

**CITY OF INGLESIDE
MINUTES
CITY COUNCIL MEETING
JUNE 14, 2011**

1. Call meeting to order

The meeting was called to order at 6:31 p.m. with Mayor Pete Perkins presiding. Council Members present: Mayor Pete Perkins, and Council Members Cynthia Wilson, Rayman Kinman, Elaine W. Kemp, John F. Schack, Willie Vaden, and Paul Pierce. City of Ingleside Staff present: City Manager Jim Gray and City Secretary Kimberly Drysdale. There were approximately 60 guests.

2. Invocation

3. Pledge of Allegiance

4. Presentations from the Audience

There were no presentations from the audience.

5. Presentation of Plaque of Appreciation to employee for 40 Years of service with the City of Ingleside.

Mayor Perkins presented a Plaque of Appreciation to Mr. Alvin Moore who has been employed with the City of Ingleside for 40 years. He began as a labor person on the City's Garbage Truck. Over the years he has worked in several position and is currently the Chief Water Technician. Cake and punch were provided prior to the Council Meeting and there was a standing ovation thanking Mr. Moore for his continuous commitment to this community and its citizens. Mr. Moore thanked everyone for recognizing him and stated he has no intention of retiring.

6. Consideration and action of the minutes of the City Council Meeting dated May 24, 2011.

Council Member Pierce noted corrections to agenda item # 6 that the motion was seconded by Council Member Diehl (not Kinman); and that on agenda item # 16 Mayor Perkins voting no to the motion (instead of in favor of the motion). None-substantive or typographical changes were noted as well.

Council Member Wilson made a motion to approve the minutes of the City Council Meeting dated May 24, 2011 and was seconded by Council Member Pierce. The motion was approved with Mayor Perkins and Council Members Wilson, Kinman, Schack, Vaden and Pierce voting aye; and Council Member Kemp voting to abstain because she was not at that meeting.

7. Consideration and action of an Ordinance amending Ordinance No. 1034 passed on May 23, 2011 by correcting the legal description of Industrial Development Area No. 9, and authorizing the amendment of the Agreement establishing within said area Industrial Development Area No. 9 by making the same correction. (First Reading)

Council Member Pierce made a motion to pass for a second reading of an Ordinance amending Ordinance No. 1034 passed on May 23, 2011 by correcting the legal description of Industrial Development Area No. 9, and authorizing the amendment of the Agreement establishing within said area Industrial Development Area No. 9 by making the same correction; and was seconded by Council Member Kemp. The motion was approved unanimously.

8. Consideration and action of a request by the Portland Gypsy Motorcycle Club to have exclusive use and sale of alcoholic beverages at Live Oak Park on November 11 – 13, 2011 for their Third Annual Birthday Bash.

City Manager Jim Gray stated this is the first year the Portland Gypsy Motorcycle Club has made this request. This is similar to the Cinco de Mayo event held for the past six years by the Corpus Christi Gypsy Motorcycle Club of which we have had positive interactions with the Corpus Christi Group.

Portland Gypsy Motorcycle Club President, Mr. Elliot Smith stated alcohol will not be for sale, it is available to all participants of legal age. He explained when a person pays the entry fee they are provided tickets for food and drink. Prior year's events were held at the Ingleside VFW Club and it is in celebration of the anniversary of the Portland Charter for their Motorcycle Club. The event has outgrown the Ingleside VFW Club and they would like to expand to the Live Oak Park located here in Ingleside.

Council Member Pierce questioned the TABC License and the Insurance. It was also noted there may be a conflict with a Disc Golf Tournament requested for that same weekend.

Mr. Gray requested this item be tabled until these additional questions and scheduling can be addressed. There was no objection from the Council.

Agenda Items # 9 and 10 were read, discussed and acted on together.

