



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

City Council

Tuesday, October 15, 2019

11:30 AM

Council Chambers

Addendums may be added on Friday.

A. Mayor Joe McComb to call the meeting to order.

Mayor McComb called the meeting to order at 11:32 a.m.

B. Invocation to be given by Deacon Michael Mantz, Diocese of Corpus Christi.

Deacon Michael Mantz gave the invocation.

C. Pledge of Allegiance to the Flag of the United States and to the Texas Flag led by Gina Sanchez, Marina Superintendent.

Mrs. Gina Sanchez led the Pledge of Allegiance to the flag of the United States and the Texas Flag.

D. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers:

City Manager Peter Zaroni, City Attorney Miles K. Risley, and City Secretary Rebecca L. Huerta.

Present: 9 - Mayor Joe McComb, Council Member Roland Barrera, Council Member Rudy Garza, Council Member Paulette Guajardo, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Ben Molina, Council Member Everett Roy, and Council Member Greg Smith

E. Proclamations / Commendations

1. Proclamation declaring October 14, 2019, "Indigenous Peoples Day".
Proclamation declaring October 15, 2019, "HELP Hits the High Notes Day".
Proclamation declaring October 25, 2019, "Celebration of Family: Honoring 2019 Four-Star Parents".
Proclamation declaring October 18-20, 2019, "59th Annual Texas Jazz Festival Days".
Proclamation declaring October 20-26, 2019, "2019 National Pro Bono Week".

Proclamation declaring October 15 to November 15, 2019, "Deepavali Celebration Month".

Swearing-In Ceremony for Newly Appointed Board, Commission, Committee and Corporation Members.

The Proclamations were presented and the Swearing-In Ceremony was conducted.

- F. PUBLIC COMMENT - APPROXIMATELY 12:00 P.M.** If you choose to speak during this public comment period regarding an item on the agenda, you may do so. You will not be allowed to speak again, however, when the Council is considering the item. Citizen comments are limited to three minutes. If you have a petition or other information pertaining to your subject, please present it to the City Secretary. Any electronic media (e.g. CD, DVD, flash drive) that the Public would like to use while they speak **MUST** be submitted a minimum of 24 hours prior to the Meeting. Please contact the Communication department at 361-826-3211 to coordinate. This is a public hearing for all items on this agenda.

Jack Gordy, 4118 Bray Dr., spoke regarding violations of federal, state and local law regarding signs in rights-of-way. C. J. Johnson, 509 S. Carancahua St., spoke regarding shootings in relation to mental health issues. Susie Luna Saldana, 4710 Hakel, extended an invitation to LULAC's Freedom March, taking place in Corpus Christi today. Debbie Lindsey Opel, 700 Everhart Rd., spoke regarding the North Beach Task Force and investment in North Beach. Marsha Williams, 6006 Strasbourg Dr., spoke in support of development on North Beach. Gloria Scott, 4422 S. Alameda St., spoke regarding the reconsideration of a recently enacted ordinance relating to Blucher Park. Taylor Aldridge, 4825 Everhart Rd., #23, with the Corpus Christi Association of Realtors, spoke in support of collection of hotel occupancy taxes by short-term rental providers.

Q. EXECUTIVE SESSION: (ITEM 35)

Mayor McComb deviated from the agenda and referred to Executive Session Item 35. The Council went into executive session at 12:29 p.m. The Council returned from executive session at 12:41 p.m.

- 35. Executive Session pursuant to Texas Government Code § 551.071** and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to collective bargaining matters in the Agreement with the Corpus Christi Police Officers' Association, including, but not limited to, potential approval of a collective bargaining agreement with said association.

The Council considered the following motion: Motion authorizing the City Manager to execute a collective bargaining agreement with the Corpus Christi Police Officers' Association for wages, benefits, and working conditions, as distributed to the City Council, with changes to form as approved by the City Attorney.

Council Member Hernandez made a motion to approve the Motion, seconded by Council Member Smith.

Council members thanked City staff and the Corpus Christi Police Officers' Association and recognized the negotiating teams for each; discussed the term of the agreement; and the "record time" in which an agreement was reached.

Mayor McComb called for comments from the public. There were no comments from the public.

