

**CITY OF LAREDO
CITY COUNCIL MEETING
M2016-R-16
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
September 19, 2016
5:30 P.M.**

I. CALL TO ORDER

Mayor Pete Saenz called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Pete Saenz led the pledge of allegiance.

III. ROLL CALL

In attendance:

Pete Saenz	Mayor
Rudy Gonzalez, Jr.	District I
Vidal Rodriguez	District II
Alejandro Perez, Jr.	District III
Juan Narvaez	Mayor Pro-Tempore, District IV
Roque Vela, Jr.	District V
Charlie San Miguel	District VI
George J. Altgelt	District VII
Roberto Balli	District VIII
Heberto L. Ramirez	Acting City Secretary
Jesus Olivares	City Manager
Cynthia Collazo	Deputy City Manager
Horacio De Leon	Assistant City Manager
Robert A. Eads	Assistant City Manager
Raul Casso	City Attorney

Cm. San Miguel joined at 5:36 pm.

Motion to appoint Cm. Vela to be Parliamentarian.

Moved: Cm. Balli

Second: Cm. Gonzalez

Cm. Balli expressed the need to have a Parliamentarian to put order on the floor since there are times in which there is no order and Council meetings tend to be prolonged. He noted that everyone has a particular interest on the agenda; thus, appointing any Council Member to presume a Parliamentarian role will not affect the outcome. He stated that during their workshop Council was advised that they did not have to place such an appointment on the agenda.

Mayor Pete Saenz explained that the item was not on the agenda, and adequate procedures were not taken to inform the public. He noted that appointing a Council Member to fulfill this duty will create a lack of transparency and accountability as there will be an existing conflict of interest; Cm. Vela brought certain items to the agenda, and a Council Member is implicated in a particular item. Consequently, he can not act as an impartial Parliamentarian. Mayor Saenz suggested that a third party entity who has no ties with this governmental body should carry out the Parliamentarian role. He asked Council Members to include this type of item in advance.

Cm. Altgelt expressed concern for potential Open Meeting Act violations and criminal penalties resulting from failing to properly include Cm. Balli's motion on the agenda. He concurred with Mayor Saenz in regards to potential conflicts of interest if Cm. Vela is appointed as Parliamentarian. Cm. Altgelt stated that during their workshop, Council was never told that a Parliamentarian could be appointed without notifying the public via an agenda.

Raul Casso, City Attorney, stated that Cm. Balli's motion is administrative in nature; a Parliamentarian functions in an administrative capacity enforcing Robert's Rules of Order. Therefore, this is a substantive act. He noted that he has no concerns regarding the Parliamentarian having items on the agenda.

In an effort to move forward with the meeting, Cm. Vela explained that having a Parliamentarian is occasionally necessary as fellow colleagues fail to adhere to Robert's Rules of Order. He stated that the lack of knowledge and proficiency in rules is one of the main reasons why a Parliamentarian is needed. Cm. Vela noted that nothing will prevent him from making points of order.

Cm. Rodriguez and Cm. Gonzalez encouraged fellow colleagues to refrain from arguing inefficiently and resume the business at hand in order to better serve their constituents.

Cm. San Miguel stated that the citizens of Laredo elected Mayor Saenz to be the Chair of Council, and if someone else is appointed, the voice of the citizens will be silenced. He advocated transparency and stressed the importance of properly and formally implementing this item in the agenda.

Cm. Balli stated that he will rescind his motion with the condition that Mayor Saenz agrees not to engage in unprofessionalism. Mayor Pete Saenz requested Cm. Balli to be orderly and respectful.

Motion and second withdrawn. No action taken.

IV. MINUTES

Approval of the minutes of August 8-9, 2016, August 9, 2016, September 6, 2016, and September 13, 2016.

Motion to approve the August 8-9, 2016, September 6, 2016, and September 13, 2016, minutes.

Moved: Cm. Vela

Second: Cm. Gonzalez

V. COMMUNICATIONS AND RECOGNITIONS

Communiqués

- 1. Presentation by the Texas Department of State Health Services Texas Healthy Communities Program to recognize the City of Laredo with the “Gold Medal Award Recognition” for promoting a Healthier and Active Living City and to reduce heart and stroke disease.

Nora Martinez, Chief of Nutrition Services, explained that the City of Laredo has done a phenomenal job in keeping Laredo healthy. In order to maintain this goal, numerous programs have been implemented in collaboration with Mayor Saenz, City Council, and other important entities. She noted that last year, the City of Laredo received a silver recognition. However, their diligence and rigorous work aided them in obtaining a gold medal this year.

Rachel Koffman from the Texas Department of State Health Services Texas Healthy Community Programs recognized the City of Laredo with the “Gold Medal Award”. This entity oversees 20 counties, including Laredo, who completed the 2016 Texas Community Assessment. This assessment is composed of eight health indicators: physical activity, healthy food, healthy schools, healthy worksites, mother-friendly worksites, tobacco control, health care quality, and cardiac and stroke response. The City of Laredo was recognized for a remarkable score, increasing their score twelve points in only one year (81 points silver to 93 points gold). She commended them for creating the Laredo Active Living Plan, the Mayor Wellness Council, and Texas Ten Steps Program recognition. As a result, they will continue to get funded by the Texas Department of State Health Services through Fiscal Year 2016-2017.

Ms. Koffman presented Ms. Martinez and Mayor Saenz with certificates for their collaboration.

Mayor Saenz recognized Hector F. Gonzalez, Health Director, Ms. Martinez, the Wellness Council, and all participants.

Recognitions

- 1. Recognizing Laredo Police Officer Duncan Jalomo, for helping a person in need and for his act of kindness and compassion.

Gilberto Navarro, Laredo Police Department Assistant Chief, expressed how honored he was to make this recognition. He referred to Officer Duncan Jalomo as a “compassionate officer and a compassionate Laredoan”. Officer Jalomo has been employed with the City of Laredo for an extensive period of time. He is also a member of the Police Union. Chief Navarro explained that there was a service call from the public. This call involved a homeless individual who was trespassing in order to get into the trash bin. Officer Jalomo approached the subject and asked him what he was doing, to which he replied, “I’m having lunch”. Officer Jalomo instructed the individual to get out of the trash bin, then proceeded to get a pizza from his patrol car that he purchased for himself and generously gave it to the homeless individual. This

act of kindness and compassion inspired the caller. The caller then contacted the Laredo Police Department to commend Officer Jalomo for such a remarkable act. Chief Navarro stated that the Laredo Police Department has an internal reward system in place and Officer Jalomo will be recognized there as well. He emphasized on how the police department is composed of many officers like Officer Jalomo: kind and compassionate.

Mayor Saenz thanked Chief Navarro for recognizing this act of kindness, compassion, dignity, and respect. He noted that Officer Jalomo is what every Laredoan should exemplify. He presented a certificate recognizing Officer Jalomo.

Officer Jalomo stated that acts like his are performed by many officers every day. However, his act of kindness and compassion was publicized on social media by a citizen and subsequently recognized.

Cm. Rodriguez thanked Officer Jalomo for surpassing expectations, for risking his life, and for taking care of people in need. He noted that he was honored to recognize people like him because he represents the people of Laredo.

Cm. Narvaez congratulated Officer Jalomo and offered a pizza party for 10 individuals to take place at the Pizza Hut located on Guadalupe Street as a reward for what he did.

Cm. San Miguel commended him in particular for his humility as humility is a reflection of his character.

Citizen comments

Gabriel Lopez explained that he requested the minutes for the Veterans Affairs Committee through an Open Records Request. However, he was informed that the information he requested does not exist in document form after Cm. Vela, who is on the committee, said they have never met during his term. He argued that Cm. Vela should be informed on veterans' affairs. He noted the passing of Cande Rodriguez and two other members of the committee in order to demonstrate that City Council is not up to date with the committees nor with their appointees. He then suggested that when an appointment is made, officials should follow up and engage the members. He asked for Mayor Saenz to update the list of the Veterans Affairs Committee.

