



Corpus Christi

1201 Leopard St
Corpus Christi, TX 78401
CCtexas.com

Meeting Minutes - Final City Council

Tuesday, May 22, 2012

12:00 PM

Council Chambers

A. Proclamations

Mayor Adame presented the following recognition:

Presentation to Mr. John Taylor's family in honor of his civic contributions and dedicated service to Corpus Christi and the Coastal Bend Community.

B. Call meeting to order.

Mayor Adame called the meeting to order.

Present: 8 - Mayor Joe Adame, Council Member Chris Adler, Council Member Kelley Allen, Council Member Larry Elizondo, Council Member Priscilla Leal, Council Member David Loeb, Council Member John Marez, and Council Member Nelda Martinez

Absent: 1 - Council Member Mark Scott

C. Invocation.

The invocation was delivered by Deacon Michael Mantz, Diocese of Corpus Christi.

D. Pledge of Allegiance.

The Pledge was led by Council Member Kelley Allen.

E. Roll call.

City Secretary Chapa verified that the necessary quorum of the council and the required Charter officers were present to conduct the meeting:

Council Members Present: Joe Adame, Chris Adler, Kelley Allen, Larry Elizondo, Priscilla Leal, David Loeb, John Marez, and Nelda Martinez

Council Members Absent: Mark Scott

Charter Officers Present: City Manager Ron Olson, City Attorney Carlos Valdez and City Secretary Armando Chapa

F. MINUTES:

1. Approval of Meeting Minutes - May 15, 2012.

A motion was made by Council Member Martinez, second by Council Member Adler to approve the minutes as presented and passed with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

G. BOARDS & COMMITTEE APPOINTMENTS: (NONE)

I. CONSENT AGENDA

Purchase of wastewater lift station replacement pumps

Mayor Adame called for consideration of the Consent Agenda, Items 2 through 4. There were no comments and the remaining items were approved by one vote:

2. Motion approving the purchase of six (6) Wastewater Lift Station Replacement Pumps from Xylem Water Solutions USA, Inc., Corpus Christi, Texas, in accordance with Bid Invitation No. BI-0058-12 based on lowest responsible bid in the amount of \$137,505.34. Funds have been budgeted by the Wastewater Department Fund in FY 2011-2012.

The foregoing motion was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: M2012-094

Approval of reimbursement agreement for proposed water improvements for proposed industrial development on Hwy 44 (Bronco Road)

3. Motion approving the Grid Main Extension Construction and Reimbursement Agreement submitted by Commercial Metals Company, owner and developer of CMC Subdivision Lot 4A, located north of Hwy. 44 (Agnes St.) on Bronco Road for the extension of an 8-inch and 12-inch grid main line, including all related appurtenances.

The foregoing motion was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: M2012-095

Ordinance appropriating \$415,070.00 from the No. 4030 Water Arterial Transmission & Grid Main Trust Fund to reimburse Commercial Metals Company, for the extension of a 12-inch grid main line, including all related appurtenances for development of CMC Subdivision Lot 4A, as specified in the Water Grid Main Line Extension Construction and Reimbursement Agreement

An emergency was declared and the foregoing ordinance was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: Ord 029483

J. EXECUTIVE SESSION:

5. Executive session pursuant to Section 551.087 of the Texas Government Code to deliberate regarding confidential commercial or financial information received from Schlitterbahn Waterpark that the City Council seeks to have locate, stay or expand within the City and with which the City is conducting economic development negotiations and to deliberate possible offers of financial or other incentives to said business prospect with possible discussion and action in open session.

City Manager Olson announced that the executive session was being withdrawn.

K. PUBLIC HEARINGS: (NONE)

Schlitterbahn project Type A agreement and appropriation of funds

Mayor Adame deviated from the agenda and referred to Item No. 11. Toby Futrell, Interim Assistant City Manager provided an overview of the Schlitterbahn Project and discussed the following: overall economic development strategy, public investment structure, proposed \$552 million private investment, and the Chapter 380 agreement framework.

Mayor Adame asked for comments from the audience and the following citizens spoke: Abel Alonzo thanked the City Manager and staff for their work on this project and stated that this is a "Community Project"; and Craig Lovington, spoke regarding a section of the agreement pertaining to using local contractors to also include health insurance, retirement, wages and

benefits.

