

CITY OF LAREDO
SPECIAL CITY COUNCIL MEETING

CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS
11:00 A.M.

MINUTES

M97-R-33

SEPTEMBER 27, 1997

I. CALL TO ORDER

With a quorum present Mayor Saul N. Ramirez, Jr., called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Saul N. Ramirez led in the Pledge of Allegiance.

III. ROLL CALL

IN ATTENDANCE:

SAUL N. RAMIREZ, JR.,	MAYOR	
JOSE R. PEREZ, JR.,	COUNCILMEMBER,	DISTRICT I
LOUIS H. BRUNI,	"	, DISTRICT II
ALFONSO I. "PONCHO" CASSO, JR.,	"	, DISTRICT III
CECILIA MAY MORENO,	"	, DISTRICT IV
ELISEO VALDEZ, JR.,	"	, DISTRICT V
JOE A. GUERRA,	"	, DISTRICT VI
MARIO G. ALVARADO,	"	, DISTRICT VII
CONSUELO "CHELO" MONTALVO,	"	, DISTRICT VIII
GUSTAVO GUEVARA, JR.,	CITY SECRETARY	
FLORENCIO PENA, III,	CITY MANAGER	
JAIME L. FLORES,	CITY ATTORNEY	

Cm. Casso joined the meeting at 11:05 a.m.

Motion to waive the rules of order and item #2 until the end of the meeting.

Moved : Cm. Guerra

Second: Cm. Bruni

For: 8

Against: 0

Abstain: 0

IV. INTRODUCTORY ORDINANCES

- 2. Ordinance approving the 1997 ad valorem tax rate for fiscal year 1997-1998, and to provide for the levy and collection of general and special ad valorem taxes for the City of Laredo, and providing for the levy and collection of alcoholic beverage taxes in accordance with the Laws of the State of Texas.

Florencio Peña, Interim City Manager, gave an overview of the effective tax rate for FY97-98 illustrating the following figures:

Total Revenue Increase:
 \$20,550,142 Total Tax Levy Proposed FY1997-98
 19,100,489 Total Tax Levy FY1996-97
 1,449,653 Revenue Increase

\$ 862,764 Increase due to Improvements
 49,844 Increase due to Annexations
 537,046 Increase in Revenues
 \$ 1,449,654 Revenue Increase

Proposed Tax Rate:
 \$0.523413 Effective Tax Rate FY1997-98
 1.03% 1.03 Times the Effective Tax Rate
 \$0.539900 Proposed Tax Rate FY1997-98

Total Tax Revenue Increase:
 \$ 1,449,653 Total FY1997-98 Revenues
 19,100,489 Total FY1996-97 Tax Levy
 7.59% Total Levy Increase

Increase Over Previous Year's Actual Tax Rate:
 \$0.539930 Proposed FY1997-98 Tax Rate
 0.526766 FY1996-97 Rax Rate

0.013164 - 2.50%

Phyllis Colon, Tax Assessor/Collector, publicly read the ordinance.

Motion to adopt the ad valorem tax rate of \$0.539930 for FY-1997-98.

Moved : Cm. Perez
 Second: Cm. Alvarado
 For: 5

Against: 3 Abstain: 0

Cm. Perez	Cm. Bruni
Cw. Moreno	Cm. Casso
Cm. Valdez	Cm. Guerra
Cm. Alvarado	
Cw. Montalvo	

Ordinance Introduction: City Council with the exception of:
Cm. Bruni, Cm. Casso, and Cm. Guerra.

3. Amending Chapter 2, Article II, Division 6, of the Code of Ordinances of the City of Laredo, entitled Pay Administration by suspending Sections 2-87.7, Paragraph (d), numbers one through seven, for Fiscal Year 1997-1998, and adding a new Number Fifteen to Section 2-87.7, Paragraph (d) by adopting a revised pay schedule with effective dates of implementation of October 1, 1997, April 1, 1998, and September 30, 1998.

