

**CITY OF LAREDO
CITY COUNCIL MEETING
M2008-R-012
CITY HALL
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
JUNE 16, 2008
5:30 P.M.**

I. CALL TO ORDER

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

II. PLEDGE OF ALLEGIANCE

Mayor Raul G. Salinas led in the Pledge of Allegiance.

III. ROLL CALL

In attendance:

Raul G. Salinas,
Mike Garza,
Hector Garcia,
Michael Landeck,
Johnny Amaya,
Johnny Rendon,
Gene Belmares,
Jose A. Valdez, Jr.
Cynthia Liendo Espinoza,
Gustavo Guevara, Jr.,
Carlos Villarreal,
Cynthia Collazo,
Horacio De Leon,
Jesus Olivares,
Raul Casso,

Mayor
Council Member, District I
Council Member, District II
Council Member, District III
Council Member, District IV
Council Member, District V
Mayor Pro Tem, District VI
Council Member, District VII
Council Member, District VIII
City Secretary
City Manager
Deputy City Manager
Assistant City Manager
Assistant City Manager
City Attorney

IV. MINUTES

Approval of the minutes of February 11, 2008.

Motion to approve.

Moved: Cm. Garcia
Second: Cm. Amaya
For: 8

Against: 0

Abstain: 0

V. COMMUNICATIONS AND RECOGNITIONS

Recognitions

- a. Recognition by the Mayor and City Council Members of employees that retired from the City of Laredo with 20 or more years of service.

Andres Bernal	28	Airport
Javier Gutierrez	29	Parks & Leisure
Rosa E. Cantu	25	Planning & Zoning
Aucencio Lopez	20	Solid Waste
Luis Gomez	24	Fleet
Raul Medina	20	Public Works
Rosalio Garcia	26	Solid Waste
Mario Alcaraz	20	Bridge System
Rosario D. Lopez	31	Parks & Leisure
Jose A. Salinas	31	Public Works
Dolores Sandoval	31	Parks & Recreation
Juan M. Jimenez	23	Public Works

Communiqués

- a. Introducing the local Miss Texas USA pageant contestants and the calendar of events leading up to the live telecast on June 29, 2008 at the Laredo Entertainment Center.

Blasita Lopez from Convention & Visitor’s Bureau briefly spoke on the Miss Texas USA pageant and then she introduced Ana Rodriguez, Miss Port Laredo; Stephanie Lina, Miss Border City USA; Vanessa Botello, Webb County USA; and Barbara Falcon, Miss Laredo USA. Ana Rodriguez invited the Mayor, City Council, and the viewing public to attend the events leading up to and the Miss Texas USA pageant.

- b. Presentation by Mr. Hector J. Perez, UISD Technology Department Executive Director regarding cyber bullying and website abuse.

Motion to postpone.

Moved: Cm. Garza

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Citizen comments

Charles Martens spoke on the closing of Chris Lane and the reconstruction of McPherson.

Ruben Arce spoke on opposing the closing of Chris Lane and asked Council to review the closing of the street.

Jim Earhardt addressed the 40 plus acres acceptance from the Laredo Town Center.

Dr. Antonini addressed the Laredo Town Center 40 acres and stated that a buffer is needed and that the acreage should be donated to TAMIU Environmental Division.

VI. APPOINTMENTS TO COMMISSIONS, BOARDS AND COMMITTEES

a. Appointments by Mayor Raul G. Salinas of:

- * Council Member Cynthia Liendo Espinoza to the Sister Cities Youth Committee.
- * Council Member Mike Garza and Council Member Jose A. Valdez to the Civil Service Ad Hoc Committee.
- * Council Member Jose A. Valdez, Jr. and Council Member Cynthia Liendo Espinoza to the Community Action Agency Advisory Board.

Motion to approve.

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

Against: 0

Abstain: 0

b. Appointment by Council Member Jose A. Valdez, Jr. of Gloria Reyes to the Convention & Visitors Bureau Advisory Committee.

Motion to approve.

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

Against: 0

Abstain: 0

c. Appointment by Council Member Jose A. Valdez, Jr. of Carmen Treviño to the Commission for Women.

Motion to approve.

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

Against: 0

Abstain: 0

d. Appointment by Council Member Cynthia Liendo Espinoza of Elsa Galvan to the Ethics Committee.

Motion to approve.

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

Against: 0

Abstain: 0

e. Appointment by Council Member Cynthia Liendo Espinoza of Margarita Araiza to the Historic/Landmark Board.

Motion to approve.

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

Against: 0

Abstain: 0

- f. Appointment by Council Member Cynthia Liendo Espinoza of George Sanchez to the Para Transit Advisory Board.

Motion to approve.

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

Against: 0

Abstain: 0

- g. Appointment by Council Member Cynthia Liendo Espinoza of Andres Chavarria to the Board of Adjustment.

Motion to approve.

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

Against: 0

Abstain: 0

VII. PUBLIC HEARINGS

1. Public hearing and introductory ordinance authorizing the City Manager to amend the Laredo Municipal Housing Corporation Fiscal Year 2007-2008 annual budget by appropriating \$126,480.00 from the Municipal Housing opening fund balance for the purpose of installing chain link fences at all rental units at the Jose Flores Apartment Complex.

Motion to open the public hearing.

Moved: Mayor Pro Tempore Belmares
Second: Cm. Valdez
For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tempore Belmares
Second: Cm. Garcia
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 33, Environmental Protection, by creating Article VIII, plastic checkout bag reduction, which will reduce litter from discarded plastic bags and

providing for publication and effective date.

Motion to open the public hearing.

Moved: Cm. Liendo-Espinosa

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

After speaking to her constituents and the community as a whole, Council Member Espinoza said that she came to learn that many people are opposed to the plastic bag ordinance. She said that the ordinance was drawn to deter littering and that requiring larger bags will not deter littering but cause an undue economic burden to the grocery and retail stores and eventually the consumers. She said that she would like to propose an alternative by a way of more aggressive anti-littering and recycling education. She also suggested promotion and incentive possibilities.

