

**CITY OF LAREDO
CITY COUNCIL MEETING
M-2011-R-13
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
JULY 18, 2011
5:30 P.M.**

I. CALL TO ORDER

With a quorum present Mayor Salinas called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Salinas led in the pledge of allegiance.

III. ROLL CALL

In attendance:

Raul G. Salinas,	Mayor
Mike Garza,	Council Member, District I
Esteban Rangel	Council Member, District II
Alejandro Perez Jr.,	Council Member, District III
Juan Narvaez,	Council Member, District IV
Johnny Rendon,	Mayor Pro Tempore, District V
Charlie San Miguel,	Council Member, District VI
Jorge A. Vera,	Council Member, District VII
Cynthia Liendo Espinoza,	Council Member, District VIII
Gustavo Guevara, Jr.,	City Secretary
Carlos Villarreal,	City Manager
Cynthia Collazo,	Deputy City Manager
Horacio De Leon,	Assistant City Manager
Jesus Olivares,	Assistant City Manager
Raul Casso,	City Attorney

IV. MINUTES

Approval of the minutes of July 5, 2011.

Motion to approve the minutes of July 5, 2011.

Moved: Cm. Narvaez

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

V. COMMUNICATIONS AND RECOGNITIONS

Recognitions

- a. Recognition of Ms. Maria Rodriguez for her heroic actions held on Tuesday, July 5, 2011 at Inner City Pool.

Mayor Salinas and City Council presented Maria Rodriguez with a certificate of recognition. Cm. Narvaez pledged a \$500 scholarship for her.

- b. Recognizing City of Laredo Fire Department responding to an incident held June 24, 2011 involving a 9 year old child found unconscious in a private pool.

Mayor Salinas and City Council presented Captain Gerardo Ydrogo, Driver Alberto Chapa, Firefighter Daniel Perez, Firefighter/Paramedic Fernando Mata, Firefighter/Paramedic Alfredo De La Cruz, and Acting-Captain Rodolfo Romero Jr. with certificates of recognition.

- c. Recognizing Northwest Senior Little League Team for their 2011 Baseball Season Achievements.

Mayor Salinas and City Council presented players Aaron Gonzalez, Aaron Navarro, Sergio Polloreña, Charles Villa, Mike Lucero, Alex Lucero, Jorge Martinez, Raul Lozano, Octavio Guajardo, Arturo Mendiola, Martin Maldonado, and Eduardo Ramos; Coaches Raul Lozano, and Oscar Polloreña; and Assistant Coaches Luis Polloreña, Oscar Polloreño, Jr., and Danny Navarro; and Equipment Manager Fernando Osoria with a certificates of recognition.

Communiqués

- a. Invitation to the 9th Annual Laredo International Sister Cities Festival set for July 22-24, 2011 at the Laredo Energy Arena.

Blasita Lopez, Convention and Visitors Bureau Director, reported that they would be starting the Festival with an opening ceremony at 9am at the arena. She stated that the festival was free and open to the public. She went on to say that they had 170 booths representing twelve different states from the Mexican Republic. She added that they had partnered with the San Antonio Spurs which would mean both an outdoor and an indoor component with inflatables for the kids and four championship trophies, members of the Silver Dancers, and one VIP guest on Friday along with a cameo appearance by the Coyote. She concluded saying that on Sunday they would have a Community Talent Showcase from 10:30 am – 3:30 pm.

