



Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes City Council

Tuesday, July 28, 2015

11:30 AM

Council Chambers

Public Notice - - THE USE OF CELLULAR PHONES AND SOUND ACTIVATED PAGERS ARE PROHIBITED IN THE CITY COUNCIL CHAMBERS DURING MEETINGS OF THE CITY COUNCIL.

A. Mayor Nelda Martinez to call the meeting to order.

Mayor Martinez called the meeting to order.

B. Invocation to be given by Father Peter Martinez, St. Paul the Apostle Church.

Father Peter Martinez gave the invocation.

C. Pledge of Allegiance to the Flag of the United States to be led by Police Commander, John Houston.

Police Commander John Houston led the Pledge of Allegiance.

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

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

Charter Officers:

City Manager Ron Olson, City Attorney Miles K. Risley, and City Secretary Rebecca Huerta.

Present: 8 - Mayor Nelda Martinez, Council Member Rudy Garza, Council Member Colleen McIntyre, Council Member Lillian Riojas, Council Member Lucy Rubio, Council Member Brian Rosas, Council Member Mark Scott, and Council Member Carolyn Vaughn

Absent: 1 - Council Member Chad Magill

E. Proclamations / Commendations

1. Proclamation declaring August 2015, "Play Ball Month"
Presentation to Battalion Chief Flores of the Corpus Christi Fire Department for Achievement of the 2015 Mission: Lifeline® EMS Silver Level Recognition Award
Presentation of Honorary Citizen Certificates to Six 2015 Sister City Exchange Students

Mayor Martinez presented the proclamation and made the presentations.

- F. PUBLIC COMMENT FROM THE AUDIENCE ON MATTERS NOT SCHEDULED ON THE AGENDA WILL BE HEARD AT APPROXIMATELY 12:00 P.M. PLEASE LIMIT PRESENTATIONS TO THREE MINUTES. A recording is made of the meeting; therefore, please speak into the microphone located at the podium and state your name and address. If you have a petition or other information pertaining to your subject, please present it to the City Secretary.**

Mayor Martinez called for comments from the public. Rick Milby spoke regarding the need: to repair streets, for a 5% cut across the board for all City departments and to freeze future spending on projects requiring maintenance. Juliane Brown reported odors coming from the Greenwood Treatment Plant. Mary Lou Huffman commented about the need for the repair of streets and bar ditches on the westside of Corpus Christi. Kyle Pape, Christy Zamora, and Shirley Thornton spoke in opposition to the Flour Bluff/Padre Island Solid Waste Transfer Station. Abel Alonzo thanked Assistant City Manager for Public Works and Utilities, Gus Gonzalez, regarding his efforts during the recent water boil. Samuel Fryer (reading a letter from his neighbor, Mark Besonen), Paul McWilliams and Jacob Sierra spoke in opposition to the right-of-way that is the subject of agenda item 11 on this agenda.

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

Mayor Martinez referred to City Manager's Comments. City Manager Olson reported on the following topics:

b. OTHER

1. The Oso Wetlands Preserve and Learning Center is set to open this fall. It will feature education and exhibit space. Comments from the public regarding the types of programs people may be interested in are encouraged and may be provided via cctexas.com or the Parks & Recreation Department's Facebook page.
2. Improvements in the City's system of communication via the following: ReverseAlert.org; Twitter; Facebook page; www.cctexas.com; Channel 20 and the City's YouTube channel.

a. STREET OPERATIONS POT HOLE MAINTENANCE

Mr. Olson introduced Valerie Gray, Executive Director of Public Works, who provided a presentation on Street Operations' Pothole Maintenance, which included the following topics: the advanced nature of the City's pothole maintenance; the number of vehicles and personnel involved; the types and cost of materials used; the repair process; the average cost to repair a pothole currently stands at \$7.21 each; more than 200,000 potholes have been repaired to date this year; comparison with other cities in Texas; and that the City utilizes four pot hole crews.