Deana Locklear, Fourth Grade Language Teacher from Santos Benavides School, brought students from her class to share their thoughts on the proposed plastic bag ordinance.

Donna Dempsey, American Chemistry Council, represents the nation's plastic bag manufacturers, spoke against the plastic bag ordinance and encouraged City Council to create a positive change in the community by encouraging the responsible use of recycling of plastic bags. She acknowledged that assumptions about the environmental impacts of plastic bags are often incorrect.

Joe Williams, Texas Retailers, spoke against the plastic bag ordinance.

Sally Ayala, Public Affairs Manager from Wal-Mart, stands with the Retailer's Association regarding the use of plastic bags. She said that Walmart looks forward in working with the Laredo community in reaching viable solutions regarding the plastic bags campaign in Laredo, Texas.

Carlos Perez, Manager of Arguindegui's Pump and Shops, spoke against the plastic bag ordinance.

Rukmani Kuppu Swami spoke on the importance of changing the mind set of shoppers and educating them to use recycled cloth bags for their groceries. She noted that paper bags are equally damaging to the environment.

Miguel Conchas, representing the Chamber of Commerce, said that they have conducted a survey regarding the proposed ordinance and 73% of the Laredo Businesses said that they do not want the City of Laredo to pass the ordinance. He said that the Chamber agrees that the City has a problem and they are ready to assist in a recycling program. He urged Council to create another solution to the plastic bag program.

Larry Norton spoke against the plastic bag ordinance.

Cm. Garcia expressed his desire to create an Ordinance that will be effective for the entire community. He mentioned that the item does not need to be done in three to six

months but it does need to be done in a way that will work for the City. He encouraged the Citizen's Environmental Advisory Committee to continue to reach out to different businesses and entities for ideas on how to reduce the use of plastic in Laredo.

The Solid Waste Department should attend the meetings as per Mayor Pro Tempore Belmares.

Motion to send the proposed ordinance back to the Citizen's Environmental Advisory Committee for further review and close the public hearing.

Moved: Cm. Belmares

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

3. Public hearing and introductory ordinance amending the City of Laredo Health Department Fiscal Year 2007-2008 annual budget by appropriating revenues and expenditures in the amount of \$71,210.00 to provide for Phase II of the archiving/preservation services to the Health Department-Vital Statistics Program.

Motion to open the public hearing.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garza

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

4. Public hearing and introductory ordinance amending the City of Laredo Health Department Fiscal Year 2007-2008 annual budget by appropriating revenues and expenditures in the amount of \$70,000.00 in funds from the Texas Commission on Environmental Quality (TCEQ) Amendment No. 2 to continue to operate and maintain three (3) continuous air monitoring stations (CAMS) by the Health Department for the term period beginning September 1, 2008 through August 31, 2009.

Motion to open the public hearing.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

5. Public hearing and introductory ordinance amending the City of Laredo Fiscal Year 2007-2008 Airport Construction Budget to recognize additional revenues from a grant received from the Federal Aviation Administration Airport Improvement Program being Grant Project No. 3-48-0136-52-08 in the amount of \$2,000,000.00 for noise mitigation under FAR PART 150 Noise Abatement Program and Grant Project No. 3-48-0136-53-08 in the amount of \$4,416,530.00 for rehabilitation of Runway 14/32, acquire Runway Protection Zone parcel to Runway 35R, contract for A&E professional services to prepare plans and specifications to rehabilitate General Aviation Apron Phases 5 and 6, contract for A&E professional services to prepare plans and specifications to upgrade passenger terminal automation and security access systems, and rehabilitate a portion of Runway 17R/35L at the Laredo International Airport and appropriating said grant revenue and local match to the appropriate expenditure accounts and authorizing the City Manager to implement said budget amendment. The City's local match of five (5) percent in the amount of \$337,713.00 is available through the land purchased in FY2006 (Rash Tract); providing for an effective date.

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garza

Second: Cm. Rendon

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

6. Public hearing and introductory ordinance amending Section 31-92 of the Code of Ordinances to provide for changes to the Rates and Charges inside and outside of the city limits for sewer rates which includes a monthly minimum up to 2,000 gallons of \$7.50 and \$11.47 for residential and commercial use respectively. Providing for a change of the residential and commercial sewer rates as described below for each modified step of consumption and providing for the scheduled rate adjustments each year beginning in October 2008. Providing for publication and an effective date as amended.

Motion to table.

Moved: Cm. Garcia

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

7. Public hearing and introductory ordinance amending Division 5 (Rates and Charges), Article II, (Sewers and Sewage Disposal) of Chapter 31 (Utilities) of the City of Laredo Code of Ordinances, specifically section 31-92 which provides for sewer rate charges, by changing the number of tiers in the sewer rates from 4 to 5 for residential with the establishment of a baseline rate tier for up to 2,000 gallons and from 26 to 9 for multi-family and commercial; by increasing the residential and commercial/multi-family minimum charges and volumetric rates each year from October 2008 to 2037 at the levels indicated in the rate tables provided within this ordinance. These increases will automatically go into effect on October 1st of each subsequent year after the 2008 increase unless the City Council meets to revise this; Providing for publication and an effective date.

Motion to table.

Moved: Cm. Garcia

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

8. Public hearing and introductory ordinance amending Section 31-138 (b) (1) and (2) of the Code of Ordinances that deals with water availability charges, specifically Lot Charges, and Connection Charges for platted property to increase Lot Charges as follows: for a residential lot under 6,000 sq. ft., from \$300.00 to \$940.00, lots 6,000 to 7,999 sq. ft. from \$500.00 to \$1,600.00, lots 8,000 to 9,999 sq. ft. from \$750.00 to \$2,345.00, and lots 10,000 sq. ft. and over from \$1,000.00 to \$3,125.00; and for non-residential (commercial) lots from \$500.00 to \$1,600.00 for each and every lot created regardless of size; increasing Connection Charges for each residential lot with a meter size of 5/8x3/4 inches: under 6,000 sq. ft. from \$300.00 to \$940.00; 6,000-7,999 sq. ft. from \$500.00 to \$1,600.00; 8,000-9,999 sq. ft. from \$750.00 to \$2,345.00; 10,000 sq. ft. and over from \$1,000.00 to \$3,125.00; for meter size of 1 inch, any size lot from \$1,000.00 to \$3,125.00; increasing Connection Charges for non-residential (commercial) lots based on meter size as follows: 5/8x3/4 inches from \$500.00 to \$1,600.00; 1 in. from \$1,000.00 to \$3,125.00; 1 1/2 in. from \$2,000.00 to \$6,250.00; 2 in. from \$4,000.00 to \$12,500.00; 3 in. from \$8,000.00 to \$25,000.00; 4 in. from \$16,000.00 to \$50,000.00; 6 in. from \$40,000.00 to \$125,000.00, whether inside or outside City limits; providing for publication and an effective date.