Citizen comments

Marcos Escamilla presented a plaque of recognition to Luis Polloreña and Cm. Garza read the contents. “Board of Trustee Jose R. Perez, the Laredo Adult Baseball League Board of Directors President Marcos Escamilla, Member Hector Chapa, Member Jesse Montemayor, and Member Manuel Fernandez: The Laredo Adult Baseball League hereby recognizes your outstanding achievement in our sport and representing the City of Laredo in an exemplary manner. You have dedicated most of your life to baseball. We, the administration, board of directors, managers, coaches, and players, umpires, scorekeepers, and fans have witnessed firsthand the many years of hard work and desire that you have put forth to perform to the best of your abilities. Your dedication has been your trademark, what has enabled you to develop your God-given talents to a high level, enough to compete in the #1-rated collegiate baseball conference in the United States. This is the result of great teamwork on the part of your family. Since you were a tiny boy, we have seen your father mold and shape you. We have seen your mother be your main source of support and your siblings always there for you. We, your extended family have played the game with you since you first came to our League as a very young teenager. We have shared with you both the cheers and the boos. Now, because of you, we can feel the greatest of feelings, the joy of having one of our own competing in a grander state. We want you to know that we are with you 100%. When you take the mound in those faraway places, we want you to feel our prayers in good times and in bad. Laredo is so proud to have a native son carrying our flag so well. Congratulations; thank you, and may the Lord be with you in the rest of the way.

VI. APPOINTMENTS TO COMMISSIONS, BOARDS AND COMMITTEES

- a. Appointment by Council Member Esteban Rangel of Mr. Feliciano Garcia, Jr. to the Drug and Alcohol Commission.

Motion to confirm the appointment of Feliciano Garcia, Jr. to the Drug and Alcohol Commission.

Moved: Cm. Garza

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

- b. Appointment by Council Member Cynthia Liendo Espinoza of Attorney Carlos Flores to the Civil Service Commission.

Motion to confirm the appointment of Carlos Flores to the Civil Service Commission.

Moved: Cm. Garza

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

VII. PUBLIC HEARINGS

1. Public hearing and introductory ordinance amending the City of Laredo 2010-2011 Autotheft Task Force Annual Budget by reducing revenues in the amount of \$8,825.00 and expenditures in the amount of \$62,979.00 to fund the Laredo Autotheft Task Force and accepting a grant award in the amount of \$433,514.00 from the State of Texas Auto Burglary and Theft Prevention Authority. The City of Laredo will be designating \$235,507.00 in matching funds, and Webb County will be designating \$43,000.00 in matching funds for a total grant amount of \$712,021.00. This grant is effective from September 1, 2011 through August 31, 2012. (Approved by Operations Committee)

Motion to open the public hearing.

Moved: Cm. Garza

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garza

Second: Mayor Pro Tem Rendon

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

2. Public hearing and introductory ordinance amending the City of Laredo Code of Ordinances, Chapter 31, Article IV-Liquid Waste Transportation, Division 1 through 4, relating to new and revised definitions, additional permit requirements and responsibilities of transporters, and enforcement; increasing one-time application fee from \$50.00 to \$100.00, annual registration fee per truck from \$25.00 to \$75.00, and manifest booklet cost from \$4.00 to \$10.00; providing for a severability clause; providing for publication; and establishing an effective date. (Approved by Operations Committee)

Motion to open the public hearing.

Moved: Cm. Garza

Second: Mayor Pro Tem Rendon

For: 8

Against: 0

Abstain: 0

Virginia Palacios from Safe Fracking Coalition thanked City Council for looking into this issue of transporting liquid waste throughout their city. She went on to say that DPS and TxDOT had reported spills on a weekly basis from open-top dump trucks hauling this waste. She added that of concern to them was the amount of water being used in hydraulic fracking and encouraged them to continue

investigating the quantity of water being used, especially that being taken from city fire hydrants.

Motion to close the public hearing and introduce.

Moved: Cm. Garza

Second: Mayor Pro Tem Rendon

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

3. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning 1.1062 acres, as further described by metes and bounds in attached Exhibit "A", located at 23451 F.M. 1492, from AG (Agricultural District) to B-4 (Highway Commercial District); providing for publication and effective date.

