

**CITY OF LAREDO
SPECIAL CITY COUNCIL MEETING
M2017-SC-12
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
December 12, 2017
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	District I
Vidal Rodriguez	District II
Alejandro "Alex" Perez, Jr.	Mayor Pro-Tempore, District III
Norma "Nelly" Vielma	District V
Charlie San Miguel	District VI
George J. Altgelt	District VII
Jose A. Valdez, Jr.	City Secretary
Horacio De Leon	City Manager
Cynthia Collazo	Deputy City Manager
Kristina L. Hale	City Attorney

Motion to excuse Cm. Torres and Cm. Balli.

Moved: Cm. Rodriguez

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

Citizen comments

Ivan Rodriguez stated his value in citizens' comments at Council meetings. Council and citizens should adhere a little more closely to the rules of procedure, such as time limits and the limit on the number of speakers for any particular side to an issue. He noted that Mayor

Saenz, as the Chair of Council meetings, should exercise his role to prevent speakers going over their time and unnecessarily lengthy discussion. He objected to moving public comments to any place on the Council agenda other than the beginning as it would prevent Council from receiving public opinion before they make their decisions.

Barry Bernier noted that misinformation has been given to Council regarding the wishes of Laredo veterans. He suggested that a representative of City Council and the Commissioners Court meet with the veterans organization at the County to clear up the misconceptions surrounding the veterans' museum. He voiced his concern that the veterans showed disrespect by not allowing Laredo Community College President to give a presentation offering the campus as a potential location. He asked Council who will maintain the museum once it is built, as the veterans' groups do not have a consensus.

James Varela asked about the proposed TIRZ for the Coves at Winfield development. He asked if the General Fund percentage funding the TIRZ will be restructured after that land is zoned.

David Cardwell, veteran, thanked Cm. San Miguel for bringing a veterans' museum to the forefront in City Council. However, the selected location has created a division in the community and among Laredo veterans. He asked for a Council agenda item to rescind or amend the decision to select North Central Park as the location. The item should allow Council to consider other sites as potential locations. He recommended the following sites as alternate locations: former Fort Macintosh at LCC, former Laredo Air Force Base near the veterans' clinic, the Farias home, land near the Laredo City Public Library, and the historic old federal court house. He suggested Council conduct town hall meetings to discuss each recommended location. Regarding the 10 veterans' organization in Laredo, he asked how many active and inactive members each organization has, as well as how many veterans do not belong to any organization in Laredo. He asked how many of the organization receive third party funding from the City. He encouraged Cm. San Miguel to keep the enthusiasm going to build a veterans' museum but to utilize another location.

Tony Vedía commended the Laredo Convention & Visitors Bureau for their outstanding work on the Laredo Big Bad BBQ event. He had met with the Department numerous times leading up to the event, and he recognized individual employees for their diligence and excellent promotion of the City: Aileen Ramos, Blasita Lopez, Joel Vasquez, Veronica Gamboa, Selina Villarreal, Ana Reyna Arzate, Irma Soto, Monica Andrade, Beatriz Delgado, Nora Bertani, and the rest of the CVB staff.

Mayor Saenz noted that a certificate of recognition had been issued to Mr. Vedía for his participation in the Big Bad BBQ event. Mr. Vedía stated that the CVB staff is more deserving for this event and the Sister Cities Festival, in addition to other programs and events that they plan and execute. He was merely a volunteer.

Remy Salinas voiced his concern that the last public hearing on the Coves at Winfield TIRZ was late in the Council meeting. This second public hearing is in the middle of the day, and many people are working. Both public hearings are at times that are very inconvenient for the public to attend. Items of great importance to the community should be heard at times when most people can view, hear, and attend the public hearing. He informed Council that they are not making information sufficiently available to the public, which is a reduction of transparency.