Motion to table.

Moved: Cm. Garcia

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

- Public hearing and introductory ordinance requesting authorization to accept a \$3,000.00 in revenue and amending the City of Laredo Fiscal Year 2007-2008 Convention & Visitors Bureau Budget by appropriating revenues in the form of a financial contribution from HEB for the 2009 Miss Texas USA® Pageant; and appropriating said funds for Convention & Visitors Bureau Miss Texas USA Division expenses.

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: City Council

- Public hearing and introductory ordinance amending Chapter 30 Section 4 of the City of Laredo Code of Ordinances amending the language to coincide with the provisions provided under Section 31.06 (C) of the Property Tax Code that any tax payment, including over the counter payments, paid with a credit card will be subject to a processing fee equal to 3.0% of the amount of payment.

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

Ordinance Introduction:

- Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning the north 1/3 of Lots 1 & 2, Block 972, Eastern Division, located at 1805 Plum Street, from R-3 (Mixed Residential District) to B-1 (Limited Business District). The Planning and Zoning Commission has recommended denial of zone change. The proposed use is for a minor repair garage. District IV

Motion to postpone.

Moved: Cm. Amaya

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

12. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lot 14, Block 3, Emerald Hills Subdivision Phase 3, located at 4246 Dorel Drive, from B-1 (Limited Business District) to R-2 (Multi-Family Residential District). The Planning and Zoning Commission has recommended approval of zone change. The proposed use is multifamily residential. District II

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Cm. Garcia

13. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning all of Block 29, Calton Gardens Subdivision No. 1, and Replat Lot 79-B, Block 79, Calton Gardens Subdivision No. 2, located at 402 W. Calton Road, from B-3 (Community Business District) to B-4 (Highway Commercial District). The Planning and Zoning Commission has recommended approval of zone change. The proposed use is warehouse/retail. District V

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close and table.

Moved: Cm. Rendon

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

14. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning the east 132.1 feet of Block 80, Calton Gardens Subdivision No. 2, located at the southwest corner of Calton Road and Gallagher Avenue, from B-1 (Limited Business District) to B-4 (Highway Commercial District). The Planning and Zoning Commission has recommended approval of zone change. The proposed use is parking lot for proposed warehouse across Calton Road. District V

Motion to open the public hearing.

Moved: Cm. Garza

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close and table.

Moved: Cm. Rendon

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Cm. Rendon

15. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 1 thru 8, Block 1017, Western Division, located at the 4000 block of San Bernardo Avenue, from B-3 (Community Business District) to B-4 (Highway Commercial District). The Planning and Zoning Commission has recommended denial of zone change. The proposed use is auto parts/body shop. District VII

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Motion to close and postpone and instruct staff to contact the applicant and ask him to consider a PUC instead of a CUP.

Moved: Cm. Valdez

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

16. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for a nursing home on 3.87 acres as further described by metes and bounds in attached Exhibit "A" located at the southeast corner of Rocio Drive and Tournament Trail Drive. The Planning and Zoning Commission has recommended approval of the Conditional Use Permit. The proposed use is nursing home. District V

Motion to open the public hearing.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

Ron Whitehawk, representing Alexander Development, said that the purpose of the zone change as indicated to Council through their communication is to allow a 124 bed nursing home to be allowed on said property. The property has not been platted but it is in the process.

Motion to close the public hearing and introduce.

Moved: Cm. Rendon

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Cm. Rendon

17. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lot 4, Block 2, San Isidro/McPherson No. III Subdivision, located at 9807 Sterling Loop, from B-1 (Limited Business District) to R-2 (Multifamily Residential District). The Planning and Zoning Commission has recommended approval of zone change. The proposed use is townhouse. District VI

Motion to open the public hearing.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Mayor Pro Tempore Belmares

18. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Special Use Permit for townhouse on Lot 4, Block 2, San Isidro/McPherson No. III Subdivision, located at 9807 Sterling Loop. The Planning and Zoning Commission has recommended approval of the Special Use Permit. The proposed use is townhouse. District VI

Motion to open the public hearing.

Moved: Cm. Garcia
Second: Cm. Amaya
For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Mayor Pro Tempore Belmares
Second: Cm. Amaya
For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Mayor Pro Tempore Belmares

19. Public hearing and introductory ordinance amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Special Use Permit for a townhouse complex on Lot 14, Block 3, Emerald Hills Subdivision Phase III, located at 4246 Dorel Drive. The Planning and Zoning Commission has recommended approval of the Special Use Permit. The proposed use is townhouse. District II

Motion to open the public hearing.

Moved: Cm. Garcia
Second: Cm. Amaya
For: 8

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Garcia
Second: Cm. Amaya
For: 8

Against: 0

Abstain: 0

Ordinance Introduction: Cm. Garcia

VIII. FINAL READING OF ORDINANCES

Motion to waive the Final Reading of Ordinances # 2008-O-123, # 2008-O-124, # 2008-O-125, # 2008-O-126, # 2008-O-127, # 2008-O-128, # 2008-O-129 and # 2008-O-130.

