

**CITY OF INGLESIDE  
MINUTES  
CITY COUNCIL MEETING  
JULY 26, 2011**

**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, Rayman Kinman, Elaine W. Kemp, John F. Schack, and Paul Pierce. Council Member Willie Vaden was not present. City of Ingleside Staff present: City Manager Jim Gray and Administrative Assistant Anna Kucera, Finance Director Paul Baen, Fire Chief RJ Thomas, Fire Marshall Stephen Burnett, Police Chief Stan Bynum, Building Official Robert Stoddard, Municipal Court Judge Cheryl Deal, and City Attorney Michael Morris. There were approximately 15-20 guests.

**2. Invocation**

**3. Pledge of Allegiance**

**4. Presentations from the Audience**

Mr. Frank McDole expressed his concern for the City of Ingleside to adopt an Ordinance forbidding fireworks from within the city limits.

**5. Consideration and action of the minutes of the City Council Meeting dated July 12, 2011.**

Council Member Pierce referenced to item #13 in the minutes that it said "motion died" it should say "the motion was not approved". Mayor Perkins noted clerical errors. Council Member Pierce made a motion to approve the minutes of the City Council Meeting dated July 12, 2011 with the corrections noted and was seconded by Council Member Kemp. The motion was approved unanimously.

**6. Discussion regarding the parameters of Economic Incentive programs and the creation of an Economic Development Committee for Ingleside.**

City Manager Jim Gray explained that the City receives prospects that usually have a turnaround deadline of 5-7 days. If the Council wants to be more involved, a committee could be formed. The down side to this is that with such a quick turnaround timeframe, it may be difficult for a committee to respond appropriately. In the past, we have not been able to respond due to unavailable land. However, now that Canyon is actively trying to develop NSI, we have been sending prospects to them. We have also been working closely with San Patricio County Economic Development Corporation (SPCEDC). Council Member Kemp suggested that the City continue handling prospects through the City Manager. Council Member Schack expressed his concern regarding the committee formation. City Manager Jim Gray explained that in the responses to prospects that negotiable abatements are mentioned. As no action was taken, the City Manager will continue to handle prospects and tax abatements on a case by case basis, subject to final approval by the City Council.

**7. Receive quarterly report from the Ingleside Municipal Court for the period of April through June 2011.**

Municipal Court Judge Deal provided additional information at Council Member Pierce's request from June 2010 for comparison reasons. Council Member Pierce observed that the comparison showed an increase from last year of \$22,000, (\$56,000 to \$78,000). The position created appears to be functioning as expected. Council Member Kinman questioned the reason for the decrease in the number of warrants. Judge explained that the Court was getting caught up on them. Council Member Kemp was delighted to see the warrant office working with the surrounding industries.

8. **Consideration and action to have a parade on Main Street, hold a concert and sell alcohol for the Annual Bob Richardson Fire and Safety Expo to be held October 15, 2011 at N.O. Simmons Community Park.**

Fire Marshall Stephen Burnett of the Ingleside Volunteer Fire Department announced that the Fire Department would be holding their Annual Bob Richardson Fire Expo, Saturday, October 15, 2011 at N.O. Simmons Park. He provided a map to show the route of the parade. The route is expected to run from the Fire Department to the N.O. Simmons Park. He has already met with Police Chief Bynum and confirmed the blocked intersections would be ok as long as Hwy 361 was not blocked. The Expo is expected to include events from 10:00am-4:30pm and a concert at 7:30pm with the alcohol being sold. He also mentioned that there would be enough room to begin the parade by the Fire Department on 8<sup>th</sup> street due the widening of 8<sup>th</sup> Street. The parade would include ER vehicles and was open to everyone. The parade and grounds will also be open to the surrounding areas. Council Member Kemp inquired about the cost of the City providing the police officers for the blocking. Police Chief Bynum stated that the cost for the events including the parade would be approximately \$1500. Council Member Pierce inquired about the license needed from TABC for the sale of alcohol. Fire Marshall Burnett explained that the Volunteer Fire Department would be holding the license. City Attorney Michael Morris clarified that the IVFD was unincorporated entity so it would stand alone unless city also signed on it. Fire Chief RJ Thomas explained that the insurance would come out of volunteer firefighter's budget funds and if the license issue is not resolved, no alcohol will be sold or provided.

Council Member Pierce made a motion approving the request of the Ingleside Volunteer Fire Department to sponsor a parade on Main Street, a concert (including the sale of alcohol) for the Annual Bob Richardson Fire and Safety Expo to be held October 15, 2011 at N.O. Simmons Community Park. The motion was seconded by Council Member Kinman and unanimously approved.