Miguel Inclan, Laredo Shriners outgoing Secretary and Boerne Shrine Club incoming

President, informed Council that this season is one of increased burn risks in children. A Nuevo Laredo boy recently died from burns in a house fire. Every hour, approximately 16 children are injured from fires or burns, and 85% of all fire deaths are home fires, which spread rapidly and can leave families as little as two minutes to escape once an alarm sounds. In 2012, more than 136,000 children across the country were injured due to a fire or burn and treated in emergency rooms. Scalding burns, from liquid or steam, are more common as opposed to direct contact with fire. He encouraged the public to be aware of burn risks for prevention purposes. Shriners hospitals are always available to help children.

Mayor Saenz presented Tony Vedía with a certificate of recognition for his volunteer work hosting the Big Bad BBQ cook-off in Laredo.

Charles Martens stated that over the years, the citizen input procedure has changed to reflect more presentations and distribution of materials. He voiced his opposition to moving citizen comments to the end of Council meetings. If each speaker gets three minutes, 20 people (which is often the case at Council meetings) easily take an hour of the Council meeting. Council meetings are to conduct the business of the City. While he supports citizen input, he agreed that the citizen comment portion of the Council meeting needs to be limited in order to complete the City business at hand and to prevent citizens waiting two or three hours to share their opinion on particular items. He emphasized that he supports the citizen groups and their participation, but City business should not be crowded into the last minutes of a Council meeting because special interest groups have dominated the majority of the meeting.

V. PUBLIC HEARING

1. Public Hearing on the proposed creation of Tax Increment Reinvestment Zone Number Two, City of Laredo, Texas, pursuant to section 311.005 (a)(4) of the Texas Tax Code, its benefits to the City, and to the property within this zone, to be located on approximately 1,027.14 acres of land northeast of Loop 20 at its intersection with Winfield Parkway.

THIS PUBLIC HEARING IS IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 311.003 (C) OF THE TEXAS TAX CODE.

Motion to open public hearing.

Moved: Cm. San Miguel

Second: Cm. Rodriguez

For: 6

Against: 0

Abstain: 0

Remy Salinas voiced his opinion that this TIRZ is a rip-off of the Laredo taxpayers. He explained that the tax base value of this TIRZ will be agricultural value for all intents and purposes, which is insignificant. When this land is brought into development, the rollback will go into the TIRZ fund, which is basically a deferment for five years. When agricultural land is brought into development, the land has a new appraisal, and the City pays the difference for the last five years plus 7% interest directly into the levy. That money will not be paid back to the City. 60% of the incremental increases of the valuations will be trapped in the TIRZ funds and will not be available for the City and its constituents. The TIRZ will spend that money however its appointee sees fit, which is out of the control of the City. Mr. Salinas noted that the notion that the TIRZ will

stimulate economic development and create jobs is false. It will create space to move development somewhere else. No data suggests that TIFs and TIRZs or reinvestment tools truly bring in new jobs and development.

Cm. Altgelt countered that common sense indicates that jobs will be created in the construction of the space and its commercial and residential spaces. That commercial growth will produce new jobs and the tax base.

Mr. Salinas continued that the data show that TIRZs does not spur new jobs; it transfers jobs from another location to the zone. The market drives new jobs and economic development. He stated that Alexander Development has been completed with the developers spending their own money without asking the taxpayers for a subsidy. Cm. Altgelt countered that the development has accessibility issues and needed a Chapter 380 agreement to build a road through it. Mr. Salinas continued that the City will realize the benefits from Alexander Development immediately, as soon as lots are sold. The City will capture 100% of the tax revenues from those lot sales and will not lose control.

Horacio De Leon, City Manager, clarified that the TIRZ requires a board, which will make the decisions for projects using the TIRZ money. Council has approval rights to the project plan and finance plan. In this case, since the developer is initiating the TIRZ, the developer approves the board members, and the City has a representative. Cm. Altgelt added that Council ratifies the TIRZ board member appointees. Mr. De Leon confirmed that the TIRZ Board will need Council approval for bonds.

Mr. Salinas disagreed that the TIRZ Board needs Council approval, stating that Council loses control of the TIRZ once the agreement is in place. He noted that building permits are increasing continually. There is no lack of development and growth in Laredo. Unemployment is at a 20-year low. However, the Killam developers are asking the taxpayers to subsidize this area. Mr. Salinas noted that previous claims that this TIRZ will not affect the City's bonding capacity is false. Bond companies look at the City's fund balance.

