

**CITY OF LAREDO
CITY COUNCIL MEETING
M2018-R-13
CITY COUNCIL
CHAMBERS 1110
HOUSTON STREET
LAREDO, TEXAS 78040
August 20, 2018
5:30 P.M.**

I. CALL TO ORDER

Mayor Pete Saenz called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Pete Saenz led in the pledge of allegiance.

III. MOMENT OF SILENCE

Mayor Pete Saenz led in a moment of silence.

IV. ROLL CALL

In attendance:

Pete Saenz	Mayor
Rudy Gonzalez, Jr.	District I
Vidal Rodriguez	District II
Alejandro "Alex" Perez, Jr.	District III
Alberto Torres, Jr.	District IV
Norma "Nelly" Vielma	District V
Charlie San Miguel	Mayor Pro-Tempore, District VI
George J. Altgelt	District VII
Roberto Balli	District VIII
Jose A. Valdez, Jr.	City Secretary
Horacio De Leon	City Manager
Cynthia Collazo	Deputy City Manager
Kristina L. Hale	City Attorney

Cm. Vielma joined at 5:35 p.m.

Cm. Altgelt joined at 6:12 p.m.

V. MINUTES

Approval of the minutes of August 6, 2018.

Motion to approve the August 6, 2018 minutes.

Moved: Cm. Torres

Second: Cm. Balli

For: 5

Against: 0

Abstain: 0

Cm. Vielma, Cm. San Miguel, and Cm. Altgelt were not present.

Citizen comments

Steve Whitworth, attorney and Laredo Economic Development Corporation board member, noted that the LEDC was formerly known as the Laredo Development Foundation and was founded over 50 years ago to stimulate and assist in economic development. While most development is in North Laredo, the workers are from all over the city, particularly South Laredo. He noted that the organization and the City can complement each other's economic development work and achieve better results through collaboration.

Silvia Cosio spoke about the littering of beer or liquor bottles and syringes in the Vista Hermosa subdivision. This area is very close to a school, and it has caused many problems. Noises persist until very early hours of the morning, and the surrounding residents want a clean, peaceful neighborhood. She voiced her frustration at the situation and asked for a remedy before things worsen.

Armando Cisneros displayed an ordinance from the City of San Antonio authorizing the spending of discretionary funds. In Laredo, Council receives \$4 million in district priority funds, but there is no ordinance or allowance in the City Charter for Council to spend this money. Because of this, the City Manager cannot make any long-term project plans. He urged Council to adopt a similar ordinance in order to legitimize Council's discretionary spending.

Cesar Cantu reference an article in the *Laredo Morning Times* regarding Council's budgetary decisions. When elected officials make financial decisions, the community shares all of the consequences of those decisions. He informed Council that 95% of Laredo ISD students come from economically disadvantaged families; 75% of United ISD students come from economically disadvantaged families. He voiced his concern that Council's budget included eliminating the Laredo Development Foundation (now known as the Laredo Economic Development Corporation). Economic development should be Council's top priority when discussing the budget. Laredo's teachers are doing a wonderful job teaching our children despite the challenges they face of economic disadvantage, hunger, and drug use. He noted that students who graduate from Laredo high schools or university do not have competitive jobs waiting for them, causing them to leave and leaving a deficit of educated workers in Laredo.

Javier Ramirez of the Webb County Community Action Agency stated that under the guidelines for CDBG funds, the Community Action Agency is required to conduct a community needs assessment. That was done, and a copy was given to Arturo Garcia of the Community Development Department. He distributed a copy for the City's record and informed Council of a WCCAA program called Transition Out of Poverty. The WCCAA has established contracts with local colleges so that individuals can apply for financial assistance with their tuition at these colleges. He noted that if the Mayor were to create a committee regarding poverty, he asked that he be considered as a committee member. Mr. Ramirez stated that he has been a clinical social worker since 1977, he has worked with the indigent population in Laredo and Webb County for essentially his entire career. Mayor Saenz asked staff to obtain Mr. Ramirez's contact information.

Mellie Hereford informed Council that the 0.003% tax reduction is laughable if not ridiculous; it is insulting to every tax paying member of the community. She had requested a tax reduction to help alleviate the burden of all of the taxes that residents have to pay, especially the sector of the population living in poverty. She voiced her disappointment that, instead of finding a better solution to assist tax-riddled citizens, Council found ways to spend \$20 million in certificates of obligation, which will incur new debt. She reminded Council that the tax reduction amounts to \$3 for every \$100,000 home in the community. It does nothing for the poorest of the city. She asked Council to review its tax reduction and adopt the effective tax rate of 0.603512 per \$100. This would give taxpayers about \$50 in savings per year. She voiced her opinion that Council is no longer functioning in the capacity to which it was elected as Council is not serving the taxpayers' best interests and continuing to squander hard-earned tax money. She informed Council that on September 4, 2018, citizens will come back to Council to hear the new tax reduction proposal.

VI. VETERAN RECOGNITION

- a. Honoring Veteran Henry Hector Boubel for his service as a member of the United States Naval Service and recognizing his distinguished service to our Country.

Arturo Garcia, Community Development Director, introduced Mr. Henry Hector Boubel to a standing ovation.

Henry Hector Boubel thanked Council for the recognition and read from a prepared statement: "To me, being a veteran meant knowing that I put my life on the line. I was more than glad to do it for my country and my people. I am also extremely proud and honored for being chosen as the veteran of the month. I am also very grateful for knowing that I am not being forgotten, and neither have my fellow veterans. Thank you, and God bless you."

Mayor Saenz thanked Mr. Boubel for his service and presented him with a certificate of recognition.

Mr. Garcia presented Mr. Boubel's biography, noting that he graduated from Martin High School and joined the Navy at 18 years of age. He attended basic training at Great Lakes Naval Training Center in Illinois. His first duty assignment was aboard the USS Maddox in the North Atlantic 1942 combatting the Germans. The ship was attacked and sunk at sea. Mr. Boubel was rescued and continued naval combat operations later that year aboard the USS Toucan and the USS Sherburne in the Pacific Theater against the Japanese. He served from 1942-1945, achieving the rank of Coxswain First Class and was decorated with the Asiatic Pacific Theater of Operations Medal, the Liberation of the Philippines Medal, the American Theater of Operations Medal, and the World War II Victory Medal. Mr. Boubel was fortunate not to receive any injuries during his tours of duty; upon returning home, he used the GI Bill to obtain a business degree from Laredo Junior College. He has contributed to his local community by developing the Laredo Junior College mascot and colors, inspired by a Palomino running on a sunset horizon of gold and green.

Mr. Boubel received another standing ovation. Mr. Garcia played a video presentation highlighting Mr. Boubel's career and life.

VII. COMMUNICATIONS

1. Presentation by Streets of Laredo Mall, Inc., DBA Laredo Main Street on the 20th Annual UETA Jamboozie Festival to be held on Saturday, September 8, 2018 in downtown Laredo.

Priscilla Iglesias, Laredo Main Street Executive Director, reminded Council of Laredo Main Street's commitment to the economic diversification of Downtown Laredo and surrounding neighborhoods. She recognized Robert Portillo of UETA Duty Free, the title sponsor of the Jamboozie Festival.

Hector J. Garcia, Jamboozie Chairperson, invited Council and the public to years-old festival. He thanked sponsors and noted that many music genres will be represented, and Solido and Ricky Naranjo y Los Gamblers will headline the event. Presale tickets are \$5, and day-of admission is \$10. The Mayor's march will be a walking parade, and a kiddie park will be available for young children.

Frank Rotnofsky reminded Council that Jamboozie celebrates the Downtown area. Ms. Iglesias introduced the Laredo Main Street and Jamboozie Chairpersons present: Viviana Frank, Hector J. Garcia, Joseph Mendiola, Nydia Robles, and Frank Rotnofsky.

2. Presentation by Workforce Solutions and an invitation to the Youth Career Exploration Event.

Roger Treviño stated that by working closely with Laredo's school districts and colleges, Workforce Solutions is able to prepare young people for gainful employment in the community, and the public education system offers many electives for students to find a career path that suits their interests and aptitudes. He invited Council and the public to the second Youth Career Exploration Event on September 12-13, 2018 at Sames Auto Arena. This event allows students to meet professionals in the industry the student is considering to receive firsthand advice and expertise on the qualifications and workload.