Moved: Mayor Pro Tempore Belmares
Second: Cm. Garza
For: 8

Against: 0

Abstain: 0

20. 2008-O-123 Amending the City of Laredo Fiscal Year 2007-2008 Budget for the Certificate of Obligation Series 2006 Fund by appropriating revenues and expenditures in the amount of \$400,000.00. Revenues are available from interest earnings and will be designated for the purchase of a cyber mobile for the Laredo Public Library. (As amended)

Motion to adopt Ordinance # 2008-O-123.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-124 Amending the City of Laredo Health Department FY 2007-2008 annual budget by increasing revenues and expenditures by an estimated of \$76,706.00 from the Texas Department of State Health Services for the Women, Infants and Children (WIC) Program. The purpose of amendment is to increase the participant rate which will allow the department to serve more women and children due to a realignment of funds for the term period of October 1, 2007 through September 30, 2008.

Motion to adopt Ordinance # 2008-O-124.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-125 Amend and appropriate the FY 2007-2008 General Fund Budget by increasing revenues and expenditures in the amount of \$4,530.00 collected from ticket sales from the Commission for Women's Hall of Fame event held on March 30, 2008.

Motion to adopt Ordinance # 2008-O-125.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-126 Amending the City of Laredo Code of Ordinances, Chapter 32-Vehicles for Hire, Article III- Tow Services, Section 32-92 Towing Fees charged by towing companies on the city's rotation list, by setting fees as follows: tows and tire changes for all city passenger cars and light trucks (tire size not to exceed 17 inches) set at \$50.00; amending Section 32-93 Storage Facility Fees as allowed by state law as follows; for each additional day \$10.00.

Motion to adopt Ordinance # 2008-O-126.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-127 Amending the City of Laredo Health Department FY 2007-2008 annual budget by decreasing \$8,260.00; due to realignment of FY08 funds by the Texas Department of Health for well-child and dental care. Total amount awarded will be \$26,573.00, for the Health Department Maternal and

Child Health (MCH-Title V) Program, for the term period from September 1, 2007 through August 31, 2008.

Motion to adopt Ordinance # 2008-O-127.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-128 Authorizing the issuance of City of Laredo, Texas International Toll Bridge System Revenue Bonds, Series 2008 in the amount of \$3,070,000.00, for the purpose of:

- (1) improving and construction expansion of inspection station booths for Bridge No. IV;
- (2) pledging certain revenues and making provision to the security thereof for the payment of the bond;
- (3) authorizing the execution of the investment letter;
- (4) authorizing amendment to the City's budget to appropriate such proceeds for purposes authorized herein, and authorizing and ordaining other matters related to the subject.

Motion to adopt Ordinance # 2008-O-128.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-129 Authorizing the City Manager to execute a Foreign-Trade Zone Operations Agreement with International Am-Mex Forwarding, as Zone Site Operator of Site No. 6 located at 13499 South Unitec Drive, effective July 1, 2008, and ending on September 30, 2009. Providing activation, administration and transaction fees be paid to the City; providing for an effective date.

Motion to adopt Ordinance # 2008-O-129.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

2008-O-130 Closing the section of Chris Lane between Kimberly and Lois Streets to through, northbound and southbound vehicular traffic by (1) placing a metal guard rail and Type III barricades on Chris Lane at Kimberly Street; and (2) temporarily placing a Type I barricade at the north end of the closed street section; this street section closing is depicted on Exhibit "A"; and providing for effective date; and providing for possible amendment or repeal of this street section closing. (As amended)

Motion to adopt Ordinance # 2008-O-130.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garcia

For: 8

Against: 0

Abstain: 0

IX. RESOLUTIONS

21. 2008-R-053 Supporting our elected State and Federal Representatives on urging the President to utilize the government's strategic petroleum reserves as a measure to offset surging fuel costs. (Sponsored by Council Member Jose A. Valdez, Jr.)

Motion to approve Resolution #2008-R-053.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Liendo-Espinoza

For: 8

Against: 0

Abstain: 0

22. 2008-R-054 The City of Laredo, joining the U.S. Conference of Mayors, resolves as follows:

- (1) to oppose any suspension of federal gas tax;
- (2) to ask states which have not done so already to fully distribute their grants to fight urban congestion;
- (3) to support a national response which would reward efforts to conserve energy usage; and
- (4) to urge Congress and the administration to explore the possible role of speculation in the crude oil price increases.

Motion to approve Resolution #2008-R-054.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Liendo-Espinoza

For: 8

Against: 0

Abstain: 0

23. 2008-R-055 Resolving that the City Manager execute a Consent, Estoppel Certificate and Non-Disturbance and Attornment Agreement among the City of Laredo, as Lessor, Aero Center, Inc., a Texas corporation, as Lessee, Lacey's Serv-A-Jet, Inc., a Texas corporation and sole shareholder of Aero Center, Ross Laredo Acquisition Sub, Inc., a Texas corporation, and Guaranty Bank and Trust Company, a Colorado state chartered bank, as Lender, for the purpose of securing a loan from Guaranty Bank and Trust Company in the amount of \$5.0 million to acquire Aero Center, Inc.'s stock in effect agreeing to the encumbrance of the leased premises in favor of Guaranty Bank and Trust Company. Said Consent, Estoppel Certificate and Non-Disturbance and Attornment Agreement for all nine (9) lease agreements between the City of Laredo, as Lessor and Aero Center, Inc., as Lessee, at the Laredo International Airport and described in attached Exhibit 1.

Motion to approve Resolution #2008-R-055.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Liendo-Espinoza

For: 8

Against: 0

Abstain: 0

24. 2008-R-057 Authorizing the City Manager to execute an Interlocal Agreement by and between the City of Laredo and the United Independent School District for the construction, operation and maintenance of little league baseball parks adjacent to the El Eden Recreational Facility.