Council members discussed the following topics: Potholes may be reported by calling 826-CITY or by using the pothole app.; the response time to repair potholes is three to five days; the use of various materials and the repair process; pothole repairs matching the level of the road; the difference between base failures and potholes; the pothole repair process during adverse weather conditions; the status of progress on the

Street Preventive Maintenance Program (SPMP); crack sealing; there are 85 field personnel, 4 Foremen and 1 Work Coordinator in the Street Department; the cost of the SPMP and amount paid to contractors for street repairs; the age of the City's pothole patchers; and follow up with citizens after pothole work is completed.

b. OTHER

Mr. Olson discussed the following topics concerning the recent boil water notice: the number of samples that tested positive; re-testing conducted upstream and downstream of the subject area in Flour Bluff; consultations with the Texas Commission on Environmental Quality (TCEQ); the need for a boil order; the fact that the City continues to work to identify the source of backflow that likely led to the recent contamination of the City's water supply; the contamination likely came from a private pond or water well; the number of water wells in the City that are registered with the City; the need to fit wells with backflow prevention devices; the city manager's authority to require backflow preventers; the legality of cross-connecting private water supplies to the City's water system; the distinction between backflow prevention on irrigation systems versus that which will be required when citizens are connected to the City's public water system; 20psi is the pressure required by TCEQ for the City's water system; who will pay for the backflow preventers and their installation; possible payment options for homeowners; and the use of pressure zones and chlorine burnout crews in the City.

Gus Gonzalez, Assistant City Manager for Public Works and Utilities, provided a presentation related to the recent water boil notification, covering the following topics: the City believes this was a single-source contamination event; the City's reporting system; there are 98 dedicated sample sites within the City; the frequency of testing; and the City collects more than the required 150 samples per month. Council members discussed the following topics: if septic systems can contaminate the City's water supply; existing and new water towers and their air-gap capacity, enabling pressure zones; and the purchase of water meters and backflow preventers as a single unit and their cost.

J. MINUTES:

5. Regular Meeting of July 21, 2015

Mayor Martinez deviated from the agenda and called for approval of the minutes.

Council Member Rubio made a motion to amend the minutes on Page 4, Item 4 (Fire Station #18 - Operational Staffing), to correct the vote to reflect that she voted "No" on the motion of direction to the City Manager made by Council Member McIntyre and seconded by Council Member Magill. The motion to amend was seconded by Council Member Scott and passed unanimously. The minutes were approved, as amended, and passed unanimously (Council Member Magill - absent).

K. BOARD & COMMITTEE APPOINTMENTS:

6. Food Service Advisory Committee
Parking Advisory Committee
- Mayor Martinez referred to board and committee appointments. The following appointments were made:
- Food Service Advisory Committee**
Council Member McIntyre made a motion to appoint George Brown (Food Industry) and Brian S. Carson (Food Industry), seconded by Council Member Riojas and passed unanimously (Council Member Magill - absent).
- Parking Advisory Committee**
Council Member McIntyre made a motion to reappoint Terry Sweeney (Downtown Management District Nominee), Lawrence Virts (Building Owners & Management Assoc. Nominee), Richard Durham (Comm. At Large), Darlene Gregory (Uptown Neighborhood Initiative Nominee) and William L. Hoover (Residential Living Property Owner in City Center Area), seconded by Council Member Garza and passed unanimously (Council Member Magill - absent).
Council Member McIntyre made a motion to appoint Samantha R. Harlan (Downtown Management District Nominee), seconded by Council Member Riojas and passed unanimously (Council Member Magill - absent).

L. **EXPLANATION OF COUNCIL ACTION:**

M. **CONSENT AGENDA: (ITEMS 7 - 10)**

Approval of the Consent Agenda

Mayor Martinez referred to the Consent Agenda. There were no comments from the public or council members.

Council Member Riojas made a motion to approve the consent agenda items, seconded by Council Member Rosas. The consent agenda was passed by one vote as follows:

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

7. **Supply Agreement for Food Items**

Motion authorizing the City Manager or designee to execute supply agreements with the following companies in the following amounts in accordance with Coastal Bend Council of Governments Bid Invitation No. CBCOG-15-4 for food items, for an estimated six-month expenditure of \$225,067.49, of which \$75,022.49 is required for the remainder of FY 2014-2015. The terms of the contracts shall be for six months. Funds are available through the Meals on Wheels Grant.

LaBatt Food Service <u>Corpus Christi, Texas</u>	Performance Food Group <u>Victoria, Texas</u>
140 Line Items	142 Line Items
\$97,747.03	\$127,320.46

Grand Total: \$225,067.49

This Motion was passed on the Consent Agenda.

Enactment No: M2015-079

8. Interlocal Agreement for a volumetric survey of Lake Corpus Christi Reservoir

Resolution authorizing the City Manager or designee to execute an Interlocal Agreement with the Texas Water Development Board in the amount of \$43,518 for a volumetric survey of Lake Corpus Christi Reservoir.