Andrea De La Garza, Workforce Solutions Project Director, reported that last year Workforce Solutions supported 1200 high school students in the statewide Youth Career Exploration Event. This year, the event will be held from 9:30 a.m.-2:30 p.m. There will also be a Parent Night September 12 from 5:00 p.m.-7:00 p.m. It is free to attend and is well-received by the students. Schools from Zapata and Jim Hogg also attend the career event.

Horacio De Leon, City Manager, reminded Council that the City was able to support this event last year through the event fund; staff would like to support the event again this year with the approval of Council.

Hearing no objection, Mayor Saenz asked staff to proceed with providing support for the event.

3. Presentation by Miss Laredo USA 2018 Katherine O'Conner and Miss Laredo Teen USA 2018 Anissa Mendez on their upcoming state competitions representing Laredo.

Katherine O'Conner informed Council that she was crowned Miss Laredo in June 2018, and she will represent Laredo at the Miss Texas pageant in Houston during Labor Day weekend. She thanked Council for the recognition.

Anissa Mendez stated that serving as Miss Laredo Teen USA has given her a voice to speak out to the teens in her community about the importance of health, fitness, and self-confidence. She noted that she will represent Laredo at the Miss Texas Teen USA pageant in Houston.

Mayor Saenz stated that both young women have the attributes and skills to represent. Their parents were recognized and applauded for their support. Hearing no objection, Mayor Saenz asked staff to provide financial support to the young women as customary in the past.

VIII. APPOINTMENTS TO COMMISSIONS, BOARDS AND COMMITTEES

1. Appointment by Council Member Vidal Rodriguez to replace Cristobal Rodriguez on the Ethics Commission.

Motion to approve the nomination of Hector Patiño to the Ethics Commission.

Moved: Cm. Balli

Second: Cm. Vielma

For: 6

Against: 0

Abstain: 0

Cm. Torres and Cm. Altgelt were not present.

2. Appointment by Mayor Pro-Tempore Charlie San Miguel of Ms. Maribel Garcia to the Laredo Commission for Women.

Motion to approve the nomination of Maribel Garcia to the Laredo Commission for Women.

Moved: Cm. Balli

Second: Cm. Vielma

For: 6

Against: 0

Abstain: 0

Cm. Torres and Cm. Altgelt were not present.

IX. PUBLIC HEARINGS

1. Motion to open public hearing #1.

Moved: Cm. Balli

Second: Cm. Torres

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

First Public Hearing for the adoption of a tax rate \$0.634000 per \$100 value for Tax Year 2018. The tax rate will provide revenue for the general fund and debt service. The rate includes \$0.488732 per \$100 value for Maintenance and Operation and \$0.145268 per \$100 value for Sinking Fund of the Debt Service and is estimated to generate a tax levy of \$88,778,983. The City Council will introduce the ordinance on September 4, 2018 at 5:30 PM at City Council Chambers located at 1110 Houston St. and is scheduled to vote on the tax rate on September 17, 2018 at 5:30 PM at City Council Chambers located at 1110 Houston St.

David Cardwell recalled that Council asked a question about the effective tax rate if the City would receive any additional revenue stream if the effective tax rate is approved. He informed Council that the City would; the effective tax rate will produce the same amount of revenue that was produced last year. The tax rate is effective during a calendar year, but the records are certified around summer of the next year. Those records will be added to the effective rate that the City had to the property last year plus new property. Those new businesses and new properties that were not on the tax roll the year before results in more money for the City.

Horacio De Leon, City Manager, reminded Council that staff is still trying to balance the budget, so he could not recommend to lower the tax rate at this time.

Motion to close public hearing.

Moved: Cm. Balli

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

2. Motion to open public hearing #2.

Moved: Cm. Balli

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

Public Hearing and Introductory Ordinance amending Chapter 15, of the Code of Ordinances by repealing Article VII regarding the rules for on-site sewage disposal facilities and replacing with a new Article VII, on-site sewage disposal, to ensure the on-site sewage disposal program is consistent with the current Texas Commission on Environmental Quality rules; providing a cumulative and repealer clause; providing a severability clause; providing for publication; and declaring an effective date.

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Balli

Second: Cm. San Miguel

For: 5

Against: 0

Abstain: 0

Cm. Gonzalez, Cm. Perez, and Cm. Altgelt were not present.

3. Motion to open public hearing #3.

Moved: Cm. Rodriguez

Second: Cm. Balli

For: 5

Against: 0

Abstain: 0

Cm. Gonzalez, Cm. Perez, and Cm. Altgelt were not present.

Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 5 and 6, Block 1626, Eastern Division, located at 2719 and 2721 Jaime Zapata Memorial Highway, from R-2 (Multi-Family Residential District) to B-1 (Limited Business District).

Staff does not support the application and the Planning & Zoning Commission recommends approval of the Zone Change. ZC-69-2018 District II

Santos A. Garcia, owner of the properties applying for the zone change, reminded Council that the Planning & Zoning Commission recommends approval of the zone change. He clarified that one of the properties has been operating as a business already for about 24 years.

Motion to close public hearing and introduce.

Moved: Cm. Rodriguez

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Cm. Gonzalez and Cm. Altgelt were not present.

4. Motion to open public hearing #4.

Moved: Cm. Balli

Second: Cm. Torres

For: 6

Against: 0

Abstain: 0

Cm. Gonzalez and Cm. Altgelt were not present.

Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for a bar on Lot 2A, Block 2, Lago Del Mar Subdivision, Unit VII, located at 2511 E Del Mar Blvd., Suite 2; providing for publication and effective date.

Staff does not support the application and Planning & Zoning Commission recommends approval of the Conditional Use Permit. ZC-65-2018 District V

Nathan Bratton, Planning Director, reported that 16 property owners were notified; staff received one reply in favor and three against the zone change. He noted that the properties I the back are all commercial. He could not confirm that the property used to operate as a bar.

Motion to close public hearing and table.

Moved: Cm. Vielma
Second: Cm. Torres
For: 6 Against: 0 Abstain: 0

Cm. Gonzalez and Cm. Altgelt were not present.

5. Motion to open public hearing #5.

Moved: Cm. Balli
Second: Cm. Torres
For: 6 Against: 0 Abstain: 0

Cm. Gonzalez and Cm. Altgelt were not present.

Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lot 4A, Block 1, Vista Hermosa Subdivision, Unit III, located at 5507 McPherson Rd., from B-3 (Community Business District) to B-4 (Highway Commercial District); providing for publication and effective date.

Staff does not support the application and Planning & Zoning Commission recommended denial of the zone change. **Therefore the applicant has since exercised the right to appeal this decision directly to City Council.**
ZC-66-2018 District V

Nathan Bratton, Planning Director, reported that 33 property owners were notified of the proposed zone change; staff received no letters in favor and 10 letters from properties within 200 feet were returned in opposition. A petition with 65 signatures was also submitted to staff against the zone change from neighbors. He reminded Council that staff and the Planning & Zoning Commission are both against the zone change, so a supermajority vote from Council is required to approve the zone change if Council wishes to do so.

Paolo Favarato, owner of the property, explained that he needs the B-4 zone for leasing of the property. It takes five months to get a lease out for the property. He noted that he has letters from two direct neighbors that are in favor of the zone change. There has been a bar next door for 14 or 15 years, and the area does not experience crime. When Pesca Fresca operated under a B-3, there were a lot of restrictions that affected the business in the Conditional Use Permit. The business could not get late hours, which was needed for the business to succeed. He displayed multiple photos of bars

and restaurants in the area that directly abut residential properties as well as restaurants and bars that are across the street from a school. He iterated that his property is no different than the businesses and properties displayed. He reminded Council that the tax burden on his property is big, but without a B-4, no business will lease it even though nearby properties have a B-4 and sell alcohol with no problems. He voiced his opinion that if he does not operate restaurants and bars, then someone will probably operate an amusement redemption establishment.

Cm. Vielma asked why Mr. Favarato wants to change the zone now when it has operated as a B-3 for so many years. Mr. Favarato clarified that a B-3 zone would work if he were able to lease it or operate in it without restrictions, but he and other business operators cannot do so. They have to obtain special or conditional use permits, which have restrictions that hurt the business.