Motion to approve Resolution #2008-R-057.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Liendo-Espinoza

For: 8

Against: 0

Abstain: 0

X. MOTIONS

25. Authorizing the City Manager to amend Change Order No.1 to LNV Engineering, Corpus Christi, Texas; in the amount of \$30,600.00. for a total sum of \$95,300.00 for the preparations of demolition drawings, construction phase services, and additional construction observation services associated with the clarifier demolition at the Jefferson Street Water Treatment Plant. Funding is available in the 2008 Utility Bond Issue.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

26. Awarding a contract to URS Corporation of Houston, Texas in the amount of \$750,000.00 for the preparation of an integrated water and wastewater master plan, \ demolition drawings, construction phase services, and additional construction observation services associated with the clarifier demolition at the Jefferson Street Water Treatment Plant. Funding is available in the 2008 Utility Bond Issue.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

27. Authorizing the City Manager to amend Change Order No. 1 to Leyendecker Construction Company, Laredo, Texas; in the amount of \$302,432.80 for a total amount of \$1,979,384.20 for facility demolition of an abandoned Primary Clarifier at the Jefferson Street Water Treatment Plant. The project demolition will provide for one of the stages for the plants planned expansion. Funding is available in the 2008 Utility Bond Issue.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

28. Consideration for approval to award a construction contract to the lowest bidder Sendero Industries, LLC, Houston, Texas, in the base bid amount of \$317,907.16 for the Laurel/Dellwood Storm Water Drainage Improvements Phase I Project on Laurel Drive from Dellwood Drive to Crestview Drive and Dellwood Drive from Beverly Drive to Laurel Drive. Contract time is 130 working days. Funding is available in the 2006 & 2007 Certificate of Obligation Bond Proceeds.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

29. Consideration to award contract number FY08-077 to the low bidders, Staff Force, Laredo, Texas, and RM Personnel, Inc, Laredo, Texas for providing temporary contract employees. Contracts will be awarded to a primary and secondary vendor in order to provide the City of Laredo with a quality labor pool for those departments that might require temporary staff members throughout the fiscal year. All services will be secured on an as needed basis and the estimated contract amount for this fiscal year would be \$500,000.00. Funding is available in the respective departmental budgets.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

30. Consideration to award supply contract number FY08-088 to the lowest bidder, HD Supply Waterworks, San Antonio, Texas in the estimated amount of \$788,017.64 for the purchase of water meters for the Utilities Department. The first year term of the contract shall have an expiration date of 09/30/09 with an option to extend for two (2) additional one (1) year terms. The bid pricing will be fixed for the first year period and will allow the department to purchase meters on an as needed basis. Funding for the purchase of these meters is available in the Utilities Department Fund.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

31. Consideration to renew contract number FY08-022 awarded to HD Supply Waterworks, San Antonio, Texas in the estimated amount of \$250,000.00, for the purchase of PVC pipe used by the Utilities Department. This contract renewal includes

a 5% price increase from the previous contract period due to the unstable pricing climate for PVC materials. This is the third of four (4) sixty (60) day supply extensions. These materials are purchased on an as needed basis for construction and repair of projects. Funding is available in the Utilities Department Budget.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

32. Consideration to award supply contract number FY08-064 to Screen Crushed Concrete, Laredo, Texas, in the estimated amount of \$281,000.00, for the purchase of flexible base crushed concrete (picked up at vendor's yard and job site delivered). The term of this contract is for a one (1) year period and is subject to the availability of funds. All materials are purchased on an as needed basis utilizing the Public Works Department, Utilities Department and construction projects budgets.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

33. Consideration to renew contract FY07-145 currently awarded to Delta Motor Repairs, Freer, Texas, in the estimated amount of \$300,000 for providing electric motor repair service for the Utilities Department. This contract renewal includes a 25% increase from the previous contract period due to an increase in pump and motor repairs. The proposed amendment would increase the current contract in order to provide funding for the remainder of the contract term. This is the first of two twelve month extensions for this contract. Funding is available in the department's budget.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

34. Approving monthly adjustments to the tax roll. The amounts to be adjusted for the month of May 2008, represent a decrease of \$43,278.99. These adjustments are determined by Webb County Appraisal District and by court orders.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

35. Authorizing the City Manager go grant a public fireworks display permit for the July 4, 2008, Independence Day Celebration at the Laredo Country Club located at 1415 Country Club Drive at 9:30 p.m. The technician for the display will be Atlas Enterprises, Incorporated.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

XI. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

36. A. Request by Mayor Raul G. Salinas

1. Presentation by Chief Carlos Carrillo regarding homeland security efforts by Border Patrol.

Chief Carlos Carrillo gave a comprehensive report on the Laredo Border Patrol Sector. He discussed the many ways that the Border Patrol has enhanced their ability to keep Laredo a safer place to live.

2. Discussion with possible action on recommending to City Manager to consider funding a Veteran's Museum in conjunction with Webb County.

This item was not discussed.

3. Discussion with possible action on establishing a promotional team to promote the Dos Laredos on both sides of the border.

This item was not discussed.

- B. Request by Council Member Mike Garza

1. Discussion with possible action on installing speed humps on Lucy Avenue.

Motion to approve the use of discretionary funds of District I for installing speed humps on Lucy Avenue.

Moved: Cm. Garza

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

2. Discussion with possible action on instructing the City Manager to provide a cost of living adjustment (COLA) for City employees.

Cm. Garza instructed the City Manager to initiate a study regarding the cost of living adjustment for City employees and return to City Council with recommendations.

3. Discussion with possible action to enter into an interlocal agreement with Webb County in conjunction with Commissioner Frank Sciaraffa for the construction of Santo Niño Community Center at the Freddie Benavides Sports Complex.

Cm. Garza said that Commissioner Frank Sciafaffa has agreed to work with the City of Laredo in constructing a facility in Santo Nino at the Freddie Benavides Sports Complex. He said the cost estimate for the facility is approximately \$600,000 and that portion will be provided by Webb County. He added that the City's donation will be the land.

Commissioner Sciafaffa asked Council's support for the Santo Nino Community Center at the Freddie Benavides Sports Complex.

County Judge Danny Valdez thanked City Council for partnering with the County on this project.

Motion to enter into an interlocal agreement with Webb County in conjunction with Commissioner Frank Sciaraffa for the construction of Santo Nino Community Center at the Freddie Benavides Sports Complex.

Moved: Cm. Garza

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

4. Discussion with possible action to enter into an interlocal agreement with Webb County in conjunction with Commissioner Frank Sciaraffa for the construction of a swimming pool at the El Eden Recreation Center.

Motion to accept.