Mr. De Leon confirmed that the TIRZ is the entity that bonds based on its revenue generation projection, which does not affect the bonding capacity of the City. Mr. Salinas countered that trapped revenue in the TIRZ is revenue that the City cannot pledge. Mr. De Leon argued that Mr. Salinas's explanation assumes that the development would occur anyway. Council is taking the position that the development would not occur if the TIRZ is not created.

Francisco Castillo emphasized the importance of diverse opinions. He suggested that Council and citizens alike elect one speaker to argue for their stance, instead of hearing from every single individual or Council Member. Mayor Saenz countered that as elected officials, Council Members need to speak for their districts.

Mr. Castillo spoke in opposition to the creation of the TIRZ because it is another tax subsidy from the hands of the taxpayers. He summarized the notion that conservatives are capitalists with their own money and socialists with other people's money, which is occurring in this situation. He asked who will pay the difference of the tax revenues which will be frozen in the TIRZ and not available to the General Fund. He reported that the Laredo Morning Times quoted estimates of 2,000 new jobs and \$1.9 billion in payroll during the TIRZ's 30 years, which he disagreed with. He also noted that the

theory that trickle-down economics to relieve taxes for the wealthy to stimulate business investments for the benefit of society at large has been disproven and does not work.

Cm. Vielma noted that North Laredo resident have given criticism that that area does not have recreation centers while South Laredo has several nice ones. That answer is because property values are higher in North Laredo, which makes the area ineligible for CDBG funds. This TIRZ will bring a recreation center to North Laredo. She added that the whole City will benefit from a North Laredo recreation center as well as the Down Payment Assistance program that will be implemented through this TIRZ.

Cm. San Miguel thanked those participating in the discussion for their questions and assured the public that Council has studied this issue for years. He voiced his opinion that all of the questions being raised have already been addressed by previous presentations and stated that Council has diligently researched this potential TIRZ in the best interest of Laredo citizens. He reiterated that the taxpayers will only participate in the TIRZ if they live in the zone, but everyone in the center will benefit from and be able to use the recreation center. The most common request in North Laredo is a recreation center, but that area does not qualify for CDBG funds.

Cm. Altgelt echoed Cm. San Miguel's comments, stating that a member of the Council or City staff has been a strong devil's advocate on this issue for several years. He noted that he has talked himself into and out of favor for this TIRZ over the past several years, as well, and while he still has some reservations, the City has the potential to bring Loop 20 up to interstate standards. There is residual benefit to the entire City due to the crawl-back component of the TIRZ, in which the City is reimbursed for the cost of service. He stated that he is convinced that, given the structure of the TIRZ and the PID, it is a worthwhile opportunity for the City.

Mr. Salinas commented on Council Members and City staff being distracted by their cell phones and showing disrespect to the speakers.

David Earle, attorney representing Killam Development, explained that the recreation center can be bonded and built in the first year of the TIRZ. Those bonds would be public improvement district (PID) bonds (not TIRZ bonds) and not guaranteed by anything other than the real property owned by the developer. That lets the City bond its improvements upfront, and the revenue streams to reimburse those costs are the tax increment only from the 1,000 acres of the TIRZ, not the City taxes as a whole. No City taxes are going toward the maintenance and operation of the recreation center; that is done through PID assessments. Down Payment Assistance (DPA) is allowed in the tax code through a TIRZ only. Without the TIRZ, the City would not be able to provide DPA. Mr. Earle noted that a Certificate of Obligation can be issued upfront for the amount of down payment that the City wants to incorporate in its DPA program for the first year, and that money is raised immediately. The debt service from that bond is paid for from the revenue of the TIRZ. The developer has agreed to prioritize the public benefit first, meaning that the developer's reimbursement would be satisfied after the debt service of public benefit has been completed. He clarified that there is no loss of control; Council appoints the TIRZ Board members, which will not be developer employees. He noted that DPA money would be available as early as 2018, and he recommended that the City not make the whole fund available to citizens the first year but to instead offer \$1-\$2 million at a time. Making it all available will be too big a benefit shock.