- 9. Consideration and action of a Resolution relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of Tax-Exempt Obligations for Utility System and Street Improvements in an amount not to exceed \$1,500,000 to be issued by the City for authorized purposes; authoring the other matters incident and related thereto; and providing an effective date.**
- 10. Consideration and action of a Resolution by the City Council of the City of Ingleside, Texas authorizing and approving publication of Notice of Intention to issue Certificates of Obligation; complying with the requirements contained in Securities and Exchange Commission Rule 15c2-12; and providing an effective date.**

City Manager Jim Gray explained the proposal of a \$1,500,000 Bond is for a One-Million Gallon Ground Water Storage Tank that will cost approximately \$1,000,000 and allow about \$300-350,000 for a meter exchange program that can replace/upgrade about half of the 3,000 residential water meters within the city limits. These will be "smart meters" that communicate with each other and City Hall. The information should be more accurate and it would could reduce our meter reading time considerably and allow the staff to complete other projects. The additional funds within the bond can be used to (a) pay for the bond issuance, (b) reimburse ourselves for engineer work performed before the bond's issuance, or (c) other public works related items.

Southwest Securities Representative Mark McLiney introduced himself as the City's Financial Advisor and liaison with Bond Counsel. He explained the Resolution to reimburse ourselves must be approved if we want to use bond funds to pay for the engineer work that will be accomplished prior to the bonds being approved and funds received. Mr. McLiney provided handouts indicating the timetable of events; an overview of the principal and interest for the next 15 years for a Series 2011 bond; and a debt model showing the City's existing bonds, when the debts end, the available cash as those debts end, and how this proposed debt would not exceed the city's current obligations. The proposal presented is a 15 year bond that can be paid off after 10 years if the City is doing better financially.

Council Member Kinman questioned why we would want a 15 year bond as opposed to a 20 year bond that would keep our cash freed up for other projects if needed. It was explained that the interest over 15 years will be approximately \$600,000 versus the interest over 20 years will be approximately \$900,000 in addition to the issuance fees of \$35-40,000 versus \$60-65,000 respectively. If we utilize a 15 year schedule we can utilize a private market and have lower issuance fees and interest rates. If we chose the 20 year bonds it will require a public offering that requires the additional security and underwriter fees and a higher interest rate. Council Member Kinman suggested that we borrow less money in order to keep the payments lower and still utilize the 15 year bonds. It is estimated that we could lower the bond to \$1.3 Million to keep the payments at approximately \$127,000/year. Mr. Gray stated that could allow for the Water Tank, bond issuance fees and engineering cost. We would have to address the meter replacement program after the bids come in for the water tank..

Council Member Schack asked if the note could be let for 10 years and Mr. McLiney stated it could but the payments would exceed the existing revenues allotted for bond payments. The staff requested that the bonds payments not exceed the current funds allotted for bond payments. The proposed repayment schedule was structured to stay within those boundaries and still allow for some additional bonds in year 2017 when the Bond Series 1997-A is paid off.

Council Member Kemp made a motion to approve Resolution # 1019 relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of Tax-Exempt Obligations for Utility System and Street Improvements in an amount not to exceed \$1,500,000 to be issued by the City for authorized purposes; authoring the other matters incident and related thereto; and providing an effective date: and was seconded by Council Member Vaden. The motion was approved unanimously.

Council Member Kemp made a motion to approve Resolution # 1020 by the City Council of the City of Ingleside, Texas authorizing and approving publication of Notice of Intention to issue Certificates of Obligation; complying with the requirements contained in Securities and Exchange Commission Rule 15c2-12; and providing an effective date: and was seconded by Council Member Vaden. The motion was approved with Mayor Perkins and Council Members Wilson, Kemp, Schack, Vaden, and Pierce voting aye; and Council Member Kinman voting no.

11. **A Public Hearing regarding an application to rezone a tract consisting of 903 acres upland and 116.427 acres submerged including former Naval Station Ingleside (NSI) and vacant adjacent property to be rezoned from its present zoning of R-1 (Single Family Residential) to I (Industrial District) and C-2 (Commercial District).**

Mayor Perkins opened the Public Hearing at 7:33 p.m.