Moved: Cm. Garza

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

C. Request by Council Member Hector J. Garcia

1. Discussion with possible action on sponsoring the Little League Sectional Playoff Tournament to be held in Laredo, Texas.

Motion to approve sponsoring the Little League Sectional Playoff Tournament to be held in Laredo, Texas with the discretionary funds of District II.

Moved: Cm. Garcia

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

D. Request by Council Member Dr. Michael Landeck

1. Report, discussion, and possible action on the status of the Council's previous vote instructing administration to renegotiate the lease contract with Town Center in an attempt to exclude 22 acres in and around the wetlands of the property with the possible reduction of the lease value; and clarification whether the present lease contract with Town Center stipulates that it is the responsibility of Town Center to make all necessary allowances to address present and future drainage needs of the airport and Loop 20 in addition to the drainage requirements of the leased property (presentation by Rio Grande International Study Center or their appointees, and staff).

Cm. Landeck said that at a certain point City Council instructed staff to make further attempts to meet with the Town Center.

Carlos Villarreal, City Manager, said that the motion was made on April 21, 2008.

Cm. Landeck asked the City Manager if he had initiated contacts with the Town Center and what were the results. He also asked questions regarding the drainage that would be coming from the airport. He asked staff if they had clarification on the drainage issues.

City Manager, Carlos Villarreal, advised City Council that staff has hired an independent engineering firm that has no interests in the property to do a comprehensive report on the drainage issues regarding the Laredo Town Center. He voiced that the report would be complete in a couple of weeks and he would return to City Council with recommendations.

2. Presentation, discussion, and possible action regarding the use of the draft study titled "Site Analysis and Recommendations on Three Sites for Location of an International Bridge" dated November 5, 2007 prepared by Poznecki Camarillo Inc. regarding the comparison of the three alternatives for Bridge V and/or any other drafts or final documents that were received, prepared, presented, or confirmed by Poznecki Camarillo Inc. to the City, Webb County, or the Interlocal Advisory Committee chaired by Commissioner Tijerina since the distributed analysis of their draft document.

Cm. Landeck asked the City Manager if the City of Laredo has received additional information from Poznecki Camarillo, Inc. since the original draft that they had presented to Council.

Carlos Villarreal, City Manager, stated no.

Cm. Landeck asked if staff was using the number that were submitted by Poznecki Camarillo, Inc.

The City Manager replied yes. He also advised that Poznecki Camarillo, Inc. is asking for additional monies so staff placed a cap.

Cm. Landeck said that the City Council would like to hear if they had done any additional work.

City Manager, Carlos Villarreal, said that Poznecki Camarillo, Inc has completed preliminary work; however, the City is paying them for providing information that was furnished to them by City staff. He continued by saying that there are other factors that the City has planned in lieu of longer road work and comparative statistics. He added that the City has been receiving poor responses from property owners that have been asked to donate their property. Finally, he noted that all the information will be placed on a table for the City-Government meeting that is to be held tomorrow.

Cm. Landeck said that he had submitted a list of concerns to the City Manager's Office. He explained that he did not feel comfortable with the numbers that Posnecki arrived at.

The City Manager, Carlos Villarreal, said that Pesnecki may have received the information, but in a formulation of a plan, and their request for additional funds was not granted. He touched upon the amounts by saying that the cost for all sites is the same. He noted that the amount of property has to be compared by the amount of property that they are donating versus the extended road.

3. Discussion with possible amending Ordinance 2008-O-068 and authorizing the City Council to be able to extend the City Council Meetings to a maximum of two (2) extensions of 15 minutes each per meeting. (Co-sponsored by Mayor Pro-Tempore Gene Belmares)

Motion to approve amending the Ordinance 2008-O-068 and authorizing the City Council to be able to extend the City Council Meetings to a maximum of two(2) extensions of 15 minutes each per meeting.

Moved: Cm. Landeck

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

E. Request by Council Member Johnny Rendon

1. Discussion with possible action on accepting 40+ acres from the Laredo Town Center property for a nature preserve. (Co-sponsored by Mayor Pro-temp Gene Belmares)

Cm. Rendon said that he had heard that the Laredo Town Center was interested in deeding the property for a nature preserve.

Rauldel Garza, Vice President of the Merchants Holding Company and the Laredo Town Center, stated that the Laredo Town Center Preserve will be dedicated to the Valley Land Fund which is a conservation group based in McAllen. It is a land trust that has a record with the Corp of preserving and serving property throughout South Texas. Part of the mitigation plan and part of the course of requirements was for them to find the land trust so they can put the 44 acres in a state where it will not be touched by any mandate construction development. He explained that for the first five years, the Town Center has certain requirements under the mitigation plan to enhance and protect and further preserve 44 acres. After the five years, the Corp will allow Merchants Holding to transfer the ownership. The conservation easement will be with the Valley Land fund forever.

Mayor Pro Tempore Belmares said that if the easement becomes available the City of Laredo, we should own that property and not a company from the valley.

Motion to instruct the City Manager to negotiate with the Laredo Town Center on obtaining the 44 acre easement.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

Dr. Landeck said that he would like a report from the City of Laredo Legal Department explaining what the responsibilities will be if the City of Laredo accepts the easement.

2. Status report on the Storm Drainage Project in the Belmont Subdivision.

Riazul Mia said that staff will begin the project next week.

G. Request by Mayor Pro-Tempore Gene Belmares

1. Discussion with possible action on drafting a resolution supporting Kansas City Southern on the construction of a rail bridge in South Laredo. (Co-sponsored by Council Member Dr. Michael Landeck)

Mayor Pro Tempore Belmares said that it appears to him that staff is reluctant to hold a workshop regarding the drafting of a resolution supporting Kansas City Southern on the construction of a rail bridge in South Laredo.

Cm. Landeck said that his concern is that the only project that has been supported by a resolution and should have been followed by a MOU is the "rail project" in Colombia. He continued by saying that City Council can continue to wait for a workshop and not propagate for either one of the bridges, but the situation stands that there are letters that have been distributed throughout regarding the bridges. He said that it is a good idea to support Kansas City Southern knowing that they are not going through the middle, but instead to the area between Rio Bravo and El Cenizo so they can obtain their presidential permit.