Susan Modikoane noted that she would like to advise Council on some important financial dates for the economy of the United States, including a federal meeting on September 27, 2016, the end of the fiscal year for the United States in September, the admission of China to the SDR on October 1, 2016. There is an expectation for China to announce how much gold they possess.

Charlotte Cunningham read, "Dear Council members and citizens of Laredo, I'm here today to ask few brief questions to Council person Roque Vela Jr. It is my understanding that you referred to Mrs. Nelly Vielma as inferior. Laredo voters are talking about it and a swift excursion today into the Webster's dictionary defines inferior thusly: 1) lower in station, rank, degree, or grade, 2) lower in place or position; closer to the bottom or base, 3) of comparatively low grade; poor in quality; substandard, 4) less important, valuable, or worthy, and 5) acting or performing in a way that is comparatively poor or mediocre. My

question to you, Mr. Vela, is this: What specifically did you mean by using the word inferior to refer to Mrs. Vielma who, from my understanding of her superior credentials and vast accomplishments, is incredibly qualified in every way that counts in terms of serving our city in any capacity? Mr. Vela, could you please cite specific areas where you find Mrs. Vielma, and I quote the dictionary again, 'less important, valuable, or worthy' than you? I know this because the implication then is that your classification of her as inferior denotes that you regard yourself as superior and that, Mr. Vela, suggests that you might be referring to her gender. Were you? Last and most importantly, I would like to refer you, Mr. Vela, to your biography posted by the City of Laredo's website. Now, I will quote your biography, it says, 'His involvement throughout the earlier years of his life molded him into the humble man he is today and sparked his interest in making a difference in his community.' My last question is this, how does calling Mrs. Nelly Vielma inferior, attest to the City of Laredo's depiction of you as, a 'humble man'? I will now close with the dictionary's definition of humility, because it refers to that state of being humble. 'Humility- the quality or state of not thinking that you are better than other people'".

Juan Chavez stated he submitted an Open Records Request on September 5, 2016, requesting a copy of George Altgelt's City-issued computer hard drive and any deleted files. He stated that the City Attorney's Office informed him that they need a time extension in order to comply with his request as Cm. Altgelt is refusing to turn in his computer. He noted that the he was later advised that Cm. Altgelt is only providing information that he believes Mr. Chavez should have. He expressed that Cm. Altgelt should not be using his City-issued laptop for personal use concerning his clients. He stated that he was present today to ask Cm. Altgelt to surrender his computer because his actions deviate from his slogan "Honesty, Integrity, and Transparency." He encouraged City Council to help him resolve this matter. He noted that Cm. Altgelt's failure to comply and the use of a City laptop for personal business are violations.

James Joel Newland congratulated Cm. San Miguel, Cm. Perez, and Mayor Saenz for adding the investigation for the Election 2016 item to the agenda. He noted that the good people of Laredo are expecting for City Council Members to support this item.

Mellie Hereford noted that the Council argument experienced earlier was terrible and for Richard Raymond to witness such behavior was embarrassing. She stated that they are not properly functioning in the capacity for which the voters of their corresponding districts elected them. She noted that some Council Members lack respect for the Mayor. 53% of the people voted for the Mayor and expect Council to respect that. She also expressed that she came before Council to note that she was very offended by the sexist candidate remark. She asked Cm. Vela if he didn't need female votes and advised Council to get their act together because that is why all these citizens are angry.

Sherry Medellin stated that she waited for Cm. Rodriguez to return her call for six weeks. She expressed her concerns regarding the lack of lighting in Las Villas del Sol. She claimed that because of the lack of lighting there are plenty of undocumented individuals passing through the area. She explained that two months ago she couldn't attend a City Council meeting because a Task Force was searching their residence for fugitives. This event terrorized her children. She did not feel safe and stated that public safety comes first. She asked for light poles in her area. She noted that there is no playground for children to play in her neighborhood and would like for City Council to take action as soon as possible. She stated that Council's behavior was atrocious.

VI. APPOINTMENTS TO COMMISSIONS, BOARDS AND COMMITTEES

1. Appointment by Mayor Pete Saenz of Efrain Sanchez to the Municipal Civil Service Commission.

Motion to appoint Efrain Sanchez to the Municipal Civil Service Commission.

Moved: Cm. Vela

Second: Cm. Gonzalez

For: 8

Against: 0

Abstain: 0

VII. PUBLIC HEARINGS

1. Public Hearing and Introductory Ordinance authorizing the City Manager to accept and enter into contract with the Health and Human Services Commission (HHSC), amending the FY 2015-2016 budget by appropriating additional revenues and expenditures in the amount of \$85,500.00, and amending the FY 2015-2016 Full Time Equivalent (FTE) listing by adding one (1) Medical Office Assistant II, R30. This project will further support the City of Laredo Health Department (CLHD) to provide womens health preventive services and family planning for the term period from August 1, 2016 through August 31, 2017 and can be renewed for up to two (2) years pending funding availability. (Approved by Operations Committee).

Motion to open public hearing.

Moved: Cm. Balli

Second: Cm. Vela

For: 7

Against: 0

Abstain: 0

Cm. Perez was not present

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Vela

Second: Cm. Narvaez

For: 7

Against: 0

Abstain: 0

Cm. Balli was not present.

2. Public Hearing and Introductory Ordinance authorizing the City Manager to accept the continuation contract with Texas A&M International University (TAMIU) and amending the FY 2015-2016 budget by appropriating additional revenues and expenditures in the amount of \$483,181.00. Funding is from Methodist Health Care Ministries through TAMIU, and will allow us to continue to provide early detection health care services for diabetes and to integrate behavioral health screenings. The project is called Sí Texas – Juntos For Better Health Program and has several partners (TAMIU, Methodist Healthcare Ministries, Border Region Behavioral Health, Holding Institute, AHEC, SCAN and Gateway Community Health Center). The term period is from May 1, 2016 through April 30, 2017 and may be extended for another

four (4) years contingent on funding availability. (Approved by Operations Committee).

Motion to open public hearing.

Moved: Cm. Vela

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Balli was not present.

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. San Miguel

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Balli was not present.

3. Public Hearing and Introductory Ordinance amending the Laredo Land Development Code of the City of Laredo by revising Article IV, Section 24.65.0, General Supplemental; Provisions, (a) Residential, to prohibit trucks and certain trailers from parking in an R-2, R-3, RSM, and RS Zoning District; providing for publication and effective date.

Motion to open public hearing.

Moved: Cm. Vela

Second: Cm. Perez

For: 8

Against: 0

Abstain: 0

Nathan Bratton, Planning Director, stated that this revision was based on the gross vehicle weight ratings. He clarified that this language will not affect the food trucks.

Motion to close public hearing and introduce.

Moved: Cm. Altgelt

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

4. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning .6342 acres as further described by metes and bounds in attached Exhibit "A", located at South of Soria Drive and West of Ejido Avenue, from R-3 (Mixed Residential District) to B-1 (Limited Commercial District); providing for publication and effective date.

Staff supports the application and Planning & Zoning Commission recommends approval of the zone change. ZC-70-2016 District I

Motion to open public hearing.

Moved: Cm. Gonzalez

Second: Cm. Narvaez

For: 8 Against: 0 Abstain: 0

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Gonzalez

Second: Cm. San Miguel

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

5. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning approximately 19.41 acres, as further described by metes and bounds in attached Exhibit "A", located at south of Soria Drive and West of Ejido Avenue, from R-3 (Mixed Residential District) to R-1MH (Single Family Manufactured Housing District); providing for publication and effective date.

Staff supports the application and Planning & Zoning Commission recommends approval of the zone change. ZC-71-2016. District I

Motion to open public hearing.

Moved: Cm. Gonzalez

Second: Cm. San Miguel

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Gonzalez

Second: Cm. San Miguel

For: 8 Against: 0 Abstain: 0

6. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning approximately 8.0 acres, as further described by metes and bounds in attached Exhibit "A", located south of Wormser Road, and east of La Terraza, from R-1A (Single Family Reduced Area District) to R-1B (Single Family High Density District); providing for publication and effective date.

Staff supports the application and the Planning and Zoning Commission recommends approval of the zone change. ZC-69-2016. District I

Motion to open public hearing.