Cm. Torres asked if Mr. Favarato's CUP would be transferrable to the potential clients leasing from him. Mr. Bratton stated that if he receives the CUP as the owner, he would have to come in and obtain a modification for anyone leasing the property. He countered Mr. Favarato's argument that a bar has always operated at the location; he voiced his understanding that there has always been a restaurant that serves alcohol at this location that eventually became a bar. Mr. Favarato's CUP can be transferrable to his clients if Council so wishes.

Cm. Vielma recommended that Mr. Favarato apply for a Special Use Permit rather than a zone change.

Motion to close public hearing and table until the September 4, 2018 Council meeting.

Moved: Cm. Vielma

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

X. INTRODUCTORY ORDINANCES

6. Authorizing the City Manager to execute a lease agreement with the State of Texas acting by and through the Texas Military Department, as LESSEE, and the City of Laredo, as LESSOR, for the approximately 12,000 square feet constituting Hangar No. 1309 (W) located at 4207 N. Jarvis, at the Laredo International Airport. Lease term is for one (1) year commencing on September 1, 2018 and ending on August 31, 2019. This lease shall automatically be renewed from year to year until August 31, 2021. Monthly rent shall be \$12,000.00.

Ordinance Introduction: City Council

7. Authorizing the City Manager to approve a sublease for a portion of leased

premises, between the City of Laredo as LESSOR and 4G Investments, LLC as LEESEE, for approximately 21,777 s.f. located at 4605 Maher Street at the Laredo International Airport to Petrom Corp., as SUBLEESSEE, said lease provides for right to sublease subject to City approval, which approval shall not be unreasonably withheld. Sub-lease term is for 2 years until May 31, 2020. All other terms and conditions remain unchanged and in effect.

Ordinance Introduction: City Council

XI. FINAL READING OF ORDINANCES

Motion to waive the final readings of Ordinances 2018-O-113, 2018-O-114, 2018-O-115, 2018-O-116, and 2018-O-117.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

8. 2018-O-111 Amending the Code of Ordinances of the City of Laredo, Chapter 19, motor vehicles and traffic, Article VIII, stopping, standing or parking, by specifically adding Subsection 19-364 (25) which establishes a section of the east side of Main St., from Matamoros to Zaragoza St. as a "No Parking /Tow-Away" zone, providing for severability, effective date and publication.

Motion to table.

Moved: Cm. Torres

Second: Cm. San Miguel

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

9. 2018-O-113 Amending the Zoning Ordinance (Map) of the City of Laredo by repealing Ordinance No. 2018-O-017 and authorizing a Special Use Permit for Townhouses on Lot 1, Block 1, Hilltop Subdivision, Phase 1, located at 7406 Hilltop Rd; providing for publication and effective date. ZC-63-2018 District VII

Motion to adopt Ordinance 2018-O-113.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

10. 2018-O-114 An ordinance of the City of Laredo, Texas, amending Chapter 2, Article II, section 2-17, of the Code of Ordinances by incorporating the duties and responsibilities of the City Attorney into the Code of Ordinances; providing that the City Attorney shall report directly to the City Manager or Deputy City Manager; providing a severability clause; and declaring an effective date.

Motion to adopt Ordinance 2018-O-114.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

11. 2018-O-115 An ordinance of the City of Laredo, Texas, amending Chapter 12, Article II, sections 12-17 and 12-36, of the Code of Ordinances by providing that the Fire Chief shall report directly to the City Manager or Deputy City Manager; providing a repealer clause; providing a severability clause; and declaring an effective date.

Motion to adopt Ordinance 2018-O-115.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

12. 2018-O-116 An ordinance of the City of Laredo, Texas, amending Chapter 26, Article II, Division I, section 26-22, of the Code of Ordinances by providing that the Police Chief shall report directly to the City Manager or Deputy City Manager; providing a severability clause; and declaring an effective date.

Motion to adopt Ordinance 2018-O-116.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

13. 2018-O-117 Authorizing the City Manager to convey an easement and right of way to AEP Texas INC., located at, and to serve, the new blower building of the South Laredo Waste Water Treatment Plant Expansion, one (1) conveyance over a tract of land containing 0.09 acres, more or less, situated in

Porcion 36, Webb County, Texas being out of a 84.794 acre tract conveyed to the City of Laredo, Texas, a municipality domiciled in Laredo, Webb County, Texas recorded in Vol. 709, pages 724-726, Webb County Deed Records, Webb County, Texas, as described in the easement conveyance attached as Exhibit A; and providing for an effective date. Transaction to be accounted for in the Fixed Assets System and Sewer Fund.

Motion to adopt Ordinance 2018-O-117.

Moved: Cm. Torres

Second: Cm. Balli

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

XII. CONSENT AGENDA

XII (a) RESOLUTIONS

14. 2018-R-105 Authorizing the City Manager to enter into a non-financial agreement between the Laredo College - Adult Education & Literacy and the City of Laredo - Public Libraries to provide ESL (English as a Second Language), El Civics, and HSE (High School Equivalency) classes to improve literacy levels in surrounding communities.

Motion to adopt Resolution 2018-R-105.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

15. 2018-R-110 Authorizing the City Manager to accept a grant in the amount of \$109,972.00 from the Texas Department of Transportation for enforcement of Comprehensive-Selective Traffic Enforcement Program. The grant period will begin October 1, 2018 and runs through September 30, 2019. This grant is for overtime salaries. The City of Laredo will be required to provide a match in the amount of \$35,191.04 for a total project amount of \$145,163.04. Funding will be available in the Special Police Fund for FY 2018-2019.

Motion to adopt Resolution 2018-R-110.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

16. 2018-R-111 Authorizing the City Manager to accept a grant in the amount of \$89,971.00 from the Texas Department of Transportation for enforcement of Commercial Motor Vehicle Selective Traffic Enforcement Program. The grant period will begin October 1, 2018 and run through September 30, 2019. This grant is for overtime salaries. The City of Laredo will be required to provide a match in the amount of \$28,790.72 for a total project amount of \$118,761.72. Funding will be available in Special Police Fund FY 2018-2019.

Motion to adopt Resolution 2018-R-111.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

17. 2018-R-113 Authorizing the City Manager to accept a grant award in the amount of \$637,768.00 from the Texas Auto Burglary & Theft Prevention Authority to fund the Laredo Auto Theft Task Force for the period of September 1, 2018 through August 31, 2019. This grant pays for salaries and supplies for the LPD Auto Theft Division. The grant requires a cash match in the amount of \$369,345.00 which is available in the General Fund for a total grant amount of \$1,007,113.00. Funding is available in the Auto Theft Task Force Fund.

Motion to adopt Resolution 2018-R-113.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

18. 2018-R-114 Authorizing the City Manager to submit a grant application in the amount of \$13,114.70 to the Office of the Governor's Homeland Security Grants Division (HSGD) for the purpose of funding the State Homeland Security Program (SHSP)-Law Enforcement Terrorism Prevention Activities (LETPA) Grant. This funding will be utilized to replace three x-ray machine laptops which are a vital component necessary in the prevention of terrorism events. No local match is required. Grant will be accounted for in the Special Police Fund.

Motion to adopt Resolution 2018-R-114.

Moved: Cm. Balli
Second: Cm. Gonzalez
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

19. 2018-R-116 Authorizing the City Manager to execute an Advanced Funding Agreement (AFA) no. CSJ-0922-33-177 with the Texas Department of Transportation for the design, engineering, and construction of a multi-use bicycle and pedestrian trail along the Rio Grande Vega (from Laredo College to Anna Park). The local match of \$179,475.00 is available in Environmental Operations Fund and Federal TAP funds will be provided to the City of Laredo in the amount of \$652,638.00 for a total amount of \$832,113.00.

Motion to adopt Resolution 2018-R-116.