The Motion passed by the following vote:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

Enactment No: M2019-174

G. CITY MANAGER'S COMMENTS / UPDATE ON CITY OPERATIONS:

Mayor McComb referred to City Manager's Comments. City Manager Peter Zanoni reported on the following topics:

a. OTHER

1) City Manager Zanoni participated in a meeting with the Port of Corpus Christi Authority (POCCA) regarding residents that remain in the Hillcrest area; how to move forward in the area; coordination of coverage in the area by the Corpus Christi Police Department and the POCCA's police department; and repair of street lights out in the area. 2) City Manager Zanoni provided an update on the Developer Trust Fund, including the need for additional time to address related concerns. 3) City Manager Zanoni recognized that October is breast cancer awareness month; that the City of Corpus Christi is participating in the related awareness campaign; and that the City will participate in the City's Making Strides of Corpus Christi Walk this weekend. 4) City Manager Zanoni recognized the Corpus Christi Police Athletic League for its efforts related to at-risk youth, including a recent fund raiser. 5) City Manager Zanoni reminded everyone that the Ice Rays and Texas A&M University Basketball seasons are underway at the American Bank Center.

H. MINUTES:

2. ~~Regular Meetings of September 24, 2019 and October 1, 2019.~~

This item will be considered on a future agenda.

The Minutes were withdrawn.

I. BOARD & COMMITTEE APPOINTMENTS: (NONE)

J. EXPLANATION OF COUNCIL ACTION:

Mayor McComb referred to Item J.

Mayor McComb stated that the Flour Bluff Independent School District (FBISD), which opposed the proposed change of zoning, sent a letter to the City Manager indicating FBISD may consider another zoning designation.

Mayor McComb made a motion to reconsider Item 20, 19-1100, from the October 1, 2019 City Council agenda, Zoning Case No. 0719-09 B&A Terra Firma Development, LLC: Ordinance rezoning property at or near 2110 Laguna Shores Road from the "RE" Residential Estate District to the "RS-6" Single-Family 6 District, seconded by Council Member Hunter and passed unanimously.

Mayor McComb made a motion to table Item 20, 19-1100, from the October 1, 2019 City Council agenda, Zoning Case No. 0719-09 B&A Terra Firma Development, LLC: Ordinance rezoning property at or near 2110 Laguna Shores Road from the "RE" Residential Estate District to the "RS-6" Single-Family 6 District, to the next regular Council meeting of October 29, 2019, seconded by Council Member Molina and passed unanimously.

K. CONSENT AGENDA: (ITEMS 3 - 25)

Second Reading Ordinances - Consent

Approval of the Consent Agenda

Mayor McComb referred to the Consent Agenda.

Staff withdrew Item 9. Council members requested that Items 10, 11, 16, 18 and 24 be pulled for individual consideration. City Secretary Rebecca Huerta announced that Council Member Smith would abstain from Item 12, Council Member Molina would abstain from Items 15 and 18 and Mayor McComb would abstain from Item 17. A member of the public requested that Item 24 be pulled for individual consideration.

A motion was made by Council Member Garza, to approve Consent Agenda Items 3 - 8, 13 - 14, 19 - 23, and 25, seconded by Council Member Guajardo. These consent agenda items were passed and approved by one vote as follows:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

3. Ordinance amending the Unified Development Code pursuant to the annual review process to only require a Certificate of Appropriateness if modifications are occurring to the exterior of a building that is designated a historic landmark; and providing for penalty.

This Ordinance was passed on second reading on the consent agenda.

Enactment No: 031898

4. Ordinance amending Corpus Christi Code to adopt the 2018 International Swimming Pool and Spa Code, to amend swimming pool standards, to amend the definition of industrialized housing, and to modify affirmative defense for lemonade stand permitting; and providing for penalty.

This Ordinance was passed on second reading on the consent agenda.

Enactment No: 031899

5. Ordinance amending Chapter 14 of Corpus Christi Code to create a fee waiver for residential building permits to construct an accessibility ramp and to reduce permit fees for moving structures.

This Ordinance was passed on second reading on the consent agenda.