Moved: Cm. Gonzalez

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Gonzalez

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

7. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning approximately 5.30 acres, as further described by metes and bounds in attached Exhibit "A", located at SE corner of Mejia Road and Judith Gutierrez Parkway, from R-1A (Single Family Reduced Area District) to R-1MH (Single Family Manufactured Housing District); providing for publication and effective date.

Staff supports the application and Planning & Zoning Commission recommends approval of the zone change. ZC-72-2016. District II

Motion to open public hearing.

Moved: Cm. Rodriguez

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

Nathan Bratton, Planning Director, stated that he received correspondence from the developer's representative requesting that this item be withdrawn completely from the agenda and the meeting.

Motion to withdraw.

Moved: Cm. Narvaez

Second: Cm. Altgelt

For: 7

Against: 0

Abstain: 0

Cm. San Miguel was not present.

8. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Special Use Permit for a Tattoo Shop on Lot 1, Block 5, Del Mar Village Subdivision, located at 120 W. Village Blvd., Suite 107; providing for publication and effective date.

Staff is in support of the application and the Planning and Zoning Commission recommends approval of the Special Use Permit. District V

Motion to open public hearing.

Moved: Cm. Vela

Second: Cm. Perez

For: 7

Against: 0

Abstain: 0

Cm. San Miguel was not present.

Cesar Hernandez, expressed that he is in support of the item. He noted that they have an excellent reputation and they have always been up to date with all permits. He confirmed that the Health and Fire Departments perform inspections to regulate certain requirements. He also noted that they have never been cited.

Motion to close public hearing and introduce.

Moved: Cm. Vela

Second: Cm. Balli

For: 8

Against: 0

Abstain: 0

9. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for an Auto Glass Shop on 1,282.00 sq. ft. of Lot 4, Block 1068, Eastern Division and 7,290.16 sq. ft. out of Urbahn Ave., west of Lot 1, Block 1168, Eastern Division as further described by metes and bounds in attached Exhibit "A", located at 1301 South Meadow Ave., providing for publication and effective date.

Staff is in support of the application and the Planning and Zoning Commission recommends approval of the Conditional Use Permit. District III

Motion to open public hearing.

Moved: Cm. Perez

Second: Cm. Gonzalez

For: 8

Against: 0

Abstain: 0

Erica Chapa asked Council Members if the permit could be changed from B1 to B3.

Nathan Bratton, Planning Director, noted that four letters were sent and no responses were received regarding this item.

Motion to close public hearing and change permit from B1 to B3.

Moved: Cm. Perez

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

10. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning all of Block(s) 1877 and 1878 and the 15,432.35 sq. ft. north of Block 1878 and south of Block 1877, located at 3000 Jaime Zapata Memorial Hwy., from B-1 (Limited Commercial District) to B-3 (Community Business District); providing for publication and effective date.

Staff is in support of the application and the Planning and Zoning Commission recommends approval of the zone change. District II

Motion to open public hearing.

Moved: Cm. Vela

Second: Cm. Gonzalez

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Rodriguez

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

11. Public Hearing and Introductory Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 1, 8, west 1/3 of Lot 2 and west 1/3 of Lot 7, Block 9, Eastern Division, located at 601 Market St., from B-3 (Community Business District) to B-4 (Highway Commercial District); providing for publication and effective date.

Staff is not in support of the application and the Planning and Zoning Commission recommends approval of the zone change. District III

Motion to open public hearing.

Moved: Cm. Perez

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close public hearing and introduce.

Moved: Cm. Perez

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

VIII. INTRODUCTORY ORDINANCES

12. An Ordinance of the City of Laredo, Texas, adding a new section to Article VI, "Operation," Division 2, "Miscellaneous Driving Rules," of Chapter 19, "Motor Vehicles and Traffic," of the Laredo Code of Ordinances, relating to restrictions on operating a motor vehicle near vulnerable road users, and creating an offense.

Ordinance Introduction: City Council

13. Authorizing the City Manager to execute a revocable license agreement for non-

federal use of real property (GS-07B-99215) between the City of Laredo and the United States General Services Administration (GSA) for the purpose of allowing the City of Laredo Bridge Department to use, repair and maintain a dedicated Automatic Vehicle Identification (AVI) lane with toll collection booth for non-commercial customers to use when traveling southbound into Mexico at the Juarez/Lincoln Bridge. The term of the license agreement is for five (5) years beginning on September 20, 2016 to September 19, 2021. (Approved by Operations Committee).

Ordinance Introduction: City Council

14. An Ordinance of the City of Laredo amending Code of Ordinances, Article IV, Bicycles and Play Vehicles, Division 2, Bicycle License, to repeal the requirement of a City issued license before a person may ride or propel a bicycle on any street or public highway.

Ordinance Introduction: City Council

IX. FINAL READING OF ORDINANCES

Motion to waive the final reading of Ordinances: 2016-O-137, 2016-O-138, 2016-O-139, 2016-O-140, 2016-O-142, 2016-O-143, and 2016-O-145.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

15. 2016-O-137 Adopting the proposed Annual Budget for fiscal year 2016-2017 by appropriating the revenues, expenditures and balances reported therein for the year beginning October 1, 2016, and ending September 30, 2017, consistent with the financial plan described in said annual budget (see exhibit "A") and motions approved by City Council at public workshop (see exhibit "B") and authorizing the City Manager to implement said Annual Budget. AS AMENDED.

Motion to adopt Ordinance 2016-O-137.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

16. 2015-O-138 Authorizing the City Manager to accept the contract amendment with the Texas Health and Human Services Commission (HHSC) and amending the FY 2015-2016 budget by appropriating additional revenues and expenditures in the amount of \$12,852.00 for a total of \$573,275.00 for continuation of the Nurse Family Partnership (NFP) for the City of Laredo Health Department (CLHD) to provide evidence-based nurse home visitation care for first-time mothers wellness, prenatal and postpartum care and for newborn preventive health care nurse case management to assure wellness, preventive care and positive growth and development for the first two (2) years of life of the newborn. The project period is from September 1, 2016 through August

31, 2017 and can be renewed another two (2) years pending funding availability.

Motion to adopt Ordinance 2016-O-138.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

17. 2016-O-139 Amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for an amusement redemption machine establishment on Lot 1, Block 1, Anil and Associates Subdivision Phase 1, located at 9110 McPherson Road, Suite 1; providing for publication and effective date. District VI.

Motion to adopt Ordinance 2016-O-139.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

18. 2016-O-140 Amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Special Use Permit for a Tattoo Shop on Lot 8 A, Block 664, Eastern Division, located at 4301 McPherson Road, Suite 103; providing for publication and effective date. District IV

Motion to adopt Ordinance 2016-O-140.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

19. 2016-O-142 Authorizing the City Manager to amend the FY 2016 Transit Capital Budget by increasing revenues and expenses in the amount of \$316,630.00 in order to appropriate Capital, Rolling Stock, Program Administration and Operating Assistance approved by the Federal Transit Administration (FTA) Grant TX-2016-052-00.

Motion to adopt Ordinance 2016-O-142

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

20. 2016-O-143 Amending the City of Laredo Code of Ordinances, Chapter 31 (Utilities), Division 5 (Rates and Charges), Article II (Sewers and Sewage Disposal), by renaming section 31-92 (Inside City Limits) to (Rates and Charges), by removing the rate cap for residential accounts over 30,000 gallons and charging the same rate as the tier for usage of 20,001 to 30,000 gallons; modifying the commercial rate by combining the existing tiers of 10,001 to 30,000 gallons and the 30,001 to 40,000

gallons into one tier of 10,001 to 40,000 gallons and keeping the rate of the 30,001 to 40,000 gallons rate; modifying the tiers of 150,001 to 300,000 gallons and the 300,001 to 600,000 gallons to match the residential rate tier for equal consumption and keeping the annual rate increases at a 2% as previously approved by City Council up until 2037. Creating section 31-102 (Fees) and moving the fees contents from Sec. 31-92 (Rates and Charges) to section 31-102, providing for publication and an effective date.