Moved: Cm. Balli
Second: Cm. Gonzalez
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

20. 2018-R-117 Authorizing the City Manager to submit a grant application in the amount of \$72,748.00 from the Office of Justice Programs, Bureau of Justice Assistance for funding the 2018 Edward Byrne Memorial Justice Assistance Grant (JAG) Program for the period of October 01, 2018 through September 30, 2021. The Bureau of Justice Assistance mandates that this grant be divided equally between the City of Laredo and Webb County, Sheriff's Office; \$36,374.00 will be allocated for the LPD Network Specialist and \$36,374.00 for Webb County Sheriff's Office operation enhancements. Funding will be available in Special Police Fund for FY 2018-2019.

Motion to adopt Resolution 2018-R-117.

Moved: Cm. Balli
Second: Cm. Gonzalez
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

21. 2018-R-118 Ratifying the execution of the contract amendment from the Health and Human Services Commission (HHSC) in the amount of \$222,050.00 for a total amount of \$393,050.00 for the continuation of the City of Laredo Health Department (CLHD) Women's Health Preventive Health Services and Family Planning for the term period from September 1, 2017

through August 31, 2019.

Motion to adopt Resolution 2018-R-118.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

22. 2018-R-119 Authorizing the City Manager to accept the continuation contract with Texas A&M International University (TAMIU) in the amount of \$293,796.00 for the Sí Texas – Juntos For Better Health Program. Funding is from Methodist Health Care Ministries through TAMIU, and will allow the City of Laredo Health Department (CLHD) to continue to provide early detection health care services for diabetes, chronic diseases and to integrate behavioral health screenings for the term period from August 1, 2018 through July 31, 2019.

Motion to adopt Resolution 2018-R-119.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

XII (b) MOTIONS

23. Consideration for approval of the Muller Park Site Improvements as complete, release of retainage and approval of final payment in the amount of \$5,971.00 to Romo Contractor, LLC., Laredo, Texas. Final construction contract amount is \$59,710.00. Funding is available in the 2016 CO Bond.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

24. Consideration for approval to award a professional services contract to Frank Architects, Inc., Laredo, Texas, for an amount not to exceed \$460,250.00 for design and preparation of plans and specifications for the City of Laredo Tennis Center Project located on the Texas A&M International University Campus and subject to the execution of a ground lease between the City and the Board of Regents for the Texas A&M University System. Design work is to be done on a fast track basis. Funding is available in the Sports and Community Venue.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

25. Consideration to award a two (2) year depository contract extension to BBVA Compass Bank for banking services. Current depository contract includes an option for a two-year extension. The contract will be extended for fiscal year 2019 and 2020 at an estimated cost of \$147,000.00. The cost of the contract will be allocated to the bank services fees account for various funds starting with fiscal year 2019.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

26. Authorizing the City Manager to grant public firework permit for Uni-Trade Stadium located at 6320 Sinatra Pkwy. The display will take place on the evening of August 20, 2018. The technicians for the display will be Magic in the Sky.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

27. Authorizing the City Manager to donate four (4) Ford Crown Victoria's to Laredo Independent School District (LISD) Police Department. The vehicles because of use and time and incompatibility have no value for the purpose for which they were originally intended and have fully depreciated. These vehicles will be used for law enforcement purposes by the donee to the extent usable. The City of Laredo Police Department donates the vehicles as is and does not assume any liability associated with their use after they have been transferred. The vehicles were purchased with the 2006 PPFCO Issue and the 2008 C.O. Bond.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

28. Consideration to authorize the purchase of four (4) police units from Lake Country Chevrolet, Jasper, Texas in the amount of \$195,808.00. The purchase of these vehicles shall be made utilizing the Goodbuy Contract Pricing Program. The units will replace old SWAT vehicles that have reached the end of their service life. Funding is available in the 2017 Certificate of Obligation Issue.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

29. Consideration to award contract FY18-069 to the lowest responsive, responsible bidder, ROMO Contractors, Laredo, Texas, in the annual amount of \$103,000.00. This is a service contract to provide mowing and maintenance of the Zacate Creek area (from Canal St. through the mouth of the Rio Grande River). The term of this contract is for a two-year period (24 months), subject to future appropriations, with the option to extend contract two (2) additional twelve (12) month periods upon mutual agreement of the parties. Funding is available in the Environmental Services Department budget.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

30. Consideration to award contract FY18-082 for the purchase and installation of a sports lighting system to the lowest bidder, LED Electric & Lighting Contractors, Laredo, Texas in the total amount \$110,700.00. This lighting system will be installed at the soccer field located at the La Ladrillera Park at 1900 Pinder, Laredo, Texas. Estimated time for completion of this project is ninety (90) working days. Funding is available in the 2017 Community Development 43RD Action Year Grant.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

31. Consideration to award annual service contract FY18-081 to sole bidder Test America Laboratories, North Canton, Ohio for an annual contract amount of \$350,000.00. This contract is to provide laboratory analytical services for water and wastewater samples in accordance to Texas Commission of Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) required standard methods. Sample testing is done on a daily, monthly, and quarterly basis. The term of this contract is for a one year period and contract can be extended two (2) additional one year terms upon mutual agreement of the parties. All services shall be secured on an as needed basis. Funding is available in the Water and Wastewater Operation Funds.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

32. Approving monthly adjustments to the tax roll. The amounts to be adjusted for the month of July 2018, represent a decrease of \$6,655.84. These adjustments are determined by the Webb County Appraisal District and by court orders.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

33. Authorizing the City Manager to enter into and execute a Lease Program Contract with IPS GROUP, INC., San Diego, CA, for the use of nine (9) N5 mobile devices for the Traffic Department, Parking Division. This lease is through a National Cooperative Purchasing Alliance (NCPA) Contract, IPS GROUP lease agreement shall be for a thirty six (36) month period with an estimated lease contract total of \$53,100.00. This contract is contingent on continued appropriations in future fiscal years and funding for the lease purchase payments shall be available in Parking Enforcement Division budget.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

34. Consideration to award contract to the top ranked consultant firm, Walker Consultants, Houston, TX in the amount of \$70,000.00 for the Downtown Parking Study (FY18-044). Study includes overall area study of the Central Business District bounded by IH-35 to the east, the Rio Grande River to the south, Main St. to the west, and Moctezuma Avenue to the north. Funding is available in Parking Enforcement Division's budget.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

END OF CONSENT AGENDA

XIII. STAFF REPORTS

35. Discussion with possible action on ongoing audits and/or irregularities identified by the Internal Auditor including the potential assignment of other and/or additional auditing duties; and any other matters incident thereto.

Motion to approve the auditor's report as presented.

Motion: Cm. Torres

Second: Cm. Balli

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

36. Presentation and possible action on the Kansas City Southern Railroad Quiet Zone Study as presented by Mr. Santiago Araque, P.E., consultant with Kimley Horn.

Cm. Balli informed Council that a quiet zone is a portion of the railroad where the train does not have to sound its horn, like in areas with closed streets or crossings with gates. The City had concerns about the Kansas City Southern Railroad sounding a loud horn around the same neighborhoods at the detriment to the residents.

Santiago Araque, consultant with Kimley Horn, reported that the Kansas City Southern Railroad has 32 areas where the trains sound their horns at grade crossings. There are 16 trains per day, and each crossing horn sounds two long, one short, and one long blast. This results in 2,048 horn blasts every day (half of which occur at night). The area of the train horn sounds affects 90,000 people within the 1.5 miles around the line. The reported number of people affected only includes households, not businesses in the area. A quiet zone must meet minimum requirements, such as gates, flashing lights,

railroad cabin with a white light at all public crossing. “Train Does Not Sound Horn” warning signs must also be displayed. Currently, Laredo has six KCSR crossings that do not have gates out of all 32 crossings. Gate installation costs are about \$350,000 per crossing for a total cost of approximately \$2.1 million. Mr. Araque noted that quiet zones have increased risks of injuries or accidents, but there if the calculated Quiet Zone Risk Index (QZRI) is under the National Significant Risk Threshold (NSRT), then the quiet zone is approved. There are two ways to ensure one’s QZRI is under the threshold: Supplemental Safety Measures and Alternative Safety Measures.

