

CITY OF LAREDO
CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
5:30 P.M.

M99-R-06

M I N U T E S

FEBRUARY 22, 1999

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:

Elizabeth G. Flores,	Mayor
Alfredo G. Agredano,	Councilmember, District I
Louis H. Bruni,	Councilmember, District II
John C. Galo,	Councilmember, District III
Cecilia May Moreno,	Councilmember, District IV
Eliseo Valdez,	Councilmember, District V
Joe A. Guerra,	Councilmember, District VI
Consuelo "Chelo" Montalvo,	Councilmember, District VIII
Gustavo Guevara, Jr.,	City Secretary
Florencio Pena, III	City Manager
Jaime L. Flores,	City Attorney

Absences:

Motion to excuse Cm. Alvarado.

Moved : Cm. Guerra

Second: Cw. Montalvo

For: 7

Against: 0

Abstain: 0

Mayor Flores opened the floor commending everyone that participated in the Washington's Birthday Festivities.

Note:

At this point Cw. Montalvo asked to move up item #20(C)1.

IV. MINUTES

- 1. City Council Workshop (Torres), January 15, 1999
- City Council Workshop (Fidenor), January 18, 1999

Motion to approve.

Moved : Cm. Galo

Second: Cw. Montalvo

For: 6

Against: 0

Abstain: 1
Cm. Bruni

V. INTRODUCTORY ORDINANCE

- 2. Authorizing the City Manager to execute a lease with Laredo National Bank for approximately 5,632 square feet constituting Building No. 146 located at 4401 Maher Avenue and situated on an approximate 21,217 square foot tract of land at the Laredo International Airport.

- 1. The lease term is for ten (10) years commencing on July 1, 1998 and ending on June 30, 2008 and may be extended for three (3) consecutive terms of (5) years each ending on June 30, 2023.

- 2. The initial monthly rent shall be \$500.00 commencing on July 1, 1998 and ending June 30, 2000 and increased to \$750.00 per month for the subsequent two years ending June 30, 2002 and increased to \$950.00 per month for the subsequent two years until June 20, 2004 and effective July 1, 2004 the monthly rent shall be \$950.00 plus annual Consumer Price Index rent adjustment. The monthly rent effective July 1, 2006 and July 2, 2016 shall be adjusted by fair market rent appraisal. The Laredo National Bank will initially make the approximate \$33,146.00 in improvements to the lease premises.

Ordinance Introduction: Cm. Bruni

- 3. Authorizing the Execution of an interim loan agreement between the City of Laredo and Norwest Bank Texas, N.A., Laredo, Texas in the amount of \$8,000,000 to facilitate the award of a contract for the purchase of a Toll Bridge Collection System upgrade payable from surplus revenues of the City's International Bridge System, and other matters related to this subject.

Ordinance Introduction: City Council

- 4. Rescinding Ordinance No. 99-O-006 and granting a license to Southwestern Bell Telephone Company, to erect, construct, maintain and operate a wire telecommunications system for a term of four (4) years with one (1), four (4) year renewal option period pursuant to the City of Laredo's Wire Telecommunications System registration and licensing ordinance of 1998 #98-O-353; and providing for an effective date.

Ordinance Introduction: City Council

VI. FINAL READING

Internet Available: <http://www.cityoflaredo.com>

Motion to waive the final reading of ordinances #99-O-053, #99-O-054, #99-O-056, #99-O-057, #99-O-058, #99-O-059, #99-O-060, #99-O-061, #99-O-062, and #99-O-063.

Moved : Cm. Bruni

Second: Cw. Montalvo

For: 7

Against: 0

Abstain: 0

- 5. 99-O-053 Ordinance authorizing the City Manager to execute a lease agreement between the City of Laredo (Airport Fund) as LESSOR, and the City of Laredo (Laredo Police Department), as LESSEE, for approximately 3,500 square feet constituting office space within the 1st floor of Building 132 located at 4719 Maher Avenue at the Laredo International Airport.
 - 1. Lease term is five consecutive years commencing on March 1, 1999 and ending on February 28, 2004, and may be extended for three (3) terms of five (5) years each ending February 28, 2009 and February 28, 2014 and February 28, 2019.
 - 2. Monthly rent shall be \$2,800.00 and will be adjusted annually during the primary and extension terms of lease according to changes in the Consumer Price Index. (City Council)

Motion to approve Ordinance #99-R-053.