This Resolution was passed on the Consent Agenda.

Enactment No: 030565

9. Supporting Downtown Management District's application for the Texas Historical Commission's Main Street Program

Resolution authorizing participation as a Texas Main Street Urban City and designating city participation.

This Resolution was passed on the Consent Agenda.

Enactment No: 030566

10. Second Reading Ordinance - Authorizing the City Manager or designee, to execute a surface easement abandonment agreement at 101 Ocean Way (1st Reading 7/21/15)

Ordinance authorizing the City Manager or designee, to execute a Surface Easement Abandonment Agreement ("Agreement") with Avinash C. Ahuja and Peggy B. Ahuja ("Permittees"), to construct and maintain a masonry brick wall, extending approximately 50-square feet into the public right-of-way while occupying an additional 138-square feet of public right-of-way (approximately 188 total square feet) of the present Ocean Way public street right-of-way, subject to Permittees' compliance with specified conditions.

This Ordinance was passed on second reading on the Consent Agenda.

Enactment No: 030567

N. PUBLIC HEARINGS: (ITEM 11)

11. Public Hearing and First Reading Ordinance - Closing an undeveloped and unsurfaced portion of a public right-of-way located south of Holly Road and east of Ennis Joslin Road

Ordinance abandoning and vacating an undeveloped and unsurfaced 21,300.84-square foot portion (0.489 acres) of a 20-foot wide public right-of-way, out of Lot 1, Section 32, Flour Bluff & Encinal Farm & Garden Tracts and requiring the owner, MPM Development, LP to comply with specified conditions.

Mayor Martinez referred to Item 11. Director of Development Services Dan Grimsbo stated that the purpose of this item is to abandon and vacate a portion of a twenty-foot wide public right-of-way to align the public right-of-way in conjunction with Parkview Unit 1 plat. Mr. Grimsbo stated that staff recommends approval of the easement closure and that the Applicant is in agreement with the recommendations. Mr. Grimsbo noted that the existing 20-foot wide public right-of-way is in the southeast part of what was an existing 40-foot wide public right-of-way and that the 20-foot wide east portion of the 40-foot wide public right-of-way was abandoned and vacated by City Ordinance 026171 on March 8, 2005.

A Council Member asked what is the purpose of this public easement. Mr. Grimsbo said it will be utilized by the developer to build houses on. City Manager Olson stated that it is typically the City's policy to sell easements if they were originally purchased by the City and to donate easements when the City did not originally pay for the easement.

Council Members discussed the following topics: the proposed use of the land for the construction of residential homes versus its use as a street; the original developer's intent to develop the subject land as part of a hike-and-bike trail; selling easements if they were originally purchased by the City and donating easements when the City did not originally pay for the easement; and the effect of leaving the easement behind homes and the City's responsibility to maintain said easements.

Mayor Martinez opened the public hearing. Samuel Fryer spoke regarding use of the easement as a trail tie-in to connect to Oso Creek Park's hike-and-bike trails and the resulting increase in public safety and property values and that its development as a hike-and-bike trail will provide safe-passage to other neighborhood roads and trails; and the lack of shoulders and sidewalks on Holly Road. Jeff Krack spoke in support of use of the easement as a hike-and-bike trail; the lack of sidewalks and shoulders on Holly Road and the related safety risks; and his concern as to how the electric company will access power lines to make repairs as they currently do using the existing right-of-way that is the subject of this agenda item. A Council Member asked about access to the power lines. Assistant Director of Development Services Julio Dimas said there is to be retained, a 15-foot wide easement, centered on the power poles, that allows for access. Mr. Dimas also discussed the process of notifying all utilities regarding this agenda item. Anthony Gavlik and Allison Cortinas advocated for retaining the 20-foot wide easement to be used as a hike-and-bike trail, as was planned by the original developer. Mayor Martinez closed the public hearing.

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

Aye: 6 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rosas and Council Member Scott

Nay: 2 - Council Member Rubio and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

P. REGULAR AGENDA: (ITEMS 13 - 14)

13. Second Reading Ordinance - Rezoning property located at 10113 Up River Road (Tabled on 5/19/15) (1st Reading 6/16/15)(3/4 Vote Required)

Case No. 0415-05 AAF-Vantage at Corpus Christi: A change of zoning from the "RS-6" Single-Family 6 District to the "RM-1" Multifamily 1 District, resulting in a change to the Future Land Use Plan from commercial and medium density residential to medium density residential. The property is described as being 19.74 acres out of the remainder of a 20.26 acre tract described as Parcel 5, in a Special Warranty Deed from William E. McKinzie, Jr. to William E. McKinzie, Jr. Family Limited Partnership, located on the south side of Up River Road between Deer Run Drive and Carbon Plant Road.