Florencio Peña, Interim City Manager, explained the pay plan calls for a 5% to all employees on October 1st, 2-1/2% on April 1st, and a 5% on September 30th which upgrades the pay plan by 10% by the end of the fiscal year. He added council has been very aggressive in upgrading employees fringe benefits over the last two years. Included in this budget is a 2 1/2% increase in our retirement program effective January 1st to come to a competitive retirement program and added the ordinance is still pending to come before City Council.

Mayor Ramirez questioned if this contemplates the freezing of hirees for six months into the next fiscal year and do we freeze all step increases for a minimum of 18 months?

Mr. Pena answered it does not, they propose to fund this plan through salary saving that they had throughout the year. They would like to note that the impact on the property tax next year is approximately 2.5 cents, so a 4.7% tax increase would be required next year based on current values in order to fully fund this plan next year.

Dan Migura, Administrative Services Director, went over the figures that Mr. Pena had presented. He stated that they are postponing or suspend any annual increases/annual review for the next 12 month. They are adding a new pay table effective October 1st.

Mayor Ramirez asked if they are suspending any pay increases for the next 12 months?

Mr. Migura answered yes. In lieu of that they are proposing a 5% across the board effective October 1st, 2 1/2% across the board in April 1st, and 2 1/2 across the board on September 30th for a total increase in our overall pay plan of 10%. He said the cost of the additional proposed pay plan for 97/98 is \$823,621 which is in addition what was already budgeted \$885,493, the cost impact for fiscal year 1998/99 is a total of \$1,709,114.

Cm. Perez stated that a fact that they need to consider is that this pay plan has not been upgraded and this is why this is going to cost us more, and if they wait more time then it will cost a greater amount.

Mayor Ramirez stated for the record that it is this City Council that would be taking the most difficult step to bring the pay plan to where it needs to be. What has happened is that during the last six (6) years they have had across the board increase every year, except what was happening was that it was not the plan that was being increase and the 5% was being used whereas some employees were getting 2%, some 4% or even 5% or more, and not everybody was getting a 5%. He added that because some were growing and others weren't this was what was happening to the pay plan. What they are doing under this recommendation is a real increase come October 1st, whatever the base pay is multiplied by 5% and multiply that by 2 1/2 by April 1st and 2 1/2% on September. He concluded that it will be the plan and not the positions that will be increased. Merit increases will be suspended during the next 12 months.

Mrs. Linda Cantu stated she has a problem with this proposed plan, that the last 2.5% in September 30th will not be actually be given for this fiscal year, but until next fiscal year, it is only committed this year.

Rosalinda Garza, representing city employees, stated that they were against the pay plan and recommended the following three options:

- (1) 15% total increase for FY1997-98, with 7-1/2% October 1st plus 7-1/2% on anniversary or September 1st or 30th of 1998 followed with the merit increase plan.
- (2) \$2,500 increase for each employee to upgrade the pay scale effective October 1, 1997 or the anniversary date.
- (3) 10% as of October 1, 1997 and continue with the merit plan.

Mayor Ramirez questioned what is unfair about the 10% they are proposing right now.

Mr. Garza stated she would like to see the 10% implemented as of October 1st.

Mayor Ramirez explained that if they do this, this might mean cutting on positions, equipment, and activities that we currently undertake. The monies are not there as of October 1st, to do it for 12 months unless this council is willing to raise the taxes beyond the effective tax rate. He added that what they are proposing is not a perfect plan, but its at least a step in the right direction. He added that by doing this everybody's anniversary date is going to be October 1st, meaning that come next year there won't be employees getting 2%-5%, it will be whatever the next City Council decides to approve.

Cm. Perez stated that this council is then committed to September 30, 1998, so the other Councilmembers coming on board can make arrangements and commit for 1998/99 aside from the 10%.

Mr. Pena stated that during budget time they will be analyzing how much they can afford the following year. This ordinance suspends all anniversary dates, there will be no step increases under the ordinance provisions.