Motion to adopt Ordinance 2016-O-143.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

21. 2016-O-144 Amending the City of Laredo Ordinance #2016-O-086, Chapter 31 (Utilities), Division 3 (Rates and Charges), Article III (Water), section 31-141 (Water Availability), specifically section 1. a. by decreasing the square footage from 6,000 to 4,500 square feet; 1. b. from minimum of 6,000 to 4,500 square feet and increasing the cost from \$500.00 to \$1,000.00; 1. c. by increasing the cost from \$750.00 to \$1,500.00 and 1. d. by increasing the cost from \$1,000.00 to \$2,000.00; modifying 2. a. by removing one-half and adding one-third acre-feet and increasing the cost from \$500.00 to \$1,000.00; 2. b. by increasing the cost from \$500.00 to \$1,500.00 and 2. c. by increasing the cost from \$500.00 to \$1,500.00. Modifying (b) 2. for connection charges by adding a multifamily charge of \$200.00 per unit per meter and moving the current (b) 2. to (b) 3, providing for publication and an effective date.

Cm. Gonzalez requested that City staff have one more meeting with the association to keep them abreast with updated information.

Motion to table.

Moved: Cm. San Miguel

Second: Cm. Vela

For: 7

Against: 0

Abstain: 0

Cm. Balli was not present.

22. 2016-O-145 An Ordinance of the City of Laredo, Texas, Amending Chapter 2, Article II, Division 6 (pay administration), of the City Code, specifically Section 2-87.7(c)(12)a, by providing for a 3% cost of living adjustment (COLA) to the existing wage schedule, except as otherwise stated in any Collective Bargaining Agreement; providing for a repealing clause; providing for a severability clause; and providing for an effective date of October 1, 2016.

Motion to adopt Ordinance 2016-O-145.

Moved: Cm. Vela

Second: Cm. San Miguel

For: 8 Against: 0 Abstain: 0

23. 2016-O-146 Providing that the property tax rate (revenue) be increased by the adoption of a tax rate of \$0.637000 per \$100 value, which is effectively a 3.68 percent increase in the tax rate (revenue). This tax rate, which has been the same since Tax Year 2004, will have a Maintenance and Operation Rate of \$0.494068 per \$100 value and a Interest and Sinking Fund Rate of \$0.142932 per \$100 value for the levy and the collection of General and Special Ad Valorem taxes for the City of Laredo for Tax Year 2016 and Fiscal Year 2016-2017. (This will be the thirteenth year that the City would adopt this same rate.)

Motion to increase the property tax rate by the adoption of a tax rate of \$0.637000, which is effectively a 3.68 percent increase in the tax rate (revenue).

Moved: Cm. Narvaez

Second: Cm. San Miguel

For: 8 Against: 0 Abstain: 0

Motion to adopt Ordinance 2016-O-146.

Moved: Cm. Narvaez

Second: Cm. Gonzalez

For: 8 Against: 0 Abstain: 0

X. RESOLUTIONS

24. 2016-R-115 Adopting the 2017-2021 Capital Improvement Program of the City of Laredo.

Rosario Cabello, Financial Services Director, explained that the five-year Capital Improvement Plan was developed after City staff met with different departments and different Council Members to address and forecast financial needs for the next five years. This \$522,000,000.00 plan has been published in the newspaper, the Laredo Public Library, and the City Secretary's Office, and no requests to change it have been made.

Jesus Olivares, City Manager, noted that this Capital Improvement Program is aligned with the Council's priorities, especially, for this upcoming year. He stated that this is what they discussed when the transmittal letter on the budget was submitted.

Motion to adopt Resolution 2016-R-115.

Moved: Cm. Balli

Second: Cm. Narvaez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

XI. MOTIONS

25. Authorizing the City Manager to enter into a partnership with the Consortium for Apprenticeship Partners in Economic Development (CAPED) by providing support in the amount not to exceed \$45,000.00 for FY 2016-2017. CAPED works with local agencies and also streamlines efforts between Texas Education Agency, Texas Higher Education Coordinating Board, Texas Workforce Commission and their respective counterparts - a fully integrated system in order to accomplish a more efficient education system leading into sustainable regional careers pathways. Funding is contingent upon availability in the FY 16-17 General Fund Budget.

Motion to approve.

Moved: Cm. Perez

Second: Cm. San Miguel

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

26. Authorizing the City Manager to execute all necessary documents for the purchase of the surface only of a vacant residential lot legally described as Lot 27, Block 1, Unit VII, Riverhill Subdivision, located at 626 Bouganvillea St. Said lot is being purchased for donation to Habitat for Humanity in support of the development of affordable housing. The purchase amount shall not exceed \$23,000.00 plus applicable closing costs. Funding for this purchase is being made available through the Capital Improvement Fund.

Carol Sherwood, Habitat for Humanity Executive Director, noted that this is an exciting opportunity to spotlight their Habitat for Humanity Green Building as a sustainable building project. They have received wonderful cooperation from the City of Laredo, especially this year.

Cm. Perez noted that there might be a need to buy more than one lot. He stated that this is a great deal for the City of Laredo as the lots are inexpensive.

Cynthia Collazo, Deputy City Manager, clarified that the funds are coming out of the Capital Improvement Fund as opposed to Cm. Perez's discretionary funds.

Motion to approve.

Moved: Cm Perez.

Second: Cm. Balli

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

27. Consideration for approval to award a professional services contract to Structural Engineering Associates, San Antonio, Texas, for an amount of \$111,840.00 for the World Trade Bridge US Customs Exit Booth Expansion for conceptual planning for installation of new weigh-in-motion scales at the immediate departure location of all

existing federal land port of entry exit control booths and for the study of the potential future commercial free and secure truck lane. Design work is to be done on a fast track basis. Funding is available in the Bridge Construction Fund.

Motion to approve.

Moved: Cm. Perez

Second: Cm. San Miguel

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

28. Authorizing the City Manager to temporarily transfer the emergency mobile morgue to Webb County under the care of Judge Tano Tijerina, Commissioners Court for the County Medical Examiner to assist with current emergency surge of fatalities.

Motion to approve.

Moved: Cm. Perez

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

29. Discussion with possible action to amend the Joint General/Special Elections Early Voting Schedule "Exhibit F" as presented by the Webb County Elections Administrator and approved by the Webb County Commissioners Court on September 12, 2016.

Motion to approve.

Moved: Cm. Perez

Second: Cm. Gonzalez

For: 7 Against: 0 Abstain: 0

Cm. Altgelt was not present.

30. Authorizing the drafting of annexation agreements and service plans for the following:

Tract 1: 4G Investments, LLC Tract – 82.48 acres, more or less, located east of F.M 1472 and south of S.H. 255. Petitioner: 4G Investments, LLC. Eduardo A. Garza

Tract 2: Kansas City Southern Railway 359 Yard Tract – 54.20 acres, more or less, located east of E.G. Ranch Rd. and S.H. 359. Petitioner: The Texas Mexican Railway Company.

Tract 3: AFW Investments II, Ltd Tract – 20.34 acres, more or less, located north of S.H. 359 and east of E.G. Ranch Rd. Petitioner: Patrick Farrell. Tract 4: Cuauhtemoc Rodriguez Tract – 5.0 acres, more or less, located north of Del Mar Blvd. and east of Bob Bullock Loop (Loop 20). Carlos V. Mejia.

Tract 5: MOS Professional Building Inc. Tract – 7.61 acres, more or less, east of F.M

1472 and south of Pinto Valle Dr. Petitioner: Roberto P. Martinez Jr

Tract 6: Reuthinger Living Trust Tract – 1,743.53 acres, more or less, west of I.H. 35 and north of Beltway Parkway. Petitioner: Hortense R. Offerle, Trustee

Tract 7: Carriers Tract: - 0.31 Acres, more or less, south of Carriers Dr. and east of Resource Dr. Petitioner: Subcarrier Communications, Inc.

Motion to approve.

Moved: Cm. Perez

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

31. Refund of property tax in the amount of \$3,035.43 payable to Cynthia Rizo due to an overpayment. Tax account # 111-00544-030.

Motion to approve.

Moved: Cm. Perez

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 August 2016, represent a decrease of \$41,568.84. These adjustments are determined by the Webb County Appraisal District and by court orders.