Planning Commission and Staff Recommendation (April 22, 2015): Approval of the change of zoning from the "RS-6" Single-Family 6 District to the "RM-1" Multifamily 1 District.

Ordinance:

Ordinance amending the Unified Development Code ("UDC"), upon application by AAF-Vantage at Corpus Christi, Inc. ("Owner"), by changing the UDC Zoning Map in reference to 19.74 acres out of the remainder of a 20.26 acre tract described as Parcel 5, in a Special Warranty Deed from William E. McKinzie, Jr. to William E. McKinzie, Jr. Family Limited Partnership, from the "RS-6" Single-Family 6 District to the "RM-1" Multifamily 1 District; amending the Comprehensive Plan to account for any deviations; and providing for a repealer clause and publication.

Mayor Martinez deviated from the agenda and referred to Item 13. Director of Development Services Dan Grimsbo stated that the purpose of this item is to rezone approximately 19 acres located on the southside of Up River Road between Deer Run Drive and Carbon Plant Road, from the current zoning of

"RS-6" Single-Family 6 District to the "RM-1" Multifamily 1 District to allow for an approximately 288-unit apartment complex. The first reading of this item occurred on June 16, 2015. Since then, Mr. Grimsbo said: there were a number of meetings between the City, the developer and Tuloso-Midway Independent School District (TMISD); and the developer and TMISD have agreed to an agreement that is included in the background information for this agenda item and which must still be approved by the TMISD's Board of Trustees.

Mayor Martinez called for comments from the public. Robert Johnson, Cesar Torres, Michelle Flower and Mario Guerra, spoke in opposition to the zoning change and discussed the following topics: traffic concerns due to a potential housing development directly across from the primary school; garbage trucks going through the housing development not being a desirable solution; drainage issues; concerns regarding sewage lines and water pressure; concerns about school children's safety; the perception that city council members "push items through" irrespective of citizens' desires; that the TMISD's Board of Trustees has not approved the agreement between the developer and TMISD; the displacement of wildlife as a result of the development of the subject property; and that approximately 160 citizens in total are in opposition to this multi-family development and prefer that single-family residences be built instead.

Council Members spoke regarding the following items: good public policy versus good politics; drainage issues; traffic volume; and that the rate of objections is 36.97%, which requires a three-fourths vote of City Council to approve this item. John Condit, representing the developer, stated: the developer amended its traffic study to take into account the 77-unit housing development that is to be built directly across from the TMISD primary school; and that the developer and TMISD have agreed that the developer will give TMISD approximately \$133,000 to resolve traffic issues at the primary school, pending approval of the TMISD's Board of Trustees. Council Members also spoke about: water pressure considerations; the shortage of housing in the city; traffic concerns and possible solutions; and students' safety.

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

Aye: 7 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rosas, Council Member Scott and Council Member Vaughn

Nay: 1 - Council Member Rubio

Absent: 1 - Council Member Magill

Abstained: 0

Enactment No: 030569

City Manager Olson expressed concern that over the last few years, zoning cases before City Council have become a referendum on a specific project and the design and engineering features that go along with that project. Instead,

zoning decisions are intended to deal with overall land use and the City's ordinances and the Planning Commission are to deal with the design features and the details of each project. Mr. Olson advised that the City Council should deal with zoning issues with respect to how the zoning change complies with the City's Master Plan and community goals.

H. EXECUTIVE SESSION: (ITEM 2)

Mayor Martinez deviated from the agenda and referred to the day's executive session. The Council went into executive session.

2. **Executive session pursuant to Texas Government Code § 551.071** for consultation with attorneys regarding collective bargaining negotiations and/or the collective bargaining agreements between the City of Corpus Christi and the Corpus Christi Firefighters' Association and/or Corpus Christi Police Officers' Association.

This E-Session Item was discussed in executive session.

I. BRIEFINGS: (ITEMS 3 - 4)

3. **Funding Options (Part 3) for Residential/Local Street Reconstruction Plan**

Mayor Martinez deviated from the agenda and referred to Item 3. Director of Financial Services Constance Sanchez stated that the purpose of this item is a follow up discussion to the July 21, 2015 presentation of funding options to address the residential/local street reconstruction plan where the City Council approved a motion to direct city staff to bring back additional information regarding property tax scenarios. Ms. Sanchez presented eight (8) funding options, each divided into debt funding and cash funding.