Mr. Earle explained that opportunity cost is a cloudy term used to describe opportunities to pledge resources in a different way or in a different location or project. He reiterated that the City has no risk in a TIRZ. The City's only requirement is that, only if the developer makes good on contractual commitments to build up the tax base, the City allows a certain amount of tax increment to reimburse the developer's costs.

Mr. De Leon repeated that the TIRZ is based on performance; if it does not perform or generate revenue, the City does not have to participate. The City will be the first entity to be reimbursed for cost of services.

Cm. San Miguel used the Laredo Country Club as an example of the TIRZ, in which the Country Club is paid for by its members, who have exclusive access to it. The TIRZ will be paid for by the members inside the zone, but all citizens of Laredo will have access to it.

Mr. Salinas stated that there is no way that less cash flow results in equal bonding capacity, despite PID financing. Mr. De Leon clarified that Mr. Salinas' logic is flawed. Mr. Salinas emphasized that nationwide data proves contrary to everything stated by Mr. De Leon and Mr. Earle.

Martin Aleman, Executive Director of Finance & Technology, confirmed that Mr. Salinas is correct in the effect on the bonding capacity in the sense that since the generated tax revenue is going into the TIRZ instead of into the City's coffers, the City loses that capacity to issue that many more in new debt. When the City says that it is not losing its bond capacity, staff is correct in that whatever the City currently has in not being reduced.

Cm. Vielma reported that San Antonio has 33 different TIRZ zones and have grown exponentially in most of those areas. She voiced her opinion that this is an opportunity to grow Laredo. To the sentiment that Council is treating Killam Development different than other developers, Mr. De Leon stated that Chapter 380 agreements have been extended to other developers in Laredo. However, the City has not received the public benefits that are available in this project.

Motion to close public hearing.

Moved: Cm. San Miguel

Second: Cm. Perez

For: 6

Against: 0

Abstain: 0

VI. FINAL READING OF ORDINANCE

2. 2017-O-185 Designating the Coves at Winfield Development being a +/- 1,027.14 acre area located Northeast of Loop 20 at its intersection with Winfield Parkway in the Northeast area of the City of Laredo and its extraterritorial jurisdiction as a Tax Increment Reinvestment Zone; Describing the boundaries of the Zone; Creating a Board of Directors for the Zone; Providing for an effective date and termination date for the Zone; Naming the Zone "Reinvestment Zone Number Two, City of Laredo, Texas"; Establishing a Tax Increment Fund; and Containing other Provisions related thereto. (AS AMENDED)

Motion to adopt Ordinance 2017-O-185.

Moved: Cm. San Miguel

Second: Cm. Altgelt

For: 6

Against: 0

Abstain: 0

VII. RESOLUTION

3. 2017-R-140 Authorizing the City Manager to enter into and execute a Memorandum of Understanding, attached hereto as Exhibit A, between the City of Laredo and the Laredo Fire Fighters Association, Local 872 for the purposes of implementing a pilot program pertaining to revisions to parts of Article 22, Annual Leave (Vacation), and Article 23, Sick Leave of the Collective Bargaining Agreement (CBA).

Cynthia Collazo, Deputy City Manager, explained that the Memorandum of Understanding is for a proposed implementation of a pilot program. This is an attempt to work with the Laredo Fire Fighters Association and gives the union and the City time to determine the feasibility of the revisions.

Cm. Altgelt reported that he was informed a particular fire fighter is concurrently attending law school and using annual leave or having someone cover for him while he is out. Cm. Altgelt voiced his opinion that it seems unfair to burden the taxpayers to pay for someone's law school as well as his discomfort with taking action now rather than at the next collective bargaining meeting.

Horacio De Leon, City Manager, explained that there is a sense of urgency to address this issue now. In some current cases, fire fighters taking annual or sick leave results in out-of-service ambulances and fire trucks. This pilot program allows the City to try a new method without committing to the revision in the collective bargaining agreement.

