

**CITY OF INGLESIDE  
MINUTES  
REGULAR CITY COUNCIL MEETING  
JUNE 14, 2016**

**1. Call meeting to order**

The meeting was called to order at 6:31 p.m. with Mayor Luis Lamas presiding. Council Members present: Mayor Luis Lamas and Council Members Ben Tucker, Bill Underbrink, Oscar Adame, Dennis Knippa, Steve Diehl and John Schack. Staff present: City Manager Jim Gray, Finance Director Paul Baen, and City Secretary Kimberly Sampson. There were approximately 60 guests.

**2. Invocation**

**3. Pledge of Allegiance**

**4. Presentations from the Audience**

Mr. Willie Vaden stated that until you sit in the Mayor's seat, you cannot know the pressure of the position. As the Mayor, an individual receives more information and input from others than the typical Council Member. Don't condemn a person until you sit in that position; however, when you sit in that position, you have must learn how to handle the additional responsibility.

**5. Consideration and action of the Minutes of the City Council Meeting of May 19 and 24, 2016.**

Council Member Diehl made a motion to approve the Minutes of the City Council Meeting of May 19 and 24, 2016 and was seconded by Council member Underbrink. The motion was approved unanimously.

**6. Introduction of the new Chamber of Commerce President, Jane Gimler and discussion regarding additional electrical services at N.O. Simmons Park and Live Oak Park due to the growing attendance of Chamber of Commerce events.**

Ms. Jane Gimler introduced herself as the new Ingleside Chamber of Commerce (CoC) President and provided a brief background. The CoC has set a goal for Community Unity in order to bring the City, County, and Chamber all together in future projects. They are doing a little restructuring of job duties within the CoC offices and hope the new direction will help to promote growth of membership. She apologized that Kenneth Mills could not be present tonight to discuss the additional electrical needs; however, they would like to present those ideas at a later date.

**7. Consideration and action regarding the membership with San Patricio Economic Development Corporation.**

San Patricio Economic Development Corporation (SPEDC) Executive Director, Foster Edwards explained that since he was hired earlier this year he has been attending each of the nine (9) cities and one (1) village throughout the County to meet the City Councils and get to know them. Since Ingleside has four (4) new Council Members, he has come back to Ingleside again. SPEDC is having monthly meetings in each city in order to have the hosting Mayor and Chamber of Commerce provide information about their community. Previously they have had 40-50 people to attend each meeting. SPEDC's has three (3) goals: Business Creation and Entrepreneurship, Business Retention, and Business Recruiting. He did stress the need for confidentiality and the need to not use a company's name when discussing the potential investment until the company felt comfortable releasing their name, even to the Board of Directors.

There was discussion regarding the City of Ingleside reinvesting in the SPEDC at the cost of \$5,000. It was questioned which Economic Development group was better SPEDC or Corpus Christi Regional Economic Development Corporation (CCREDC). City Manager

Jim Gray stated that obviously CCRED has more resources available; however, the City can be involved with both EDCs.

Council Member Diehl made a motion to rejoin SPEDC and thereby authorizing the staff to use City Council Discretionary Funds for \$5,000 fee; and was seconded by Council Member Adame.

Mr. Willie Vaden cautioned the City Council of rejoining the SPEDC when no changes to the By-Laws have been made since almost a year ago the Ingleside City Council withdrew due to the lack of voice on Executive Committee.

Mrs. Stella Herrmann Chandler stated she didn't know what has happened over the years, but at one time the SPEDC was very helpful in bringing TPCO to San Patricio County.

There was additional discussion regarding the transparency of the Executive Committee and how the Board of Directors interact. It was questioned when the By-Laws will be approved and what changes are being made. Mr. Edwards stated that the changes are still being discussed by the By-Laws Committee and will be presented to the entire Board at their next meeting scheduled sometime in August. Council Member Diehl stated it has been questioned in the past why Ingleside on the Bay (who is against industry) has a seat on the Executive Committee of the SPEDC when the City of Ingleside Mayor can't even be given an invitation to be on the Board of Directors. Previously the Executive Committee has denied the City of Ingleside's Mayor to represent the City of Ingleside, that is why we withdrew from SPEDC. Council Member Underbrink stated that when he served as a San Patricio County representative on the Board of Directors, they had no voice; only the Executive Committee had authority then as well. Mr. Edwards did explain that the Executive Committee handles business regularly and the Board ratifies the actions after the fact. There is a new Chairperson of the Executive Committee this year. Council Member Shack stated he couldn't support a group that would deny the City of Ingleside's Mayor to be on the general Board of Directors but allow Ingleside on the Bay a seat on the Executive Committee.