11. Ordinance appropriating \$5,000,000 from the unreserved fund balance in the No. 1140 Business/Job Development Fund for a business incentive grant from the Corpus Christi Business and Job Development Corporation ("Type A Corporation") to North Padre Waterpark Holdings, LTD ("Schlitterbahn"), to be paid to Schlitterbahn's general partner North Padre WPH GP, LLC, of which \$2,500,000 (one-half) is to be paid upon 50% completion of the construction of the waterpark or after \$5,000,000 has been spent on infrastructure costs, whichever comes first, and \$2,500,000 (one-half) upon completion of the waterpark construction, for the creation of certain infrastructure improvements allowed under Section 501.103 of the Texas Local Government Code needed for the development of the Schlitterbahn waterpark in Corpus Christi, increased economic development and the creation and retention of jobs; Changing the FY 2011-2012 operating budget, adopted by Ordinance No. 029155, by increasing proposed expenditures by \$5,000,000; and declaring an emergency

An emergency was declared and the foregoing ordinance was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: Ord 029486

12. Resolution approving a business incentive agreement for the creation and retention of jobs between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and North Padre Waterpark Holdings, LTD ("Schlitterbahn"), which provides a grant of up to \$5,000,000, of which \$2,500,000 (one-half) is to be paid upon 50% completion of the construction of the waterpark or after \$5,000,000 has been spent on infrastructure costs, whichever comes first, and \$2,500,000 (one-half) upon completion of the waterpark construction, for the creation of certain infrastructure improvements allowed under Section 501.103 of the Texas Local Government Code needed for the development of the Schlitterbahn waterpark in Corpus Christi, increased economic development and the creation and retention of jobs, and authorizing the City Manager or designee to execute a business incentive project support agreement with the Type A Corporation regarding implementation and administration of the Schlitterbahn Business Incentive Agreement for the creation and retention of jobs

The foregoing resolution was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: Res 029487

Schlitterbahn project economic development incentive agreement

13. Resolution authorizing the City Manager or designee to execute a Chapter 380 Economic Development Incentive Agreement with Upper Padre Partners, LP, and North Padre Waterpark Holdings, LTD, ("Agreement") for certain economic development grants up to approximately \$112,116,878 to be paid to Upper Padre GP, Inc, general partner of Upper Padre Partners, LP, for development of a Schlitterbahn waterpark resort project together with certain public improvements by Upper Padre Partners, LP and North Padre Waterpark Holdings, LTD for the benefit of the City

The foregoing resolution was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: Res 029488

L. REGULAR AGENDA

Appropriation for emergency removal of storm debris

Mayor Adame asked for comments from the audience. There were no comments.

6. Ordinance appropriating \$500,000 from the unappropriated fund balance in the No. 1020 General Fund for the removal, mulching, and disposal of brush and debris which resulted from severe thunderstorms and wind that occurred May 10, 2012; changing the FY2011-12 operating budget adopted by Ordinance 029155 by increasing appropriations by \$500,000; and declaring an emergency.

An emergency was declared and the foregoing ordinance was passed and approved with the following vote:

Aye: 8 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 0

Enactment No: Ord 029484

Contracts for construction, materials testing, and professional services for Staples Street Phase 1 improvements

Mayor Adame referred to Items 7, 8 and 9. Mayor Adame asked for comments from the audience and the following citizens spoke: Eloy Salazar spoke about maintenance of city streets and in support of concrete; Rudy Garza spoke in support of concrete; and Abel Alonzo spoke in support of concrete.

A motion was made by Council Member Marez, seconded by Council Member Leal to award the Base Bid and Alternate No. 1 (concrete), and passed with the following vote: Allen, Elizondo, Leal and Marez, voting "Aye"; Adame, Adler and Martinez, voting "Nay"; Loeb abstained; and Scott was absent.

7. Motion authorizing the City Manager, or designee, to execute a Construction Contract with ReYTEC Construction Resources, Inc of Houston, Texas in the amount of \$6,530,816.95 for Staples Street Phase 1 from Brawner Parkway to Barracuda Place for Additive Alternate No. 1 (Bond 2008).

The foregoing motion was passed and approved as amended with the following vote:

Aye: 4 - Council Member Allen, Council Member Elizondo, Council Member Leal and Council Member Marez

Nay: 3 - Mayor Adame, Council Member Adler and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 1 - Council Member Loeb

Enactment No: M2012-096

Motion authorizing the City Manager, or designee, to execute a Construction Materials Testing with Tolunay-Wong Engineers, Inc of Corpus Christi, Texas in the amount of \$89,400.00 for Staples Street Phase 1 from Brawner Parkway to Barracuda Place (Bond 2008).