Mayor Ramirez suggested to suspend all hirees for six months, let everybody catch up and at the same time it will afford us the opportunity to consider as a possibility on April 1st when the 2 1/2% comes in an additional 2% at that time based on the saving we might have incurred from the freeze on the hiring. He wants staff to look at the vacant positions and come back with recommendation as to which ones are critical and which one can be frozen. He said the 10% is the solution for the long term, but he wants them to see what can be done for the short term as well. He wants staff to analyze those positions and hold them off.

Mr. Pena stated they will address it to some extent, but not fully (not until at least 9/30/98) because all they are doing is 5 and 2.5. The other option that they might consider is that right now there is authority to hire based on skills or education everywhere in the pay plan, but that we limit all hires to step one. He added if we do this we are still not competitive anyway. He does not recommended freezing positions.

Mayor Ramirez stated most of those positions have not been filled in three months, so if they were critical something must be going wrong. He wants Mr. Pena to come back and tell council which ones are critical and which ones are not, and if one becomes vacant that is critical that he let council know.

Cm. Bruni wants to see if staff can come up with some funding sources of things that can be cut off that are not critical and see what the additional income from future annexations to do option 3.

Mayor Ramirez stated that the reality is if they have to come up with \$4 million now, people would have to be laid off and they don't want that.

Cm. Alvarado spoke on the issue and said they are committed to work with the employee and do whatever is possible within the budget. He concluded by saying that they will continue working to better the salaries.

Cm. Valdez stated they are doing their best to give employees the maximum that they can, the majority of them will be here next year and committed to bigger increase possible next year and stands by that commitment.

Cw. Moreno questioned if next year's council will decide to further improve the step by going and improving the steps, if whether to allow for merit increases/step increases to take place or any other option that staff brings then. Is that a decision to be made at that time?

Mayor Ramirez stated if we are able to generate an additional \$250,000 in savings then it may be that at that time they may consider that instead of being a 2.5% accelerating it to by adding the 2.5% that is proposed for September 30th to April 1st and everybody gets their 10% by April 1st instead of September 1st which is going to be guaranteed anyway. He stated that the plan that is up for today is guaranteeing a 10% total cumulative by the end of the year, by freezing if we do freeze these positions, and we see the money generated is enough, his suggestion to council is to consider that freeze so they can accelerate the last 2.5% that is guaranteed for September to April 1st.

Motion instructing staff to bring back a list of vacant positions with their status as critical or can be suspended for six months and this council upon looking at that list

will make the decision on whether to freeze them or not and that this introduce the ordinance.

Moved : Cm. Bruni

Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

- 4. Amending Ordinance No. 92-O-113 known as the Southwestern Bell Telephone Company ("Telephone Company") franchise ordinance by amending Section 4 to extend the franchise term for a period of six months from the date of expiration of September 30, 1997 until March 31, 1998 to ensure that the telephone company continues to provide telephone service in the City pending the grant of a new franchise.

Ordinance Introduction: City Council

- 5. Authorizing the City Manager to enter into a lease agreement with A.P.I. for the use of Veterans Field to conduct and promote a boxing event.
 - 1. Lease term is for two nights commencing on October 3, 1997 and ending on October 4, 1997;
 - 2. Total rent shall be \$2,000.00.

Cw. Montalvo requested that staff should come before the council before they commit to any more agreements or contracts for Veterans Field.

Ordinance Introduction: City Council

V. FINAL READINGS

Motion to waive the final reading of ordinances #97-O-216, #97-O-217, #97-O-218, #97-O-218, and #97-O-219.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

- 6. 97-O-216 Authorizing the City Manager to execute a lease renewal with the State of Texas General Services Commission on behalf of the Texas Department of Health, Public Health Regional 11, for 2,268 square feet of office space at the City of Laredo Health Complex located at 2600 Cedar Street.
 - 1. Lease renewal term will be from September 1, 1997, through August 31, 1998, at no space cost;

2. Monthly electricity and janitorial services shall be \$703.50. (City Council)

Motion to approve Ordinance #97-O-216.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

7. 97-O-217 Authorizing the City Manager to execute a lease renewal with the State of Texas General Services Commission on behalf of University of Texas Health Science Center at San Antonio for 317 square feet of office space at the City of Laredo Health Complex located at 2600 Cedar Street.
1. Lease renewal term will be from September 1, 1997, through August 31, 1998.
 2. Monthly rent shall be \$335.88 which includes cost of utilities and janitorial services. (City Council)