Council Members discussed the following topics: the point at which citizens begin paying on bonds; the pros and cons of funding utilities with general obligation bonds; the affect of a property tax increase on homeowners age 65 and older; the pay-as-you-go cash funding option versus the debt option; the impact on utility rates; the use of debt for the utility portion of expenditures and cash for the street repair portion of expenditures; stormwater considerations; prioritization of street repairs, taking into consideration the cost of utility work required; a tax rate increase cap of the lesser of eight cents or \$20 million; related tax writeoffs; Corpus Christi's property tax rate as compared to that of other cities in Texas; a tax rate that exceeds the rollback rate; the possibility and timeline of a citizen rollback petition leading to a property tax rollback election; Texas law does not allow cities to conduct tax ratification elections; the timeline for conducting a property tax rollback election, which, if required, would likely occur at about the beginning of April 2016; the City's capacity to do up to \$20 million in street and/or utility work each year; the inclusion of related design, project management and testing expenses into these costs and not being funded by other means; if a mid-year increase in the property tax rate is possible; that the City maintains 852 miles of residential streets; utility and property tax rates should be put on the City's web site; using a multi-year stepped approach to funding and completing street repairs; ensuring the work is packaged such that when it is competitively procured, it is large enough to attract contractors to ensure there

is sufficient contractor capacity to ensure the work is completed; and that a consensus of the council members is that Options 4 through 8 are not feasible and should, therefore, not be considered.

MOTION OF DIRECTION

Council Member McIntyre made a motion directing the city manager to provide a report to the City Council of his analysis of a program with \$20 million a year, for 10 years, with a cap of an eight cent ad valorem tax, including projections for utility rate increases if added to utility rates versus to ad valorem taxes, seconded by Council Member Garza and passed unanimously (Council Member Magill - absent).

Mayor Martinez called for a brief recess.

4. Discussion on Section 7 of the Financial Budgetary Policies

Mayor Martinez referred to Item 4. Director of Financial Services Constance Sanchez stated that the purpose of this item is a follow up discussion to the July 21, 2015 presentation of funding options to address the residential/local street reconstruction plan and the City Council's motion of direction directing city staff to present Section 7 of the Financial Budgetary Policies to City Council at the City Council meeting of July 28, 2015. City Manager Olson stated he is seeking very specific direction on how the City Council wants to change the policy and how changes to the policy will impact the General Fund.

Council Members spoke regarding the following topics: reviewing the policy in conjunction with the budget and waiting until the Council is provided with the budget before considering changes to this policy.

MOTION OF DIRECTION

Council Member Rubio made a motion to review this policy after the City Council has received the budget, seconded by Council Member Riojas and was approved unanimously (Council Member Magill - absent).

O. ONE READING ACTION ITEM: (ITEM 12)

12. Resolution of authorization to execute the Notification for Additional Funding in 2015 (Street Maintenance Program) from the Regional Transportation Authority (RTA)

Resolution authorizing the City Manager or designee to execute the "Notification for Additional Funding in 2015 (Street Maintenance Program)" in an amount of \$2,658,487.00 for the Corpus Christi Regional Transportation Authority's fiscal year 2015 allocation to the City's Street Preventative Maintenance Program projects.

Mayor Martinez deviated from the agenda and referred to Item 12. City Manager Olson stated that the City has an agreement with the Regional Transportation Authority (RTA) that is driven by a formula, that takes into consideration numerous factors regarding streets, in order to determine the

amount of money the RTA will contribute to the City for the maintenance of City streets. Mr. Olson said there have been meetings and dialogue with the RTA regarding increasing the RTA's contribution. However, the RTA has notified the City that it will not be able to provide any contributions other than that which is calculated using the formula. Due to potential political implications, Mr. Olson stated that, although he can execute this under his administrative authority as City Manager, he decided to bring this before the City Council and is seeking authorization to execute the agreement.

Council Members discussed the following: meetings with the RTA; the RTA's budget and contribution constraints; disappointment that the RTA will not contribute more toward the maintenance and reconstruction of City streets; a desire for ongoing dialogue with the RTA regarding increasing the RTA's contribution amounts; factoring into the RTA's contribution, ADA-related construction related to streets; current repairs paid for by the RTA - particularly at and near bus stops; the RTA's contribution is part of what makes up the Street Preventative Maintenance Program Fund; and securing financial assistance from the RTA regarding reconstruction projects on streets that may be considered multi-modal.