Staff supports the application and the Planning and Zoning Commission recommends approval of the zone change. District VII

Motion to open the public hearing.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tem Rendon

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

VIII. INTRODUCTORY ORDINANCES

4. Authorizing the City Manager to execute a lease agreement with Johnny Cavazos DDS for approximately 4,272 square feet constituting Building No. 910 located at 4403 North Daugherty Avenue, at the Laredo International Airport. Lease term is for one (1) year commencing on November 1, 2011 and ending on October 31, 2012, and may be extended three (3) year(s) ending October 31, 2015. However, it is agreed by the parties that the lease may be terminated by either party upon giving sixty (60) day written notice from the party terminating to the other. Monthly rent shall be \$3,700.00 and will be adjusted annually according to changes in the

Consumer Price Index; providing for an effective date. (Approved by Operations Committee)

Ordinance Introduction: City Council

5. Authorizing the City Manager to execute a lease with Webb County for approximately 1,000 square feet constituting Building No. S-3 located at 1703 Sandman Street at the Laredo International Airport. Lease term is for one (1) year commencing on May 1, 2011 and ending on April 30, 2012, and may be extended for one (1) year ending on April 30, 2013. However, it is agreed by the parties that the lease may be terminated by either party upon giving a sixty (60) day written notice from the party terminating to the other. Monthly rent shall be \$558.80 and will be adjusted annually according to changes in the Consumer Price Index; providing for an effective date. (Approved by Operations Committee)

Ordinance Introduction: City Council

6. Authorizing the City Manager to execute a Foreign Trade Zone Operator Agreement with Bruni Supply Chain Solutions as Zone Site Operator located at 13599 N. Lamar and located within Foreign Trade Zone Site No. 3 at Killam Industrial Park; effective August 1, 2011 and ending September 30, 2014. Providing for activation, administration, annual and transaction fees to be paid to the City. (Approved by Operations Committee)

Ordinance Introduction: City Council

7. Authorizing the City Manager to execute a Foreign Trade Zone Operator Agreement with Sony Electronics Inc., as Zone Site Operator located at 11302 Eastpoint Dr. and located within Foreign Trade Zone Proposed New Site No. 11; effective October 1, 2011 and ending September 30, 2014. Providing for activation, administration, annual and transaction fees to be paid to the City. (Approved by Operations Committee)

Ordinance Introduction: City Council

8. Authorizing the City Manager to execute a lease agreement with U.S. Customs and Border Protection, (CBP), as an entity of the United States of America for a 2,622 square foot tract of land located along the Santa Isabel Right-of-Way further depicted in the attached survey document, Exhibit A. The purpose for the request is the installing and operating of an Integrated Railcar Inspection System by CBP. The lease term requested is for ten (10) year option with no rental fee.

Ordinance Introduction: City Council

IX. FINAL READING OF ORDINANCES

Motion to waive the final readings of Ordinances 2011-O-092, 2011-O-093, 2011-O-094, and 2011-O-095.

Moved: Cm. Garza
Second: Cm. Rangel
For: 8

Against: 0

Abstain: 0

9. 2011-O-092 Amending Chapter 21, of the Code of Ordinances of the City of Laredo by re-adopting Article VII, 21-141 through 21-150, that establishes a juvenile day time and nighttime curfew, defines terms, offenses for minors, parents and guardians of minors, and business establishments violating curfew regulations, provides defenses, provides for enforcement by the Laredo Police Department, waiver by the Municipal Court of Jurisdiction over a minor when required under the Texas Family Code, provided for a penalty not to exceed \$500.00; providing for a review by the City Council of the effects of this ordinance, before the third anniversary of the date of adoption of this curfew ordinance; providing for a public hearing providing for severability clause; establishing an effective date, and providing for publication.

Motion to adopt Ordinance 2011-O-092.

Moved: Cm. Garza
Second: Cm. Liendo Espinoza
For: 8 Against: 0 Abstain: 0

Motion to reconsider Item #9, Ordinance 2011-O-092.

Moved: Cm. Garza
Second: Cm. Liendo Espinoza
For: 8 Against: 0 Abstain: 0

Cm. Vera stated that he had been reading the ordinance which indicated a curfew; however, he felt that 12:00 am was very late for school-aged children to be out. He wished to amend the ordinance from Sunday through Thursday from 12:01 am through 10:30 pm.