Cm. Valdez instructed the City Manager to contact him when meeting dates are being considered.

Mayor Pro Tempore Belmares advised that City Council needs to support the private sector investments and the resolution that will be drafted will hold their feet to the fire. He advised that the private sector should work with the Planning and Zoning Department regarding the grade separations, master plans and the amount of buffering that is required. The private sector is saying that they will build a bridge and they will build the infrastructure and the resolution will assist them in setting grade separations as they line up with the major thoroughfare. He added that it will give the city a blank canvas. He expressed that if Council does not address the issues the individuals that are on the right-of-way will be harmed and will have to deal with grade separations or the lack thereof. He noted that he was concerned with the rail project continuing north or south from IH 35 only because it takes up two thirds of the City land that is currently under

development growth. His other concerns addressed the fact that KCS's line comes too close and he hoped that they would be amenable to realigning at least two miles further east giving the City a two mile buffer before the City can begin making the turn to south Laredo. KCS would prefer to have the rail line go between the two main lanes of the outer loop thus taking care of the issue of grade separations and being able to participate in projects with TxDOT and any other political subdivisions that are amenable.

Carlos Villarreal, City Manager, explained that City staff is prepared for a workshop; however, there have been scheduling problems with the rail companies. He also explained that part of the decisions that need to be considered prior to the workshop will be discussed at the City/County Government Issues meeting which will be held in the next couple of days. He said that the rail bridge inside Laredo will follow the alignment where the location of the proposed vehicular bridge will be.

Cm. Belmares said that if the City of Laredo sets the date for the workshop and initiates the invitation the rail companies will attend if it is important to them. He said that the City should post the agenda and if they come that will be great; however, if they don't then the City will make the decisions to the best of their ability without their input. He noted that the City would welcome their presence at the table because they will have an impact and it is important for the citizens of Laredo.

Cm. Garza noted that he agreed wholeheartedly. He advised that his intent was to make sure that everyone, including the rail district, was in attendance at a meeting to answer questions. He advised that the rail will intersect with future development and City Council will be responsible for decisions that will affect tomorrow. He went on to say that he is concerned because he has learned from the down town rail history what the problems are in West Laredo. He said that he wants to ask the rail company how their decision will affect south Laredo in fifty years. If they say that half will go to South Laredo and the other half in West Laredo, then he feels that City Council did not accomplish anything. He too agreed that the City should set a date for a workshop and encourage the rail companies to participate. He instructed staff to contact the media for the workshop.

Motion to instruct staff to initiate a workshop regarding the construction of a rail bridge in South Laredo.

Moved: Cm. Liendo Espinza

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

2. Discussion with possible action on recent water distribution and water pressure problems in northeast District VI.

Mayor Pro Tempore Belmares explained that after staff installed the 24" waterline his district had problems with water pressure.

Tomas Rodriguez said that the City has had problems delivering water to the north east quadrant and they have had to readjust the pressure-reducing valves that were installed. Basically, the City bypassed the valves and that has corrected some of the problem.

They have installed the east corridor booster station which was designed to pump water to Loop 20 all the way to Texas A & M that line is filling up the elevated tank.

3. Discussion with possible action on adding historical significance to the streets in the central business district.

Cm. Belmares expressed interests in initiating a cost for the creation of a walking tour for the downtown area. The costs should also include signs or monuments that will also explain the street names.

Motion to instruct staff to initiate a study and return to City Council regarding the historical significance of the streets in the central business district.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

H. Request by Council Member Jose A. Valdez, Jr.

1. Discussion with possible action regarding signage for the Judge Hector J. Liendo overpass.

Cm. Valdez said that he has driven on the Judge Hector J. Liendo overpass and the signage provided to honor the Judge is too small and is not noticeable to individuals that use the overpass.

Motion to instruct staff to construct a larger galvanized sign that emulates the original plaque that honors Judge Liendo.

Moved: Cm. Valdez

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

2. Discussion with possible action on amending the section relevant to detention centers, prisons, processing centers and halfway houses in the Land Development Code.

Cm. Valdez expressed a desire to amend the sections that are relevant to detention centers, halfway houses, and processing centers to have the same setback and distance requirements as prisons in the Land Development Code Book.

Motion to instruct staff to amend the Land Development Code Book to read that all detention centers, halfway houses, and processing centers to have the same setback as a prison.

Moved: Cm. Liendo Espinoza

Second: Cm. Rendon

For: 8

Against: 0

Abstain: 0

I. Request by Council Member Cynthia Liendo Espinoza

1. Discussion with possible action to resurface Jefferson Street from Sta. Ursula to Sta. Rita.

John Orfila, Public Works Director, said that the City does have a list of streets that were approved by City Council. He agreed that he can add the list of streets to be resurfaced.

Motion to include Jefferson Street from Sta. Ursula to Sta. Rita on the resurfacing list.

Moved: Cm. Liendo-Espinosa

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

2. Discussion with possible action to offer an alternative to the plastic bag ordinance. (Co-sponsored by Mayor Raul Salinas)

This item was combined with Public Hearing # 2.

3. Discussion with possible action to grant the Center for the Arts a \$1.00 lease for Fiscal Year 2008-2009 and recommending a separate lease for the Webb County Heritage Foundation for Fiscal Year 2008-2009. (Co-sponsored by Mayor Pro-Tempore Gene Belmares)

Motion to table.

Moved: Cm. Liendo Espinosa

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

XII. STAFF REPORTS

37. A. Discussion with possible action to consider Police Officer Pedro Sarmiento's first request for an extension of injury leave with pay in accordance with 143.073 (b) of the Texas Local Government Code.

Dan Migura, Human Resources Department, said that he has met with Police Officer Pedro Sarmiento and they have reviewed his circumstances and situation. He recommended that a 90 working day situation will assist the officer.

Motion to approve.

Moved: Cm. Garcia

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

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.

38. Request for Executive Session pursuant to Texas Government Code Section 551.071 (1) (A) to consult with attorney on the pending case of Joe Botello v. City of Laredo, Cause No. 2006CVQ002051D2, in the 341st District Court, Webb County, Texas; and return to open session for possible action.