Speaking in favor of the rezoning was Ingleside on the Bay (IOB) Mayor Pro-Tem, JoAnn Ehman and Canyon Supply and Logistics Representative, Tim Clower. Mrs. Ehman stated IOB is very appreciative of the 150 foot buffer zone if the City will keep that area zoned as R-1 as is presented at this time. Mr. Clower explained they have one for sure tenant and two highly potential tenants with more calling them regularly. They are aware there may be zoning concerns with the submerged areas but they will work through those as the questions come up.

There were no speakers against this rezoning.

Mayor Perkins closed the Public Hearing at 7:38 p.m.

12. **Consideration and action of an Ordinance changing the zoning for the following property from its present zoning of R-1 (Single Family Residential) to I (Industrial District) and C-2 (Commercial District) and further providing for effective date, reading, severance, and publication: being a tract consisting of 903 acres upland and 116.427 acres submerged including former Naval Station Ingleside (NSI) and vacant adjacent property. (First Reading)**

City Manager Jim Gray explained one of the concerns with this property in the near future will be the pier and wharf area and to which taxing entity they belong to. According to the 1950 agreement, anything within the Corpus Christi Bay is the City of Corpus Christi. According to the San Patricio County Appraisal District, the pier and wharf area are within the City of Ingleside's taxing area. It is the position of the City of Ingleside that the pier is within the City Limits of Ingleside.

The more immediate concern is the zoning itself of the land. Currently being presented is a 150' zoning of C-2 along the FM 1069, a zoning of C-2 in the center of the land to protect the lodging and administrative area, with the rest of the land being proposed as Industrial to include a 150' Buffer Zone along the Western property line that runs along the edge of Ingleside on the Bay (IOB) City Limits. Our City Code does not define a "Buffer Zone," an air permit cannot be adjacent to R-1 zoning, and it is felt that 150' is excessive for a Buffer Zone even if it further defined within the Ordinance. It was explained that another development in the area recently rezoned their property to allow

for commercial zoning to be next to the residential zoning and therefore act as a buffer for the Air Permit within the Industrial Zoned area. For tax purposes, it is also recommended that the City not make the land an unusable buffer zone area that the owner could use to reduce the taxes paid to the City of Ingleside. C-1 (Local Commercial) allows for businesses such as dentist, vets, or in-door type sales whereas C-2 (General Commercial) allows for out-doors sales such as pipe, fencing, Morgan buildings, etc. With the Starlight Street in IOB and the drainage area adjacent to Starlight Street, it is felt by Ingleside Staff that 50' of C-2 zoning along the IOB City Limits would be sufficient zoning for this property.

Additionally it is felt that 150' of C-2 zoning along the Northern border of the property running adjacent to FM 1069 and directly across FM 1069 from the Live Oak Preserve project is possibly too narrow. In the past the City Council has repeatedly stressed their concern to be cohesive with the Live Oak Preserve project and following that direction, the staff feels the C-2 zoning should be no less than 200' along that area.

Mr. Tim Clower and Mr. Mike Casto were both present to represent Canyon Supply & Logistics. They explained their plans along the IOB side of the property include a wall and landscaping to reduce noise and then a two-lane concrete road to serve as a service and emergency entrance to the property. There are no plans to access the property from Starlight or any other IOB street. There are no plans at this time to request an Air Permit; however, that is not something they had considered at this point. Canyon has increased their requested Buffer Zone from 50' to 150' at the request of IOB to show good faith neighbors, but they will work with the zoning allowed by the City of Ingleside. It was noted that even though the City of Ingleside only requires 50' of C-2 zoning, Canyon can always push them back to 150' if that is their intent. They did note that they felt that more than 150' of C-2 along FM 1069 was diminishing what they wanted to do within the proposed Industrial zoning.