Motion to amend 2011-O-092 from 12:01 am through 10:30 pm.

Moved: Cm. Vera
Second: Cm. San Miguel

No vote; motion fails.

City Manager Carlos Villarreal responded that he had been talking to the City Attorney who said they could craft some of the language to include exceptions for working students or sporting events. He suggested tabling the ordinance so that they could change some of the parameters.

City Attorney Raul Casso reported that currently the ordinance had a list of exceptions to the curfew, but if they changed the time of the curfew, they would need to build it into the ordinance.

Motion to table.

Moved: Cm. Vera

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

2011-O-093 Amending the Code of Ordinances, Chapter 6, Animals and Fowl, Article VII of the Laredo Code of Ordinances, by specifically amending Section 6-116(e)(3) by adding Section (c). The fee for purchasing and/or selling microchips is based on the actual cost of the chip plus any associated costs (shipping, handling fees and sales tax if appropriate). if the chip is used and inserted by the City of Laredo Health Department (CLHD) staff, in addition to the costs of the chip (plus any associated costs), an additional administrative fee not to exceed \$12.00 will be added. Amending Section 6-119(a) by adding Sections (4) and (5). The microchip fee is the actual cost plus any associated costs. If the chip is inserted by the CLHD, an administrative fee not to exceed \$12.00 will be added in addition to the cost of the microchip; providing for publication and effective date. (AS AMENDED)

Motion to adopt Ordinance 2011-O-093.

Moved: Cm. Garza

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

2011-O-094 Amending Chapter 19, Motor Vehicle and Traffic, Article II, Administration and Enforcement, Division 2, Transportation and Traffic Safety Advisory Committee, Section 19-49, Meetings, of the Code of Ordinances of the City of Laredo, to change the annual term of the election of officers from October 1 to April 1 and to provide for publication and effective date.

Motion to adopt Ordinance 2011-O-094.

Moved: Cm. Garza
Second: Cm. Liendo Espinoza
For: 8 Against: 0 Abstain: 0

12. 2011-R-066 Authorizing the City Manager to enter into and execute a Memorandum of Understanding, attached hereto as Exhibit A, between Texas A&M International University and the Laredo Fire Department for the purpose of providing an EMT program for clinical education, field work experience and office/classrooms for instructors. (Approved by Operations Committee)

Motion to approve Resolution 2011-R-066.

Moved: Cm. Garza
Second: Cm. Liendo Espinoza
For: 8 Against: 0 Abstain: 0

13. 2011-R-067 Authorizing the City Manager to sign a water rights sales agreement, attached hereto as Exhibit A, between the City of Laredo & Olmito Water Supply Corp., whereby the City is agreeing to purchase the right to divert and use 200 acre ft. of municipal use water rights to the Rio Grande River at \$2,250.00 per AC/FT; for a total purchase price of \$450,000.00 and further authorizing the City Manager to file necessary applications with the Texas Commission on Environmental Quality on behalf of the City requesting that said water rights be served from certificate of adjudication no. 23-841, of the seller and combined with certificate of adjudication no. 23-3997, as amended, of the City and that the point of diversion, purpose and place of use of said water rights be changed as required by the City. Funding is available in the Water Availability Grant and Loan Fund. (Approved by Operations Committee)

Motion to approve Resolution 2011-R-067.

Moved: Cm. Garza
Second: Cm. Liendo Espinoza
For: 8 Against: 0 Abstain: 0

14. 2011-R-069 Resolution in support of the Texas Department of Agriculture Mayor's Challenge in support of the Summer Food Program. (Co-Sponsored by Council Member Mike Garza and Council Member Cynthia Liendo Espinoza)

Motion to approve Resolution 2011-R-069.