Enactment No: 031900

6. Ordinance approving the continued receipt of bingo prize fees; authorizing notification of the Texas Lottery Commission of such approval; and amending the Corpus Christi Code to add Section Sec. 17-43 Bingo Prize Fee.

This Ordinance was passed on second reading on the consent agenda.

Enactment No: 031901

7. Ordinance approving the sale of lot of approximately 0.391 acres at or near 6099 Ennis Joslin Road for the highest cash offer received by real estate broker of \$75,000 to Corpus Christi Pregnancy Center, Inc., a Texas Nonprofit Corporation

This Ordinance was passed on second reading on the consent agenda.

Enactment No: 031902

Contracts and Procurement - Consent

8. Motion approving a three-year service agreement in an amount not to exceed \$3,659,703.30 with Sec Ops, Inc., of Corpus Christi, Texas, to provide onsite armed and unarmed uniformed security guard services at 11 City facilities, effective upon notice to proceed, with first-year funding in the amount of \$1,046,994.76 available through the Water Fund, Airport Fund, General Fund and Asset Management-Facility Fund.

This Motion was passed on the consent agenda.

Enactment No: M2019-160

9. Motion authorizing a three-year service agreement with David Aaron Alvarez dba Cut Masters Lawn Service, for mowing and grounds

maintenance services of street rights-of-way, circles and medians for Storm Water Group 5A located on Saratoga, Crosstown, Staples, Weber and Ayers, for a total amount not to exceed \$410,482.80, effective upon issuance of notice to proceed, with the first-year funding in the amount of \$136,827.60 through the FY 2020 Storm Water Fund.

This Motion was withdrawn.

- 10.** Resolution authorizing a five-year service agreement with Cummins Southern Plains, LLC dba Cummins Sales and Service of Arlington, Texas, for a total amount not to exceed \$296,755.00, for preventative maintenance and purchase of parts for the five Cummins emergency generator sets located at O.N. Stevens Water Treatment Plant and Sand Dollar Pump Station, effective upon issuance of notice to proceed, with the first-year funding in the amount of \$59,351.00 available through the Water Fund.

Mayor McComb referred to Item 10.

A council member, Director of Water Utilities Kevin Norton, Executive Director of Utilities Dan Grimsbo and Interim Director of IT Peter Collins discussed the following topics: if the generators are in/will be entered into Maximo to track maintenance; the reason a qualified contractor is needed to maintain the pumps; the purpose of the pumps; asset life cycle management; and the City maintaining a historical record of maintenance performed.

There were no comments from the public.

Council Member Hernandez made a motion to approve the resolution, seconded by Council Member Hunter. This Resolution was passed and approved with the following vote:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

Enactment No: 031903

- 11.** Motion authorizing a three-year service agreement with Odessa Pumps and Equipment, Inc., of Houston, Texas, for on-call pump repair services of 144 pumps located at wastewater and storm water facilities, in an annual amount not to exceed \$276,900 with the total contract amount not to exceed \$844,200.00, effective upon issuance of notice to proceed, with funding available in the Wastewater and Storm Water Funds.

Mayor McComb referred to Item 11.

A council member, Director of Water Utilities Kevin Norton, Executive Director of Utilities Dan Grimsbo, and Interim Director of IT Peter Collins discussed the following topics: if the pumps are/will be entered into Maximo to track maintenance; the reason a contractor is need to perform maintenance; the size

of the pumps; documenting maintenance in Maximo; and a request for a report when all serial numbers and other relevant data has been entered into Maximo.

There were no comments from the public.

Council Member Hernandez made a motion to approve the motion, seconded by Council Member Hunter. This Motion was passed and approved with the following vote:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

Enactment No: M2019-161

- 12.** Motion authorizing a three-year service agreement with Miller Environmental Services, LLC, of Corpus Christi, Texas, for on-call emergency spill response and remediation services for the Utilities Department in an amount not to exceed \$93,900.00, effective upon issuance of notice to proceed, with first-year funding in the amount of \$31,300.00 available in the Storm Water Fund.

Mayor McComb referred to Item 12.

There were no comments from the Council or the public.