Mr. Araque explained that Supplemental Safety Measures include temporary or full-time closures of public crossings, gates with median islands or channelization devices (which have media and driveway limitations), four-quadrant gates, one way streets with gates, and wayside horns. Alternative Safety Measures, all of which must be approved by the FRA, must be tested prior to approval and demonstrate their effectiveness. It takes about a year to approve Alternative Safety Measures, which do not fully meet the requirement of Supplemental Safety Measures. The quiet zone study reviewed three different quiet zone alternative proposals. Alternatives 1 and 2 both involved a full quiet zone from Arkansas to Vidaurri, and Alternative 3 involved an East Laredo quiet zone from Arkansas to Monterrey Avenue. All alternatives excluded Zaragoza and Santa Isabel. Crossing outside of the quiet zone must be a minimum of 600 feet away from the proposed quiet zone. Mr. Araque stated that Vidaurri must be closed in order to have a full quiet zone.

Cm. Balli reported that a public meeting was held, and about 50 residents in the San Francisco Javier neighborhood were adamantly opposed to a quiet zone. They stated that they are used to the train noise and did not want to close any streets in the neighborhood. He noted that this neighborhood should be excluded from the quiet zone out of respect for the wishes of the residents.

Cm. Perez reported that at the same meeting, about 30 residents from the Chacon and Three Points area were very vocal about wanting a quiet zone.

Mr. Araque reported the cost of the alternatives as follows:

	<u>Alternative 1</u>	<u>Alternative 2</u>	<u>Alternative 3</u>
Cost	\$1,194,000	\$849,000	\$476,000
QZRI	14,269	14,083	14,343
NSRT	14,347	14,347	14,347

The proposed safety measures were reported as follows:

<u>Crossing</u>	<u>Alternative 1</u>	<u>Alternative 2</u>	<u>Alternative 3</u>
Vidaurri	Closure	Closure	Not studied
Santa Rita	Gates	Closure	Not studied
Juarez	Gates	Gates	Not studied
Convent	Median (SSM)	Median (SSM)	Not studied
Corpus Christi	Quad Gates*	Quad Gates*	Quad Gates*
Marcella	Gates	Gates	Gates

Market	Quad Gates	Quad Gates	Quad Gates
Seymour	Median (SSM)	Median (SSM)	Median (SSM)
Market E	Median (SSM)	Median (SSM)	Median (SSM)
Arkansas	Quad Gates*	Quad Gates*	Quad Gates*

*\$1,194,000 (Alternative 1), \$849,000 (Alternative 2), \$476,000 (Alternative 3)

Cm. Balli noted that when this study began, there was a certificate of obligation bond for \$1 million that was left pending. He asked for a status update on that bond.

Nathan Bratton, Planning Director, confirmed that there is a 2016 CO, an account number ending in 9722, and there is \$1 million in that account which was earmarked for the quiet zone at the time.

Cm. San Miguel asked if this project was in the CIP. Mr. Bratton confirmed that it was not. Cm. San Miguel asked why it was omitted, because the money was available and the City could have moved forward with this project long ago.

Mr. Bratton explained that staff brought this item to Council more than once and Council did not act on it. Cm. San Miguel stated that Council needs to be reminded of projects like this so that decisions can be made.

Cm. Perez reminded Council that Council and staff have been working on the project this whole time, but working with railroad companies is slow work. Cm. Balli agreed that during the work, he was one of the Council Members who balked and changed his mind and slowed the process. However, now the price is right and the project seems opportune.

Cm. San Miguel asked if there is a deadline to this CO bond. Mr. Bratton voiced his assumption that there is but was unaware of what the deadline might be. Cm. San Miguel voiced his frustration that Council was not updated on this bond as there may be a risk that the deadline won't be met. He asked staff to be careful.

Mr. Araque reported that the next steps involve holding a staff and public meeting to receive stakeholder input, then producing a final report upon which the MO and City gives its recommendations. The City will then prepare the official quiet zone application packet using information from the FRA calculator and prepare design plans for crossing closures and safety improvements at crossing. Following that, the City will issue a notice of intent (NOI) and safety improvement plants to establish a quiet zone to the FRA and KCSR, address any NOI review comments received, install safety improvements and No Train Horn signs, request inspection of the improvement from KCSR, and issue the notice of establishment (NOE) for the quiet zone, stating the date that the horns are to go silent. Mr. Araque confirmed that he can provide staff with an updated timeline and noted that the quiet zone can be established in one or two years.

Horacio De Leon, City Manager, asked Council to amend the CIP to add this project to it.

Motion to direct staff to move forward with the quiet zone implementation, including any purchases or improvements that need to be made, as set forth in Alternative 1 in the estimated amount of \$1,194,000, make use of the available 2016 CO bond for \$1 million, and to direct staff to meet with Kansas City Southern Railroad in the event that any streets close that KCSR might purchase to provide the remaining funding needed for the quiet zone and to bring this item back to Council to address any additional funding needs and to add this project to the list of projects on the Capital Improvement Plan.

Moved: Cm. Balli

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

37. Staff report regarding the 2018 PONY Softball South Zone World Series Tournament that was hosted from July 17-21, 2018.

Motion to table until the next Council meeting.

Moved: Cm. Balli

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

38. Presentation with discussion and possible action on negotiating employment contracts with appointed officials who are subject to confirmation by the City Council, and any other matters incident thereto.

Motion to table until the next meeting.

Moved: Cm. Torres

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Balli was not present.

39. Staff report regarding the City of Laredo New Year's Eve celebration planned for December 31, 2018.

Motion to table.

Moved: Cm. Torres

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

40. Presentation by staff on financial impact regarding the cost of living adjustment and/or increasing the minimum wage to a living wage and any other budgetary related items requested during the Budget Workshop on

August 13-15, 2018, with possible action.

Dora Maldonado, City Tax Assessor/Collector, explained that the proposed tax rate is the original rate that the City proposed to Council. The effective tax rate is the rate that will bring in the same amount of dollars as last year. If Council adopts the tax rate, it will be 0.603512 per \$100., meaning that there will be no tax increase. The tax rate that Council proposed is higher than the effective tax rate. The highest tax rate that Council can adopt is the rollback tax rate, but she acknowledged Council's opposition to accepting the highest rate. She noted that the proposed tax rate as per the public hearing is 0.634000 per \$100, meaning that Council is 3 cents over the effective tax rate.

Cm. Torres asked what the effect would be on the revenues if Council reduces its tax rate by 3 cents and what that would put at risk. Mrs. Maldonado clarified that it would amount to about \$4.3 million.

Horacio De Leon, City Manager, stated that staff had kept a tally of the Council's needs and wants in the amount of about \$3 million with suggestions that would lower the amount to about \$800,000. If Council were to lower the tax rate as suggested, that would add an additional \$4 million to that tally. This does not take into consideration any retirement incentives yet, since that information is forthcoming. It would be very hard to balance the budget without laying off employees. He recommended that Council not lower the tax rate as suggested.

David Cardwell requested that Council lower the City property tax rate. As a retiree living on a fixed income, Mr. Cardwell voiced his gratitude that he has the means to pay his living expenses and property taxes. All members of Council are gainfully employed and are able to comfortably pay their property taxes. However, there are others in the community who do not have the luxuries that Council Members experience. Times are tough for many residents, and they need relief and help. The price of gas has increased 24% over the past year. Rent for a primary residence has increased 3.6%, and restaurant meal shave increased 2.8%. Mr. Cardwell demanded that Council reduce the property tax rate to the effective rate of 0.603512 per \$100 valuation. The effective tax rate is still higher than the property tax rates of other progressive cities. Laredoans have to pay much more property tax in comparison to other cities. He encouraged Council not to burden the citizens of Laredo, many of whom live paycheck to paycheck. He voiced his understanding that Council cannot use their discretionary funds to make up the \$4.3 million difference, but Council can give their discretionary fund back to the City and find another way to pay for their discretionary projects using their creativity and frugality.

Andy Ramos, Jr., recalled a time 35 years ago when the local funeral home would pick up injured people to take them to the hospital. He encouraged the Fire Chief at the time to find used ambulances for sale from other cities. At that time, the peso devaluation led to the City dismissing 200 employees, which was very difficult. Mr. Ramos proposed the purchase of fire trucks and paying for more fire fighters to be trained as paramedics, which started ambulance services to the citizens of Laredo. Today, the Laredo Fire

Department is the best department in the state of Texas with the best ambulance service in the state as well. However, out of the more than 400 fire fighters in the Department, he asked who pays for their higher education and what their majors were/are. He asked what opens a new Captain position and how many active Captain positions are in the budget; Mr. Ramos asked the same questions about the Certified District Chief positions in the Department. He suggested that the Fire Department might be top heavy with too many employees in administration. Following his calculations, he determined that some fire fighters receive a 44% increase of the base salary; he could think of nobody or no position that has such opportunity for advancement.