Mayor Perkins made a motion to pass for a second reading of the Ordinance changing the zoning for the following property from its present zoning of R-1 (Single Family Residential) to I (Industrial District) and C-2 (Commercial District) and further providing for effective date, reading, severance, and publication: being a tract consisting of 903 acres upland and 116.427 acres submerged including former Naval Station Ingleside (NSI) and vacant adjacent property with (a) 50' zoning of C-2 along the area boarding IOB, (b) 200' zoning of C-2 along FM 1069, (c) zoning of C-2 in the center area as originally requested, (d) the remainder of the property will be zoned I to include the wharf and extended pier area; and (e) that all rezoning is contingent upon this property being sold to Canyon Supply and Logistics. The motion was seconded by Council Member Kinman.

Mayor Perkins amended his motion to require the service road and noise reduction wall to be built outside of the 50' C-2 zone; and was seconded by Council Member Kinman. The motion was approved unanimously.

Mayor Perkins recessed the meeting for a short break at 8:34 p.m.

Mayor Perkins reconvened the meeting at 8:37 p.m.

Mayor Perkins moved agenda item # 15 forward.

15. Consideration and action of the Consent Agenda:

- A. Approval of Ordinance # 1035 granting a Special Permit to place a Travel Trailer for on-site 24-hour Security on the property known as Lot 4, Block 1, Corbin Subdivision, also known as 2765 Shady Oak Lane and further providing for effective date, reading, severance, and publication. (Final Reading)**
- B. Approval of Ordinance # 1036 changing the zoning for the following property from its present zoning of R-1 (Single Family Residential District) to I (Industrial District), L-1 (Light Industrial District), and C-2 (General Commercial District) and further providing for effective date, reading, severance and publication: 555.1606 acres out of a 1,229.47 acre Welder Tract described as Abstract 163 LF James & AS Hatch Survey, acres 52.3376; Abstract 283 RS Williamson Survey, acres 7.6445; Abstract 292 TT Williamson Survey, acres 129.8352; Abstract 294 TT Williamson Survey, acres 251.0999; Abstract 295 TT Williamson Survey, acres 8.1973; and Abstract 387 Dayland & Cattle Co., acres 106.0461. (Final Reading)**

Council Member Pierce made a motion to approve the Consent Agenda and was seconded by Council Member Vaden. The motion was approved unanimously.

- 13. Consideration and action of an Ordinance amending the City's Traffic Control Device Schedule as previously enacted, by repealing a part of Ordinance # 1022 by deleting the North and South Bound Stop Signs on Avenue A at 12th Street as set out in the Ordinance. (Final Reading)**

Council Member Pierce made a motion to approve Ordinance # 1037 amending the City's Traffic Control Device Schedule as previously enacted, by repealing a part of Ordinance # 1022 by deleting the North and South Bound Stop Signs on Avenue A at 12th Street as set out in the Ordinance; and was seconded by Council Member Schack. The motion was approved with Council Members Kinman, Schack, Vaden, and Pierce voting aye; and Mayor Perkins and Council Members Wilson and Kemp voting no.

- 14. Consideration and action of an Ordinance amending the City's Traffic Control Device Schedule to include East and West Bound Stop Signs on Tiner Lane at its intersections with Lovers Lane and Westlake Drive Streets. (First Reading)**

The speed analysis indicated approximately 250 vehicles within a 24 hour period. It was noted that from the speed analysis, the number of extreme speeders is low. Mrs. Sue Coleman explained that she believes the citizens are using Tiner Lane instead of Hwy 361 in order to keep away from the lights and additional law enforcement. By placing additional Stop signs on Tiner, she hopes this will redirect those individuals back onto Hwy 361. Mr. Steve Diehl stated there are a specific few individuals that are racing down Tiner Lane and until we have the additional staff available to enforce these speeders, this may not be totally resolved. Council Member Kemp noted that the Ordinance needs to include wording that these Stop signs are being installed for the safety of the public.