18. Consideration for approval of the James and Maria Luisa Haynes Health and Wellness Center as substantial complete, approval of change order no. 3: a decrease of \$140,000.00 a credit from unused contingency allowance balance; and, to add two hundred fifty-nine (259) calendar days to the construction contract time to the contract with Modern Construction, Inc., Laredo, Texas. Current construction contract amount with this change order is \$10,637,300.00. Completion date for the project is scheduled for August, 2011. Funding is available in the 2009 C.O. Account. (Approved by Operations Committee as to monetary issue *only*; justification of calendar delay left pending)

City Manager Carlos Villarreal stated that he was not satisfied that there had been enough information to be able to say how many days were involved. He added that he did not have a letter from the architect to make that kind of recommendation. He explained that they had recommended to the Operations Committee that they approve the movement of money and the approval of the actual physical improvements and then they would come back once the architect gave the information to the Engineering Department.

Cm. Rangel said that this would be approving only the monetary transaction of the change order on items 18 and 19 and then the architect would make the recommendation including the number of days to be added to the contract.

Motion to approve as amended.

Moved: Cm. Rangel

Second: Cm. Vera

For: 8

Against: 0

Abstain: 0

19. Consideration for approval of change order no. 1 an increase of \$211,607.00 to the construction contract with Modern Construction, Inc., Laredo, Texas, for the James and Maria Haynes Health and Wellness Center Auxiliary Buildings and Parking Improvements to construct an east side car parking area, lighting facilities and to add two hundred eighteen (218) calendar days to the construction contract time. Current construction contract amount with this change order is \$2,039,637.00. Current construction contract time with this change order is three hundred sixty-eight (368) calendar days. Completion date for the project is scheduled for October 11, 2011. Funding is available in the 2009 and 2010 C.O. Issues. (Approved by Operations Committee as to monetary issue *only*; justification of calendar delay left pending)

Motion to approve as amended.

Moved: Cm. Rangel

Second: Cm. Vera

For: 8

Against: 0

Abstain: 0

20. Consideration for approval of the selection of a consultant to complete a landfill gas to energy feasibility study for the City of Laredo Municipal Landfill located at 6912 HWY 359, Laredo, Texas; to assess the potential benefit to the City of Laredo for implementing a landfill gas (LFG) to energy for design; preparation of plans and specifications; and, authorization to negotiate a professional services contract. (Approved by Operations Committee)

City Manager Carlos Villarreal reported that there was a raw score and a ranking score which staff used to make a recommendation to the City Manager to award the contract to CDM of San Antonio.

Motion to approve awarding the contract to CDM of San Antonio.

Moved: Cm. Garza

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

21. Consideration for approval of amendment no. 1: an increase of \$23,440.00 to the testing contract with Terracon Consultants, Inc., Laredo, Texas, for the North Merida Drive Extension Project for additional field and laboratory services required due to increase in the project's scope of work. Current engineering contract amount with this amendment is \$67,985.00. Funding is available in the North Merida Extension Project. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

22. Consideration to authorize the purchase of evidence lockers for the "property room" at the Laredo Police Station from Southwest Solution Groups, Addison, Texas, through the Texas State Contract purchasing program contract TXMAS no. 7-36030, in the amount of \$75,664.37. Funding is available in the Police Trust Fund. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

23. Consideration to award contract number FY11-089 to the sole bidder System Controls & Instrumentation, Converse, Texas, in the estimated amount of \$330,845.00 for providing professional services for the maintenance of all water

and wastewater SCADA monitoring and electrical controls under preventative maintenance and emergency responsive objectives. Pricing is based on a flat hourly rate for management/professional, technician, electrician, CAD Draftsmen, and clerical services. Funding is available in the Water and Wastewater Operational Fund. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

24. Consideration for approval of amendment no. 1 for Black & Veatch Corporation associated with Civil Engineering Consultants Corporation dba Jeff Puig Engineering for the amount of \$43,300.00 for additional design and construction plans and specifications of the Mines Road Tunnel Design, Miscellaneous Survey and Additional Construction Phase Services of the 60 Inch Water Transmission Main Project from El Pico Ranch on Mines Road to IH 35. The revised contract amount is \$1,268,300.00. Funding is available in the 2008 Utility Bond. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

