

**CITY OF LAREDO
SPECIAL CITY COUNCIL MEETING
M2005-SC-01
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
March 14, 2005
12:10 p.m.**

I. CALL TO ORDER

With a quorum present Mayor Elizabeth G. Flores called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Elizabeth G. Flores led in the Pledge of Allegiance.

III. ROLL CALL

In attendance:

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|---|---|
| Elizabeth G. Flores, Alfredo Agredano, District I | Mayor Council Member, |
| Hector Garcia, District II | Council Member, |
| Johnny Amaya, IV | Mayor Pro Tem, District |
| Johnny Rendon, District V | Council Member, |
| Gene Belmares, District VI | Council Member, |
| Jose A. Valdez, Jr., District VII | Council Member, |
| Juan Ramirez, District VIII | Council Member, |
| Gustavo Guevara, Jr., Larry Dovalina, Jerry Cain, | City Secretary City Manager Assistant City Attorney |

Motion to excuse Cm. John Galo.

Moved: Cm. Agredano

Second: Mayor Pro Tempore Amaya

For: 7

Against: 0

Abstain:

0

IV. PUBLIC HEARING

1. Public hearing and introductory ordinance authorizing the issuance of City of Laredo,

Series Texas Sports Venue Sales Tax Revenue Improvement and Refunding Bonds, 2005, in the principal amount of \$34,520,000.00 to finance a Sports Venue Project for related infrastructure improvements to the multipurpose entertainment arena, for acquisition and construction of additional parking and refunding of the City's Sports Venue Sales Tax Revenue Bonds, Series 2001; and ordaining other matters relating to the subject including authorizing a bond purchase agreement, Escrow agreement and a sales tax and authorizing amendment to City's Budget to appropriate such proceeds for purposes authorized herein.

Motion to open the public hearing.

Moved: Cm. Belmares
Second: Cm. Agredano
For: 7

Against: 0

Abstain:

0

There was no public input.

Motion to close the public hearing and introduce.

Moved: Cm. Belmares
Second: Cm. Agredano
For: 7

Against: 0

Abstain:

0

Ordinance Introduction: City Council

V. MOTIONS

2. Consideration to amend the existing multi-year contract with Crystal Group, Inc., a Texas Corporation from \$78,450.00 up to \$254,756.00 for Fiscal Year 2005, to include contractual obligations of the City of Laredo related to lighting and staging of the "Miss Texas USA Pageant. Funding is available in the Laredo Conventions and Visitors Bureau Budget.

Patricia Taylor, Interim Director of the Convention & Visitor's Bureau, explained the cost for Crystal Group, Inc. which includes \$78,450 for the hosting agreement plus \$176,000 of technical cost for staging/lighting. The total contract shall not exceed \$354,756.00. Additional costs include a contract with the Laredo Entertainment Center which should be around \$100,000. The City is also obligated to pay for hotel rooms and special events. The staff is hoping to receive gold sponsorships in the amount of \$100,000 and they will be receiving a special rate on all the hotel/motel rooms. Events for the girls will also be minimized.

Larry Dovalina, City Manager, noted that last years team, which was created to assure that the City of Laredo will stay within the budget, will also be working with this year's budget.

Cm. Belmares expressed his desire for staff to stay within the budget. He said the total event is \$400,000 less sponsorships.

Mayor Flores asked Ms. Taylor to list the in-kind that the City receives noting that the City had a tremendous response to the in-kind contributions.

Motion to approve.

Moved: Mayor Pro Tempore Amaya

Second: Cm. Agredano

For: 7

Against: 0

Abstain:

0

3. Motion to authorize the City Manager to complete the purchase of land to be used as

Public Park Land and greenspace, said land to be purchased from United Independent School District Trustee, for and in consideration of the sum of forty-two thousand dollars (\$42,000.00) with said land located within the city limits and being described as follows:

17.331 acres out of the One River Place Subdivision, Webb County, Texas, more particularly described as Tract "C" (Exhibit C) in that certain deed dated October 9, 1975, by and between J.C. Martin, III et. al., Grantors, and One River Place Subdivision Homeowners Association, Grantee, Recorded in Volume 498, at Page 652 et. seq. of the Deed Records of the County Clerk, Webb County, Texas, to which record reference is here made for all purposes.

Jerry Cain, Assistant City Attorney, noted that the 17.331 acres mentioned in the motion has been in litigation for some time. He advised that discussion was held in the Judge's Chambers in the morning where the following attorneys were present: Richard Gonzalez, Bob Bass, and Juan Cruz. He explained that the attorneys presented their arguments regarding the Temporary Restraining Order in the Chambers for close to an hour. Later, Judge Vasquez entered into open court and issued a Temporary Restraining Order against the City of Laredo which will restrain the City and the Laredo City Council from taking any action on the agenda item pending further orders from the Court.

Mayor Flores asked if the Judge was County Judge Raul Vasquez for the county.

Jerry Cain replied that it is Judge Raul Vasquez for the 111th District Court.

Larry Dovalina, City Manager, said that he is concerned after having heard some of the arguments that took place in the Judge's Chambers. He said the Judge issued an advisory ruling and has not issued an official ruling. He went on to say that if the Judge is objecting to the fact that the City is presenting the above motion then

what the Judge is saying publicly is “double speak” . In a prior ruling the Judge told the City of Laredo that they violated the law and now the City is trying to comply to his ruling and he is still against it. He said that he feels that the Judge is against the City regardless if the City places the item on the agenda right or wrong.

Mayor Flores said that Judge Vasquez’s budget is approved by Webb County.

Larry Dovalina, City Manager, questioned the involvement of the school district because they are not a party to the suit adding that Judge Vasquez has not issued an official ruling. He asked how the school attorney could place an item on their agenda to rescind the land when they don’t own the land.

Mayor Flores noted that the item has been made political.

Jerry Cain, Assistant City Attorney, concurred that the attorney for the school district argued that the school will rescind their offer to the City of Laredo in the Judge’s Chambers. He added that the Judge has issued a letter of ruling.

Mayor asked the City Attorney to tell her what jurisdiction the Judge for the 111th District Court has for issuing a restraining order for an item that is placed on the agenda of the Laredo City Council.

Mr. Cain explained that he had argued that case to the Judge in his chambers. He said that he argued that under the Texas Constitution Court, a court cannot interfere with the legislative functions of a legislative body of the Government. The rule of law states that the Courts may later overturn what the legislative body has done but should not be entitled to stop decisions that are placed on agendas. He noted that he was unable to convince the Judge.

Mayor Flores stated that Judge Vasquez ignored the law.

Cm. Valdez asked if the City of Laredo is going to appeal.

Larry Dovalina, City Manager, said that the City of Laredo is going to appeal this case similar to other cases that have been assigned to the 111th District Court.

Mayor Flores asked the City Attorney if the City Council should comply with the Restraining Order.

Jerry Cain, Assistant City Attorney, said that he would never suggest that the City not cooperate with the Temporary Restraining Order because they would be held in contempt of Court.

Motion to postpone.

Moved: Cm. Valdez

Second: Cm. Belmares

For: 5

Against: 0

Abstain:

2

Amaya

Mayor Pro Tempore

Cm. Garcia

VI. 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.

VII. ADJOURNMENT

Motion to adjourn.

Time: 12:46

Moved: Mayor Pro Tempore Amaya

Second: Cm. Garcia

For: 7

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 05 and they are true, complete, and correct proceedings of the City Council meeting held on March 14, 2005.

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Gustavo Guevara, Jr.
City Secretary