Motion to table.

Moved: Cm. Garcia

Second: Cm. Amaya

For: 8

Against: 0

Abstain: 0

XIV. 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: Mayor Pro Tempore Belmares

Second: Cm. Valdez

For: 8

Against: 0

Abstain: 0

39. Consideration to exercise the one (1) year renewal option for annual supply contract FY07-060 awarded by the Mass Transit Board on 5-7-07, for bus and van fleet repair and replacement parts. Contracts were awarded by item(s) to the lowest responsible bidder for parts most commonly purchased for non-warranty repairs. The renewal includes a price increase of 3% to 15% on certain repair parts. All items will be purchased on an as needed basis. Funding is available in the El Metro Operations Fund.

Motion to approve.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

40. 2008-RT-003 Authorizing the City Manager to submit a grant proposal and all required documents resulting from this submission to the Texas Department of Transportation (TxDOT), New Freedom (NF) Small Urban Transportation Project Grant in the amount of \$375,000.00 with a local match of \$93,750.00, for a grand total of \$468,750.00. The grant provides for ADA compliance for persons with disabilities to travel to and from their place of employment and employment support services. The City of Laredo and the Laredo Transit Management Inc., will

request design and construction of thirty (30) to fifty (50) plus city ADA sidewalks under statute 2.2.3 (building an accessible path to a bus stop that is currently inaccessible).

Motion to approve 2008-RT-003.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

41. 2008-RT-004 Authorizing the City Manager to accept and execute the Texas Department of Transportation (TxDOT), Section 5317, New Freedom (NF) Small Urban Transportation Project Grant in the amount of \$375,000.00 with a local match of \$93,750.00, for a grand total of \$468,750.00; and providing for grant funds to be deposited in the City of Laredo Transit Fund.

Motion to approve 2008-RT-004.

Moved: Mayor Pro Tempore Belmares

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

42. Presentation by Feliciano Garcia, First Transit General Manager, regarding transit employees' pension plan, with possible action.

Laredo Transit Management Inc. Define Benefit Plan

1. May 21, 2004 – May 20, 2007 1st Labor Agreement between Laredo Transit Management Inc. and United Transportation Union Local # 1670 with a Define Benefit Plan.
2. July 1, 2003 The pension plan accrued benefits.
3. May 10, 2005 Wire transfers were initiated with Wells Fargo Bank in the amount of \$750,000. Biweekly contribution have continued throughout the pension existence.
4. May 21, 2007 Valuation reports revealed that the pension plan year totaled \$463,465 as oppose to the \$250,000 contractual agreement with UTU.
5. September 17, 2007 The union was advised that a new Actuary had to be contracted. The current Actuary was downsizing his clients.
6. October 18, 2007 The El Metro Management Team presented the Union diverse vendors to assist them with the selection of alternative retirement plans.
7. January 11, 2008 Nova Actuarial Services were retained.

- | | |
|-------------------|--|
| 8. March 17, 2008 | Nova's actuary Karen Nowiejski, presented the union with possible contribution estimates to the current pension plan and future trends. |
| 9. April 15, 2008 | Nova Actuarial Associates proposed defining options that were crucial to sustain the \$250,000 contractual agreement with the union. |
| 10. May 2, 2008 | The union was advised on the effective plan changes by the union. |
| 11. May 9, 2008 | All LTMI employees received by payroll distribution and amended changes to their pension. |
| 12. May 14, 2008 | A formal letter was sent to all Union Representatives with the perspective plan changes. |
| 13. June 30, 2008 | End of the current plan year. |
| 14. July 1, 2008 | New plan year begins with a reduce multiplier of \$28.50 and a normal retirement age of 65. |
| Summary | If the existing plan continues, an additional \$400,000 will be needed for the current plan year. The second year contribution is estimated at \$570,000 would augment the under funding balance to \$720,000. |

Note: The above scenario does include a multiplier of \$52.08

Labor Agreement between Laredo Transit and the United Transportation Union Local # 1670 May 21, 2004 to May 20, 2007

Article XXI Retirement Program

A defined benefit retirement plan will be provided for employees. Upon retirement or termination of employment, each participant is entitled to his or her vested accrued benefit. The third party contractor will provide an update for each employee on annual or periodic bases. The Company and Union agreed to a letter of understanding mutually as follows:

1. Parties agree to start the accrued benefits on the plan on July 1, 2003.
2. Parties agree that the benefits outlined in the attached document titled UTU defined benefit plan option dated July 23, 2003, will be the benefits that accrue to the employees.
3. The employer agrees to make an initial investment of \$500,000 when the plan commences and \$250,000 per year for an additional three years.
4. The employer agrees to initiate any and all paperwork necessary to formalize and legalize this agreement.

Labor Agreement between Laredo Transit Management Incorporated and the United Transportation Union Local # 1670 October 1, 2007 through September 30, 2010.

A defined benefit retirement plan will be provided for employees. Upon retirement or termination of employment, each participant is entitled to his or her vested accrued benefit. The third party contractor will provide an update for each employee on annual or periodic basis. The Company and Union agreed to a letter of understanding mutually as follows:

1. The company minimum contribution per year will be \$250,000.
2. The employee will contribute twelve dollars per pay period from December 21, 2007 to September 30,2008. The second year the contribution will be negotiated on July 2008 in order for it to be effective October 1, 2008. The third year the contribution will be negotiated on July 2009 in order for it to be effective October 1, 2009.
3. The plan description shall be amended to reflect a five (5) year vesting requirement effective July 1, 2007.

Motion to instruct staff to attempt to negotiate with the Union for solution that will be suitable for interested parties.

Moved: Cm. Valdez

Second: Mayor Pro Tempore Valdez

For: 8

Against: 0

Abstain: 0

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

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

Moved: Cm. Amaya

Time: 10:20 p.m.

Second: Cm. Garza

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 31 and they are true, complete, and correct proceedings of the City Council meeting held on June 16, 2008.

Gustavo Guevara, Jr.
City Secretary