



Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

City Council

Tuesday, June 21, 2016

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 Pastor Monica Martinez, Greater Faith Church.

Pastor Monica Martinez gave the invocation.

C. Pledge of Allegiance to the Flag of the United States to be led by Yvette Aguilar - Assistant City Attorney.

Assistant City Attorney Yvette Aguilar 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 City Council and the required Charter Officers were present to conduct the meeting.

(Note: Council Member Scott arrived at 11:45 a.m.)

Charter Officers:

Acting City Manager Margie C. Rose, City Attorney Miles K. Risley, and City Secretary Rebecca Huerta.

Present: 9 - Mayor Nelda Martinez, Council Member Rudy Garza, Council Member Michael Hunter, Council Member Chad Magill, Council Member Colleen McIntyre, Council Member Lucy Rubio, Council Member Brian Rosas, Council Member Mark Scott, and Council Member Carolyn Vaughn

E. Proclamations / Commendations

1. Proclamation declaring June 21, 2016, "American Airlines 35th Anniversary Celebration of Service in Corpus Christi".
Proclamation declaring June 26, 2016, "Ms. Coastal Bend Senior Pageant Day".
Proclamation declaring June 30 - July 4, 2016, "39th Annual Mayor's July 4th Big Bang Celebration".

Proclamation declaring July 2016, "Parks and Recreation Month".
Swearing-in Ceremony for Newly Appointed Board, Commission and Committee Members.

Mayor Martinez presented the proclamations and conducted the swearing-in ceremony for newly appointed board, commission and committee members.

- 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 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. If you have a petition or other information pertaining to your subject, please present it to the City Secretary.**

Mayor Martinez referred to comments from the public. Gloria Scott, 4422 S. Alameda, spoke on behalf of the Corpus Christi Juneteenth Coalition and thanked the City Council for their participation in this year's "10 Days of Celebration of Emancipation" held June 9-19, 2016 by presenting a key to the City and issuing a proclamation. Alan Wilson, 445 Delaine, reported on the following three resolutions approved by the Corpus Christi Chamber of Commerce: 1) support for the 1/8 cent sales tax with the following positions: minimum of 50% of the total funds for economic development; up to \$500,000 to housing programs; the balance of funds to arterial/collector streets; the continuance of the sales tax for 20 years; maintaining a review/recommendation panel, supports a Type B structure and appropriate protection mechanisms to ensure funds for economic development are maintained; 2) support of city bond election 2016 and supports a bond election every two years with a focus on deferred capital projects; and 3) encourages the City Council to develop a comprehensive financial plan for city streets, arterial/collector, residential, both capital and maintenance, to include a Type B sales tax, assessment revenue, existing general fund revenue, including enhanced funding and potential ad valorem tax increases. John Kelley, 3621 Austin, spoke regarding annexation of Chapman Ranch to prevent windfarm development and infrastructure issues. Barbara Brinkman, 4802 Marie, requested consideration for additional budget funding for Animal Care Services and addressed the need for another veterinarian and supplies for the clinic. Chris Phelan, 1321 Ayers, spoke regarding the utility bill insert related to the 2015 annual drinking water quality report; a dead link reported for the Texas Commission on Environmental Quality's website on the insert; and radioactive material in drinking water. Carrie Robertson Meyer, 4401 Gulfbreeze Boulevard, spoke regarding the design of the new Harbor Bridge and expressed concerns with the plans related to the Beach Avenue intersection; ADA, bike and pedestrian access; and solutions to current drainage problems. Vincent Perales, 4602 Newbury Lane and a member of Nueces County Youth Against Tobacco requested consideration to amend the City's Code of Ordinances, Smoking in Public Places, to include all products that meet the definition of tobacco products, including: electronic cigarettes and pipes, vaporizers, hookahs, and all other electronic devices. Corbin Boomer Matthews, 3318 Casa Rosa Drive, spoke in favor of the Harbor Bridge being lit in rainbow colors and thanked Mayor Martinez and Council Member McIntyre for being instrumental in having the Harbor Bridge lit in rainbow

colors. Bill Word, 6018 Pinehurst, spoke regarding comments made by speakers during last week's and today's public comment regarding the lighting the Harbor Bridge in rainbow colors. Richard Throop, 14202 Encantada, presented the current housing report for Corpus Christi specific to each council district. Jack Gordy, 4118 Bray, spoke regarding the palm trees on Airline Road and accessibility. Michael Rojas, Get Me, announced that the transportation network company, Get Me, will begin services in Corpus Christi on June 29, 2016. Mack Parks, Tride, announced that the transportation network company, Tride, started operations on June 11, 2016 and is excited to serve Corpus Christi.

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

Mayor Martinez referred to City Manager's Comments. Acting City Manager Margie C. Rose reported on the following topics:

a. OTHER

1) Animal Care Services received a \$9,000 grant from the American Society for the Prevention of Cruelty to Animals (ASPCA) for a Rescue/Ride Program. As part of the program, Animal Care Services is able to rescue animals and send them to various areas to be adopted. Within the last month, 38 dogs have been sent to Central Minnesota Animal Care and Control and Great Plains Humane Society Heart Rescue. An additional 20 dogs are scheduled to be sent to adoption facilities in New York. The program has been very helpful and successful for the City. 2) The mid-year Solid Waste collection is in full swing and coincides with the beginning of hurricane season. The Solid Waste Department wants to make sure areas are clean and free of debris in the event of a storm. Solid Waste Operation's brush pickup is on schedule. For information, visit the website at www.cctexas.com. 3) Development Services will be implementing the new building codes and amendments beginning September 1, 2016 and are encouraging residents to visit the website at www.cctexas.com to participate in a survey and schedule an educational session on the changes. 4) A public meeting on the Rodd Field Road Expansion will be held on Monday, June 27, 2016 at 5:30 p.m. at Bridgeway Church of Corpus Christi to seek input on the design of the project.