Director of Financial Services Constance Sanchez clarified the following items: a typographical error in the Resolution in the fifth "Whereas" regarding the amount received from the RTA in FY2015 as being \$2.401 million, instead of the \$2.041 million reflected in the Resolution as presented to the City Council; where the Resolution indicates FY2015 funding, it is referencing the RTA's January through December 2015 budget year, which is the City's FY2016 budget year; and that these clarifications do not require an amendment to the Resolution. There were no comments from the public.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

Enactment No: 030568

14. Second Reading Ordinance - Sale of Seven Surplus City Properties (1st Reading 6/23/15)

Ordinance declaring seven properties listed in the attached "Exhibit A - List of Surplus Property to be Sold" as surplus property, all of which are small in acreage; authorizing the sale of each to the public by sealed bid with minimum bid requirements; and authorizing the City Manager or designee to execute the deeds and any related documents necessary to complete the sales and convey the properties.

Mayor Martinez deviated from the agenda and referred to item 14. Assistant City Manager for Public Works and Utilities Gus Gonzalez stated that the

purpose of this item is to declare the seven properties in the attached Exhibit A - List of Surplus Property as surplus property, all of which are small in acreage; authorizing the sale of each to the public by sealed bid, with minimum bid requirements, and authorizing the city manager or designee to execute the deeds and any related documents necessary to complete the sale and convey the properties. Mr. Gonzalez stated that: the U. S. Navy would like the Anchor Street property to be conveyed to them, by sale, as part of the clear-zone mapping area and that the Corpus Christi Business and Job Development Corporation (Type A) has requested that the City Council set aside 502 and 508 18th Street and 2034 Mary Street for affordable housing. There were no comments from the public.

Council Members spoke regarding the following topics: the City Council's and the Type A's process regarding the identification of City properties to be used for affordable housing and the need to align the City Council and Type A Board regarding affordable housing.

Council Member McIntyre made a motion to amend the ordinance to set aside the Anchor Street property for the U. S. Navy, seconded by Council Member Scott, and approved unanimously. Council Member McIntyre made a motion to approve the ordinance, as amended, seconded by Council Member Riojas. This Ordinance was passed on second reading, as amended, and approved with the following vote:

Aye: 7 - Mayor Martinez, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Nay: 1 - Council Member Garza

Absent: 1 - Council Member Magill

Abstained: 0

Enactment No: 030570

Q. FIRST READING ORDINANCES: (ITEMS 15 - 19)

15. First Reading Ordinance - Amending the City Code of Ethics complaint procedures

Ordinance amending Sections 2-330 and 2-334 of the City Code to amend the City's Code of Ethics regarding the complaint form and procedures; and providing for publication.

Mayor Martinez referred to Item 15. City Attorney Miles K. Risley stated that the purpose of this item is to amend Section 2-330 and 2-334 of the City Code to amend the City's Code of Ethics regarding the complaint form and procedures and provide for publication. This Ordinance will: 1) Amend the complaint process to include unsworn (un-notarized) declarations under the Unsworn Declaration Act that are signed under penalty of perjury; 2) Clarify that "rules" of conduct in the complaint section is referring to the Rules of Conduct at Section 2-311 of the Ethics Code; 3) Clarify that a person complained against has 10 calendar days to submit a written response to the complaint; 4) Reduce

the number of votes required to find a violation from a majority of the Commission (5 votes) to a majority of a quorum present at the meeting; and 5) To clarify that the Ethics Commission provides notice to the City Council of any violations regarding Council appointees, and provides notice to the City Manager of any other violations. There were no comments from the public or the Council.