Motion to approve Ordinance #97-O-217.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

8. 97-O-218 Designating as a public easement, seven tracts of land as part of the proposed extension of Arkansas Avenue from Saunders Street (U.S. Hwy. 59) to Foster Avenue. Said tracts being Tract 1, Tract 2, Tract 3, Tract 4, Tract 5, Tract 6, and Tract 7, out of the Airport Property, being generally described below and providing for an effective date:
- TRACT 1** - Being 0.335 acres out of Block 22, Subdivision Plat of Laredo Airport in the City of Laredo, Webb County, Texas, as recorded in Volume 5, Page 1, Map records of Webb County, Texas.
- TRACT 2** - Being 0.166 acres out of Block 30, Subdivision Plat of Laredo Airport, in the City of Laredo, Webb County, Texas, as recorded in Volume 5, Page 1, Plat records of Webb County, Texas.
- TRACT 3** - Being 1.126 acres out of Block 20, Subdivision Plat of Laredo Airport, in the City of Laredo, Webb County, Texas, as recorded in Volume 5, Page 1, Map records of Webb County, Texas.
- TRACT 4** - Being 0.272 acres out of Block 7,

Subdivision Plat of Laredo Airport in the City of Laredo, Webb County, Texas, as recorded in Volume 5, Page 1, Plat records of Webb County, Texas.

TRACT 5 - Being 2.902 acres out of Block 1, Subdivision Plat of Laredo Airport in the City of Laredo, Webb County, Texas, as recorded in Volume 5, Page 1, Plat records of Webb County, Texas.

TRACT 6 - Being 1.549 acres out of Laredo International Airport Property, as recorded in Volume 478, Pages 479-481, Deed Records of Webb County, Texas; being also out of Survey Number 799, Abstract Number 329, in the City of Laredo, Webb County, Texas.

TRACT 7 - Being 0.642 acres out of the City of Laredo 8.1488 acre tract, recorded in Volume 1251, Pages 26-27, Real Property Records of Webb County, Texas, being also out of Survey Number 799, Abstract Number 329, in the City of Laredo, Webb County, Texas.
(City Council)

Motion to approve Ordinance #97-O-218.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

9. 97-O-219 Declaring the public necessity to convert the south 19.08 feet by 277.78 feet section of the 400 Block of Ryan Street between Springfield and Maryland Avenues into a parking facility for the East Central Laredo Park and the North side section into a 19 foot wide one-way street from Springfield to Maryland, and authorizing the transfer of \$21,124.00, from 1993 CDBG Paving Project 51 Line Item No. 211-9340-597-4951 to the East Central Laredo Park Line Item No. 211-9380-555-1166 to cover the construction of the improvements for this project and providing for an effective date.
(City Council)

Motion to approve Ordinance #97-O-219.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

10. 97-O-220 Authorizing the City Manager to execute all

necessary documents to convey those sections of San Agustin Avenue between Zaragoza and Water Streets and Flores Avenue between Zaragoza and Water Streets to Fasken Ltd., a Texas Limited Partnership in exchange for two corner clip tracts at the intersection of IH 35 and FM 3464 (Milo Interchange). Said street sections being described on "Exhibits A & B" and said corner clip tracts being more particularly described below and more particularly described by Metes and Bounds on "Exhibits C & D", respectively, and providing for an effective date:

PARCEL 1 - Being a 15,678.00 square foot (0.35992 of an acre) tract of land, more or less, out of and part of the Barbara T. Fasken 489.11 acre tract of land lying and being in Porcion 20, Abstract 48, Original Grantee, Bautista Garcia, as executed by Palafox Exploration Company to Barbara T. Fasken by deed dated December 17, 1984 and recorded in Volume 1089, Pages 391-392, Webb County Real Property Records, save and except 8.68 acres conveyed to the State of Texas by deed recorded in Volume 1308, Pages 728-735, Webb County Real Property Records. **PARCEL 2** - Being a 5,000.00 square foot (0.1148 of an acre) tract of land, more or less, out of and part of the Barbara T. Fasken 489.11 acre tract of land lying and being in Porcion 20, Abstract 48, Original Grantee, Bautista Garcia, as executed by Palafox Exploration Company to Barbara T. Fasken by deed dated December 17, 1984 and recorded in Volume 1089, Pages 391-392, Webb County Real Property Records, save and except 8.68 acres conveyed to the State of Texas by deed recorded in Volume 1308, Pages 728-735, Webb County Real Property Records. (Mario G. Alvarado)

Motion to approve Ordinance #97-O-220.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

11. 97-O-221 Authorizing the City Manager to execute all necessary documents to effectively convey fee simple title to Elsa P. Saenz and Olga Escobar for the sale at Fair Market Value of "Surface Only" of certain City property described as that former section of the 1400 Block of Santa Barbara Street

between Texas and Milmo Avenues situated in the Eastern Division, City of Laredo, Webb County, and providing for an effective date. Louis H. Bruni)

Motion to approve Ordinance #97-O-221 with a correction to read "2500 block" instead of "1400 block" of Santa Barbara Street.

Moved : Cm. Guerra

Second: Cm. Valdez

For: 7

Against: 0

Abstain: 1

Cm. Perez

12. 97-O-222 Authorizing the City Manager to execute all necessary documents to convey a 1.176 acre tract of City-Airport-owned land situated in the north side and contiguous to the Main Post Office, to the U.S. Postal Service in exchange for the U.S. Postal Service conveyance to the City of a 0.813 of an acre tract of land, situated in the east portion of the Main Post Office, for the extension of Arkansas Avenue, north of Saunders Street (U.S. Hwy. 59). Providing for an effective date. (City Council)

Motion to approve Ordinance #97-O-222.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

13. 97-O-223 Amending Chapter 14, Garbage, Trash, And Refuse Article I, Section 14-4.1 (d)(7)(8)(9) - Rates, of the Code of Ordinances of the City of Laredo, in order to allow for the collection of landfill fees for disposal of garbage at the City's Landfill site on Sundays by 1) private individuals who are non-residents of the City of Laredo; providing for publication and effective date. (City Council)

Motion to approve Ordinance #97-O-223.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

14. 97-O-224 Ordinance amending the City of Laredo's 1996-1997 annual budget in the amount of \$49,922.00 for a grant awarded by the Texas Natural Resource

Conservation Commission's Used Oil Division to be used for enhancing and continuing the Used Oil Collection and Recycling Program for the period from September 1, 1997 through July 31, 1998 and authorizing the City Manager to implement said budget. (City Council)

Motion to approve Ordinance #97-O-224.

Moved : Cm. Perez
 Second: Cw. Montalvo
 For: 8 Against: 0 Abstain: 0

- 15. 97-O-225 Ordinance amending the City of Laredo, Texas investment policy to comply with House Bill 2799 which amended the public funds investment act, Chapter 2256, of the Texas Government Code. The changes became effective September 1, 1997. (City Council)

Motion to approve Ordinance #97-O-225.

Moved : Cm. Perez
 Second: Cw. Montalvo
 For: 8 Against: 0 Abstain: 0

- 16. 97-O-226 Ordinance amending the City of Laredo's 1996-1997 Annual Budget in the amount of \$343,844.00 for an Auto Theft Task Force Grant for funding equipment, personnel, travel, and direct operating expenses for the period of September 1, 1997 to August 31, 1998. (City Council)

Motion to approve Ordinance #97-O-226.