The foregoing motion was passed and approved with the following vote:

Aye: 4 - Council Member Allen, Council Member Elizondo, Council Member Leal and Council Member Marez

Nay: 3 - Mayor Adame, Council Member Adler and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 1 - Council Member Loeb

Enactment No: M2012-097

9. Motion authorizing the City Manager, or designee, to execute Amendment No. 7 to a Contract for Professional Services with LNV Engineering, Inc of Corpus Christi, Texas in the amount of \$98,560.00 for a restated fee of \$1,043,795.00 for Staples Street Phase 1 from Brawner Parkway to Barracuda Place for Construction Inspection Services (Bond 2008).

The foregoing motion was passed and approved with the following vote:

Aye: 5 - Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Leal and Council Member Marez

Nay: 2 - Mayor Adame and Council Member Martinez

Absent: 1 - Council Member Scott

Abstained: 1 - Council Member Loeb

Enactment No: M2012-098

Resolution regarding use of remaining proceeds from Bond 2008

Mayor Adame referred to Item No. 10. Mayor Adame asked for comments from the audience. There were no comments.

10. Resolution Supporting the Use and Commitment of Necessary Funding of any Remaining Bond 2008 - Street Proceeds to fund additional projects requested by the City Council.

The foregoing resolution was passed and approved with the following vote:

Aye: 7 - Mayor Adame, Council Member Adler, Council Member Allen, Council Member Elizondo, Council Member Loeb, Council Member Marez and Council Member Martinez

Absent: 2 - Council Member Leal and Council Member Scott

Abstained: 0

Enactment No: Res 029485

M. FIRST READING ORDINANCES (NONE)

N. FUTURE AGENDA ITEMS AND UPDATES TO CITY COUNCIL

Mayor Adame referred to the Future Agenda section of the agenda, Items 14 and 15. Mayor Adame stated that these items are for informational purposes only and that no action or public comments would be taken at this item. Staff provided a presentation on Items 14 and 15.

Type A grant for investment and expansion of a cycle business in downtown Corpus Christi

14. Ordinance appropriating \$200,000 from the unreserved fund balance in the No. 1140 Business/Job Development Fund for a business incentive grant from the Corpus Christi Business and Job Development Corporation ("Type A Corporation") to Plant Bikes LLC ("Rugged Cycles") for building improvements to expand their current location in Corpus Christi and the creation and retention of jobs; Changing the FY 2011-2012 operating budget, adopted by Ordinance No. 029155, by increasing proposed expenditures by \$200,000; and declaring an emergency

This emergency ordinance was recommended by staff to the consent agenda.

Enactment No: NO-029412

15. Resolution approving a business incentive agreement for the creation and retention of jobs between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and Plant Bikes LLC ("Rugged Cycles"), which provides a grant of up to \$200,000 for building improvements to expand their current location in Corpus Christi and the creation and retention of jobs, and authorizing the City Manager or designee to execute a business incentive project support agreement with the Type A Corporation regarding implementation and administration of the Rugged Cycles Business Incentive Agreement for the creation and retention of jobs.

This resolution was recommended by staff to the consent agenda.

Enactment No: NO-029413

O. PUBLIC COMMENT FROM THE AUDIENCE ON MATTERS NOT SCHEDULED ON THE AGENDA WILL BE HEARD AT APPROXIMATELY 4:00 P.M., OR AT THE END OF THE COUNCIL MEETING, WHICHEVER IS EARLIER. PLEASE LIMIT PRESENTATIONS TO THREE MINUTES.

Mayor Adame referred to the Public Comment section of the agenda and the following citizens spoke: Carolyn Moon spoke in favor of a fee for reuseable bags.

P. CITY MANAGER'S COMMENTS:

*** Update on City Operations**

City Manager Olson provided an update on the preparation of the City Budget for next Fiscal Year; Street Maintenance Use Fee; announced the appointment of Wesley Pierson was appointed Assistant City Manager and will begin employment on June 11, 2012; interview process is ongoing for the Director of

Intergovernmental Relations; interviews are scheduled for the Director of Engineering in 2 weeks; the Municipal Court Administrator was readvertised and applications are due June 4th; staff is finalizing a Bond 2012 evaluation and will be scheduled for council discussion in June; and the deadline for the Fire FactFinding Report is today.

Q. ADJOURNMENT

Mayor Adame adjourned the meeting at 2:00 pm.