Steve Landin, Fire Chief, countered that Mr. Ramos's calculations are incorrect. While Mr. Ramos compounded percentages and years, they do not compound in reality. The Fire Department structure has always been the same; Captains and District Chiefs are not appointed unilaterally. These positions are filled when a new apparatus is added. Therefore, the Department is not top-heavy. Stipends are based on education, college credits, time, and rank.

Mayor Saenz recommended that Mr. Ramos and Chief Landin meet to answer Mr. Ramos's questions. He added that there are still two public hearings for this item to come before Council at which point Mr. Ramos may make additional comments.

Mr. Ramos cautioned Council that every four years, the Fire Fighters' Association's demands will grow, and the City will not be able to afford those demands. He suggested that the City's representative during the collective bargaining work harder to protect the City's interests.

Alma Acevedo noted that she is a first-generation American, and she is a single mother. She is also the president of a multimillion dollar company and the President of the Laredo Economic Development Corporation. She is a mentor and advisor at MileOne, and she has personally advocated for Laredo as an example of how to live the American dream. To Council's action to stop funding the LEDC and to instead fund its own in-house Economic Development Department, she reminded Council that LEDC is not separate from the City's economic development goals. As a businesswoman, she stated that it is very important that the City promote well-paid jobs. It is unfair for the City to endanger the opportunities of the very people who try to support their community through business.

Elia Carolina Garcia, Zenith Leadership Consultants and Leading Caroline founder, noted that she is the first and only female from Laredo to be internationally certified by the John Maxwell Group as a leadership teacher, trainer, and speaker. Her organization focuses on personal and professional development in order to equip individuals to perform as a leader in any area of life. Through her time spent at MileOne, she had further developed her organization and prepared for leadership academies for young women in Laredo. She cautioned Council not to make such a drastic decision as to eliminate the Laredo Economic Development Corporation, which will have a significant impact on the community. She reminded Council that some of the

people who will fill each Members' seats in the future are currently working at MileOne.

Luis Tienda, Jr., owner and founder of 13th West Media, noted that his agency specializes in social media marketing and video production photography. He started his business three years ago out of his home and, as his business grew, he finally found an affordable business space at MileOne with like-minded individuals. He emphasized the importance of encouraging small business owners and entrepreneurs to pursue and develop their business ideas in order to contribute to the local economy and provide services. He urged Council to continue to support MileOne as it has become a lifeline for many small businesses.

Cm. Torres voiced his ignorance that MileOne was funded through the Laredo Economic Development Corporation with the City's financial support. Speaking for himself, he noted that he only discovered this information the Friday before, which would have informed his decision on the item. He asked for better communication to avoid misunderstandings such as this one, and he commended the LEDC and MileOne for the services that they provide to the professionals of Laredo. He suggested that the operations of the LEDC be a part of Council's Friday packet so that Council can see where the City's financial support is going. He emphasized his tremendous support of MileOne, adding that more of these types of organizations are needed.

Olivia Varela of the Laredo Economic Development Corporation confirmed that the LEDC funds MileOne out of its budget if there is any shortage. MileOne has been operated using EDA grants, which were exhausted this year. LEDC and MileOne have operated under very responsible budgeting, but when shortages occur, LEDC supplements MileOne's budget. She thanked Cm. Rodriguez for meeting with LEDC on Friday to discuss the concerns of the organization. After a thorough discussion with City staff and officials, she learned that Cm. Rodriguez was not aware that the MileOne program is under the LEDC. MileOne is doing exceptionally well, and she voiced her frustration at a perceived impression that the LEDC board members have privileged information for the clients who work with the organization. She clarified that this perception is false; the confidentiality agreements that the organization has to sign for most companies require that the director not discuss specific information about the clients. She prepares monthly reports that includes industries, and those reports that are submitted to the City as executive summaries are the same reports that the executive board sees. She conceded that there are economic advantages to being a part of the economic development group, but that is the result of them committing hours and hours of time working on economic development issues. Mrs. Varela confirmed that the LEDC will work harder to be more communicative and collaborative with the City to leverage what the board has to offer and to welcome ideas that the City would like to see implemented as well.

Cm. Altgelt reminded Council of their action to commit to funding for the Ruthe B. Cowl Rehabilitation Center for three years because non-profit organizations need to plan their programming the next three years in advance rather than planning hand-to-mouth. He suggested that Council

make the same commitment to the Laredo EDC for the same reason. Cm. Rodriguez accepted the suggested provided that the organization meet performance measures and keep the City informed as described.

Mr. De Leon suggested that Council accept that suggestion with the caveat that the budget permits it.

Motion to approve the budget for the Laredo Economic Development Corporation that was proposed during the budget workshop contingent on information exchange between the organization and the City and include a commitment for three years of funding, budget permitting, as amended.

Moved: Cm. Rodriguez

Second: Cm. Vielma

For: 7

Against: 0

Abstain: 0

Cm. Torres was not present.

Rosie Santos, Laredo Center for the Arts Executive Director, stated that the Center was founded in 1993 in the heart of Downtown Laredo and will celebrating its 25th anniversary this year. She cited the many events and activities offered for patrons of all ages, many of which are free to the public. She voiced her understanding that the City is considering cutting the Center's funding for the 2018-2019 fiscal year and asked Council to consider keeping it at \$150,000, which the Center currently receives.

Arturo Garcia, Community Development Director, reported that the Third Party Funding Advisory Committee recommended funding the Laredo Center for the Arts \$135,900 for the FY2018-2019 year while the Center requested \$150,000. There was no reason for the Committee recommending less other than trying to balance the budget available.

Cm. Vielma asked if Council could see the terms of the Third Party Funding agreement with the Center for the Arts, noting her understanding that the terms changed and the at the City is charging for the air conditioning and repairs that the City was supposed to be covering. She asked that the City provide funding that is actually going to go to the Center's services and not recollected by the City.

Motion to approve funding the Laredo Center for the Arts in the amount of \$150,000 as opposed to the previously-approved \$135,900.

Moved: Cm. Balli

Second: Cm. Perez

For: 5

Against: 0

Abstain: 0

Cm. Rodriguez, Cm. Torres, and Cm. Altgelt were not present.

Martin Aleman, Executive Director of Finance & Technology, informed Council that at the budget workshop, staff distributed the budget across the departments that were overseeing that expense.

Mr. De Leon clarified that some of the Enterprise Funds were paying for some of the oversight of some Executive Directors. By bringing those Directors to the City Manager's Office, staff is adding to the General Fund.

Mr. Aleman continued that the City adds a 1.5% COLA raise for employees, it will add \$542,000 to the City's expenses for this year. If the City adds a 2% COLA raise, it will cost the City \$722,000. If the City also raises the minimum wage to \$11 per hour for regular employees on top of the 1.5% COLA raise, the City's cost will be an additional \$333,000; raising the minimum wage on top of a 2% COLA raise will cost an additional \$309,000. This would make the overall deficit \$3,086,098 (1.5% COLA option) or \$3,242,098 (2% COLA). Staff went back and reviewed different options to offset this deficit. One option is to increase various permit fees; staff also noted that the City can update its sales tax estimates with 11 pay periods or update WCAD values for property tax valuations. The City could also increase its electric system and cable system franchise estimates. He also recommended that the City increase its waste collection fees. The contract for the election has already been signed, so the \$200,000 allocation can be removed from the budget for the next fiscal year. The City stands to receive \$200,000 from contribution rebates from the Outlet Shoppes based on sales, but Mr. Aleman could not confirm that information without a report of sales. He recommended that Council reduce the \$1.6 million contribution rebate estimate by \$200,000. He also recommended reducing the City's consultant fee by \$115,300. Allocating the Executive Directors to corresponding funds rather than the General Fund would save \$371,819. All recommendations combined would offset the deficit by \$2,352,436. He informed Council that with these savings, the General Fund is still at a deficit of \$733,662-\$889,642 if Council decides to raise the minimum wage and give a COLA raise for employees.