Council Member Hernandez made a motion to approve the motion, seconded by Council Member Molina. This Motion was passed and approved with the following vote:

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina and Council Member Roy

Abstained: 1 - Council Member Smith

Enactment No: M2019-162

- 13.** Resolution authorizing a two-year supply agreement with Pencco, Inc., of San Felipe, Texas, for the purchase of fluoride to be used during the water treatment process, for a total amount not to exceed \$388,800.00, effective upon issuance of notice to proceed and funded through the Water Fund.

This Resolution was passed on the consent agenda.

Enactment No: 031904

- 14.** Motion authorizing a three-year supply agreement with Gulf Coast Paper Co., of Corpus Christi, Texas, for the purchase of paper goods and janitorial supplies for the City Warehouse as a central distribution for City departments, for a total amount not to exceed \$750,000.00, effective

upon issuance of notice to proceed, with first-year estimated in the amount of \$250,000.00 with funding available through the Stores Fund.

This Motion was passed on the consent agenda.

Enactment No: M2019-163

15.

Motion authorizing a two-year service agreement with three one-year options, in an amount not to exceed \$2,000,000.00 for the initial term and a total potential value not to exceed \$5,000,000.00, with South Texas Metal Roofing, of Corpus Christi, Texas, to perform on-call roof repair services to City owned facilities, effective upon issuance of a notice to proceed, with the first-year funding available through various departments' FY 2020 funds.

Mayor McComb referred to Item 15.

There were no comments from the Council or the public.

Council Member Hernandez made a motion to approve the motion, seconded by Council Member Garza. This Motion was passed and approved with the following vote:

Aye: 7 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter and Council Member Roy

Absent: 1 - Council Member Smith

Abstained: 1 - Council Member Molina

Enactment No: M2019-164

16.

Motion authorizing a two-year service agreement, with three one-year options, in an amount not to exceed \$1,000,000.00 for the initial term, and a total potential value not to exceed \$2,500,000.00, with G6 Construction, of Corpus Christi, Texas, to perform on-call building maintenance and repair services to City owned facilities, effective upon issuance of notice to proceed, with the first-year funding available through various departments' FY 2020 funds.

Mayor McComb referred to Item 16.

Director of Asset Management Jim Davis stated that the purpose of this Item is improve City buildings, in their material condition and appearance, via a comprehensive building enhancement program that will address improvements, appearances and preventive maintenance, including the City Hall building and campus.

A council member, Director Davis and Director of Contracts and Procurements Kim Baker discussed if projects, undertaken through this contract, exceeding \$50,000 are required to be presented to Council for review and approval; and the value of individual projects, undertaken through this contract, in relation to the contract's total not-to-exceed value.

There were no comments from the public.

Council Member Smith made a motion to approve the motion, seconded by Council Member Molina. This Motion was passed and approved with the following vote:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

Enactment No: M2019-165

17.

Motion authorizing a two-year service agreement with Advance Paving and Construction to provide on-call moving and relocation services for a total amount not to exceed \$150,000.00, with options to extend for up to three additional one-year periods at \$75,000.00 per option year, for a total amount not to exceed \$375,000.00, upon issuance of notice to proceed, with funding available in the Facility and Property Management Fund.

Mayor McComb referred to Item 17. There were no comments from the Council or the public.

Council Member Hunter made a motion to approve the motion, seconded by Council Member Molina. This Motion was passed and approved with the following vote:

Aye: 8 - Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 1 - Mayor McComb

Enactment No: M2019-166

18.

Motion authorizing a two-year service agreement with STBP, Inc. for door repair services for City owned facilities, for an amount not to exceed \$150,000.00, with three additional one-year option years for a potential total amount not to exceed \$375,000.00, effective upon issuance of a notice to proceed, with the first-year funded through the Facility and Property Management Fund.

Mayor McComb referred to Item 18. There were no comments from the Council or the public.

Council Member Smith made a motion to approve the motion, seconded by Council Member Hunter. This Motion was passed and approved with the following vote:

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Roy and Council Member Smith

Abstained: 1 - Council Member Molina

Enactment No: M2019-167

Capital Projects - Consent

- 19.** Motion awarding a contract to Govind Development, LLC, to design levee improvements for the Salt Flats Levee Improvements project, located in City Council District 1, in the amount of \$267,470, to begin upon issuance of notice to proceed, with funds available in the Type A Seawall fund.