Motion to approve.

Moved: Cm. Perez

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

XII. CONSENT AGENDA

Motion to approve the Consent Agenda.

Moved: Cm. Narvaez

Second: Cm. Gonzalez

For: 7

Against: 0

Abstain: 0

Cm. Altgelt was not present.

XII (a) RESOLUTIONS

33. 2016-R-108 Authorizing the City Manager to accept a grant in the amount of \$2,464,520.00 from the Commission on State Emergency Communications to fund the 9-1-1 Program and Equipment budgets for the South Texas Region, including Jim Hogg, Starr, Webb, and Zapata Counties, for the period beginning September 1, 2016 through August 31, 2017.
34. 2016-R-109 Consideration to grant fee waivers and a tax abatement agreement between the City of Laredo and 801 Gustavus Inc. for the commercial property located at 801 E. Gustavus St., being Lot 1A Block 287 Eastern Division. The proposed commercial property eligible for property tax abatement includes a new commercial building of approximately 1,352 sq. ft. and a new covered roof of approximately 1,300 sq. ft. in the total amount of \$153,700.00 which is equal to or in excess of 20% of the Base Value of the property in accordance with authorized guidelines and criteria established for the Neighborhood Empowerment Zone (NEZ). This agreement will be for a five (5) year period and will consist of an estimated annual tax abatement total of \$979.07 and estimated total fee waiver of \$1,053.00 based on capital investment for the purpose of economic development. Guidelines and criteria for the agreement are set forth in the attached agreement and information.
35. 2016-R-110 Consideration to grant fee waivers and a tax abatement agreement between the City of Laredo and American Properties Agency, Inc. for the commercial property located at 1016 Iturbide St., being Lots 6, 7, 8, 9 & 10 Block 34 Western Division. The proposed commercial property eligible for property tax abatement includes rehabilitation of the existing building first floor into ten (10) new units of approximately 11,500 sq. ft. in the total amount of \$215,000.00 which is equal to or in excess of 20% of the Base Value of the property in accordance with authorized guidelines and criteria established for the Neighborhood Empowerment Zone (NEZ). This agreement will be for a five (5) year period and will consist of an estimated annual tax abatement total of \$1,369.55 and estimated total fee waiver of \$1,327.50 based on capital investment for the purpose of economic development. Guidelines and criteria for the agreement are set forth in the attached agreement and information.
36. 2016-R-111 Authorizing the City Manager to accept a grant in the amount of \$44,293.83 from the Office of The Governor, Criminal Justice Department, for funding the 2017 Justice Assistance Grant or JAG for the period of October 01, 2016 through September 30, 2017. This funding will provide overtime for the Anti-Gang Unit which will target Criminal Street Gangs by identifying, monitoring, suppressing and documenting criminal gang activities and maintaining the TX-Gang database.
37. 2016-R-112 Authorizing the City Manager to accept two (2) continuation contract amendments from the Department of State Health Services (DSHS) Prenatal Services \$40,446.00 for a total of \$110,196.00 for

the continuation of the City of Laredo Health Department prenatal and dental preventive patient care and prevention services for the term period from September 1, 2016 through August 31, 2017.

38. 2016-R-113 Authorizing the City Manager to enter into an agreement (ROW CSJ# 0086-14-070) to contribute funds estimated at \$3,516.00 to the Texas Department of Transportation for utility adjustments associated with the widening of State Loop 20 from SH 359 to SPUR 400 (being the KCS overpass). Funding for this contribution is available in the Capital Improvement Fund.

XII (b) MOTIONS

39. Approving the property tax revenue increase for the fiscal year 2016-2017 budget as required by the Texas Local Government Code Section 102.007, said increase being \$3,885,769.00 or 5.34%. The amount is due entirely to increases in property tax valuations and new property added to the tax roll and not to any increase in the current tax rate of \$.637000.

Martin Aleman, Budget Manager, noted that this item must be treated separately as it requires a vote of its own. He explained that this increase will bring in \$3,885,769.00 more than last year's budget.

Motion to approve.

Moved: Cm. Narvaez

Second: Cm. Vela

For: 8

Against: 0

Abstain: 0

40. Authorizing the City Manager to continue contracting with seven (7) local testing laboratories on a rotation and on as needed basis for the FY 2016 – 2017 for construction materials quality testing and subsurface exploration services. List of local testing labs are as follows:

1. Carrillo & Associates, Inc., Laredo, Texas
2. Castle Engineering & Testing, LLC., Laredo, Texas
3. Terracon Consultants, Inc., Laredo, Texas
4. Howland Engineering & Surveying Company, Laredo, Texas
5. CMT-Tec, L.L.C., Laredo, Texas
6. South Texas Testing Laboratories, Inc., Laredo, Texas
7. Millennium Engineers Group (MEG), Laredo, Texas Funding is to be available from each respective project account.

41. Consideration for approval of amendment no. 2, an increase of \$4,912.00 to the professional services contract with Structural Engineering Associates, Inc., San Antonio, Texas, to provide additional inspection services and site visits due to the increase in contract quantities for joint repairs by approximately 25% over the original quantities for the Colombia International Bridge Erosion Control, additional riprap and repair joints. Current contract with this amendment is \$67,037.30. Funding is available in the Bridge Construction Fund.

42. Consideration for approval of the Laredo Colombia International Bridge Expansion and Joint Rehabilitation Project as complete, approval of change order no. 2 in the amount of \$2,644.48 for the balance of quantities actually constructed in place, release of retainage and approval of final payment in the amount of \$15,646.58 to ABBA Construction, L.L.C., Laredo, Texas. Final construction contract amount is \$121,505.48. Funding is available in the Bridge 2008 Bond.
43. Authorizing the City Manager to enter into and execute annual contracts and/or amendments with 9-1-1 service providers (CenturyLink, AT&T, Sprint/Nextel Wireless, and Time Warner Cable) for the existing 9-1-1 telephone network, database services, and wireless/equipment maintenance for the South Texas Region in the amount of \$358,476.00. Services are to be provided for the period of September 1, 2016 through August 31, 2017. Funding is available in the Regional 9-1-1 fund.
44. Authorizing the City Manager to execute an amendment to the contract with LexisNexis, to provide an online police report distribution system. This system allows police reports to be secured via the internet. The fee for service will be obtained through the fees collected during the distribution process and paid by the end users or purchasers of reports. The Police Department would receive \$5.00 for each police report secured from the online system. The term of this agreement is for thirty-six (36) months and thereafter, the Agreement shall automatically renew for subsequent twelve (12) month periods subject to funding availability unless earlier terminated by either party. All revenues generated from this service contract will be deposited to the General Fund.
45. Consideration to renew the existing supply contract FY13-007 for the purchase of Ford Original Equipment Manufacturer (OEM) automotive parts for the City's Fleet vehicles to the following vendors:
 1. Gillie Hyde Ford Lincoln, Glasgow, Kentucky, in an amount up to \$10,000.00; and
 2. Sames Motor Company, Laredo, Texas in an amount up to \$90,000.00.

All parts will be secured on an as needed basis. The term of this contract shall be for a period of one (1) year beginning as of the date of its execution. The contract may be extended for one, additional one (1) year period each upon mutual agreement of the parties. There will be no price increase during this extension period. This is the last extension period for this contract. Funding is available in the Fleet Maintenance Budget.
46. Consideration to renew contract number FY14-062 to the sole bidder, Lozano Body Shop, Laredo, Texas to provide automotive and truck body shop repair services for the Fleet Department. The contract amount is for approximately \$225,000.00 annually and is for a three (3) year term and is subject to future appropriations. This is the first of two extension periods upon mutual agreement of the City and the vendor. There will be no price increase during this extension period. All repair services will be secured on an as needed basis. Funding is available in the Fleet Maintenance budget.