Moved : Cm. Bruni

Second: Cm. Guerra

For: 7

Against: 0

Abstain: 0

- 99-O-054 Ordinance authorizing the City Manager to execute a lease agreement between the City of Laredo (Airport

99-O-061 Ordinance amending the City of Laredo's 1998-1999 annual budget in the amount of \$50,392 for funding of the Multi-Agency Major Organization Investigation Task Force for the period of January 1, 1999 through December 31, 1999. (City Council)

Motion to approve Ordinance #99-R-061.

Moved : Cm. Bruni
Second: Cm. Guerra
For: 7 Against: 0 Abstain: 0

99-O-062 Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 1, 2 and 3, Block 1, Ponderosa Industrial Park, Unit IV, located at the north end of **OWK** Dr., from R-1 (Single Family Residential District) to M-1 (Light Manufacturing District). (Louis H. Bruni)

Motion to approve Ordinance #99-R-062.

Moved : Cm. Bruni
Second: Cm. Guerra
For: 7 Against: 0 Abstain: 0

99-O-063 Ordinance amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 1 and 2, Block 1, Ponderosa Industrial Park, Unit V, located at the north end of Tex-Mex Dr., from R-1 (Single Family Residential District) to M-1 (Light Manufacturing District). (Louis H. Bruni)

Motion to approve Ordinance #99-R-063.

Moved : Cm. Bruni
Second: Cm. Guerra
For: 7 Against: 0 Abstain: 0

VII. RESOLUTIONS

6. 99-R-015 Requesting assistance from Texas and United States Congressional Representatives to take action regarding the downturn of the Oil and Gas Industry in Webb and surrounding counties and to develop a program to address this crisis.

Motion to approve Resolution #99-R-015.

all property in the City is \$4,765,987,974; however, government owned properties, churches, properties exempt by state law, etc. are exempted. Many people over 65 years old own homes of less than \$25,000, but we only exempt up to the value of the property. There are currently 6,000 families on the over 65 years old exemption that have a \$25,000 property valuation, and approximately \$775,000 have been lost here. So, granting an additional \$5,000 exemption will result in approximately \$877,000; that is about \$100,000 more. The higher the exemption, the higher the number of exempt properties. However, we can look at the growth of our tax base. On the last time that the exemption was increased, we didn't need to adjust the rate because the overall growth of the tax base was more than what we took off.

Mayor Flores thinks that the City of Laredo can absorb the additional \$100,000. This will allow citizens over 65 years old, usually on a fixed income, to keep some additional money in their pockets.

Council agreed to entertain only the exemption increase from \$25,000 to \$30,000 for citizens over 65; therefore, the \$5,000 homestead exemption will not be considered at this time.

Motion to approve.

Moved : Cm. Bruni

Second: Cw. Montalvo

For: 7

Against: 0

Abstain: 0

IX. STAFF REPORTS

17. Presentation of the 1997-98 Comprehensive Annual Financial Report (CAFR) prepared by the City of Laredo's Financial Services Department and audited by the independent audit firm of Baum & Mejia CPA's.

Clayton Baum and Raul Garza, from Baum & Mejia CPA's, came before Council. Mr. Garza gave a report to Council.

Cm. Guerra reported that the Audit Committee held a meeting, earlier this afternoon, with the auditors from Baum & Mejia who answered the questions to the Committee's satisfaction. Cw. Moreno was the chair person, and Cm. Valdez and himself attended the meeting.

Cw. Moreno informed that issues pertaining to the increasing

unfunded liability and the retirement plan were discussed. Another issue discussed was the review valuations of the general fixed assets in which the auditors explained that an adjustment needs to be made. On another issue, Cw. Moreno wants to hear from staff within 1-2 months on the repeated and current management points because, although, the repeated points may not be significant in the total picture, she feels that they need to be addressed.