This Motion was passed on the consent agenda.

Enactment No: M2019-168

- 20.** Motion awarding a contract to LNV, Inc., for the design of roadway and utility improvements on Gollihar Road from Greenwood Drive to Crosstown Expressway, in City Council District 3, in the amount of \$568,065, effective upon issuance of notice to proceed, with funding available from Bond 2018, Proposition A and Utility Capital Program funds.

This Motion was passed on the consent agenda.

Enactment No: M2019-169

- 21.** Motion awarding an engineering contract in the amount of \$376,055 to Urban Engineering for developing bid documents for reconstruction of Junior Beck Drive from Bear Lane to the Dead End and for the extension of Jr. Beck Drive to Old Brownsville Road, to be bid as an additive alternate. The project is in District 3, the contract will begin upon notice to proceed, and funding is available from Street Bond 2018, Proposition B and Utility Capital Improvement Budgets.

This Motion was passed on the consent agenda.

Enactment No: M2019-170

- 22.** Motion awarding a contract to Munoz Engineering for design, bid, and construction phase services for reconstruction of Callicoatte Road from IH37 to Up-River Road in the amount of \$154,712.05, located in City Council District 1, effective upon issuance of Notice to Proceed, with funds approved and available in Bond 2018 and Utility Capital Improvement Funds.

This Motion was passed on the consent agenda.

Enactment No: M2019-171

General Consent Items

23. Motion authorizing the execution of voluntary collection agreements with Airbnb, Inc., HomeAway.com, Inc., and other entities to provide for the reporting, collection, and remittance of hotel occupancy taxes to the City.

This Motion was passed on the consent agenda.

Enactment No: M2019-172

24. Motion authorizing a Management Services Agreement with the Corpus Christi Area Convention and Visitors Bureau for a period ending September 30, 2024 in an amount totaling 44% of the City's 7% portion of Hotel Occupancy Tax revenue and approving the bylaws.

Mayor McComb referred to Item 24.

Mayor McComb called for comments from the public. James Hooper, 4810 Kerrville Dr., thanked City staff for their work on this Item; asked Council to consider a shorter contract term; and recommended approval of the agreement.

Council members, Business Liaison Arlene Medrano, City Manager Peter Zanoni, City Attorney Miles K. Risley and Interim Chief Executive Officer (CEO) of the Corpus Christi Convention and Visitors Bureau (CVB) Alyssa Barrera Mason discussed the following topics: the pros and cons of waiting to approve the agreement until after the CVB hires a new CEO; the status of whether a city council member, who serves as a voting member of the CVB's board of directors, can vote on CVB-related matters brought before the Council and that the City Attorney will provide a written response related thereto; completing a return-on-investment analysis for CVB events; a three-year agreement, with two one-year optional renewals versus a five-year agreement; the less amount of certainty a shorter term agreement provides; the term of the agreement as communicated to prospective CVB CEO candidates; the termination clause in the City's proposed agreement with the CVB; and the contract termination process and related safeguards in the agreement.

Council Member Molina made a motion to approve the motion, seconded by Council Member Smith. This Motion was passed and approved with the following vote:

Aye: 9 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Hunter, Council Member Molina, Council Member Roy and Council Member Smith

Abstained: 0

Enactment No: M2019-173

25. Resolution inviting the City of Linz, Austria to become a Sister City of the City of Corpus Christi, Texas.

This Resolution was passed on the consent agenda.

Enactment No: 031905

Q. EXECUTIVE SESSION: (ITEM 34)

Mayor McComb deviated from the agenda and referred to Executive Session Item 34. The Council went into executive session at 1:46 p.m. The Council returned from executive session at 2:25 p.m.

- 34. Executive Session pursuant to Texas Government Code § 551.071 and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to the case of *Beeville Water Supply District appeal of Raw Water Rates adopted by City of Corpus Christi* filed with the Public Utility Commission of Texas, and other lawsuits and potential lawsuits, including potential consideration of documents related to settlement of the aforementioned case, including documents involving the sale of raw water to said Water Supply District.**

This E-Session Item was discussed in executive session.

L. RECESS FOR LUNCH

The recess for lunch was held during Executive Session Item 34.