25. Authorizing the City Manager to approve change order no. 1 to add forty (40) additional days to the contract with DEH Construction Co., LLC., Laredo, Texas, with no additional funding for the construction of Material Storage Concrete Bins with a modified construction time of one hundred fifteen (115) days. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

26. Consideration for approval of amendment no. 2 to Camp, Dresser & McKee (CDM), Inc., in the amount of \$547,900.00 for additional design and construction plans and specifications of the new Influent Pump Station and Extended Headwork sized for 18 MGD for the South Laredo Wastewater Treatment Plant. The revised contract amount is \$4,565,350.00. Funding is available in the 2004, 2006 & 2007 Sewer Bonds. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

27. Consideration to authorize the City Manager to award a contract to Smith Pumps for the repair of Raw Water Pump no. 1 at the Jefferson Street Water Treatment Plant at a cost of \$72,404.00. Funding is available in the Utilities Construction Fund. (Approved by Operations Committee)

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

28. Approving monthly adjustments to the tax roll. The amounts to be adjusted for the month of June 2011, represent a decrease of \$33,689.35. These adjustments are determined by the Webb County Appraisal District and by court orders.

Motion to approve.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

XII. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

29. A. Request by Council Member Mike Garza
1. Status report on refrigerated warehouses, with possible action. (Co-Sponsored by Council Member Jorge A. Vera)

City Manager Carlos Villarreal reported that they had talked with some of the Central American countries and they would get a delegation from Chile next month to discuss how they would be using some of their facilities. He went on to say that they needed to be able to come back and try and work with a stevedore contract. He said they would be putting forth a proposal for an operator for this contract which was key to the whole thing. He explained that they had just received an agenda from the delegation from Chile for August 15th involving seafood and they wanted to make sure that they were ready for the shipments. They had been discussing these matters with Customs and Border Protection to decide who would pay for what, and Customs and Border Protection wanted the City of Laredo to pay everything. He concluded that within the next thirty days they would come back to Council with a proposal for a stevedore/private sector firm.

Motion to direct staff to bring back a proposal for an operator for a stevedore/private sector firm contract to Council as soon as possible.

Moved: Cm. Garza

Second: Mayor Pro Tem Rendon

For: 8

Against: 0

Abstain: 0

B. Request by Council Member Esteban Rangel

1. Discussion with possible action on El Metro Bus Stop improvements including lighting and roofing.

Cm. Rangel stated that he knew that with the leadership of Feliciano Garcia, Jr. from El Metro, they had gone forward with a New Freedom grant to renovate sidewalks and roofing at the bus stops. He wished to have a survey done in District II to see which bus stops were the most populated and if they could have a bench with a roof and lighting.

Motion to conduct a survey in District II to see which bus stops were the most populated.

Moved: Cm. Rangel

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

C. Request by Council Member Alejandro "Alex" Perez

1. Discussion with possible action on the cost of water sales to company from the oil and gas industry.

Virginia Palacios stated that she was concerned because they would be purchasing \$450,000 worth of water and in Laredo they got 98% of their water from the Rio Grande. She said that some of this water was being sold to oil and gas operators, but in Webb County in the Eagle Ford Shale, oil and gas wells use sometimes up to 9 million gallons of water just to frack one well. She said that they needed to consider the amount that it would cost the taxpayers and the limitations of the environment with the drought.

Cm. Perez stated their concern was that their drinking water was being sold to these companies and then being dumped in a hole. He said that he knew it was legal but they might look into the prices.

City Manager Carlos Villarreal reported that they had had a task force to go and make sure that they could put a stop to this. He said that if there would be any activity, it would be monitored and they would look after the interests of the City of Laredo. He went on to say that they were looking at how much money these companies were paying for fracking. He said that if they had a system in

place right now to conserve water, then certainly they didn't want people to be bleeding their system to be able to buy cheaply and sell at a high price. He concluded that there was a difference between taking water for use in your own home versus water that was being resold to make a profit at the expense of the people of Laredo.