Mr. De Leon added that this deficit is still subject to change pending the number of employees opting into the retirement incentive program. The retirement incentive program will add to the deficit, not offset it. That information will be presented to Council at the September 4 Council meeting.

Mr. Aleman reported that hotel-motel spending is over \$4 million more than what the City collects annually.

Cm. Balli noted that the week prior, Cm. Vielma voiced concern about SCAN not submitting a Third Party Funding application, and he reported that SCAN representatives reached out to him and informed him that not applying this year was accidental, not intentional. He noted that SCAN works to help people who suffer from child abuse, drug abuse, and other harmful conditions. He asked how much funding they received last year.

Mr. Aleman reported that last year, SCAN received \$13,500 from Third Party Funding.

Motion to provide \$13,500 in Third Party Funding to SCAN for the FY2018-2019 year and add that total to the tally.

Moved: Cm. Balli

Second: Cm. Torres

For: 8

Against: 0

Abstain: 0

Cm. Torres voiced his understanding that Executive Directors under the City Manager's Office would contribute significantly to the General Fund deficit and asked that an appendix be provided to make the ED salaries easier to determine.

Cm. Perez noted that Council approved an urban agricultural program but that he did not see it represented in Council's documentation. Mr. Aleman clarified that the urban agricultural program is being funded by the Environmental Services Department.

Cm. Vielma noted that at the meeting before the budget workshop, Council discussed the safety plan for City Hall, and the \$4,000 estimation is not reported, either. Mr. De Leon agreed that he did not see that estimation represented, but staff will see if it can be paid with this year's budget. If not, it will be included in the budget for next year.

Motion to move the Executive Directors back to 25% funding from Enterprise Funds and to add \$75,000 for City Hall security, as amended.

Moved: Cm. Torres

Second: Cm. Balli

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm Altgelt were not present.

Cm. Torres noted that Council expressed favorable comments regarding the Executive Director of Transportation and how well he is managing the Airport. He asked if Council can unfund the Airport Director position for the upcoming year and have him continue to manage the operation of the Airport, as was done with the Parks Director position. Mr. De Leon confirmed that Council could take such action and recommended that they do so. He clarified, however, that such action would not help the General Fund, but it still provides savings.

Motion to unfund the Airport Director position for the FY2018-2019 year and instruct the Executive Director of Transportation to continue serving as an acting director of the Airport Department's operations.

Moved: Cm. Torres

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

Mr. De Leon informed Council that the City has \$200,00 for City-wide park shades, and he suggested that Council consider paying for those shades through district discretionary funds to lower the costs to the General Fund.

Motion to remove the \$200,000 costs of City-wide park shades from the General Fund budget.

Moved: Cm. Torres
Second: Cm. Gonzalez
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

Mr. De Leon reported that the Animal Care Services' commercial washer and dryer can be purchased with this year's budget, and he recommended that Council remove the \$28,000 allocated for that purchase from the 2018-2019 budget.

Motion to remove the \$28,000 purchase of a commercial washer and dryer for the Animal Care Services Department from the FY2018-2019 budget.

Moved: Cm. Torres
Second: Cm. San Miguel
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

Mr. Aleman confirmed that this action now lowers the budget deficit to \$519,162-\$675,162, depending on the COLA and minimum wage adjustments that Council may approve.

Cm. San Miguel reminded Council that the Building Development Services Department provide revenue for the City, and the Department needs help from the City. He suggested that Council show some support for the Department to continue providing their services and grow. He asked Council to consider approving the purchase of the requested vehicles for the Department.

Mayor Saenz asked how that would affect the deficit. Mr. De Leon clarified that vehicles are purchased through Capital Outlay, so that would not affect the General Fund deficit. However, the Capital Outlay fund is exhausted. Staff can bring a recommendation to Council as a way to fund that purchase.

Cm. Balli asked if the City has any surplus real estate to sell. Mr. De Leon stated that staff will research it and report back to Council when staff reports the retirement numbers.

Motion to accept staff recommendations as presented.

Moved: Cm. Balli
Second: Cm. San Miguel
For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

Cm. Rodriguez recalled discussing raises for drivers to keep them from leaving for other positions outside of the City. Mr. Aleman confirmed that staff looked into those changes for October 1, noting that they would involve some

reclassifications. He recommended that Council consider approving CDL driver raises of \$1 per hour annually.

Stephen Geiss, Solid Waste Services Director, reported that for FY2018-2019, staff proposed raises for Heavy Truck Driver II and III and Heavy Equipment Operator I and II as follows:

<u>Position</u>	<u>Min. Starting</u>	<u>Proposed Min. Starting</u>
Heavy Truck Driver II	\$10.44	\$11.73
Heavy Truck Driver III	\$11.07	\$12.51
Heavy Equip. Operator I	\$11.69	\$12.51
Heavy Equip. Operator II	\$12.51	\$13.14

Mr. Geiss noted that this potential raise does not bring Laredo up to par with surrounding cities, but he voiced his opinion that it is a good start. It was clarified that this recommendation is specific to the Solid Waste Services Department and not all similarly-classified drivers and operators throughout the City.

Mr. Aleman noted that, in the event of a pay compression, staff will look at the pay grade table. In this situation, R23-R26 grades would be affected to keep the spread.

Motion to direct staff to bring back information for all CDL drivers.

Moved: Cm. Rodriguez

Second: Cm. Torres

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

Cm. Vielma recalled the Council action during the budget workshop that added a new holiday to the 2019 calendar year. Council voted to add a holiday for the Friday of spring break; she suggested, however, that Council reverse that decision and add an extra Personal Holiday for the employees to choose what day they take their holiday. That way, the City will not have to cease its operations during a particular day and can continue to provide services.

Motion to change the approved holiday from the Friday of spring break to an additional Personal Holiday in the 2019 employee holiday calendar.

Moved: Cm. Vielma

Second: Cm. Balli

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

Cm. Torres asked how much money was budgeted for contract labor under the City's contract with Elite Employment. Mr. Aleman clarified that the money budgeted is distributed across departments, but the amount is not to exceed a little more than \$2 million. Mr. De Leon added that the \$2 million is

all inclusive, including fees.

Cm. Torres asked why the City does not staff its temporary workers in-house, rather than paying a staffing agency; doing this in-house could result in potential savings for the City. Mayor Saenz agreed that doing so may balance the budget.

Mr. De Leon explained that in many cases, the City can do so. In the past, the amount of time that it takes to vet someone for a position was too cumbersome.

Mr. Aleman cautioned Council that if the City has an employee working for a certain number of hours, then that employee is entitled to health insurance and benefits. Cm. Torres suggested that staff bring some numbers and information back to Council for consideration.

Monica Flores, Human Resources Director, confirmed that staff will work those numbers, but she reiterated that temporary employees are Elite's employees and the City does not pay a fee just to process those temporary workers. Elite has to find the employees, take care of the insurances, and other functions that happen behind the scenes for which the City is not liable. To that point, the Mayor conceded that increasing the City's risk and liability might cost more money.

Motion to direct staff to bring back estimates and a recommendation for hiring temporary workers in-house rather than a staffing agency.

Moved: Cm. Torres

Second: Cm. Balli

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

Mr. Aleman informed Council that the City needs to have a balanced budget by September 4, 2018. Council has still not decided on whether to offer a COLA raise, and he asked for direction. September 4 is the next Council meeting, which will be the first public hearing of the budget. Council can still make changes, but the budget needs to be balanced at the public hearing.

Cm. Balli made a motion to bring back a 2% COLA raise. Cm. Torres asked if a City-wide 2% lump sum payout would be better for the City as it would not affect future budgets.

Motion to bring back a balance reflecting a 2% Cost of Living Adjustment (COLA) raise or a lump sum payout and a recommendation for regular City employees.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

Mr. Aleman reminded Council that staff was considering a LED ribbon screen to be installed around the Uni-Trade Stadium for \$175,000. Also, part of the agreement for the stadium requires that LED stadium lights be used for a total of \$625,000 from the sports venue tax. The stadium lights cost \$450,000.