Motion to adopt Resolution 2017-R-140.

Moved: Cm. Altgelt

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

VIII. STAFF REPORT

4. Discussion with possible action regarding the City of Laredo Municipal Water Park RFP FY17-063, and any other matter incident thereto.

Ramon Chavez, Executive Director of Public Services, reported that the City received one proposal for this project on August 30, 2017. The Bond Council authorized the proposed property for use as a water park. The sole bidder was USA Management of Roswell, Georgia. The company provided a project list, business plan, financial outlook,

and other documentation. However, City staff determined that there was not enough information in the proposal and needs a feasibility study. The company did not provide a conceptual design or timeline, stating that this information would only be provided upon agreement to partner together with the City for the project. The company also did not provide any information regarding water conservation or recycling.

Horacio De Leon, City Manager, stated that staff does not recommend moving forward on this project given the incomplete proposal submitted. He noted that staff can consider other sites for the location if given the directive from Council, but he estimated that other locations would not be sufficient for the purpose of a water park.

No action taken.

IX. EXECUTIVE SESSION

None.

X. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

Request by Mayor Pro-Tempore Alejandro "Alex" Perez

1. Invitation to Christmas celebration at Slaughter park. A night full of holiday fun for the whole family. Experience the snow slide, lighted Train tunnels and decorated trails while you enjoy a variety of tasty Christmas treats and music. Join us for this spectacular event December 18, 2017.

Staff presented a short promotional event. Cm. San Miguel commended the Parks & Leisure Services Department for their work during the holiday season to provide lasting memories for families.

No action taken.

Request by Council Member Alberto Torres, Jr.

1. Discussion with possible action to add speed humps on the 2200 block of Reynolds, and any other matters incident thereto.

Cm. Altgelt reported that Cm. Torres had asked Council to proceed with this item.

Robert Eads, Traffic Director, clarified that there is a minimal length of 700 feet required for a speed hump. This area does not meet that qualification, being only 300 feet. Staff also has not gone through the process of approvals and public input.

Cm. Altgelt stated that Cm. Torres must have a legitimate reason for the request.

Steve Landing, Laredo Fire Chief, voiced his opposition to the speed humps, as they inhibit the operations of emergency first responders. Mr. Eads noted that staff will have to bring this item back to Council as a special provision for direction.

Cm. Perez asked staff to remove the speed humps in his district.

Motion to approve.

Moved: Cm. Altgelt

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

2. Discussion with possible action to request a sidewalk analysis on Lyon and Retama Neighborhood (Alma Pierce Elementary School Area), and any other matters incident thereto.

Cm. Altgelt reported that Cm. Torres had asked Council to proceed with this item.

Motion to approve, using funding from District IV priority funds.

Moved: Cm. Altgelt

Second: Cm. Perez

For: 6

Against: 0

Abstain: 0

Request by Council Member Charlie San Miguel

1. Discussion with possible action requesting to have the Facility Naming Commission consider the submittal of Mr. John Valls WWII Veteran for the Woodridge Park in North Central.

Cm. San Miguel read a biography of Mr. John Valls: "PFC John Valls, son of Antonio Valls and Rafaela Mendiola Valls, was born December 9, 1924, in Laredo, Texas. He attended Martin High School, where at the age of 18, he was drafted into the military service after his junior year. He was sworn into the military at Fort Sam Houston, San Antonio, Texas, on July 5, 1943 and reported for duty on July 29, 1943. He received his basic training at Amarillo Air Base in Amarillo, Texas. He applied for pilot training and was accepted. He was transferred to Steven Point Wisconsin Crew College for flight training, but the class was cancelled due to the needs of the military. He was then transferred to Reno, Nevada, for desert training and preparation for duty in North Africa. He was then transferred to Greenville, North Carolina, in preparation for the invasion of Normandy. Valls traveled to Boston, Massachusetts, to board the USS Uruguay, a liberty ship bound for South Hampton, England. Valls was seasick for most of the time on the USS Uruguay. Valls was an excellent athlete, excelling in track and field events prior to service, so the service took advantage of his skills in allowing him to compete in three different contests in different parts of England. Prior to each contest, he was flown to the site as the only passenger in the C-47 cargo aircraft, his first and only flight time in the military. He won all three competitions, representing the US Armed Forces. Valls was to join the 57th Armored Battalion at La Harve, France. The first German soldier he met surrendered to him before shots could be fired. Valls joined the 9th Armored Division of the 3rd Army under General Patton. He saw service on the frontline for five months and only received minor injuries. On one occasion, he was standing guard on the front lines when a German general with his army behind him surrendered to Mr. Valls with a white flag flying. He did not get credit for the surrender since he allowed the German general to surrender to Colonel Westmoreland behind the front lines. PFC Valls was a participant in the US Armed Forces to liberate the Berchwald prison camp. The sight of the condition of the prisoners, both military and civilian, stayed with him the remainder of his life. A noted life photographer arrived two days after the camp was