Mayor Lamas called for the vote. The motion was approved with Mayor Lamas and Council Members Adame, Knippa, and Diehl voting aye; and Council Members Tucker, Underbrink, and Schack voting no.

**8. Discuss and take action on a Chapter 380 Economic Development Program and a Chapter 380 Economic Development Agreement by and between the city and Peerless Cleaners.**

City Manager Jim Gray stated that the previous Council had approved the staff to negotiate a Chapter 380 Economic Development Agreement with Peerless Cleaners. Instead of a tax reduction over time, Peerless Cleaners requested the one time lump sum of \$45,000. Staff recommends approval. This payment will be funded by the permit fees paid by Peerless Cleaners.

Council Member Diehl made a motion to approve the Chapter 380 Economic Development Program and a Chapter 380 Economic Development Agreement by and between the city and Peerless Cleaners and was seconded by Council Member Tucker. The motion was approved unanimously.

**9. Update regarding the Flooding Event of May 15 and 16, 2016 and possible action for additional funding of the flooding event.**

City Manager Jim Gray explained that just today we have received word back from the Small Business Association (SBA) that they have approved our area for their low interest rate loan program. They will be coming to Aransas Pass Civic Center with the dates/times to be announced soon. There will be no State Declaration or FEMA relief for our rain event.

Additionally, the Council previously approved for the staff to provide free disposal of debris and authorized the staff to help pick up the debris for 30-days. The Council originally approved \$30,000 for this process. That 30-day timeframe does not run out until

this coming Friday (3-days from now) and the cost are already at approximately \$52,000. Staff is seeking direction for additional funds and whether to extend the 30-days free debris removal.

Council Member Underbrink made a motion to approve an additional \$60,000 and extend the free cleanup for an additional 60-days without weekend hours. The motion died for a lack of a second.

Mrs. Cindy Wilson questioned why the Citizens weren't being required to use the Friday Bulk Pick Up by BFI. Typically the citizens call City Hall and let them know they have bulk pick up. Then the list is provided to BFI on Friday morning. Mrs. Karen Bridges suggested that the City Staff notate the addresses and provide to City Hall. Council Member Diehl asked if BFI would allow us to pick up throughout the week and only require them to pick up from one location. Mr. Gray stated he would inquire about that.

Council Member Adame made a motion authorizing an additional \$25,000 to come from Council Reserve Funds and for the 30-day free debris removal end as previously scheduled as of June 17, 2016; and was seconded by Council Member Schack. The motion was approved with Mayor Lamas and Council Members Tucker, Adame, Knippa, Diehl, and Schack voting aye; and Council Member Underbrink voting no.

Council Member Diehl questioned why staff went over the \$30,000 originally approved. Council Member Schack stated it was only a starting figure and it was known it could increase. Additionally, the staff was instructed to provide free debris disposal for 30-days, they couldn't discontinue in the middle of the 30-days.

**10. Consideration and action regarding the SH-200 Project to include, but not to be limited to, all financial aspects and the possibility of TxDOT taking over the project.**

City Manager Jim Gray provided the letter from TxDOT Regional Engineer Chris Caron specifying they agree for Ingleside to complete Phase 1 and 2 and receive reimbursement. Then TxDOT will provide a new AFA Agreement to complete Phase 3 and give credit to Ingleside for any work performed on Phase 3 as in-kind funds. The \$2,000,000 from Cheniere can be used for any in-kind funds. TxDOT has pushed this project to 2018 to provide the City time to work with other area industry partners to fund our portion of the project.

Council Member Diehl questioned why the staff went above the original AFA Agreement guidelines to complete only one phase at a time and when will the reimbursements occur. Naismith Engineer John Michael explained that since the project was started, TxDOT has had five (5) different District Engineers, so the communication between the State and City has fluctuated and changed with each person. That being said, there have been other circumstances that accelerated the phases. Cheniere requested everything be fast tracked so they could get their project up and running sooner. Now Cheniere has withdrawn their own project and we have exceeded our original financial guides. However, it is still very likely that once all the reimbursements and additional industry partners join the project, that this will not cost the citizens any funds. In good faith, Cheniere has agreed to fund \$2,000,000 of the original \$4,000,000 funds needed. With regards to the reimbursement, we will be reimbursed when the completion of each Phase is deemed final and approved. Phase 1 is completely with the TxDOT staff for review. The only cost that may occur is if they request any adjustments to the wording of the final document. Phase 2 is 85 complete and should be final within 45-days.