Council Member Scott made a motion to approve the ordinance, seconded by Council Member Riojas. Mayor Martinez recognized the Chair of the Ethics Commission, Dr. Haysam Dawod. Dr. Dawod stated that the Ethics Commission is committed to improving the Code and making sure that it is up-to-date. This Ordinance was passed on first reading and approved with the following vote:

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

16. First Reading Ordinance - Amending City Code related to interest rates for voluntary assessment projects, and approving the final assessment roll for improvements made on Vaky Street, Ivy Lane, and Clare Drive (Bond 2008)

Ordinance amending Chapter 49, Article II, Section 49-21 "Required Improvements; Policy on Assessments"; Amending Ordinance 029769 Passed and Approved on March 19, 2013, to adopt the final assessment roll and assessments to be levied against the owners of property abutting on Vaky Street from Swantner Drive to Reid Drive, Ivy Lane from Gollihar Road to Horne Road and Clare Drive from South Padre Island Drive to McArdle Road (The "Project") (Bond 2008)

Mayor Martinez referred to item 16. Executive Director of Public Works Valerie Gray stated that the purpose of this Item is to adopt a final assessment roll and assessments to be levied for the Bond 2008 Street Voluntary Paving Assessment Project. The project included three streets: Vaky Street, Ivey Lane and Clare Drive. This item also: changes the interest rate for assessment payments made through the installment program to a fairer rate, in accordance with the ordinance; and amends the preliminary assessment roll to reflect the revised and final project costs to the property owners. Ms. Gray further stated that there were 96 properties abutting the three streets and that once the Council approves the final assessment roll, the information will be filed with Nueces County and assessment accounts will be set up. There were no comments from the public or the Council.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

17. First Reading Ordinance - Lease Agreement for hangar and office space for air ambulance and charter flight service

Ordinance authorizing the City Manager or designee to execute a lease agreement with Sterling Air Service for hangar, office and parking space at Corpus Christi International Airport for a period of 18 months.

Mayor Martinez referred to Item 17. Director of Aviation Fred Segundo stated that the purpose of this Item is to authorize the City Manager to execute an 18-month lease agreement with Sterling Air Service to provide air ambulance and charter flight services to the Coastal Bend Region from the Corpus Christi International Airport; the leasehold is approximately 15,000 square feet and includes: parking, office and hangar space; all rental fees have been set at fair market value, based on an Airport Appraisal Report, that is adjusted every five years; the lease will allow Sterling Air Service to provide needed aeronautical services and time to plan and develop new facilities at the airport in the future; and the Airport Board is recommending approval of this Item. There were not comments from the public or the Council.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

18. First Reading Ordinance - Appropriating funds for routine airport maintenance

Ordinance appropriating \$50,000 from Texas Department of Transportation's Routine Airport Maintenance Program (RAMP) Grant (CSJ No. M1516CORP) in the No. 1055 Airport Grants Fund to fund airport maintenance at Corpus Christi International Airport.

Mayor Martinez referred to Item 18. Director of Aviation Fred Segundo stated that the purpose of this Item is to appropriate \$50,000 from the Texas Department of Transportation's (TXDOT) Routine Airport Maintenance Program Grant for maintenance at the Corpus Christi International Airport. Mr. Segundo stated that the City approved submittal of the TXDOT grant on April 14, 2015

and appropriated funding for eligible grant projects on June 9, 2015; the Airport has started work on the eligible projects, which is painting of the terminal canopies in front of the airport and this ordinance will allow the Airport to be reimbursed for a grant-eligible amount of \$50,000. There were no comments from the public or the Council.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

19. First Reading Ordinance - Amending the City Code to create credit access business regulations

Ordinance amending the Corpus Christi Code of Ordinances by adding a new chapter, Chapter 5, Business Regulations; Creating Chapter 5, Article I - CREDIT ACCESS BUSINESSES to set forth registration requirements and credit extension guidelines for credit access businesses; providing for severance; providing for publication; providing for penalty; and providing an effective date.

Mayor Martinez referred to Item 19. Director of Intergovernmental Relations Tom Tagliabue stated that the purpose of this ordinance is to register and regulate Credit Access Businesses (CAB) operating within the city limits of Corpus Christi. Mr. Tagliabue discussed the following items: CABs are also known as payday or auto title lenders; 25 cities in Texas have adopted an ordinance regulating CABs, covering 25 percent of the state's population; if Corpus Christi becomes the 26th city in Texas to adopt the ordinance, about one-third of Texas' population will be covered by these ordinances; there are currently 58 licensed CABs in the city limits of Corpus Christi, most of which are concentrated in City Council Districts 2 and 3; statistics on the number of CABs in the Corpus Christi Metropolitan Statistical Area; an ordinance timeline; if approved, the ordinance will go into effect 90 calendar days after it is approved (November 2, 2015); highlights of the compliance program; registration highlights; key features of model regulations; the Consumer Service Alliance of Texas, an industry group of payday lenders, wrote to the City opposing the ordinance; United Way and Catholic Charities have written letters supporting the ordinance; the Consumer Financial Protection Bureau (CFPB) has proposed an outline for proposed rules for payday lenders; and that the actual rules are not proposed to come out until the fall of 2015.