liberated and extensively photographed the conditions of the civilian and military prisoners under the control of the German military. At the end of the war, Valls was returned to the United States aboard the USS Uruguay. He landed on the Hudson River in New York City. After leaving the ship, his battalion was transferred to Los Angeles, California, in preparation of the invasion of the island of Japan. The explosion of the nuclear bombs ended the war in the Pacific. Mr. Valls was then transferred to Fort Dicks, New Jersey, where he was released. From there, he took a train back to Fort Sam Houston, where he was separated on February 28, 1946. During Valls' time in service, his athletic ability allowed him to represent the US Army in England, France, and the United States in various track events, basketball, and other sports while in New York. His transfer was delayed for three weeks to allow him to play in a basketball competition. He received many awards and scholarship offers due to his athletic abilities. PFC Valls received the American Service medal, European African medal, Eastern Service medal, World War II Victory medal, the Good Conduct medal, National Defense medal, and the President Unit Citation. He has been honored by the Governor of Texas for his service to his country. John Valls served his country honorably, and upon return, he received a full athletic scholarship to Baylor University. After graduating, he returned to his hometown of Laredo, where he was a coach of various sports and a number of the schools in the number."

Cm. San Miguel noted that the Woodridge section of North Central Park is an area where sports are often practiced, and it would be very appropriate to rename this portion of the park in honor of John Valls.

John Stabile stated that he knows John Valls personally, and he agreed that he is a decorated World War II hero. However, he noted his objection that Council is putting Mr. Valls in a situation whereby the controversy over North Central Park and the veterans' museum may cause further friction. Cm. San Miguel countered that the veterans' museum has nothing to do with this agenda item.

Mr. Stabile maintained that Cm. San Miguel is putting Mr. Valls in a difficult situation because there is a controversy surrounding veterans and North Central Park. Mr. Valls may become a subject of ridicule. He confirmed that he had not met with Mr. Valls and does not know how Mr. Valls feels about Cm. San Miguel's recommendation.

Cm. San Miguel stated that he had spoken with Mr. Valls, who was honored to be considered as a namesake. He invited Mr. Stabile to attend the Facility Naming & Recognition Commission meetings as they consider the name change to share his opinion with them.

Motion to direct the Facility Naming Commission to consider the submittal of Mr. John Valls WWII Veteran for the Woodridge Park in North Central Park.

Moved: Cm. San Miguel

Second: Cm. Rodriguez

For: 6

Against: 0

Abstain: 0

Request by Council Member George Altgelt

1. Discussion and possible action to allow food trucks and food vendors to operate within all city parks.

Motion to table.

Moved: Cm. Altgelt

Second: Cm. Rodriguez

For: 6

Against: 0

Abstain: 0

Request by Council Member Vidal Rodriguez

1. Discussion with possible action to consider the construction of a future sports complex in south Laredo pending a referendum if needed based on the recent decision by the UISD Board of Trustees to terminate the contract with the City of Laredo on the joint use natatorium partnership agreement, and any other matters incident thereto.

