

CITY OF LAREDO
 LAREDO, TEXAS
 SPECIAL CITY COUNCIL MEETING
 CIVIC CENTER CONFERENCE ROOMS 1 & 2
 2400 SAN BERNARDO STREET
 6:00 P.M.

AGENDA MB9-S-15

Minutes

MARCH 27, 1989

I. CALL MEETING TO ORDER.

(024.1) With a quorum present, Mayor Pro-Tem Saul N. Ramirez, Jr. called the meeting to order in the absence of Mayor Aldo Tatangelo.

IN ATTENDANCE:

- SAUL N. RAMIREZ, JR., MAYOR PRO TEM
- SANTOS BENAVIDES, COUNCILMEMBER, DISTRICT I
- JACINTO P. JUAREZ, " " " II
- MARGARITO BENAVIDES, JR., " " " IV (Arrived at 6:15 p.m.)
- BLAS CASTANEDA, " " " V (Arrived at 6:10 p.m.)
- DAVID R. CORTEZ, " " " VI
- HECTOR J. LIENDO, " " " VII
- CONSUELO "CHELO" MONTALVO, " " " VIII
- PETER H. VARGAS, CITY MANAGER
- MARTHA MARTINEZ, ASSISTANT CITY ATTORNEY
- HORTENCIA C. GONZALEZ, CITY SECRETARY

ABSENCES:

MAYOR ALDO TATANGELO

(1172.1) Motion to go into Executive Session: Montalvo
 Second: M. Benavides, Jr.
 For: 7 Against: 0 Abstain: 0

II. EXECUTIVE SESSION TO BE HELD UNDER ARTICLE 6252.17, SECTION 2(g) OF THE TEXAS CIVIL STATUTES TO DISCUSS PERSONNEL AND A REORGANIZATIONAL PLAN OF CITY DEPARTMENTS

On their return, Mayor Pro-Tem Ramirez, Jr. announced that no action was taken in Executive Session.

Mayor Pro-Tem Ramirez, Jr., on behalf of the City Council, made an announcement in support of the City Manager's proposed reorganizational plan presented to them during Executive Session. He further requested that a report be returned to City Council on the process and progress of his plan.

III. PUBLIC HEARING(S)

Motion to open the Public Hearing: Juarez

Second: S. Benavides

For: 7

Against: 0

Abstain: 0

(045.1) APPROVING THE TRANSFER OF STOCK OF RCA CABLESYSTEMS HOLDING CO. TO KBL CABLE, INC., WHICH EFFECTIVELY TRANSFERS THE CONTROL OF ROGERS CABLESYSTEMS OF THE SOUTHWEST, INC., THE CURRENT FRANCHISEE UNDER THE FRANCHISE ORDINANCE, AND PROVIDING FOR AN EFFECTIVE DATE.
ORDINANCE NO. 89 0 60
FINAL READING

Mr. Larry Dovalina, City Communications Officer on cable matters, briefed City Council on the following summary of events relevant to franchise negotiations.

August, 1988 - Rogers' stock purchase agreement with Houston Industries

August 3, 1988 - City requested from Rogers information of different aspects to analyze the proposed buyer.

October 21, 1988 - Meeting with the 3 companies.

December 21, 1988 - City issued a supplemental request for information.

January 6, 1989 - KBL Com replied to those requests.

Mr. Dovalina further explained that during the analysis, one of the primary concerns was that there be assurance the transfer would not materially change the performance of the franchise as it existed.

The City expressed its concern regarding the following four different issues:

1. Operation or managerial capability of the Company.
2. The financial capability where the Company has the

- capability to perform the existing obligations, and whether the buyer's operating projections were reasonable.
- 3. Character qualifications - Analysis to indicate whether there were any significant character issues related to the buyer, such as violations of franchise where they were doing business, litigation, or any criminal type of indictments that might have been cast on character of the company. There were none.
- 4. A willingness by the proposed buyer to perform under the franchise the existing obligations, with the exception of the points in dispute.

After a meeting with all concerned parties, the City came up with a settlement document. There were several proposed modifications on the settlement document.

Councilman Cortez expressed concern regarding increase or decrease in employees.

Assistant City Attorney Martha Martinez, highlighted legal procedures, which included publishing of needed documents as well as timetable for presentation of pertinent documents.

Mr. Jack Davis, Cable Commission Chairman, thanked staff members for working diligently toward realization of transfer and expressed Commission's concurrence with staff's recommendations.

Mr. John Bickum, Vice-President, Cable Com, also thanked those involved. Mr. John Cardenas, General Manager and Mr. Warren Mobley, President of Central Division, addressed Councilman Cortez' concern. Mr. John Cardenas further stated that there will be similarities and improvements to present arrangement. There presently are 54 employees and there are no intents to replace or fire anyone.

(1106.1) Motion to close the Public Hearing: M. Benavides, Jr.
 Second: Montalvo
 For: 7 Against: 0 Abstain: 0

Mayor Pro-Tem Ramirez, Jr. stated that the transfer of stock will be completed on June 16, 1989.

Motion to approve Ord.#89-0-60: M. Benavides, Jr.
 Second: Castaneda
 For: 8* Against: 0 Abstain: 0

*Chair voted in favor

IV. ADJOURNMENT

Motion to adjourn: M. Benavides, Jr.

Second: Carfax

For: 7

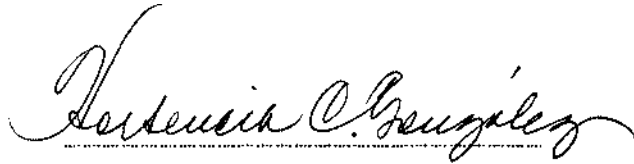
Against: 0

Abstain: 0

Adjournment was at 7:30 P.M.

THIS NOTICE WAS POSTED AT THE MUNICIPAL GOVERNMENT OFFICES, CORNER OF FLORES AND LINCOLN STREETS, LAREDO, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE PUBLIC AT ALL TIMES. SAID NOTICE WAS POSTED ON MARCH 21, 1989 AT 5:00 P.M.

I HEREBY CERTIFY THAT ABOVE MINUTES CONTAINED IN PAGES 01 TO 04 ARE TRUE, COMPLETE, AND CORRECT PROCEEDINGS OF THE SPECIAL CITY COUNCIL MEETING HELD ON MARCH 27, 1989. A CERTIFIED COPY IS ON FILE IN THE CITY SECRETARY'S OFFICE.



HORTENCIA C. GONZALEZ

CITY SECRETARY

MINUTES PREPARED BY: Gloria M. Garza, Deputy Secretary

PASSED AND APPROVED BY CITY COUNCIL ON:

CORRECTIONS: