

**CITY OF LAREDO
SPECIAL CITY COUNCIL MEETING
M2018-sc-09
CITY COUNCIL CHAMBERS 1110
HOUSTON STREET
LAREDO, TEXAS 78040
September 25, 2018**

12:00 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
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. San Miguel joined at 12:09 p.m.

Cm. Altgelt joined at 12:10 p.m.

Citizen comments

None

V. INTRODUCTORY ORDINANCES

1. Authorizing the City Manager to accept the dedication of Lot 19A, Block 4 Las Flores Subdivision Phase V, from DNL Investments LTD. for the use of a park, as recommended by the Parks and Leisure Advisory Committee. The conveyance of Lot

19, Block 4, Las Flores Subdivision Phase IV (detention pond) has been accepted through plat.

Ordinance Introduction: City Council

VI. FINAL READING OF ORDINANCES

Motion to waive the final reading of Ordinances 2018-O-138, 2018-O-139, and 2018-O-140.

Moved: Cm. Torres

Second: Cm. Gonzalez

For: 5

Against: 0

Abstain: 0

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

2. 2018-O-138 An Ordinance of the City of Laredo, Texas, Amending Chapter 2, Article II, Division 6 (Pay Administration), of the City Code of Ordinances specifically Section 2-87.7(c)(12)(a), by providing for a 2.0% Cost of Living Adjustment (COLA) for pay grades R23 to R30, a 1.5% COLA adjustment for pay grades R31 to R39, and a 1.0% COLA adjustment for pay grades R40 to W45 to the existing wage schedule and to all City employees, with the exception of Interns, Cooperative Education Program employees (CO-OPS), Elected Officials, Temporary Contract Labor employees, and employees subject to any Collective Bargaining Agreement; the adjustment to the existing wage schedule includes an adjustment to the minimum pay to \$11.00 per hour; providing for a repealing clause; providing for a severability clause; and providing for an effective date of October 1, 2018.

Motion to adopt Ordinance 2018-O-138.

Moved: Cm. Torres

Second: Cm. Gonzalez

For: 5

Against: 0

Abstain: 0

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

3. 2018-O-139 Amending the City of Laredo Leave Ordinance and the Code of Ordinances as follows: Chapter 2, Article II, Division 3 Leave Policy, Sec. 2-58, Sec. 2-59 and Sec. 2-60 by adding one additional Personal Holiday; limiting annual leave accumulation and payout to 176 hours and eliminating sick leave payout for employees hired on or after October 1, 2018, except for employees subject to any Collective Bargaining Agreement; providing for a repealing clause; and providing for a severability clause.

Motion to adopt Ordinance 2018-O-139.

Moved: Cm. Balli
Second: Cm. Torres
For: 7

Against: 0

Abstain: 0

7. Consideration to award two year service contract FY18-084 to the sole bidder, Cantu Electric, Laredo, Texas in an annual amount up to \$500,000.00 for electrical services necessary for the installation and maintenance of street lights & traffic signal lights for the City of Laredo Traffic Safety Department. The term of this contract shall be for a period of two (2) years beginning as of the date of its execution and subject to future appropriations. This contract has three, 1 year extension periods upon mutual agreement of the parties. All services will be purchased on an as needed basis. Funding is available in respective departmental budget.

Motion to approve.

Moved: Cm. Balli
Second: Cm. Torres
For: 7

Against: 0

Abstain: 0

IX. EXECUTIVE SESSION

None.

X. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

A. Request by Council Member Vidal Rodriguez

1. Discussion with possible action to direct the City Manager to possibly replace the current grass at Uni-Trade with hybrid grass or artificial turf and any other matters incident thereto.

Cm. Rodriguez noted that the use of Uni-Trade Stadium has not reached its full potential, but activity on the grass is limited in order to protect it. With hybrid or artificial turf, concert stages can be erected on the field for more events and increase the quality of life and commitments to the area. He recalled asking for recommendations on whether hybrid or artificial turf would be best for the stadium.

Anita Stanley, Assistant Parks & Leisure Services Director, reported that the synthetic turf estimated cost is over \$1 million and does not include Geotech testing (\$3,000-\$3,500) or possible soil stabilizing (\$100-\$250). Without Geotech testing, staff is not sure whether this process will be applicable. The cost of hybrid turf is \$200,000. Both cost estimates are for wall-to-wall implementation.

Horacio De Leon, City Manager, informed Council that Uni-Trade Stadium, Wolff Stadium in San Antonio, and Whataburger Stadium in Corpus Christi all use the same 419 Bermuda grass, which is acceptable for baseball. Some events on the field damage the grass and need repair. He noted that the City has not used the field enough to confidently state that the cost of installing synthetic turf would outweigh the cost of repairing damaged grass. However, if the City wants to start

contracting for more concerts and on-field events, then it would be worthwhile.

Cm. Rodriguez reminded Council that hybrid turf is a modified species for high heat and low-rainfall areas like Arizona and South Texas.

Mr. De Leon reported that the City has re-turfed the infield twice; the outfield grass is likely the original grass that was installed. Mrs. Stanley added that the Bermuda grass lasts about seven years, and the current turf is already near the end of its longevity. She also reminded Council that the turf temperature is 10 degrees warmer than whatever the ambient temperature is. Staff can probably extend the lifespan of the current turf by a couple of years using the high-maintenance program that is already in operation. That costs about \$35,000 per year to recondition the field.

Cm. Rodriguez stated that the stadium will grow to more diverse activities and events, emphasizing the need to implement a turf that can keep up with the growing demand.

Mayor Saenz asked Council to keep in mind that any plant species that is compressed will break its tissues and take a while to regenerate. Rest, water, and fertilizer will be key after compressing the turf with event stages or large objects.

Mr. De Leon noted the importance of specifying the stadium's intended uses, as those uses will determine which turf type is most cost effective and beneficial. There has been a great interest in using the field for soccer, and soccer events need artificial turf.

Mayor Saenz asked about the funding source for re-turfing the stadium as the City's budget is very tight this year. Mr. De Leon confirmed that the funding comes from the sports venue tax.

Cm. Altgelt noted that the City already has a concert venue next door to the stadium. He questioned the wisdom of pouring more money in the stadium when there are already other venues available. Cm. Rodriguez voiced his opinion that having more than one concert venue will reduce ticket prices rather than the arena having a monopoly on concert events.

Mrs. Stanley reported that the current infield and outfield maintenance costs the City about \$35,000 annually along with \$20,000 in water and \$10,000 in fertilizer and chemicals. These costs do not include the salaries of maintenance crew workers.

Martin Aleman, Executive Director of Finance & Technology, reported the cost of the Uni-Trade Stadium to the City in 2017 as \$560,000; \$595,000 in 2016; and \$733,000 estimated by the end of 2018. Materials and supplies was one of the biggest causes of the cost increase.

Cm. Altgelt asked if the proceeds from ticket sales for Tecolotes games comes back to the City to offset the cost of maintaining the stadium. Mr. Aleman stated that per the contract, for any ticket sales over 3,000, the City will receive 25% of

the sale. The City does not currently have a full report of the proceeds to the City for the 2018 season. The City is scheduled to meet with the promoter on October 3, 2018, to close those numbers.

Cm. Altgelt noted that the City does not have any meaningful control measures to verify whether the data that the City is provided is an accurate and confirmable reflection. Mayor Saenz asked if the City has a business plan for this issue; Mr. De Leon cautioned Council that discussion is drifting too far away from the agenda item, which is about turf.

Cm. Altgelt requested a report at the next Council meeting regarding the City's risks and whether they are proportional to the benefits.

Mayor Saenz asked how many outdoor concerts or multi-sport events would need to be held to recuperate the costs of artificial turf; depending on the number, it may be a viable venture.

Cm. Rodriguez noted that with artificial turf, guests will not have to wear special footwear, and there will be no need to repair the field after an event. The only maintenance for artificial turf would be replacing rubber bullets twice a year.

Cm. Torres voiced his support of having the stadium serve as an outdoor concert venue. He also voiced his agreement with Cm. Vielma as to whether this decision is timely. Someone with the Tecolotes has said that reurfing is not needed, but many others are arguing that it is currently necessary.

Mr. De Leon clarified that he had not received any communication from anyone interested in using the stadium for a concert venue or a venue for other sports. He reminded Council that, like the arena, events at the venue do not necessarily pay for the operation of the venue or its \$1 million reurfing expense. Installing artificial or hybrid turf will increase the activity at the stadium and will have an impact on the general area. He commended the contract with the Tecos, which is much better for the City than the Lemurs' agreement. The City has a better vantage point. Now that the season is over, if the City wants to host other activities at the stadium, they need a promoter who will bring in those events and activities. He suggested that once those events are brought to the stadium, the City could then determine if a different turf is needed.

Cm. Torres noted that the rental fee of the outdoor venue would logically be less expensive than the rental fee at the arena. He stated that he would support the transition of the stadium as a year-round venue.

Cm. Vielma commended the City Manager for negotiating an agreement with the Tecolotes that is so favorable to the City. However, she noted her concern that Council has been trying to move into a 4A/4B taxation; the more that the City keeps spending from its sports venue tax, the harder it will be to obtain its 4A/4B goal. The City needs to defease its sports venue tax bond, which becomes more difficult if Council continues to make decisions that use the sports venue tax. However, if Cm. Rodriguez's idea to make the stadium a multi-sports complex, then the City will not need to continue with its proposition during the November

2018 election. If it helps the City save money on an additional sports complex and defease its debt faster, then it might be a good compromise.

Cm. Balli asked what the watering schedule is during the dry season. Mrs. Stanley reported that the fields are watered daily via an irrigation system and manual watering.

Mr. De Leon voiced his opinion that if Council wants the stadium to host additional, non-baseball events during the offseason, then a promoter is needed. Staff does not have the expertise to secure those events.

Cm. Balli noted that some comments hinted that the stadium would fall into competition with Sames Auto Arena (formerly Laredo Energy Arena), but he voiced his opinion that this would not be the case. He estimated that the stadium ticket prices would be much lower than those at the arena. He voiced his support of getting artificial or hybrid turf.

Cm. San Miguel noted that a local high school has switched to artificial turf and asked if staff reached out to them to gauge its success. Mrs. Stanley confirmed that staff has not done so, but they have looked at the professional and college stadiums in surrounding areas, like Corpus Christi and San Antonio. The superintendent of the stadium in Corpus Christi said that their new turf is the best that they have ever had.

Cm. San Miguel voiced his opinion that it would behoove the City not to select artificial turf. Mayor Saenz agreed, noting that having an expert provide consultation to Council before making a decision might be a better soption.

Cm. Rodriguez disagreed, noting that he has performed a lot of research on this issue and has spoken to many professionals. Artificial turf works with multiple sports and can handle event setups.

Mr. Aleman reported that the estimated labor cost for the stadium is \$194,000.

Cm. Torres reminded Council that the first purpose of the stadium is baseball; to use the facility for baseball, the entire area needs to have the same turf composition that Council selects.

Cm. Rodriguez made a motion to select synthetic turf for the stadium.

Cm. Altgelt voiced his opinion that Council does not have enough information, including the cost analysis data, to make this venture at this time. He asked Cm. Rodriguez to amend his motion to include an analysis for energy usage, solar panels, shade, and to send out that analysis on RFQ/RFPs.

Cm. Torres reminded Council that this investment will save the City maintenance costs. Council made a similar purchase for the arena recently on a \$1 million Jumbotron that would not have any cost savings but was approved anyway.

Motion to implement artificial turf at Uni-Trade Stadium and to direct staff to

provide a cost analysis on shade and energy usage for the stadium, as amended.

Moved: Cm. Rodriguez

Second: Cm. Balli

For: 6

Against: 1

Abstain: 0

Cm. Gonzalez

Cm. Vielma

Cm. Rodriguez

Cm. Torres

Cm. San Miguel

Cm. Altgelt

Cm. Balli

B. Request by Council Member Nelly Vielma

1. Discussion with possible action to implement an election cycle spending freeze on Priority District Funds from Council Members and/or Mayor who are running for election or re-election from beginning of fiscal budget, October 1st until the elected official takes office or is re-elected and any matters incident thereto. (Co-Sponsored by Council Member George Altgelt)

Cm. Vielma noted that she proposed this item because in the last election cycle, particularly in District IV, many of the district funds were already spent before the Council Member took office. Because the procurement process is not immediate and multiple Council Members are running for reelection in the November 2018 election, she reminded Council that they have promised accountability, integrity, and transparency to the taxpayer. Implementing an election cycle spending freeze for district priority funds will show a good faith effort to be fiscally responsibility until the election is over and any incumbents or newly-elected officials take their seat so that each Council Member can plan their projects accordingly.

Cm. Gonzalez voiced his agreement and asked when new fiscal year money can be spent anyway.

Horacio De Leon, City Manager, explained that the process for district priority funds to become available begins with the sale of the bond. The earliest that this can be done is early December. He clarified that there is a way for Council to access those funds first through a reimbursement resolution, which would be up to Council to consider.

Cm. Torres voiced his support of this item, as he found his district priority funds almost completely spent when he took office. He noted that as Council Members, even when running for office, have a duty to their constituents. Cm. Vielma's item would not only apply to current monies but future monies as well. He asked that Cm. Vielma consider allowing a small amount of funds to be spent, like \$5,000 to meet any needs of the districts during the election cycle. Having a complete freeze could be problematic if an urgent need arises.

Cm. San Miguel noted that for Council Members not in this current election cycle, they have two years' notice to plan ahead for any emergencies. He voiced his opinion that this idea would be great to implement in the next election cycle, but the

City is already in the middle of its current election cycle and is catching those candidates on Council off guard.

Cm. Altgelt suggested making this motion effective during the next election cycle rather than this one. Cm. Vielma stated that if Council has the flexibility to spend the full \$500,000, that is too much money for an election candidate to have at their disposal. Cm. Torres suggested capping the funds at a percentage or dollar amount.

Cm. Altgelt clarified that any projects which Council has already voted on and are out for bids is not included, as those monies are already encumbered, even if the exact amounts are not yet known. Cm. San Miguel reiterated that he thought it would be fair to implement this in the next election cycle and not the current one. Cm. Balli voiced his agreement with Cm. San Miguel.

Mr. De Leon reminded Council that the November election could result in a runoff, and the runoff election may not occur until December. Cm. Balli added that an election contest could drag the process even longer. He suggested amending the motion not to include any projects upon which Council has taken action, even if those actual monies have not been encumbered.

Cm. San Miguel stated that, to be fair to all of the constituents of Laredo, the freeze should be applied to all of Council whether the Members are running in the election cycle or not. Otherwise, some parts of the City will have projects being done while others are not given that opportunity. Mr. De Leon summarized that this would mean that Council has a spending blackout from October to December for new monies.

Motion to implement an election cycle spending freeze on all but 25% of new district priority funds from Council Members and/or Mayor candidates from October 1, 2018, until the election winners take office or are reelected and excluding any projects that have been previously approved by Council, as amended.

Moved: Cm. Vielma

Second: Cm. Balli

For: 5

Against: 3

Abstain: 0

Mayor Saenz

Cm. Gonzalez

Cm. Torres

Cm. Rodriguez

Cm. Vielma

Cm. San Miguel

Cm. Altgelt

Cm. Balli

C. Request by Council Member Roberto Balli

- 1. Discussion with possible action to lease buildings adjacent to Old City Hall to artists and any matters incident thereto.

Cm. Balli reported that two different City-owned locations are essentially vacant. They are around the Laredo Center for the Arts. They are either empty or being used for storage with one building being used as a classroom. He suggested that

the City remove the items being stored in these buildings and lease them out to artists as studio space. He noted his desire to add conditions to those leases, such as requiring the artists to keep the doors open, work during business hours and on the weekend so that customers can come in and view or purchase the art like a gallery. Doing so would create a synergy in the area and would grow the area's reputation as the arts district. He suggested that the rent rates be very affordable but make the artists be in charge of maintenance, as the buildings are in need of maintenance. He made a motion to this affect.

Mayor Saenz noted that sometimes there are night events in the Downtown area, and it would be nice to see these places open and active during those evening hours to add to the flavor of the events.

Cm. San Miguel asked Cm. Balli to consider having the rent be \$1 per year or per month and have the tenants only pay for the energy costs. This way, the City will not be making money off of the artists but simply bringing them to the Downtown area to contribute to the arts and entertainment culture.

Horacio De Leon, City Manager, confirmed that the leases can be for a one-year term and can be renewable.

Cm. Vielma voiced her concern over making it a requirement to work on Sundays. Cm. Balli countered that locals go out on Sundays to do shopping, but the tenants could have limited hours.

Cm. Altgelt noted that many other cities do what Cm. Balli has suggested; it is called an artist-in-residence program and he voiced his support.

Motion to direct staff to remove the stored items in the vacant City-owned buildings around the Center for the Arts and lease the buildings to local artists for \$1 on a monthly or yearly basis and have the City Manager designate a staff member and someone from the Center for the Arts to pick the tenants and ensure that the tenants provide hours of operation during the day to include Thursday, Friday, Saturday, and Sunday, and require that the items sold by the artists be handmade.

Moved: Cm. Balli

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

2. Discussion with possible action to re-purpose the Old Federal Courthouse building on Matamoros and any matters incident thereto.

Cm. Balli noted that the MileOne entrepreneur incubator has been flourishing. In that vein, he voiced his intention to repurpose the old federal courthouse as a nonprofit incubator. Many nonprofits are looking for affordable space.

Cm. Vielma asked that a Community Development staff member who assist with nonprofit organizations would be a part of the committee.

Motion to establish a Council committee to meet with management to repurpose

the old federal courthouse building on Matamoros into a nonprofit incubator or another purpose to create synergy and to include a Community Development staff member with experience in assisting nonprofits, as amended.

Moved: Cm. Balli

Second: Cm. Vielma

For: 7

Against: 0

Abstain: 0

XI. ADJOURNMENT

Motion to adjourn.

Moved: Cm. Altgelt

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0