Moved : Cm. Perez
 Second: Cw. Montalvo
 For: 8 Against: 0 Abstain: 0

- 17. 97-O-227 Ordinance amending a contract with the Texas Department of Health and Budget in the amount of \$92,707.00, for the HIV/AIDS Health and Social Services Project of the City of Laredo Health Department for the period beginning September 1, 1997, through August 31, 1998; and increase Revenue Line Item 226-0000-323-4050 from \$0 to \$92,707.00, and Expenditure Line Item 226-6061 from \$0 to \$92,707.00. (City Council)

Motion to approve Ordinance #97-O-227.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

18. 97-O-228 Ordinance amending a contract with the Texas Department of Health and Budget in the amount of \$66,000.00 for the HIV/AIDS Health Education/Risk Reduction Project of the City of Laredo Health Department for the period beginning September 1, 1997, through August 31, 1998; and increasing Revenue Line Item 226-0000-323-4043 from \$0 to \$66,000.00, and Expenditure Line Item 226-6063 from \$0 to \$66,000.00. (City Council)

Motion to approve Ordinance #97-O-228.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

19. 97-O-229 Ordinance amending the contract with the Texas Department of Health and Budget in the amount of \$11,400.00, for the Border Environmental Survey of the City of Laredo Health Department for the period beginning September 1, 1997, through August 31, 1998; and increasing Revenue Line Item 226-0000-323-4075 from \$0 to \$11,400.00, and increasing Expenditure Line Item 226-6074 from \$0 to \$11,400.00. (City Council)

Motion to approve Ordinance #97-O-229.

Moved : Cm. Perez

Second: Cw. Montalvo

For: 8 Against: 0 Abstain: 0

20. 97-O-230 Ordinance amending the City of Laredo's 1996-1997 budget in the amount of \$131,418.00, for additional salary and fringe benefits and the purchase of five (5) vehicles for the multi-agency financial disruption force grant awarded by the office of National Drug Control Policy beginning July 1, 1997 and ending June 30, 1998. (City Council)

Motion to approve Ordinance #97-O-230.

Moved : Cm. Perez
 Second: Cw. Montalvo
 For: 8 Against: 0 Abstain: 0

VI. RESOLUTIONS

21. 97-R-102 Accepting a Fiscal Year 1997 Military Airport Program (MAP) Grant in the amount of \$2.0 Million from the Federal Aviation Administration (FAA) and appropriating the sum of \$222,223.00, as the local match and authorizing the City Manager to execute the grant agreement. The local match is available in the New Airport Passenger Terminal Reserve Account. The federal and local funds will be used to purchase and install four passenger boarding bridges at the new passenger terminal and to acquire a portion of the Runway Protection Zone (RPZ) to Runway 35L.

Motion to approve Resolution #97-R-102.

Moved : Cm. Perez
 Second: Cm. Bruni
 For: 8 Against: 0 Abstain: 0

22. 97-R-103 Authorizing the Mayor of the City of Laredo to Execute the Metropolitan Transportation Planning Contract with the Texas Department of Transportation for and on behalf of the Laredo Urban Transportation Study (L.U.T.S.).

Motion to approve Resolution #97-R-103.

Moved : Cm. Perez
 Second: Cm. Valdez
 For: 8 Against: 0 Abstain: 0

VII. COMMUNICATIONS

Mayor Ramirez recognized Cw. Moreno as the newest appointed member by Governor Bush to the Texas Teachers Retirement System.

VIII. ADJOURNMENT

Motion to adjourn. Time: 1:15 p.m.

Moved : Cm. Perez

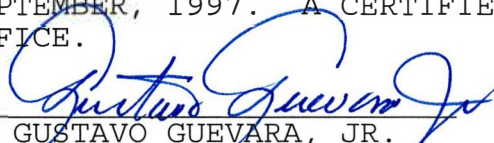
Second: Cw. Montalvo

For: 8

Against: 0

Abstain: 0

I HEREBY CERTIFY THAT THE ABOVE MINUTES CONTAINED IN PAGES 01 TO 15 ARE TRUE COMPLETE AND CORRECT PROCEEDINGS OF THE SPECIAL CITY COUNCIL MEETING HELD ON THE 27TH DAY OF SEPTEMBER, 1997. A CERTIFIED COPY IS ON FILE AT THE CITY SECRETARY'S OFFICE.


GUSTAVO GUEVARA, JR.
CITY SECRETARY

Minutes approved: October 20, 1997