47. Consideration to award annual contracts FY16-071 to the following bidders:

1. Velco Inc., Laredo, Texas in an amount up to \$20,000.00;
2. Hosemasters, Laredo, Texas in an amount up to \$30,000.00; and
3. Hydrhose Services, Laredo, Texas in amount up to \$25,000.00,

for the fabrication of hydraulic hoses with fittings for the City's heavy equipment. The term of this contract shall be for a period of one (1) year beginning as of the date of its execution. This contract has five extension periods which can be renewed upon mutual agreement. All hoses will be purchased on an as needed basis. Funding is available in the Fleet Maintenance Budget.

48. Consideration to renew service contract number FY12-101 with Eye-View Investigations and Security, Laredo, Texas, in an annual amount up to \$548,964.00 to provide security guard services at various municipal operations. The term of this contract shall be for a period of one (1) year beginning as of the date of its execution and subject to future budget appropriations. This is the last extension period for this contract. Funding is available in the respective departmental budgets. This contract establishes an hourly rate for security services required by the Bridge System, City Hall, Health Department, Municipal Housing, Solid Waste, and any other municipal facilities or operations.

49. Amending the contract with First Recycling LLC for the operation of the City's Material Recovery Facility to include the recommendations of Mejia and Company such as maintaining a dedicated bank account, further clarification on net revenue sharing and other explicatory language.

Stephen Geiss, Solid Waste Manager, explained that following the audit, Mejia & Company, LLC, did not find any exceptions under the Sales of Recycle Materials, Confirmations of Customers, and Tonnage Analysis. However, one of the biggest exceptions were the expenses. The firm recommended for the department to maintain a single bank account dedicated exclusively to activities related to this recycling contract and not to be combined with any other business. Net income sharing began November 21, 2015. Per the contract, all revenues from sales from recycled materials exceeding operating expenses are to be split 70/30 the second year and 50/50 thereafter between the City and the Operator. Currently, there is no amount owed to the City under the sharing agreement, as amended. Reports must be submitted to the Finance Director and Solid Waste manager within 30 days of the end of the quarter. He noted that a budget must be submitted by First Recycling, and the guidelines dictate what constitutes an expense.

Robert A. Eads, Assistant City Manager, noted that there are guidelines that establish what an expense entails. After the audit, the City will try to implement any revisions and recommendations by amending the contract. However, no negotiations have been made to-date. He noted that Mr. Geiss has read the contract many times and he has edited it as well. He stated that added language denotes the Finance Director reviews the submitted budgets for allowable expenses. It is impossible to list all allowable and unallowable expenses. First Recycling is required to submit a budget for further review and approval, and the City may determine which expenses documented are allowable or not.

Lakshmana "Vish" Viswanath noted that the City is not paying attention when writing these contracts. He also stated that the City of Laredo has no limit on their expenditures and that the language is vague. He encouraged Council to ask Mejia & Company if their recommendation was included in the actual contract. The auditor's report reflected that there is money owed to the City, contrary to Mr. Geiss' and Mr. Eads' statements, between February 27, 2014, and November 21, 2014, and net income sharing begins after November 21, 2015. He noted that it is the City's job to collect such payments. He estimated that First Recycling owes the City of Laredo approximately \$100,000.00. He specified that he was quoting the auditor, not stating his own opinion.

Jesus Olivares, City Manager, stated that City Council directed City staff to hire an auditor who conducted a meticulous, comprehensive audit in this particular contract. This entity provided them with their findings and they were brought before them in an amended form to the contract.

Saul Villarreal presented a letter from Mejia & Company confirming that there is no money owed to the City of Laredo as of September 30, 2015.

Raul Casso, City Attorney, stated that the contracts are not amendments but rather substitutions to the original contract. Each contract is extinguished by the newest contract, and all prior writings are no longer effective. He noted that at this time he has no reason to question the auditor. Council chose to substitute a preceding contract with a new contract.

Motion to accept Mejia & Company's audit of First Recycling, LLC, as it is and add language to provide a guideline as to what are allowable and unallowable expenses and let the auditor review the contract to ensure his recommendations were incorporated.

Moved: Cm. Altgelt

Second: None

Motion dies for lack of a second.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Narvaez

For: 7

Against: 1

Abstain: 0

Cm. Gonzalez

Cm. Altgelt

Cm. Rodriguez

Cm. Perez

Cm. Narvaez

Cm. Vela

Cm. San Miguel

Cm. Balli

50. Award of a construction contract to the lowest responsible bidder, Trillium LLC dba Cobalt Construction, Laredo, Texas in the amount of \$1,226,629.75 for the South Laredo Waste Water Treatment Plant Administration Building Project. The contract

time is one hundred ten (110) working days. Funding is available in the 2011 Sewer Revenue Bond.

END OF CONSENT AGENDA

XIII. STAFF REPORTS

None.

XIV. EXECUTIVE SESSION

None.

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

Motion to recess as the Laredo City Council and convene as the Laredo Mass Transit Board.

Moved: Cm. Vela

Second: Cm. Perez

For: 8

Against: 0

Abstain: 0

51. 2016-RT-08 Authorizing the City Manager to accept and execute the Texas Department of Transportation (TxDOT) State Urban Grant No.STATE-U-2016-LAREDO-00108 PGA for fiscal year 2017 in the amount of \$576,518.00 to be use for Preventative Maintenance for the City of Laredo Transit Department. (Approved by Operations Committee).

No action taken.

52. 2016-RT-09 Authorizing the City Manager to execute a grant application and related documents including contract agreement(s) for the amount of \$247,845.00 to the Federal Transit Administration (FTA) for Fiscal Years 2014 and 2015 Section 5310 (Map-21) Grant Program for Enhanced Mobility of Seniors and Individuals with Disabilities. These funds will be for Capital and Program Administration for the Laredo Transit Management. Grant funds will also be for the purchase of Rolling Stock and Operating Assistance for the 5310 transportation provider. (Approved by Operations Committee).

No action taken.

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

Motion to adjourn as the Laredo Mass Transit Board and reconvene as the Laredo City Council.

Moved: Cm. Vela

Second: Cm. Gonzalez

For: 8

Against: 0

Abstain: 0

GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

53.

A. Request by Mayor Pete Saenz

- a. Legislative update by State Representative Richard Raymond on amusement redemption machines, with possible action.

Richard Raymond, State Representative, welcomed Cm. Rodriguez to City Council; it is the first time Representative Raymond has come before Council since Cm. Rodriguez was elected. He also wished a happy birthday to Congressman Henry Cuellar and Cm. Narvaez. Representative Raymond explained that eight-liners, or maquinitas, are legal. However, it is illegal to reward a winner with more than \$5.00. If law enforcement bodies find that there is an establishment bequeathing an amount higher than \$5.00, appropriate enforcement measures will be taken. He noted that through the years, he has worked with the community in an effort to give citizens a voice on whether or not the winning prize amount of \$5.00 should be modified. He explained that this can be done by amending the state constitution and through local option elections. Representative Raymond noted that this issue reached the Supreme Court of Texas and that the Supreme Court ruled that such an amendment can not be done under the current Texas Constitution; there must be a constitutional amendment. Representative Raymond proposed that the amount of \$5.00 should be increased to \$1,500.00 per individual play. However, he would like to find a happy medium and for the community to vote on the amount.

Mayor Saenz noted that a nonbinding referendum would assist them in knowing where the community stands on this particular issue. Yet, he noted that the deadline had passed. He encouraged Council to consider an adequate scientific method to measure and examine where the citizens stand in this particular issue.

Representative Raymond stated that in 2012, there was a nonbinding referendum included in the democratic ballot state-wide. This referendum showed that 73% of Texas voters were in favor of legalizing casino gambling with all funds supporting education. In Webb County, 76% of the voters were in favor of legalizing casino gambling with all funds going to education. He noted that these numbers indicate where residents stand on the issue. He stated that he will be introducing this again as it takes two-thirds of the House to approve it. If his bill to amend the state constitution is passed, all eight-liners will be gone because the language stipulates that maquinita owners would have to start all over, have an election, and let that be the determining factor. He noted that his proposition will give counties, cities, and voters the authority to decide if they want to have them in their cities. Also, he proposed a \$350.00 permit fee per year for each eight-liner machine in which 70% would go to the city and 30% would go to the state.

No action taken.