M. PUBLIC HEARINGS: (ITEMS 26 - 27)

- 26. Case No. 0819-04, Mirabal Development Group, LC (District 5). Ordinance rezoning property at or near 6805 Sandra Lane from the "RS-6" Single-Family 6 District to the "RM-1" Multifamily 1 District.**

Mayor McComb referred to Item 26.

Director of Development Services Al Raymond stated that the purpose of this Item is to rezone property at 6805 Sandra Lane from "RS-6" to "RM-1" to allow for the construction of two four-unit buildings.

Director Raymond presented information on the following topics: aerial overview; specifics regarding subject property at 6805 Sandra Lane; zoning pattern; and Planning Commission's and staff's recommendation to approve.

Council members and Director Raymond discussed the following topics: the comments on notices of opposition that were returned by the public; and if a single-family home can be constructed in the "RM-1" Multi-Family 1 District.

Mayor McComb opened the public hearing. There were no comments from the public. Mayor McComb closed the public hearing.

Council Member Hernandez made a motion to approve the ordinance, seconded by Council Member Garza. This Ordinance was passed on first reading and approved with the following vote:

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Molina, Council Member Roy and Council Member Smith

Absent: 1 - Council Member Hunter

Abstained: 0

27. ~~Ordinance pertaining to North Beach designating a 1,423-acre area within the jurisdiction of the City of Corpus Christi Tax Increment Reinvestment Zone (TIRZ) Number 4; setting a maximum City financial participation of \$20,000,000 via a scaled contribution for a period not to exceed 20 years; establishing a Board of Directors for the TIRZ; and, establishing a preliminary Project and Financing Plan.~~

This item will now be discussed on item 33 of this agenda.

This Item was withdrawn.

N. REGULAR AGENDA: (NONE)

O. FIRST READING ORDINANCES: (ITEMS 28 - 31)

28. Ordinance authorizing acceptance of a grant in the amount of \$48,889.40 grant from the State of Texas, Criminal Justice Division for Violence Against Women (VAWA) Program with a cash match of \$17,808.91 and in-kind match of \$2,160; appropriating \$48,889.40 in the Police Grants Fund; and authorizing a transfer of \$17,808.91 from the General Fund to the Police Grants Fund.

Mayor McComb referred to Items 28 - 31.

There were no comments from the Council or the public.

Council Member Molina made a motion to approve Items 28 - 31, seconded by Council Member Guajardo. These Ordinances were passed on first reading by one vote:

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Molina, Council Member Roy and Council Member Smith

Absent: 1 - Council Member Hunter

Abstained: 0

29. Ordinance authorizing the acceptance of a grant in the amount of \$40,000 from the Office of the Governor's Homeland Security Grants Division for FY2020 Local Border Security Program; and appropriating \$40,000 in Police Grants Fund.

This Ordinance was passed on first reading and approved by one vote (see Item 28).

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Molina, Council Member Roy and Council Member Smith

Absent: 1 - Council Member Hunter

Abstained: 0

- 30.** Ordinance approving the purchase of ten replacement trailers not to exceed \$153,963.00 to be used daily by the Utilities Department to transport heavy equipment to worksites from H & V Equipment Service, Inc. via the Buy Board Cooperative; appropriating \$59,180.20 from the unreserved fund balance in the Water Fund, \$70,969.00 from the unreserved fund balance in the Wastewater Fund and \$23,813.80 from the unreserved fund balance in the Storm Water Fund; and amending the FY 2019-2020 operating budget to increase expenditures.

This Ordinance was passed on first reading and approved by one vote (see Item 28).

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Molina, Council Member Roy and Council Member Smith

Absent: 1 - Council Member Hunter

Abstained: 0

- 31.** Ordinance approving the purchase of four 2019 Ford F-150 regular cab pick-up trucks in an amount not to exceed \$110,837.00 to be used by Construction Inspectors in Engineering Services from Silsbee Ford of Silsbee, Texas via the GoodBuy Purchasing Cooperative; appropriating \$110,837.00 from the unreserved fund balance in the Engineering Services; and amending the FY 2019-2020 operating budget to increase expenditures.