Council Member Kinman suggested a policy be adopted to specify certain criteria that must be met before stop signs or other safety measures are installed. City Manager Jim Gray stated he would have the staff bring a policy within the next few meetings. Council Member Pierce stated that not all streets would be monitored, only those that are brought to the City's attention due to complaints/concerns.

Mayor Perkins made a motion to pass for a second reading of an Ordinance amending the City's Traffic Control Device Schedule to include East and West Bound Stop Signs on Tiner Lane at its intersections with Lovers Lane and Westlake Drive Streets; and was seconded by Council Member Vaden. The motion was approved unanimously.

- 16. Consideration and action regarding the provision of utility services by the City of Ingleside to customers of Aransas Pass in the Aransas Pass ETJ. The City Council may meet in Closed Executive Session to confer with the City Attorney concerning this matter in accordance with Texas Government Code Section 551.071**

Mayor Perkins closed the Regular Meeting and opened the Executive Session at 9:10 p.m.

Mayor Perkin closed the Executive Session and reconvened the Regular Meeting at 9:50 p.m.

No action was taken.

- 17. Consideration and action to appoint the Mayor Pro-Tem.**

Mayor Perkins stated he would like to see a different Council Member serve as Mayor Pro-Tem so that over the course of time more Council Members have an opportunity to gain experience, attend various functions, and lead the Council Meetings when the Mayor is not available.

Council Member Kemp nominated Council Member Schack.

Mayor Perkins nominated Council Member Kinman.

Council Member Schack was appointed as the Mayor Pro-Tem with Council Members Kinman, Kemp, Vaden, and Pierce voting for Council Member John Schack; and Mayor Perkins and Council Members Wilson and Schack voting for Council Member Rayman Kinman.

18. Receive and discuss Monthly Departmental Reports for May 2011.

City Manager Jim Gray stated there have been additional issues with getting the meeting set up for himself and the Mayor to travel to Washington, D.C. We are still trying to schedule those meetings. In the last 30-45 days there has been a tremendous amount of inquiries and meetings. We continue to get requests from the State Economic Development (ED) office and respond to those for anything we have a fit. The City's previous ED Director started the communications with the State office about 18 months ago and these potential projects are emailed to us about one per week and we are preparing responses as quickly as possible.

19. Reports from Staff

City Manager Jim Gray provided the Capital Improvements Plan to the City Council for their review. The City of Ingleside and Chamber of Commerce OLETV Commercial were played for the Council and Public to view. There will be a few changes and then we will receive the final video that can be shown on our respective websites. Mr. Gray announced the TML Region 11 Quarterly meeting is scheduled in Rockport for June 24, 2011 and the Movie in the Park is scheduled at N.O. Simmons Park for June 25, 2011.

20. Requests from Council

Mayor Perkins requested an update regarding the parts for the Classifier. City Manager Jim Gray stated he would check into that and forward that information.

Council Member Pierce requested that future Consent Agenda Items be moved to the top of the agenda to immediately follow the minutes.

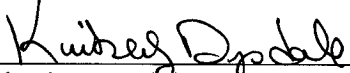
Council Member Kinman requested information to get a better understanding of why we can't hire and maintain staff at the Police Department. Mr. Gray stated it is mainly the low wages when compared to other area Police Departments but he would be glad to meet with Council Member Kinman to discuss further. There are no plans to increase the wages at this time, but it can be looked at during the six months review of the 2011/2012 Budget Year.

Council Member Kemp expressed concern for the trees at N.O. Simmons Park that appear to be dying. Mr. Gray explained that the sprinklers were broken and they have already been fixed.

21. Adjourn


There being no further business, the meeting was adjourned at 10:28 p.m.

ATTEST:



 Kimberly Drysdale, City Secretary

APPROVED:



 Mayor, Pete Perkins