Conrado Hein, Finance Director, said that he has had extensive discussions with Mr. Baum regarding the repeated and current management points. Mr. Hein believes that because the City has 1800 to 2000 employees there is room for; some things are unavoidable.

Mr. Baum replied that during the past year, his firm found significant improvements and efforts made by staff. In fact, this was mentioned on their report.

Florencio Pena, City Manager, stated that the auditors have an unqualified statement on the City's financial conditions as well as on the adequacy of the controls that the City has in place.

Mr. Baum concluded by stating that the three audit reports are unqualified opinions. The best opinion that any outside auditor can give in the management letter is an attempt to point out some areas that might need some improvements. Nothing was found on the reports, financial statements, or on the City's internal control system that would cause the auditing firm to take an exception. He added that the big picture is very positive.

18. Presentation with discussion and consideration of action regarding the Paseo del Antiguo Laredo Pedestrian Facility design.

Keith Selman, Planning Director, reported that an application for an enhancement grant to renovate downtown Laredo sidewalks and improve pedestrian accessibility was made to ISTEPA. The grant was awarded through TXDOT and supplemental funding for the project will come from CDBG. At the present time the design is about wrapped up and the specs are 50% completed.

David Sprinkle, with Sprinkle-Robey Architects from San Antonio and in association with Sherffey Engineering, showed the design and gave a detailed presentation to Council. He informed that the material for the sidewalks will be stained concrete.

19. Status report on the City of Laredo's State Legislative Plan, with possible action.

Larry Dovalina, Assistant City Manager, reported that in order to procure a point of contact between our lobbyists and staff, staff members formed a committee to monitor bills on particular areas. In this way, staff will quickly contact Council on issues of particular importance. He mentioned that we have been getting all sorts of bills since late November. The bills were distributed among staff members, and then bill categories in which staff members indicate if we should support a bill, endorse a bill, whether we are neutral on a position or have no position, or if we should oppose a bill, were set up. A report on these categories was provided to Council for their review. And, because March 30, 1999 is the last day to file any bill, this item will be on the next agenda for Council's action.

Mayor Flores wanted to know what would be next action after Council reviews staff members's recommendations on the bills. For instance, would the action be to actually go and endorse a bill either by letter or by presentation. Also, the same question is raised for the opposition of a bill.

Mr. Dovalina replied that in most cases, a letter with the legislative proposal will be written. Then the letter will be given to our lobbyists, who in turn will shop our position with the different members who have bills impacted by whatever decision the council makes. In some cases depending on the severity or importance of a bill, we may bring independent resolutions, like taking a position on a particular bill or asking that certain amendments be attached to certain bills, to be adopted by the Council.

Mayor Flores wants Mr. Dovalina to bring a summary of the discussion held with Mr. Mario Martinez, as well as the discussion that we had with Ms. Andrea McWilliams, on the next time this item comes back. She wants to make sure that there is some focus on the issues that are important to this Council.

X. COMMUNICATIONS

- a) Cm. Bruni requested a moment of silence for Ms. Cristina Garcia, daughter of Mr. and Mrs. Julio Garcia, who passed away two days ago.

- b) Mr. Jesus Ponce talked about a recent article on the newspaper regarding the colonias.
- c) Mr. Juan Carmona wanted to know what is being done to clean up Jarvis Plaza; he was speaking about the retired guys that, at the beginning of each month, spend their checks on all the females. He also asked if the City, at least once a month, could clean up under the overpasses.

XI. CITY COUNCIL PRESENTATION AND DISCUSSION

20. Requests by Mayor and City Council members for presentation and discussion.

A. Request by Council member Alfredo Agredano

- 1. Confirmation of appointee, Nick Link to the Citizens Environmental Committee.

Motion to confirm appointee, Nick Link to the Citizens Environmental Committee.

Moved : Cm. Bruni

Second: Cm. Galo

For: 7

Against: 0

Abstain: 0

B. Request by Council member Cecilia May Moreno

- 1. Confirmation of appointee, Belinda Lozano to the Citizens Environmental Committee.