Council members discussed the following topics: that the CFPB is a stand-alone agency with no oversight from the U. S. Congress; CABs charge exorbitant interest rates; it is not the City's responsibility to regulate this industry; the City Council is overstepping its authority in regulating this industry; people should be accountable for their own actions; how exorbitant interest rates charged by this industry increases the need for social services in our community; and loan agreements are set up by payday lenders with the

expectation that borrowers will not be able to pay the money back.

Mr. Tagliabue stated that under the new ordinance, lenders must register with the Development Services Department; and consumer complaints will be accepted by the Development Services Department and prosecuted by the City Attorney's Office. City Attorney Miles K. Risley stated that prosecutions will initially be focused on the registration component; prosecution of a businesses will be as a last resort and will be with respect to the legality of their lending documents. Council Members further spoke regarding the following topics: payday lenders' business models are designed to have the client not succeed in paying off a loan; because the federal and state governments will not regulate these businesses, the City must do so to protect consumers; and whether more staff will need to be hired to enforce this ordinance. There were no comments from the public.

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

Aye: 7 - Mayor Martinez, Council Member Garza, Council Member McIntyre, Council Member Riojas, Council Member Rubio, Council Member Rosas and Council Member Scott

Nay: 1 - Council Member Vaughn

Absent: 1 - Council Member Magill

Abstained: 0

R. FUTURE AGENDA ITEMS: (ITEMS 20 - 23)

Mayor Martinez referred to Future Agenda Items. City Manager Olson stated that staff did not have any planned presentations.

20. Service Agreement for Preventative Maintenance of the Breakpoint Chlorination System

Motion approving a service agreement with Grace Water Services, LLC, of Katy, Texas based on Local Government Code Sec. 252.022 General Exemption, a procurement necessary to preserve or protect the public health or safety of the municipality's residents, for a total amount of \$194,660.00. The term of the contract will be for twenty-four months with options to extend for up to three additional twelve-month periods, subject to the approval of the Contractor and the City Manager or designees. Funds have been budgeted by the Utilities Department in FY 2014-2015.

This Motion was recommended to the consent agenda.

21. Supply Agreement for Hot Mix Asphalt

Motion rescinding the award made on June 16, 2015 to HAC Materials, Ltd., Corpus Christi, Texas due to naming the incorrect

supplier of the primary award and properly awarding to the following suppliers for hot mix asphalt, based on lowest responsible bid, awarding primary and secondary agreements, in accordance with Bid Event No. 5 for an estimated semi-annual expenditure of \$989,085 of which \$659,390 is required for FY 2014-2015. The term of the agreements will be for six months with options to extend for up to five additional six month periods, subject to the approval of the suppliers and the City Manager or designee. Funds have been budgeted by Street Services in FY 2014-2015.

Haas Anderson	
Construction Ltd.	Bay, Ltd.
Corpus Christi, Texas	Corpus Christi, Texas
\$936,937.50	\$52,147.50
Primary Supplier	Secondary Supplier

Grand Total: \$989,085.00

This Motion was recommended to the consent agenda.

22. Supply Agreement for Emulsion Oil (SS-1)

Motion authorizing the City Manager or designee to execute a supply agreement with Ergon Asphalt & Emulsions, Inc., Austin, Texas for Emulsion Oil (SS-1) in accordance with Bid Event No. 4, based on only bid, for an estimated six month expenditure of \$79,450.00 of which \$13,241.67 is required for FY 2014 - 2015. The term of the contract will be for six months with an option to extend for up to five additional six-month periods, subject to the approval of the supplier and the City Manager or designee. Funds have been budgeted by the Street Services Department in FY2014 - 2015.

This Motion was recommended to the consent agenda.

23. Purchase Video Collaboration Technology for Corpus Christi Police Department and City video operations

Motion authorizing the City Manager or designee to approve the purchase of information technology equipment from Data Projections for a Police Department Intelligence Command Center with communication links to the City Emergency Operations Center (EOC) and designated entities for a total expenditure of \$114,741.64. Data Projections is a State of Texas vendor, number DIR-SDD-11. Funds are available in the Municipal Information Systems Department FY2014-2015 budget.

This Motion was recommended to the consent agenda.

S. LEGISLATIVE UPDATE:

None.

T. ADJOURNMENT

The meeting was adjourned at 8:04 p.m.