David Cardwell stated that this agenda item is vaguely written and should be tabled until the citizens of Laredo are made aware of the real intent behind this agenda. The town hall meetings that should be held regarding this item should discuss the topic of changing sports venue sales tax to economic development sales tax. He asked what is meant by "sports complex," because there are plenty of other spaces to host sports competitions, including an unfinished lazy river project in South Laredo. As an advocate of at-large representation, he is not beholden to any particular district to serve the needs of special interests or entities. He also asked what type of referendum to which Cm. Rodriguez is referring. The recent decision by UISD to terminate the partnership agreement was a green light for Council to find a new project to use with the money.

Kristina L. Hale, City Attorney, confirmed that the joint use natatorium was voted for by the people in 2014.

Cm. Rodriguez clarified that Council is only asking for a change of location for a venue to bring to fruition what the people of Laredo have already asked for. A referendum would be for a change of location, not a new project.

Mrs. Hale clarified that the proposition voted for in the 2014 referendum was specifically for a natatorium at the student activity complex. The issue would have to go back to referendum to change the location.

Horacio De Leon, City Manager, countered that the natatorium has nothing to do with this item. Originally, the sports complex was voted on to be located at TAMIU, and since that time TAMIU rescinded the offer of the land for the complex. Therefore, the City is of the opinion that the issue should go back to the voters to determine the new location. Mayor Saenz voiced his opinion that given that explanation, the agenda item is misleading.

Cm. Rodriguez noted that the natatorium was originally going to be in South Laredo but was relocated to TAMIU. His intent is to put the issue in a referendum to see if the voters want it back in South Laredo.

Mayor Saenz stated that the item needs to be clarified.

Mr. De Leon clarified that if South Laredo was going to benefit from the natatorium being in South Laredo, Cm. Rodriguez would like to see the sports complex in South Laredo. He confirmed that this issue needs to be approved via referendum by the

voters.

Mayor Saenz noted that financial caps should be indicated, as the City was previously criticized for not including financial specifications.

Cm. Vielma noted that she would like to see a financial cap on the referendum and the debt that the City already has along with a timeline of that debt service. She suggested a workshop with the bond counsel.

Mr. De Leon noted that Council can add two items on the referendum, the sports complex and one proposing a 4A-4B. If both items pass, then the City would have the authority from the electorate to transition to a 4A-4B and move forward with this project.

Cm. Altgelt asked that Cm. Rodriguez include Mr. De Leon's suggestion in his motion.

Mr. Cardwell thanked Council for the clarification and voiced his agreement that a cap needs to be specified on the referendum. However, he noted that the evergreen debt of the sports venue tax needs to be paid rather than extending it into perpetuity.

Cm. Rodriguez voiced his opposition to include a financial cap in the referendum, as he trusts the negotiation skills of the City Management. Mayor and Saenz and Cm. Altgelt countered that the public needs to be informed of the financial impact of this complex rather than "writing a blank check."

Cm. San Miguel pointed out that the City had a previous referendum asking if the public wanted to mandate a financial cap or impact on any future referendum propositions, which was approved by Council but was not passed during the election by the electorate. He suggested making it a Charter amendment.

Motion to approve and to include a referendum on the upcoming election converting the sports venue tax to a 4A-4B or any similar form thereof, as amended.

Moved: Cm. Rodriguez

Second: Cm. San Miguel

For: 6

Against: 0

Abstain: 0

2. Discussion with possible action on clarifying the existing rules of procedure and order of business that were previously adopted for purposes of enhancing productivity and information exchange during City Council meetings, and any other matter incident thereto. (Co-Sponsored by Mayor Pro Tempore Alejandro "Alex" Perez and Council Member Charlie San Miguel)

Motion to postpone until the first meeting in January, 2018.

Moved: Cm. Rodriguez

Second: Cm. Gonzalez

For: 5

Against: 1

Abstain: 0

Cm. Gonzalez

Cm. Vielma

Cm. Rodriguez

Cm. Perez

Cm. San Miguel

Cm. Altgelt

XI. ADJOURNMENT

Motion to adjourn.

Moved: Cm. Rodriguez

Second: Cm. Gonzalez

For: 6 Against: 0

Abstain: 0