- b. Discussion with possible action on supporting the application for the “What Works City” designation by Bloomberg Philanthropies with a presentation from staff and stakeholders on the program and its benefits.

Krissy Gutierrez of Millennials for What Works Cities stressed the importance of evidence-based data to bring change to Laredo. She noted that they were very honored to have been selected out of hundreds of cities to participate in this project. Laredo is the 80th largest city in the United States. Young people want opportunities to reinvest in their communities in ways that benefit the local economy and other citizens. Ms. Gutierrez asked Council to support Bloomberg Philanthropies in their “What Works Cities” initiative.

Roger Garcia of Millennials for What Works Cities noted Bloomberg Philanthropies is willing to invest \$42 million to Laredo for this project.

Karen Gaytán of Millennials for What Works Cities stated that she returned to Laredo after college because she does not believe comments she has heard that there is nothing for young people in Laredo. Millennials now have an opportunity to affect positive change in Laredo.

Horacio De Leon, Assistant City Manager, reported that the City of Laredo has been selected to participate in the “What Works City” designation by Bloomberg Philanthropies. This program is the most comprehensive initiative to help city halls use data and evidence effectively. The \$42 million effort is the nation’s most comprehensive philanthropic initiative to help accelerate the ability of local leaders to use data and evidence to improve the lives of their residents. What Works Cities will provide mayors with robust technical assistance, expertise, and peer-to-peer learning opportunities that will help them enhance their use of data and evidence to improve services to solve problems for communities. The program will help cities with the following objectives: Create sustainable open data programs and policies that promote transparency and robust citizen engagement; better incorporate data into budget, operational, and policy decision making; conduct low-cost, rapid evaluations that allow cities to continually improve programs; and focus funding on approaches that deliver results for citizens.

Motion to move forward with application.

Moved: Cm. Balli

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

B. Request by Council Member Charlie San Miguel

- a. Discussion with possible action to invoke Section 2.06 of the City Charter and investigate the recent incidents regarding the November 2016 election candidate applications and all the matters related thereto. (Co-Sponsored by Mayor Pete Saenz and Council Member Alejandro "Alex" Perez)

Cm. San Miguel stated that he received many inquiries from his constituents concerning the 2016 election; he noted that citizens have the right to know the truth. He recommended Cm. Vela to welcome the investigation. It is City policy that individuals put requests for public records in writing.

Cm. Altgelt read from the City of Laredo's website, "Any person wishing to inspect or copy public records kept by the City of Laredo must make the request in writing and may do so online by submitting [a] form." He explained that when he went to the City Secretary's Office to request a copy of his own payroll file, he was told to follow the aforementioned procedure through an Open Records Request. Cm. Altgelt read the following text from the Local Government Code, Section 552.223, "Uniform Treatment of Request for Information-The officer for public information or the officer's agent shall treat all requests for information uniformly without regard to the position or occupation of the requestor, the person on whose behalf the request is made, or the status of the individual as a member of the media." He noted in regards to the Local Government Code, Section 552.352, Distribution or Misuse of Confidential Information-An individual cannot use or distribute the information for their own purposes." There must be a need to know in an official capacity. He also cited Section 2.03 (C) of the City Charter, Prohibitions, noting that elected officials can not interfere with administration except for the purpose of inquiries and can ask questions for obtaining information or reporting problems with services and for investigations. Under Section 2.06, the City Council shall deal with city officers and employers through the City Manager. Cm. Altgelt explained that one can not go to the vault and take a picture of a record. He noted that this investigation will clarify if indeed any wrongdoing occurred. He explained that Section 2.06 simply stated that Council shall have the power to inquire into the official conduct of any department, agency, office, or employee of the city, administer oaths, subpoena witnesses, and compel the production of books or records. He noted that an external entity should conduct the investigation in order to be fair to Cm. Vela and the public.

Cm. Vela noted that Cm. Altgelt failed to address Section 141.035 of the Local State Government Code that speaks specifically to an election application, which is immediately a public record upon filing with the filing authority. He noted that officials can not choose when to be transparent only when it is convenient to them; instead, they should always be transparent.

Mayor Saenz noted that when he heard about the corruption allegations made by Cm. Altgelt, he was concerned. He invited Juan Chavez and Arturo Pantoja to resolve their issues and to clarify the situation. He noted that when allegations of corruption exist, they must be addressed and resolved immediately.

Cm. Vela noted that several months ago, he and two other Council Members approached Mayor Saenz with corruption concerns, and no action was taken by the Mayor. He explained that this is an example of unfair practices and lack of transparency and consistency. He noted that Mayor Saenz stated that he was exaggerating on his political campaign of transparency.

Mayor Saenz clarified that he reported Cm. Vela's allegation to the FBI, stating that he doesn't keep anything to himself. He stated that he is the change that people wanted. He denied he was exaggerating on his political campaign when talking about transparency and "cleaning the house". He noted that Cm. Vela interpreted things very differently and that the incident was taken out of context.

Raul Casso, City Attorney, quoted the Texas Election Code, Section 141.035, "Application as Public Information- An application for a place on the ballot, including any accompanying petition, is public information immediately on its filing." He also quoted Texas Election Code Section 1.012 (A), "Public Inspection of Election Records-An election record that is public information shall be made available to the public during regular business hours of the record's custodian...An election record includes an application" Mr. Casso noted that in some jurisdictions, the candidates' applications are uploaded online and are available to the public.

Cm. Vela confirmed that when he requested a copy of his opponent's application, he was absolutely certain that it was a public record and not confidential information. He stated that instead of investigating him for doing something that is legally justified, Council should open an investigation on incidents that are not, such as funds that disappeared and what accounts it went to. He invited them to investigate what actually happened when a controversial contract was awarded to Altus Construction or when there was a \$90 million contract negotiation that disbursed money to Council. Mayor Saenz thanked him for bringing all these questions to light for further investigation.

Motion to recess.

Moved: Cm. Gonzalez

Second: Cm. Rodriguez

For: 8

Against: 0

Abstain: 0

Following recess, Cm. Balli expressed disappointment in how Council behaved. He noted that he feels more shame than pride to be part of City Council. He explained that he was the Democratic Chair for two terms mirroring the election duties of the City Secretary. He stated that such duties are easy but yet one is never prepared because, unfortunately, this is not about policy but politics. He reiterated that a candidate should have access to their opponent's applications. Cm. Balli encouraged his colleagues to vote against this item and resume to city business.

Cm. Narvaez echoed Cm. Balli's stand on voting against this item. He stated City Council should not conduct an internal investigation, as Mrs. Nelly Vielma already filed a request for investigation with the Texas Rangers; therefore, there is no need to waste any time or resources.

Cm. Gonzalez stated that he was ashamed to see this type of behavior from City Council. He feels that such behavior is a disgrace as there are numerous children and families watching the meeting live. He encouraged Council Members to work together for the people, not only for their corresponding

districts and not for themselves. He noted that he thought that this issue had already been resolved as Cm. Altgelt and Mr. Olivares publicized a favorable outcome to the media.

Lakshmana "Vish" Viswanath stated that the main problem is not Cm. Vela. He noted that there are multiple problems and they must be addressed immediately. He expressed his disagreement on how issues are handled. He specified that he has come before Council in the past requesting them to conduct certain investigations but no action has been taken. He noted that Cm. Altgelt's suggestion to hire an independent party is not feasible as the entity is not "independent." It is manipulated by internal entities. He continued to refer to the current election dispute between Nelly Vielma and Cm. Vela, and mentioned the other three candidates that were disqualified. He noted that the City Secretary asked the Secretary of State for advice in this matter. He stated that Heberto Ramirez, Acting City Secretary, did the right thing by reaching out to the SOS. However, he noted that Mr. Ramirez told him that he investigated this issue further to reassure him that what he was doing was the right thing. Mr. Vish also stated that the expedient nature of hiring an Austin attorney immediately after Cm. Altgelt was disqualified from the election was disturbing.

Nelly Vielma thanked Cm. San Miguel, Cm. Perez, and Mayor Saenz for bringing this item forward and for advocating transparency. She expressed that this investigation is necessary because the process is broken. She noted that the Texas Rangers are an impartial party who can investigate this matter because the citizens deserve transparency, and their questions must be answered.