Motion to confirm appointee, Belinda Lozano to the Citizens Environmental Committee.

Moved : Cm. Galo

Second: Cm. Bruni

For: 7

Against: 0

Abstain: 0

C. Request by Council member Consuelo "Chelo" Montalvo

- 1. Presentation by Sharon Cruz, Caminos Del Rio, on proposed geological study, with possible action.

Sharon Cruz, from Caminos Del Rio, stated that it is very important for the City of Laredo to get into the birding enterprise just because it is there, it is available and it is a money generator. In order to move ahead with this

project, the U.S. Geological Survey needs to perform birding studies. The nesting surveys need to take place in the beginning of March in order to identify which birds nest in this area, which birds live here year round, and which birds visit here. This will provide us information on what we will be promoting.

She added that \$10,000 are needed for this year's study, and the quicker the study is done, the quicker we will get into the birding enterprise. The sites that have been pinpointed for the study include the gravel pits area out on the river; the lake area; Zacate Creek, and Manadas Creek. The first two areas can be accessed more rapidly than the creek areas, but the creek areas are possible park areas that the City may look into. Providing recommendations and ideas to Council of what can be done to get the area ready for birding is part of the study.

Don Railey, Laredo Convention and Visitors Bureau (LCVB) Director, supports the birding industry because it can be used as an attraction to bring more visitors to this part of the State. He informed Council that there is a line item in the budget identified as non-allocated funds that can be used for this purpose.

Motion to approve the allocation of \$10,000 for Birding Studies from CVB Budget to Caminos Del Rio.

Moved : Cw. Montalvo

Second: Cm. Valdez

For: 7

Against: 0

Abstain: 0

Note: At this point Mayor Flores requested items #2 and #30 to be moved up.

2. Status report on the proposed River Road.

Florencio Pena, City Manager, reported that 1998 flood damaged the road in two specific areas. One of the areas is near the bend, right past the Tex-Mex railroad, where a sink hole was formed. There is another sink hole further up close to LCC. He had a discussion with Mr. Oscar Garza and other members of the Border Patrol who indicated that plans are underway to have the Military repair those areas during April. They also suggested that, for a more long-term solutions and/or improvements to that road, we may need to meet with officials in

Washington, D.C.

- 3. Presentation by Jesus Hernandez on the status of veteran's meals from The Laredo Regional Food Bank, with possible action.

Motion to table this item for the next meeting.

Moved : Cw. Montalvo
 Second: Cm. Bruni
 For: 7

Against: 0 Abstain: 0

XII. PUBLIC HEARINGS

- 21. Public hearing concerning application by Felix De Leon amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 5, 6, and 7, Block 1005, Eastern Division, located at 1800 Ligarde St., from B-1 (Limited Business District) to B-3 (Community Business District). The Planning and Zoning Commission recommends approval of this item.

INTRODUCTION OF AN ORDINANCE

Amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 5, 6, and 7, Block 1005, Eastern Division, located at 1800 Ligarde St., from B-1 (Limited Business District) to B-3 (Community Business District).

Motion to open the public hearing.

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

Against: 0 Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

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

Against: 0 Abstain: 0

Ordinance Introduction: Cm. Agredano

- 22. Public hearing concerning application by Paul Young, amending the Zoning Ordinance (Map) of the City of Laredo by rezoning 2.730 acres, as further described by metes and bounds, located south of SH 59 within the Paul Young Auto Mall, from R-1

at no cost to the City. Funds will be used to pay for personnel salaries, travel and operational expenses beginning January 1, 1999 through December 31, 1999.

INTRODUCTION OF AN ORDINANCE

Ordinance amending the City of Laredo's 1998-1999 Annual Budget in the amount of \$411,598 to fund the Financial Disruption Task Force. The National Drug Control Policy (HIDTA) High Intensity Drug Trafficking Area is funding the operation at no cost to the City. Funds will be used to pay for personnel salaries, travel and operational expenses beginning January 1, 1999 through December 31, 1999.