9. **Consideration and action of an Ordinance authorizing the issuance of "City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2011"; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the City and further securing said certificates by a lien on and pledge of the pledged revenues of the system; providing the terms and conditions of said certificates and resolving other matters incident and relating to the issuance, payment, security, sale, and delivery of said certificates; authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase and Investment Letter; complying with the requirement of the Letter of Representations with the Depository Trust Company, and providing an effective Date. (Single Reading)**

Mark McLiney of Southwest Securities stated that the City published the Notice of Intent in the paper in June 2011 for \$1.35 million. They received 3 responses to the request for bids. Houston Community Bank bid \$1,320,000 with a fixed interest rate of 3.12% for 13 years. This is the lowest Southwest Securities has ever had and because of the low rate, they were able to shorten the maturity from 13 years from the original 15 years. Mark McLiney recommended approving the bid. City Manager Jim Gray stated the city could remain with the 15 year committed but after running the numbers, the 13 year loan would save approximately \$200,000 in payments. He also indicated that he would get with Staff to review options for refinancing other bonds as they become callable.

Council Member Kinman asked if the Council were to authorize the bond, would this lock in the City for the interest rate and the bond could only be used for water meters for residents only and no commercial. McLiney explained the ordinance that was previously passed generally stated the use of the money would be used for utility system projects. Finance Director Paul Baen explained that Staff would need to bring the projects funded with this bond back to Council for final approval.

Council Member Kemp made a motion authorizing the issuance of "City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2011" in the amount of \$1,350,000; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the City and further securing

said certificates by a lien on and pledge of the pledged revenues of the system; providing the terms and conditions of said certificates and resolving other matters incident and relating to the issuance, payment, security, sale, and delivery of said certificates; authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase and Investment Letter; complying with the requirement of the Letter of Representations with the Depository Trust Company, and providing an effective Date and which was seconded by Council Member Wilson. The motion was approved unanimously.

**Mayor Perkins recessed the meeting at 7:20pm to sign the documents needed for the City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2011.**

**Mayor Perkins reconvened the regular meeting at 7:41pm.**

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

Finance Director Paul Baen explained that the monthly cash report for June showed a total decrease of \$91,000, which is to be expected for this time of year. The City's budget for the month was for a decrease of \$150,000. He also indicated that the balance of accounts payable at the end of each month is approximately \$400,000. Council approved various projects. The sales tax received in July was for \$80,000 which is above the monthly budget and was net of a \$30,000 credited against the city from the comptroller's office due to a refund to a vendor. The state looked at the \$90k refund very carefully before granting the refund of sales tax. It was noted that a taxpayer has four years to file an amended sales tax return.

- 11. Discussion and possible action regarding an AFA Agreement with the State of Texas and other finance option(s) for Phase II of the NEPA process for the Ingleside Industrial Corridor known as State Highway 200.**

Mr. Gray provided the Council with a recap of the many issues related to the proposed Industrial Corridor. Before Council at this time, is a recommendation to approve the Advance Funding Agreement (AFA) offered by the Texas Department of Transportation. The AFA documents the City's responsibilities and commitments in order to receive funding assistance from TxDOT for the planning and ROW acquisition of this project. The budget for this phase of the project is \$1,500,000 which will be reimbursed by TxDOT in \$500,000 increments. The City will be responsible for any cost over runs. Mr. Gray indicated that Kiewit had offered to provide the working capital necessary for this project in exchange for a 15 year extension of its Industrial District Agreement. That offer has been respectfully declined. As an alternative to the Kiewit offer, it was suggested to Council that the City use its own working capital to fund this project. It was recognized that completing this phase does not guarantee that Federal funding for the project will be available for actual construction. It was the recommendation of Staff that the AFA be approved by Council.

Council Members deliberated many of the pros and cons associated with this phase of the project as well as the terms of the AFA.

~~Mayor Perkins~~ made a motion to approve the AFA Agreement with the Texas Department of Transportation for Phase II of NEPA planning process for State Highway 200 also known as the Ingleside Industrial Corridor to be funded on an interim basis by the City's Capital Funds. The motion was seconded by Council Member Schack and unanimously approved.

- 12. Receive the Ingleside Chamber of Commerce Quarterly Report for the period April through June, 2011.**

Ingleside Chamber of Commerce President Jan Hart presented the Quarterly report. The annual Round-Up event made a profit and also collected approximately 2800 lbs. of canned goods with an estimated cash value of \$3000. The bike rally event had a good turnout, for a first year event, of about 200 people. She thanked the Council and staff for their support with these events. The Chamber Board would like to conduct similar events again next year. She reminded everyone of the open house and the Corpus Christi Hooks

tickets for the game on August 29, 2011, "Ingleside Community Night." The budget for FY 2011/2012 has been approved by the Chamber Board, and is awaiting City Council's approval for the city's payment to the Chamber of the Hotel Motel Taxes used by Chamber to promote the City.

- 13. Consideration and action of an Ordinance adding Section 62-49 "Warrants for STOP Signs" and Section 62-50 "Multi-way STOP Signs," to the City Code of Ordinances, adopting policy regulating the replacement of Multi-way STOP Signs within the City, requiring a traffic survey using the 85 percentile methodology and requiring that certain other standards be met before installing Multi-way STOP Signs. (Final Reading)**

Mayor Perkins tabled this item so that Chief Bynum may consult with the City Attorney regarding some issues. This ordinance will be brought back to Council at a future date.