Utilities Director Tomas Rodriguez reported that he had handed out a report on the commercial fire hydrant meters. He explained that fire hydrant meters had been in the system for a long time and it was originally to provide water for the contractor to build the buildings that they had going or that other subdivisions were doing. However, he said later on they had put a one-inch reducer on every fire hydrant meter so that they could limit the flow from 350 gallons per minute to 100 gallons per minute to meet the demand, conserve water, and prevent the pipes from breaking. He said that there was some concern as to whether truckers who had 6,000 trailers were using the water to sell. He summarized the contents of the report. He said that they could consider a special rate for fire hydrant meters.

FY09-10 Commercial Water
Fire Hydrants

No. Accts	No. Units	Volume MG/mon	Revenue \$/mon
48	48	5.2	38,632
39	39	5.2	33,436
47	47	8.7	46,596
44	44	4.2	34,423
45	45	5.3	39,553
52	52	5.5	43,288
62	62	10.6	62,422
54	54	9.0	49,858
52	52	6.9	42,414
60	60	10.0	56,687
58	58	8.4	46,631
Average: 51	51	7.3	45,374
Total:		88	544,483

FY10-11 Commercial Water
Fire Hydrants

No. Accts	No. Units	Volume MG/mon	Revenue \$/mon
57	57	7.1	47,202
51	51	6.6	41,092
53	53	9.1	48,375
48	48	6.1	37,922
46	46	4.6	34,059

52	52	6.8	38,594
44	44	11.2	50,460
55	55	11.4	57,047
49	49	9.2	46,236
Average: 51	51	8.0	44,554
Total:		72	400,987

Cm. Perez stated that his concern was that a primary source of water was being sold to tankers. He asked where the water was going. He felt that they needed to either totally stop selling the water or look at raising the rates to gain some better control over it.

Cm. San Miguel said that he felt that the \$500 fine for removing the reducer was too little. He said it exposed the community to low pressure and the potential of a contaminated backflow and proposed increasing the fine to \$1,000.

City Manager Carlos Villarreal said that they would come back in 45 days with a report and recommendations.

2. Status report with possible action on the Cigarroa Building. (Co-Sponsored by Council Member Mike Garza)

Cm. Perez asked if they had a twenty-five year lease.

City Manager Carlos Villarreal replied that while this was true, they were going to buy the building.

Cm. Perez responded that he wished to rent the building because it was key to getting the hospital going. He asked staff to look at options.

XIII. EXECUTIVE SESSION

The City Council hereby reserves the right to go into executive session at any time during this public meeting, if such is requested by the City Attorney or other legal counsel for the City, pursuant to his or her duty under Section 551.071(2) of the Government Code, to consult privately with his or her client on an item on the agenda, or on a matter arising out of such item.

30. Request for executive session pursuant to Texas Government Code Section 551.072 to deliberate the value of real property pertaining to a potential purchase of real property located along Jacaman Rd., legally described as Lot 2, Block 2, Jacaman Ranch, Unit 1 to allow for culvert drainage improvements.

Motion to go into executive session pursuant to Texas Government Code Section 551.072 to deliberate the value of real property pertaining to a potential purchase of real property

located along Jacaman Rd., legally described as Lot 2, Block 2, Jacaman Ranch, Unit 1 to allow for culvert drainage improvements.

Moved: Cm. Garza

Second: Cm. Narvaez

For: 8

Against: 0

Abstain: 0

After Executive Session Mayor Salinas announced that no formal action was taken.

XIV. ADJOURNMENT

Motion to adjourn.

Moved: Cm. Garza

Second: Cm. Rangel

For: 8

Against: 0

Abstain: 0

I, Gustavo Guevara, Jr., City Secretary, do hereby certify that the above and foregoing is a true and correct copy of the minutes contained in pages 01 to 19 and they are true, complete, and correct proceedings of the City Council meeting held on July 18th, 2011.

Gustavo Guevara, Jr.
City Secretary