Cm. Vela requested that Cm. Altgelt add four items to his motion for inclusion in the proposed investigation: the money that went missing at the sporting event, the issuing of the Altus Construction contract, the money that was spread through City Council by a developer as he was negotiating a \$90 million contract in the form of donations during negotiations, and the current political theater problem surrounding the 2016 election.

Mr. Casso stated that the agenda item aimed at the November 2016 election candidate applications and related matters. The motion that was made by Cm. Altgelt was for an investigation and to hire outside counsel. However, City Council requested to modify and include additional items to agenda. Mr. Casso stated that he doesn't feel comfortable because it seems to deviate from the current motion.

Cm. Balli recommended that these items will be included in the agenda to be discussed at the next City Council meeting.

Cm. Rodriguez stated that there is already an ongoing investigation and Council should allow the Texas Rangers to investigate this issue. Council should not proceed with any type of investigation until the current one is concluded. Afterward, Council can decide on this matter. He noted that at this time, the Texas Rangers take precedence over City Council.

Motion to proceed with an investigation under Section 2.06 of the City Charter

regarding incidents surrounding the November 2016 election candidate applications and related matters, obtain outside independent counsel to conduct the investigation, for all Council Members to agreed and approved the investigative entity, and to report findings in open session.

Moved: Cm. Altgelt

Second: Cm. San Miguel

For: 3

Against: 4

Abstain: 1

Cm. Perez

Cm. Gonzalez

Cm. Vela

Cm. San Miguel

Cm. Rodriguez

Cm. Altgelt

Cm. Narvaez

Cm. Balli

Motion fails.

C. Request by Council Member George Altgelt

- a. Discussion with possible action to enact the “safe passage ordinance” to provide for protection of cyclists and pedestrians and to educate the motoring public regarding the same. (Co-Sponsored by Council Member Charlie San Miguel).

Cm. San Miguel noted that he wants to be certain that they are ready to educate the public, including using videos similar to ones used for the high school mountain bike teams. He stated that there were existing discussions about naming this ordinance after Joey Muñoz, an individual who lost his life while cycling.

Motion to approve the “safe passage” ordinance and name it after Joey Muñoz, as amended.

Moved: Cm. Altgelt

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

- b. Discussion with possible action regarding missing monies from loss of water and associated monies and demand for report on water audit. (Co-Sponsored by Mayor Pete Saenz)

Riazul Mia, Utilities Director, stated that a finalized report will be submitted by the end of November 2016. However, they received partial results noting a money shortage based on the projected budget. The budget projection for the sewer was higher than the previous year which was not met. Sewer revenue projection was higher than what was actually generated. The budget projection illustrated \$8.9 million in revenue. He explained that every year they submit a water loss report to the state of Texas and reported 10.77% in 2015. Mr. Mia noted that before the City initiated the automatic meter project, they didn't have a baseline and did not know what those old meters were doing. Usually when this type of project is conducted, a performance contract is utilized. However, a performance contract was not executed this time. Instead, a contractor was hired to replace all the meters. The conservation project, approved by Council, dramatically impacted the Utilities budget. Rates increased 2% from 2014.

There are no specific recommendations for the shortfall, as there is no data to support it due to software and meter issues. He clarified that this year, the water operations is expected to align with the budget while the sewer operations may still lose money.

Jesus Olivares, City Manager, stated that they are trying to solve this issue as a cross-functional team composed of different departments and personnel. The City of Laredo is in a position that many cities would love to be in. He noted that the City must continue to grow and concentrate on efficiency.

Mayor Pete Saenz requested a complete report with all findings.

No action taken.

- c. Discussion with possible action regarding whether monies are owed by First Recycling to the City of Laredo.

Stephen Geiss, Solid Waste Manager, explained that currently, the amount owed to the City under Sharing Agreement, as amended is \$0.00.

Lakshmana "Vish" Viswanath noted that the language of the contract is vague. The auditor's report reflected that there is money owed to the City, contrary to Mr. Geiss' and Mr. Eads' statements, between February 27, 2014, and November 21, 2014, and net income sharing begins after November 21, 2015. He noted that it is the City's job to collect such payments. He estimated that First Recycling owes the City of Laredo approximately \$100,000.00. He specified that he was quoting the auditor, not stating his own opinion.

Saul Villarreal presented a letter from Mejia & Company confirming that there is no money owed to the City of Laredo as of September 30, 2015.

Raul Casso, City Attorney, stated at this time he has no reason to question the auditor.

Motion to approve.

Moved: Cm. Balli

Second: Cm. Narvaez

For: 7

Against: 1

Abstain: 0

Cm. Gonzalez

Cm. Altgelt

Cm. Rodriguez

Cm. Perez

Cm. Narvaez

Cm. Vela

Cm. San Miguel

Cm. Balli

- d. Discussion with possible action including termination and rescission of Amendment #1 for Gilpin Engineering in the amount of \$2,225,000.00 for the Manadas Creek Wastewater Treatment Plant project in consideration of Notice of Termination by Gilpin Engineering of LVN Engineering, Manadas Creek

Wastewater Treatment Plant Project.

Attorney Ron Rodriguez noted that in April 2016, he came before Council to address a concern pertaining to the Gilpin Engineering contract that was amended to double the amount of the original contract. He advised that they initiate a new bid project in order to get a better offer. The language of the original contract, dated April 8, 2009, stipulates that the period of performance was limited to 630 calendar days to be completed in 2011. He noted that engineers who were part of this project have claimed that the design is more than what is needed. Gilpin's largest subcontractor firm, LNV, was terminated as of May 13, 2016. As per LNV, Gilpin owes them \$360,000.00; a quarter of the original contract amount. Mr. Rodriguez stated that it is the responsibility of the Contractor to come before them and address any issues pertaining the contract. He noted that the biggest concern is why Council was not informed about the problems of the project as they occurred and how this affects the health and well-being of the community they are designed to serve. He requested Council to stop all payments to Mr. Gilpin until they get the answers to these questions and do an audit to explain why the contract amount drastically increased.

Judd Gilpin stated that he is currently serving as a UISD Board Member and there have been ongoing issues with Mr. Rodriguez for over a year and he believes that this is a reflection of that. He noted that the reason why a study was not conducted was because the contract explicitly stated that a study was not needed for a 3 MGD project with no supporting data. This project includes but is not limited to anticipating flows in the area, dealing with existing flows, and current problems. He obtained a second project and was able to further examine the flows, creating his own report based on his findings. He stated that LNV was someone that worked for him and were never listed under his contract with the City. He developed the North Laredo Wastewater Plant, which is the only plant in the history of Laredo that hasn't received a TECQ violation. The same technology is being used for the North Laredo Wastewater Treatment Plant and the Manadas Creek Wastewater Treatment Plant. Mr. Gilpin noted that he has maintained a longstanding relationship with the City of Laredo's employees and Council Members, and they never addressed nor suggested that he has acted inappropriately or questioned his work. He was surprised to see this item in the agenda. He noted that it was simply an attempt to publicly defame him. The timeline that was listed on the contract is relative and was initially based on a 3 MGD project. However, the project was later modified to a 9 MGD project.

Riazul Mia, Utilities Director, explained that this a very important project. The City of Laredo has submitted documentation to TECQ stating that by 2020 the Zapata Creek Wastewater Treatment Plant will be closed. The City could not acquire the land until 2015, delaying a permit application. When Mr. Gilpin presented the numbers, staff immediately decided to proceed. He specified that in terms of costs, Mr. Gilpin gave a lower offer than the South Laredo Wastewater Treatment Plant offer.

No action taken.

D. Request by Council Member Roque Vela, Jr.

- a. Discussion regarding the availability of water line insurance provided by Homeshare USA covering connecting waterlines between individual meters and frontage property lines.

Motion to postpone.

Moved: Cm. Vela

Second: Cm. Narvaez

For: 8

Against: 0

Abstain:0

XIV. ADJOURN

Motion to adjourn.

Moved: Cm. Narvaez

Second: Cm. Gonzalez

For: 8

Against: 0

Abstain: 0