- 14. Consideration and action authorizing the use of PSAP (911 Public Safety Answering Point) funds for the purchase of patrol car video equipment. (Attach)**

City Manager Jim Gray explained that the Police Department had received a check earlier this year that were not included as part of the budget. The PSAP is not a guarantee source of funds every year. Previous purchases with the funds were for the Code Red, and the dispatch consoles. This final purchase would finish out the funds for this funding.

Council Member Pierce made a motion approving the authorizing the use of PSAP (911 Public Safety Answering Point) funds for the purchase of patrol car video equipment and was seconded by Council Member Kemp. The motion was approved.

- 15. Consideration and action authorizing the appointment of three peace officers to serve as Auxiliary Officers.**

City Manager Jim Gray stated the Police Department was requesting to add 3 more Auxiliary Officers. Police Chief Bynum explained that 2 of the officers were from the academy and the third was an experienced officer that would be utilized for traffic enforcement.

Council Member Pierce made a motion approving the authorizing the appointment of three peace officers, Richard Cordova, Mary Periman, and Charles Green to serve as Auxiliary Officers and was seconded by Council Member Kemp. The motion was approved unanimously.

- 16. Consideration and action awarding the contract for the roofing and air conditioning bids and authorizing funding for the project and related Architecture/Engineering fees.**

City Manager Jim Gray stated that bids were received from Haeber Roofing Co and Sechrist Hall for repairs from the hail storm in January. The claims estimate of the Texas Windstorm Insurance Association (TWIA) did not meet the lowest bid. Terry Orf of Naismith Engineering has met with TWIA and TWIA has increased the project total by \$65,000 for a total of \$330,000. The City of Ingleside deductible was reduced to from \$40,000 to \$19,600. Terry Orf explained that the bids for the repairs were only good for 60-90 days.

Council Member Kemp made a motion to award the contract for the roofing and air conditioning repairs to Haeber Roofing Co and authorizing funding for the project and related Architecture/Engineering fees of \$19,000 from the Capital Improvement Fund. The motion seconded by Council Member Wilson and unanimously approved.

- 17. Consideration and action of an Ordinance amending Chap 70, Article II Trees, Division 5 Maintenance, Section 70-86 Obstruction, Trees Pruned, Ingleside Code of Ordinance, to revise Section 70-86 and add Section 70-86 B. (Final Reading)**

Council Member Pierce expressed same concerns from the last meeting, stating that this was another ordinance for imposing restrictions on residents. Council Member Schack stated that a windstorm will blow palm leaves down which ends up on someone else property and who then have to clean up someone else's mess. Council Member Wilson suggested that if the ordinance was going to address palm trees then encompass dead limbs from other types of trees.

Council Member Schack made a motion amending Chap 70, Article II Trees, Division 5 Maintenance, Section 70-86 Obstruction, Trees Pruned, Ingleside Code of Ordinance, to revise Section 70-86 and add Section 70-86 B and was seconded by Council Member Kemp. The motion was not approved with Mayor Perkins and Council Members Kemp, and Schack voting aye; and Council Member Wilson, Kinman, and Pierce voting no.

**18. Presentation of Draft FY 2011/2012 Budget.**

City Manager Jim Gray explained the first draft of the FY 2011/2012 budget has generally been prepared utilizing the current year budget. The draft has been prepared assuming the same dollar amount of tax reviews as FY 2010/2011. However, it should be noted that the tax rolls have not yet been certified. This draft does include additional revenues from the new Industrial Districts 9, 10 and 11 and reflects the same level of services to the public. If there are any new developments within our city limits, there should be additional revenues; however, this draft of the budget does not anticipate that possibilities. There were discussions of the Restricted Funds current balances and proposed revenues and expenses. In addition, there were discussions regarding ways to address the need for economic development and the staff and compensation packages offered to the employees of the police department. It was noted that the personnel budgets presented reflect the increased cost for health insurance previously approved by the Council. This draft does include the proceeds from the Series 2011 bonds issued for utility projects. Mr. Gray encouraged each member of the Council, and citizens, to review this draft and bring any questions forward so that those questions and issues may be addressed in an efficient manner.

When the tax rolls have been certified, a schedule of public hearings and Council meetings will be developed and presented to Council for approval. The goal is to approve the budget and to adopt a tax rate by the end of the council meeting schedule for September 13<sup>th</sup>.

**19. Reports from Staff**

City Manager Jim Gray stated the Texas A&M University continues to work with Canyon Logistics. He also stated Thuane Fielding recently called that there had been some interest in the EMR Facility. They would be advertising in the newspaper at the beginning of August.

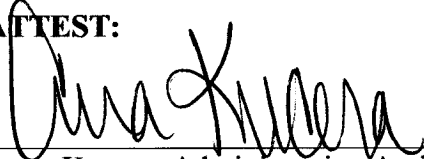
**20. Requests from Council**

Council Member John Schack requested the statistics of the Police per capita from surrounding area cities.


**21. Adjourn**

There being no further business, the meeting was adjourned at 9:56 p.m.

**ATTEST:**

  
 Anna Kucera, Administrative Assistant

**APPROVED:**

  
 Mayor, Pete Perkins