Cm. Rodriguez noted that the grass has not been renovated since the stadium opened. He asked about replacing the turf with hybrid grass that uses less water and maintenance or synthetic turf. Mr. De Leon confirmed that staff can bring back an estimate of the cost.

Motion to allocate \$625,000 from the sports venue tax for LED stadium lights and an LED ribbon screen at the Uni-Trade Stadium.

Moved: Cm. Balli

Second: Cm. Torres

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

XIV. EXECUTIVE SESSION

None.

XV. RECESS AS THE LAREDO CITY COUNCIL AND CONVENE AS THE LAREDO MASS TRANSIT BOARD

No business.

XVI. ADJOURN AS THE LAREDO MASS TRANSIT BOARD AND RECONVENE AS THE LAREDO CITY COUNCIL

No business

41. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

A. Request by Mayor Pete Saenz

1. Discussion with possible action on how to develop a City wide plan of action to address poverty issues given the recent study results by the Bloomberg Harvard City Leadership Initiative. (Co-Sponsored by Council Member Nelly Vielma)

Motion to table until the next Council meeting.

Moved: Mayor Saenz

Second: Cm. Torres

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

B. Request by Council Member Alejandro "Alex" Perez

1. Discussion with possible action on the resurfacing of twenty-five (25) streets in District III as previously identified by public works.

Horacio De Leon, City Manager, confirmed that staff will bring back the cost of this action to Council for Cm. Perez to allocate district priority funds.

Motion to approve when and if the district priority funds become available.

Moved: Cm. Perez

Second: Cm. Rodriguez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

C. Request by Council Member Alberto Torres, Jr.

1. Discussion with possible action to define the duties and purpose of the Secondary Water Source Ad Hoc Committee, and renaming the committee as the City Utilities Advisory Commission and charging the Commission with additional tasks; and any other matters incident thereto.

Motion to approve and charge the City Utilities Advisory Commission with any issues that the Utilities Department comes across like raising the water rates.

Moved: Cm. Torres

Second: Cm. Rodriguez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

2. Discussion with possible action to adopt a resolution in support of the Webb County Elections Administrator and the Department for the upcoming joint election; and any other matters incident thereto. (Co-Sponsored by Council Member Roberto Balli)

Cm. Torres referenced a previous resolution noting a lack of confidence in the previous Elections Administrator. Being that the City is entering into an agreement with the Webb County Elections Office for the November 2018 election, he voiced his opinion that the City should adopt a new resolution supporting the current Administrator.

Cm. Vielma recalled a complaint from Senator Judith Zaffirini or Tano Tijerina regarding the WCEO and/or Administrator. Cm. Torres noted that the complaint in question was in regards to a matter outside of the Elections Office. The Texas Rangers are investigating that, but it is

unrelated to how the elections are being run. The matter was related to mail-in ballots, and the Elections Office has no way of validating signatures on those mailed ballots. The matter is not related to anything the Elections Office or Administrator actually did.

Motion to approve.

Moved: Cm. Torres

Second: Cm. Balli

For: 5

Against: 1

Abstain: 0

Cm. Gonzalez

Cm. Vielma

Cm. Rodriguez

Cm. Torres

Cm. San Miguel

Cm. Balli

Cm. Perez and Cm. Altgelt were not present.

Horacio De Leon, City Manager, confirmed that staff will bring back the resolution for approval at the September 4 meeting.

D. Request by Council Member Nelly Vielma

1. Discussion with possible action to direct staff to order and install a traffic light at the intersection of Hillside and Bartlett Ave and any matters incident thereto.

Robert Eads, Traffic Director, noted that staff is excited about installing this light as it has been requested for a long period of time. Staff needs a priority source. Staff estimates the cost to be \$150,000.

Cm. Vielma confirmed that the funding source will be the District V priority fund.

Motion to approve using \$150,000 from District V priority funds.

Moved: Cm. Vielma

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

2. Discussion with possible action on directing staff to go out on bids for construction of a metal shade structure for the basketball court and for the installation of lighting system for the walking trail and new soccer fields at the Bartlett Soccer Complex and any other matters incident thereto. District V Priority Funds will be used for these projects.

Graciela Briones, Assistant Parks & Leisure Services Director, reported the cost estimate to be \$120,000-\$150,000 for metal shade structures; the playground cost estimate is \$100,000-\$200,000 depending on the

size.

Horacio De Leon, City Manager, confirmed that once staff goes out for bids, the costs will be brought back to Council.

Motion to approve.

Moved: Cm. Vielma

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

E. Request by Mayor Pro-Tempore Charlie San Miguel

1. Discussion with possible action to invite all City boards, commissions, and committees to do an annual presentation to City Council, and any other matters incident thereto.

Cm. San Miguel clarified that the boards would rotate to provide information to Council.

Motion to approve.

Moved: Cm. San Miguel

Second: Cm. Gonzalez

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

2. Discussion with possible action to implement a construction project managing system whereby contractors are required to submit periodic progress reports, including daily photographs of the work completed, to the Engineering Department or the appropriate city staff, and any other matters incident thereto.

Cm. San Miguel cited several construction sites in his districts where he never sees anybody present or making progress. Rather than taxing City Departments to follow up with the contractors to establish progress, he recommended putting that responsibility on the contractors themselves to report to the City.

Motion to approve.

Moved: Cm. San Miguel

Second: Cm. Gonzalez

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

F. Request by Council Member George Altgelt

1. Discussion with possible action to provide the necessary leave time and funding for all planners at the Planning Department to become accredited by the American Institute of Certified Planners (AICP) and to allow HR Department employees leave and expenses to obtain certification in Human Resources.

Motion to table.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 6 Against: 0 Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

2. Discussion and possible action to adjust cemetery funds proportional to supply and formally withdraw from the cemetery business once all spaces are filled.

Motion to table.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 6 Against: 0 Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

3. Discussion and possible action to fund the construction of those sections of Springfield that are available to the City for purposes of construction.

Motion to table.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 6 Against: 0 Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

G. Request by Council Member Rudy Gonzalez, Jr.

1. Discussion with possible action to deliberate the duties, evaluation and work performance of the City Manager, and any other matters incident thereto. (Co-Sponsored by Mayor Pro-Tempore Charlie San Miguel)

Motion to go into executive session to discuss this item.

Moved: Cm. San Miguel

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Perez was not present.

Following executive session, Mayor Saenz reported that no action was taken.

Krisitna L. Hale, City Attorney, noted that if no action is taken by Council at this time, then the City Manager's contract will continue according to its existing terms. Pursuant to the current terms, the Council and City Manager will bring back written objectives and a set of metrics for approval.

Motion to allow the City Manager's contract to continue according to its current terms and to bring back written objectives and a set of metrics for the City Manager.

Moved: Cm. San Miguel

Second: Cm. Altgelt

For: 6

Against: 0

Abstain: 0

Cm. Vielma and Cm. Balli were not present.

H. Request by Council Member Vidal Rodriguez

1. Status report on the creation of informative plan for releasing information on the various programs/projects from all different departments through the use of email and/or text messaging available to all residents who have signed up to receive the notification, and any matters incident thereto.

Motion to table for the Special Council meeting.

Moved: Cm. Rodriguez

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

2. Discussion with possible action to direct the City Manager to build new park improvements and amenities at Las Misiones Park in the amount not to exceed \$100,000.00; and any other matters incident thereto. District II priority funds will be used for these project.

Cm. San Miguel confirmed that he would add \$150,000 of District VI priority funds to supplement this project.

Motion to approve in the amount not to exceed \$100,000 from District II priority funds and accept an additional \$150,000 from District VI priority funds.

Moved: Cm. Rodriguez

Second: Cm. Torres

For: 6

Against: 0

Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

XVII. ADJOURN

Motion to adjourn.

Moved: Cm. Torres

Second: Cm. San Miguel

For: 6 Against: 0 Abstain: 0

Cm. Perez and Cm. Altgelt were not present.

I, Jose A. Valdez, Jr., City Secretary, do hereby certify that the above and foregoing is a true and correct copy of the minutes contained in pages 01 through 38 and they are true, complete, and correct proceedings of the City Council meeting held on August 20, 2018.

Jose A. Valdez, Jr.
City Secretary