Council Member Diehl made a motion as follows: (1) to halt all work on Phase 2 pending the reimbursement of Phase 1 from TxDOT; (2) once reimbursement from Phase 1 is received by the City, then Phase 2 can resume; and (3) no more work on Phase 3 because that will be turned over to the State to complete. The motion was seconded by Council Member Schack and approved unanimously.

For clarification purposes, Council Member Diehl specified that all work would stop as of today's date. There should be no billable hours after today's date regarding Phase 2 until reimbursement of Phase 1 is received and no billable hours after today's date for Phase 3 at all.

**11. Consideration and action of the Naismith Engineering fee schedule from January 1, 2013 through February 20, 2016. The Council may meet in Closed Executive Session as allowed by Texas Government Code Section 551.071 Consultations with Attorney.**

Mayor Lamas recessed the regular meeting in order to go into Closed Executive Session at 8:30 p.m.

Mayor Lamas closed the Executive Session and reconvened the regular meeting at 9:20 p.m.

There was no action taken.

**12. Consideration and action to terminate the existing Contract with Naismith Engineering for general engineering services.**

Council Member Diehl made a motion to cancel the General Contract only with Naismith Engineering and was seconded by Mayor Lamas.

Council Member Schack voiced his concern that when a vote is taken, the Council should move forward and not bring back again and again until you get your way. This was voted on two weeks ago to continue and is now brought back to swing the vote. This is just politics and should not be allowed. He further questioned if there was any design failure on the part of the Engineers and Mayor Lamas said, "No." Council Member Adame stated this is not to terminate the use of Naismith all together; it is just canceling their contract. We can still use them for some projects. If both Engineer "A" who draws the plans for a design and Engineer "B" who reviews the design both work for the same company; he feels this is a conflict of interest. He further stated he wanted someone in-house to oversee the Engineer work.

City Manager Jim Gray stated that the work the Engineers are performing regarding the Bond Funds is being done under the General Contract.

Council Member Diehl amended his motion to specify that the Bond Projects would continue under the General Contract and was seconded by Mayor Lamas.

Prior to the vote being taken, Mr. Stewart Wilson approached the podium. Mayor Lamas called for the vote. During the middle of taking the vote, it was questioned if Mr. Wilson could be heard. Attorney Steve Hilmy and City Secretary Kimberly Sampson both stated once the roll is being called there can be no further discussion. City Manager Jim Gray stated that the City uses Roberts Rules of Order as a guideline, but they have not been adopted.

Mr. Wilson stated that Naismith Engineering has worked with the City on numerous projects and some at no charge and others with delayed fees to help the City through financial issues. He feels this is the old politics trying to take the City backwards instead of forwards.

The motion was approved with Mayor Lamas and Council Members Underbrink, Adame, Knippa, and Diehl voting aye; and Council Members Tucker and Schack voting no.

**13. Consideration and action authorizing the list of street repairs related to the bond funds.**

City Manager Jim Gray stated that when the Street Committee met it was suggested that the annual Street Improvements not be done this year so all that is being brought before Council is the list of streets for the bond funds.

Council Member Adame and Mr. Stewart Wilson (both part of the Street Committee) stated they thought the draft was to be brought back to the Street Committee for review prior to being brought to Council for action. They want to see more detail of the cost figures and all the streets being considered.

Council Member Adame made a motion to table this agenda item and was seconded by Council Member Underbrink.

There was additional discussion regarding whether the bonds had to be spent within the three-years or if they only have to be significantly spent.

Mayor Lamas called for the vote and it was approved unanimously.

**14. Consideration and action of the drainage improvements to be funded from the bond funds.**

John Michael of Naismith Engineering stated he feels there are two main areas that need to be addressed: (1) Avenue B Outfall to relieve the Aransas and Oklahoma area of town; and (2) a new Emery Bullard Outfall to relieve the area between Waco and West Main Street. There are definitely other areas of town that need drainage work, such as Tiner Lane, but the necessary easements are not available.

Council Member Adame requested another look at Tiner Lane and suggested that the ditch between homes on Lovers Lane also be addressed. Council Member Diehl suggested if man-power is the issue that we use Temporary Agency staff to help hold flags and thereby allow our staff to perform the necessary work.

