve Police Officer, Jamie Loving. He has worked for the City of Ingleside in the past. He currently resides outside the area but returns here regularly for personal matters and is willing to use his certified instructor training status to help our department.

Council Member Knippa stated he could not support due to Mr. Loving living so far away.

Council Member Diehl made a motion to approve the appointment of Jamie Loving as a Reserve/Auxiliary Officer for the City of Ingleside and was seconded by Council Member Pierce. The motion was approved with Mayor Perkins and Council Members Wilson, Adame, Diehl, and Pierce voting aye; and Council Members Robbins and Knippa voting no.

22. Consideration and action of the 2016 Holiday Schedule.

Council Member Diehl made a motion to approve the 2016 Holiday Schedule and was seconded by Council Member Adame. The motion was approved unanimously.

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

Finance Director Paul Baen presented the monthly financial reports and stated there was a net increase of funds in the amount of \$61,766.34. The Safe Keeping account at Frost Bank has been established as per Patterson's request. Reimbursement from TXDoT is only pending the approval by the Army Corp of Engineers. Once that is finalized, we can request Phase I reimbursement from TXDoT regarding the SH-200 project.

24. Consideration and action of the recommended changes to the City's Investment Policy and the approval of a list of recommended investment brokers.

Finance Director Paul Baen these recommendations changes are all requirements within the Public Funds Investment Act and the list of brokers are companies that Patterson typically works within and therefore each entity involved is familiar with the process and procedures.

Mr. Willie Vaden questioned how much was being paid to the Patterson group vs. how much revenue is being projected as returns in order to know if this is a good use of city funds. Mr. Baen stated the City is paying the Patterson group \$20,000 annually and we are anticipating a \$70,000 return for a potential \$50,000 profit.

Mayor Perkins made a motion to approve the recommended changes to the City's Investment Policy and the approval of a list of recommended investment brokers as presented and was seconded by Council Member Diehl. The motion was approved unanimously.

26. Receive the Departmental Reports for the month of November 2015.

Council Member Diehl questioned JJ Johnston's contract and the need for a trip to China. City Manager Jim Gray explained that the contract with Mr. Johnston didn't actually start until January 2015 due to the Holidays in late 2014 and the trip to China was tabled until after the Master Plan is approved. Council Member Pierce questioned Mr. Johnston's involvement with Housing and Mr. Gray explained that Mr. Johnston had a few contacts with individuals in the housing industry that came to him and he brought them to Ingleside.

27. Staff Reports

City Manager Jim Gray updated the Council regarding the following items:

- * Reminder of the Special City Council Meeting on Tuesday, December 29, 2015;
- * Master Plan Community Meeting rescheduled for January 4, 2016;
- * Please RSVP with the City Secretary tonight if you plan to attend the TPCO Annual Holiday Party;
- * The CEO for Cheniere has been removed from his position and therefore there may be changes in Cheniere's presence in the Coastal Bend area; and
- * Mr. Gray will be out of the office December 21 through 31, 2015 (other than the Special City Council Meeting of December 29, 2015).

28. Requests from Council Members

Mayor Perkins asked about an update regarding the Swan Lake Drainage and City Manager Jim Gray stated that the City is waiting on the San Patricio County Drainage District to provide the estimated cost figures to the City for review.

Mayor Perkins requested an update regarding the apartment complex at SH-361 and Avenue A. Mr. Gray stated he attempts to contact the owner prior to each Council Meeting for an update. There is a rumor that they are attempting to sell the property to another investor; however, Mr. Gray has not confirmed with the owner at this time.

Mayor Perkins and Council Member Diehl requested a review of the Tree Trimming Policy.

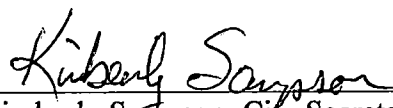
Council Member Diehl requested a future agenda item regarding the Welcome to Ingleside sign project, SH-200 project, and a regular agenda item regarding the \$7M Bond funds.

Council Member Adame stated the Street Committee will be bringing a report to the Council in January 2016.

29. Adjourn

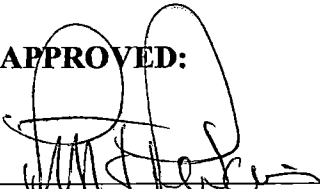
There being no further business, the meeting was adjourned at 9:07 p.m.

ATTEST:



 Kimberly Sampson, City Secretary

APPROVED:



 Mayor Pete Perkins