This Ordinance was passed on first reading and approved by one vote (see Item 28).

Aye: 8 - Mayor McComb, Council Member Barrera, Council Member Garza, Council Member Guajardo, Council Member Hernandez, Council Member Molina, Council Member Roy and Council Member Smith

Absent: 1 - Council Member Hunter

Abstained: 0

P. BRIEFINGS: (ITEMS 32 - 33)

- 32.** Utility Bills Update

Mayor McComb referred to Item 32.

Director of Water Utilities Kevin Norton presented information on the following topics: the presentation's agenda; issue: citizens inquired about "high water bills"; summary results; 103 high bill inquiries directly to Mayor, Council and City Manager; water usage audit request from July - September 2019; utility services bill; water portion of utility services bill; and an example of water usage from 7/8/19 - 10/8/19.

Assistant Director of Maintenance of Lines Wesley Nebgen presented information on the following topics: automatic meter reading (AMR); why use AMR; water usage audit procedure; quality control; meter facts; STAR database - meter readings; STAR database - sprinkler system; toilet running for 3 days at 3 gallons per minute; water accidentally left on; Hamilton Warehouse consumption example; and a video on water meters.

Director Norton reminded everyone that, as of October 14, 2019, the City's Utility Billing Office is part of the Water Utilities Department.

A council member, Executive Director of Utilities Dan Grimsbo, and Director Norton discussed changes to the wastewater portion of utility bills resulting from the change to winter quarter averaging; explaining utility bills to customers; and the date winter quarter averaging will be implemented.

33. Potential Tax Increment Reinvestment Zone on North Beach and Related Studies

Mayor McComb referred to Item 33.

Business Liaison Arlene Medrano stated that the purpose of this Item is to present information on and discuss a potential Tax Increment Reinvestment Zone on North Beach and to provide an update on related studies.

Business Liaison Medrano presented information on the following topics: City Council goal #3; North Beach background; local economic development toolbox; tax increment financing (TIF); how TIF works; procedure for creating a Tax Increment Reinvestment Zone (TIRZ); TIRZ#1 - Texas State Aquarium; TIRZ#2 - Padre Island; TIRZ#3 - Downtown; values, revenues, city contribution to date, growth of net taxable values and major projects for active city TIRZs; TIRZ on North Beach (TIRZ#4) feasibility study; TIRZ#4 financing plan; proposed TIRZ#4 on North Beach; TIRZ#4 revenue projections and City participation; TIRZ#4 and General Fund revenue; TIRZ#4 project plan proposals; TIRZ comparisons with other Texas cities; and next steps.

Director of Engineering Services Jeff Edmonds presented the breakwater study update.

Chip Urban, Urban Engineering, presented information on the following topics: North Beach drainage study update; expansion of existing system (Option 1); new open drainage ditch (Option 2); and new navigable channel (Option 3).

City Manager Peter Zanoni discussed: revenue expected from the proposed TIRZ#4; projects reimbursable through the proposed TIRZ#4; that the proposed TIRZ#4 is reimbursement based - no City monies will be spent up front; and a timeline for creation of the proposed TIRZ#4.

A council member discussed the importance of drainage improvements on North Beach.

Mayor McComb called for comments from the public.

The following members of the public spoke in favor of a potential tax increment reinvestment zone on North Beach: Sam Dalton, 8002 Villefranche Dr.; Randy Ramirez, 4925 Concord; Peter Davidson, 1525 N. Shoreline Blvd.; Irma Caballero, 4966 Oakmont Dr.; Susan Trevino, 7321 Shayan; Rene Trevino, 7321 Shayan; Shelley Kiumnow, 4242 Gulfbreeze Blvd. #704; Larry Urban, Urban Engineering; Carolyn Vaughn, Chairman of the North Beach Task Force; Robert Cagle, 6322 Grandvilliers Dr.; Jesse Gilbert, 2710 N. Shoreline Dr., Texas State Aquarium's Chief Operating Officer; Jonathan Gonzalez, 13753 Cayo Gorda Ct.; Bob Jones, 3710 Seagull Blvd.; Hank Harrison, 901 Driftwood Pl.; Sandy Powell; Carrie Robertson Meyer, 4401 Gulfbreeze Blvd., Secretary of the North Beach Community Association; Cassandra Champion, USS Lexington; Patricia Gonzalez, USS Lexington; Ron Grassman, 202 Surfside Blvd.; Robert Kymes, 6635 S. Staples St., Apt. 931; Kirk Bourland, 425 Schatzel St.; Julie Williams, 4101 Cross River Dr.; James Magill, 451 Southern St.; Mark Roach, 1833 North Padre Island Drive; Steve Banta, USS Lexington; Barbara Canales, 4920 Ocean Dr.; Chad Magill, 641 Texas Ave.; Philip Ramirez, 322 Santa Monica Pl.; Jeff Blackard, 555 N. Carancahua St., Blackard Global; Juan Olivares; David Cowing, 202 Reef Ave.; and Toni Brisco, USS Lexington.