Mrs. Karen Bridges of Lovers Lane suggested that an underground pipe be installed the whole way from Mr. West's pond to the drainage ditch on the west side of Lovers lane in order to prevent constant maintenance and possible safety issues in peoples yards.

Council Member Underbrink made a motion for a Workshop to focus on drainage and was seconded by Council Member Adame. The motion was approved unanimously.

It was decided to hold the Drainage Workshop on Tuesday, June 21, 2016 instead of the Council Retreat.

**15. Consideration and action of an Ordinance amending Chapter 18 – Buildings and Building Regulations, Ingleside Code of Ordinances and providing for effective date, reading, severance, and publication.**

Building Official John Davis stated this Ordinance is to allow the Staff the ability to waive permit fees during an Emergency situation without having to wait for Council action.

Council Member Schack made a motion to pass to a second reading the Ordinance amending Chapter 18 – Buildings and Building Regulations, Ingleside Code of Ordinances and providing for effective date, reading, severance, and publication; and was seconded by Council Member Diehl. The motion was approved unanimously.

**16. Consideration and action of an Ordinance re-adopting Sec. 38-26 through Sec. 38-31 of the City of Ingleside, Texas Code of Ordinances relating to minors within the City of Ingleside, establishing a curfew for juveniles, establishing exceptions to the curfew where the juvenile is accompanied by a parent or other adult, or on lawful business or other permissible activities; Providing for an effective date, reading, severance, and publication. (Final Reading)**

Council Member Knippa made a motion to approve Ordinance # 2016-10 re-adopting Sec. 38-26 through Sec. 38-31 of the City of Ingleside, Texas Code of Ordinances relating to minors within the City of Ingleside, establishing a curfew for juveniles, establishing exceptions to the curfew where the juvenile is accompanied by a parent or other adult, or on lawful business or other permissible activities; Providing for an effective date, reading, severance, and publication: and was seconded by Council member Diehl. The motion was approved unanimously.

**17. Consideration and action of an Ordinance amending Ingleside Code of Ordinances by deleting Section 50-98 concerning camping overnight in City Parks and enacting a new Section 50-98 Regulating Hours of Park Operation and Use of Parks, and providing penalty for violation. (Final Reading)**

Council Member Schack made a motion to approve Ordinance # 2016-11 amending Ingleside Code of Ordinances by deleting Section 50-98 concerning camping overnight in City Parks and enacting a new Section 50-98 Regulating Hours of Park Operation and Use of Parks, and providing penalty for violation: and was seconded by Council Member Adame. The motion was approved unanimously.

**18. Receive the Departmental Reports for the month of May, 2016.**

Council Member Schack requested the financial report to include the budget, commitments, and fund balance of the Reserve Fund, Capital Funds, etc. of the special funds under the direction of the Council.

**19. Consideration and possible action regarding the contract between City Manager Jim Gray and the City of Ingleside. The Council may meet in Closed Executive Session in accordance with Texas Government Code Section 551.074.**

Mayor Lamas recessed the regular meeting in order to go into Closed Executive Session at 10:34 p.m.

Mayor Lamas closed the Executive Session and reconvened the regular meeting at 12:28 a.m.

Mayor Lamas made a motion to provide a 30-day notice of unilateral severance to City Manager Jim Gray; and was seconded by Council Member Underbrink.

Mr. Ronnie Parker stated he didn't know what Mr. Gray has done to warrant such action; however, he reminded the Council of the financial distress this City was in prior to Mr. Gray coming to Ingleside and where we are today. He feels if Mr. Gray is terminated it is a step backwards for Ingleside.

Mayor Lamas called for the vote and it was approved with Mayor Lamas and Council Members Underbrink, Adame, Knippa, and Diehl voting aye; and Council Members Tucker and Schack voting no.

**20. Staff Reports**

City Manager Jim Gray announced that the Retreat Scheduled set for Tuesday, June 21, 2016 has been replaced with a drainage workshop.

Additionally, the Mayor has requested a Street Light Study and that is underway.

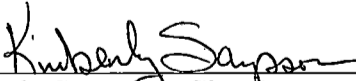
**21. Requests from Council Members**

There were no requests from Council Members.


**22. Adjourn**

There being no further business, the meeting was adjourned at 12:33 a.m. on Wednesday, June 15, 2016.

**ATTEST:**

  
 \_\_\_\_\_  
 Kimberly Sampson, City Secretary

**APPROVED:**

  
 \_\_\_\_\_  
 Mayor Luis Lamas