Motion to open the public hearing.

Moved : Cm. Agredano

Second: Cm. Galo

For: 7

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved : Cm. Galo

Second: Cm. Bruni

For: 9

Against: 0

Abstain: 0

Ordinance Introduction: City Council

29. Public hearing amending the City of Laredo's 1998-1999 annual budget in the amount of \$70,105 for the Multi-Agency narcotic Task Force. Funding is available from the opening balance of the Narcotic Task Force Division and will be used to pay overtime for the second quarter of this fiscal year. Grant period is from June 1, 1998 through May 31, 1999.

INTRODUCTION OF AN ORDINANCE

Ordinance amending the City of Laredo's 1998-1999 annual budget in the amount of \$70,105 for the Multi-Agency narcotic Task Force. Funding is available from the opening balance of the Narcotic Task Force Division and will be used to pay overtime for the second quarter of this fiscal year. Grant period is from June 1, 1998 through May 31, 1999.

Motion to open the public hearing.

Moved : Cm. Galo

Second: Cw. Moreno
For: 7

Against: 0

Abstain: 0

There was no public input.

Motion to close the public hearing and introduce.

Moved : Cw. Montalvo
Second: Cm. Agredano
For: 7

Against: 0

Abstain: 0

Ordinance Introduction: City Council

30. Public hearing and consideration of an appeal of an order of the Historic/Landmark Board regarding demolition of all structures except for the carriage house and installation of parking lot and landscaping at:
Location: Lots 4, 5, 6, and 7, Block 44WD
Commonly known as: 802 Hidalgo, 804 Hidalgo, 805 Farragut
Petitioner: Laredo National Bank.
Old Mercado Historic District.

Motion to open the public hearing.

Moved : Cm. Bruni
Second: Cm. Valdez
For: 7

Against: 0

Abstain: 0

Nina Nixon made the presentation before the Council. On April 1998, Mr. J.C. Trevino, Attorney representing Laredo National Bank (LNB) stated that the bank was going to close on the property. The Historic District/Landmarks Board advised him that the property was within the Old Mercado Historic District, and that such building was historic. He was also advised about the carriage house located on that site; however, on the summer of 1998, LNB demolished the back section of 805 Farragut without the Historic District review and without a demolition permit. The Building Department placed a stop work order on August 6, 1998, and then the case came for the Historic District/Landmark Board on November 19, 1998. At that time the board did approved partially LNB's request. The board gave its approval to demolish a modern warehouse structure at the corner of 802 Hidalgo. In addition, the board approved the demolition of a late Victorian structure located at 804 Hidalgo, that due to its modification during the 1970's, lost its historic integrity. But the board denied the demolition of the structure located at 805 Farragut, which includes a late Victorian transitional house with its perimeter wall, almost

100 years old, and its carriage house. However, on December 16, 1998, LNB demolished a large section of the historic wall without the required permit and violating the Historic Code of Ordinance.

The bank is appealing the order of the Historic Board to demolish the property and to preserve the carriage house only. The bank indicates that because repairs were made to the property between 1916 and 1925, the property is less significant; on the contrary, the board considers the changes to be historic. The two levels of significance are either architectural or historic. And based on its historic significance, this property may be eligible for the National Register of Historic Places because it served as the residence of Dr. Juan F. De La Garza who served as Mayor of Nuevo Laredo for over 9 years. Around the turn of the Century, this man was a prominent, devoted civic leader, and very active in the medical community. He was a reformer in Nuevo Laredo who migrated during the Mexican Revolution.

Jose Trevino, III, Attorney representing LNB, explained that the perimeter wall was already leaning against one of the structures approved to be demolished. When the contractor was working on that structure, the wall fell down; thus it was done unintentionally. Regarding the back part of the building that was demolished, he stated that Ms. Mendez had pointed that it was not part of the original building and it could be demolished.