Council members, City Manager Peter Zaroni and City Attorney Miles K. Risley discussed the following topics: options to resolve North Beach flooding; awaiting Urban Engineering's full report; accusations related to Council and City staff; the importance of communication; Council's support for upgrades and a TIRZ#4 on North Beach; the effect of development on ad valorem tax revenues; flood mitigation and economic development on North Beach; that when this item was first placed on this agenda, it was an action item, but was later changed to a briefing; the joint workshop session between the Nueces County Commissioners' Court and the City Council regarding a potential TIRZ#4 on North Beach that is planned for October 24, 2019; utilizing a canal as a form of flood control; thanks to the North Beach Task Force; Del Mar College's involvement in a potential TIRZ on North Beach; funding sources in the financing plan for drainage and a canal on North Beach; that the financing plan needs to address needs on North Beach; support for a TIRZ on North Beach; concern regarding the Council's inability to take a vote, during this meeting, on the proposed TIRZ on North Beach; that the proposed TIRZ on North Beach is not a funding source for the proposed canal; the costs of North Beach drainage options; North Beach's history; a City memorandum regarding North Beach infrastructure; the City's support for the North Beach Task Force; the City sharing information with the North Beach Task Force; the reasons for a delay in the City Council taking a vote on the proposed TIRZ on North Beach; documents provided to Urban Engineering; wastewater issues on North Beach; if a traffic study has been completed on North Beach; if the Council can vote today on the proposed TIRZ on North Beach; if a motion of direction can be voted on today relating to the proposed TIRZ on North Beach; taking a vote after the related executive session on today's agenda; legal requirements relating to conducting a public hearing regarding a vote on the creation of a TIRZ on North Beach; the purpose of a joint meeting with Nueces County Commissioners; what information, that was presented to Council today, was

new information; and a timeline for creating a TIRZ on North Beach.

MOTION OF DIRECTION

Council Member Roy made a motion directing the City Manager to follow the schedule presented to Council today in the Next Steps slide, seconded by Council Member Hunter.

Council members discussed the following additional topics: how anticipated tax revenues from the proposed TIRZ on North Beach will be spent; using monies for drainage and/or breakwater; Del Mar College's participation in the proposed TIRZ on North Beach; and the importance of the motion of direction in providing what the Council's path forward is.

The motion of direction passed unanimously.

Q. EXECUTIVE SESSION: (ITEM 36)

- 36. Executive Session pursuant to Texas Government Code § 551.071 and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to existing/potential incentive agreement(s) for development(s) on North Beach, La Vista Point, LP and/or related entities, and/or proposed Tax Increment Reinvestment Zone #4, drainage matters related thereto, and pursuant to Texas Government Code § 551.072 to discuss and deliberate the potential purchase and/or value of real property to be potentially acquired by the City or City-affiliated entities in aforesaid locations when deliberation in open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person, and pursuant to Texas Government Code § 551.087 to discuss confidential commercial or financial information pertaining to the aforesaid business prospect(s) that the City seeks to have locate, stay or expand in or near the territory of the City and with which the City may conduct economic development negotiations and/or deliberate possible economic development issues concerning said business prospect(s).**

This E-Session Item was not considered.

R. IDENTIFY COUNCIL FUTURE AGENDA ITEMS

This Item was not considered.

S. ADJOURNMENT

The meeting was adjourned at 5:24 p.m.