Mr. Trevino emphasized that this is an appeal for the Historic Landmark's decision to deny the demolition of this building. Even though the building is listed as having historic significance, it is not designated as a landmark, yet its primary significance is that it is old. He pointed that the building has many interior and exterior deficiencies; in fact, the City's building inspector reported that he would not approve any renovation unless these items are totally cured. It has been estimated that it would cost approximately \$250,000 to bring the building back to standards. Although cost alone shouldn't be an issue on whether or not granting a demolition permit on a building that may be considered as historical significance, we need to consider everything else. The building was vacant for a long time, and it even had a fire. It has major foundation and roof problems among other deficiencies. It has also been a haven for vagrants, and lately served as a bar. The building produces conditions that are not in the best interest to the health, safety, or welfare of the citizens of Laredo.

He added that LNB's plans for demolishing the building will enhance the property around it. The bank proposes to save an oak tree that is damaging the building's foundation because if the building stays, the tree goes. Also, the bank wants to bring the carriage house back to its old glory, perhaps putting a carriage, and turn it into an attraction. The property will be used as a parking lot which will take employees's vehicles off the street, therefore, improving the City's parking. If needed, since Dr. De La Garza was a prominent citizen of Nuevo Laredo, LNB may erect a nice plaque showing the historical value of where his residence used to be and make it part of the carriage house. Finally, Mr. Trevino stated that cost wise it is not possible to renovate and restore that house the way the Landmark Board would like it to be done. Furthermore, the building is unsafe and has many problems; therefore, the bank is asking the City Council to consider granting the demolition permit.

Margarita Araiza, from Webb County Heritage Foundation, reported that many people come before the Landmark Board on a monthly basis with petitions for changes to historic structures, and most of these people are willing to comply with the urban guidelines designed for the Historic District. Even though it represents a cost to these people, they do it because they respect and recognize the importance of maintaining the integrity of our Historic District. Ms. Araiza urged Council not to begin a selective enforcement process of these guidelines by exempting certain businesses or entities from the same rules that everybody else in the community follows. This building happens to be important both historically and architecturally. She asked Council to lead by example and to show to the community how they are to lead this City into the next century. Are we serious about preserving our historic district, or are we going to sort of pick and choose depending on the applicant.

Mr. Jesus Ponce spoke against the demolition of the building.

Cm. Bruni questioned the historical value of the building and stated that Council should look at every appeal case on an individual basis.

Motion to close the public hearing and allow the demolition of the building at 805 Farragut, but exclude the two-story carriage structure.

Moved : Cm. Bruni

Second: Cw. Montalvo
For: 7

Against: 0

Abstain: 0

Note:

At this point the meeting took the regular order of business.

XIII. MOTION TO RECESS AND CONVENE AS THE LAREDO MASS TRANSIT BOARD

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

Moved : Cm. Galo
Second: Cm. Guerra
For: 7

Against: 0

Abstain: 0

- 31. Public hearing to realign the #3 Convent bus route to serve the New Mercy Hospital complex and to permanently implement the #6 Cedar bus re-route instead of restoring to its original, due to new ridership that has been established as a result of the re-route, necessitated by the Saunders Street Reconstruction Project.

Motion to open the public hearing.

Moved : Cw. Montalvo
Second: Cm. Agredano
For: 7

Against: 0

Abstain: 0

MOTION

Motion to realign the #3 Convent bus route to serve the New Mercy Hospital complex and to permanently implement the #6 Cedar bus re-route instead of restoring to its original, due to new ridership that has been established as a result of the re-route, necessitated by the Saunders Street Reconstruction Project.

There was no public input.

Motion to approve and close the public hearing.

Moved : Cm. Galo
Second: Cm. Bruni
For: 7

Against: 0

Abstain: 0

XIII. ADJOURNMENT


Motion to adjourn.

Adjournment time: 7:45 p.m.

Moved : Cm. Galo
Second: Cw. Montalvo
For: 7

Against: 0 Abstain: 0

I hereby certify that the above minutes contained in pages 01 to 25 are true, complete, and correct proceedings of the City Council Meeting held on the 22nd day of February, 1999. A certified copy is on file at the City Secretary's Office.



Gustavo Guevara, Jr.
City Secretary

Minutes approved on: March 15, 1999