H. MINUTES:

2. Regular Meeting of June 14, 2016.

Mayor Martinez referred to approval of the minutes. City Secretary Huerta requested that the minutes be amended to reflect the follow corrections: 1) page 4, related to the Corpus Christi Regional Transportation Authority appointment, changing Edward Garcia to Edward Martinez; and 2) page 9, correct the misspelling of the word, "response".

Council Member Magill made a motion to amend the minutes, as stated, seconded by Council Member Rubio and passed unanimously.

Council Member Chad Magill made a motion to approve the minutes as amended, seconded by Council Member Rudy Garza and passed unanimously.

I. BOARD & COMMITTEE APPOINTMENTS: (NONE)**J. EXPLANATION OF COUNCIL ACTION:****K. CONSENT AGENDA: (ITEMS 3 - 14)****Approval of the Consent Agenda**

Mayor Martinez referred to the Consent Agenda. There were no comments from the Council or the public. City Secretary Huerta announced that Council Member Rosas was abstaining from the vote on Item 7.

A motion was made by Council Member McIntyre, seconded by Council Member Garza, to approve the Consent Agenda. The consent agenda items were approved by one vote as follows:

Aye: 9 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Abstained: 0

3. Resolution authorizing submission of grant application for a Federal grant and Interlocal Agreement for grant funds

Resolution authorizing the City Manager, or designee, to submit a grant application in the amount of \$163,004 to the U.S. Department of Justice, Bureau of Justice Assistance for funding eligible under the Edward Byrne Memorial Justice Assistance Grant (JAG) Program FY 2016 Local Solicitation with 50% of the funds to be distributed to Nueces County under the established Interlocal Agreement; and authorizing the City Manager or designee to execute Interlocal Agreement between the City of Corpus Christi and Nueces County to establish terms for the sharing of the Edward Byrne Memorial Justice Assistance Grant (JAG) Program FY 2016 Local Solicitation.

This Resolution was passed on the Consent Agenda.

Enactment No: 030874

4. Resolution awarding Service Agreements for Bayfront and Medians Turf and Grounds Maintenance and Stormwater Improved Rights-of-Way Mowing

Resolution finding the lowest, responsive, responsible bidder for mowing services by grouped acreage in response to Bid Event No. 104, 110, 111, 112, 113, 114 and 115; awarding a service agreement to the lowest, responsive, responsible bidder for each acreage group;

and authorizing the City manager or designee to execute a service agreement with the lowest, responsive, responsible bidder for each acreage group for a total cost of \$288,905.73 of which \$72,226.43 is required for the remainder of FY 2015-2016. Agreements will be for one year with an option to extend for up to four additional one year terms, subject to the approval of the Contractor and the City Manager or designee. Funds have been budgeted by the Parks and Recreation Department in FY 2015-2016.

Cut Masters Lawn Service
Corpus Christi, Texas
\$13,692.00

Dorame General Repair & Lawn
Corpus Christi, Texas
\$139,349.13

Texas Gulf Coast Contracting
dba Gulf Coast Maintenance
Corpus Christi, Texas
\$98,381.00

La Med Facility maintenance, Inc.
San Antonio, Texas
\$37,483.60

This Resolution was passed on the Consent Agenda.

Enactment No: 030875

5. Supply Agreement for chemical used for the treatment of potable drinking water at the O.N. Stevens Water Treatment Plant

Motion approving a Supply Agreement with Carus Corporation, Peru, Illinois, for approximately 720,000 wet pounds of Sodium Permanganate in accordance with Bid Invitation No. 118, based on the lowest, responsive and responsible bid for a not to exceed amount of \$878,400.00 of which \$219,600.00 is required for the remainder of FY 2015-2016. The term of the agreement shall be for one year with an option to extend for up to two one year terms, subject to the approval of the supplier and the City Manager or designee. Funds have been budgeted by the Water Department in FY 2015-2016.

This Motion was passed and approved with the following vote:

Enactment No: M2016-064

6. Engineering Design Contract Amendment No. 3 for the Programmed Water Line Service Life Extension for City-Wide Distribution Repair and Replacement - Indefinite Delivery/Indefinite Quantity (IDIQ) Procurement

Motion authorizing the City Manager, or designee, to proceed with delivery order preparation by executing Amendment No. 3 to the Engineering Design Contract with Urban Engineering of Corpus Christi, Texas in the amount of \$328,350, for a total restated fee not to

exceed \$645,790 for the Programmed Water Line Service Life Extension for City-Wide Distribution Repair and Replacement - Indefinite Delivery/Indefinite Quantity (IDIQ) Procurement.

This Motion was passed on the Consent Agenda.

Enactment No: M2016-065

7. Construction Contract and Materials Testing Agreement for Kostoryz Road from Brawner Parkway to Staples Street (Bond 2012, Proposition 1)

Motion authorizing the City Manager, or designee, to execute a construction contract with Reytec Construction Resources, Inc. of Houston, Texas in the amount of \$8,796,224.60 and a construction materials testing agreement with Rock Engineering and Laboratory, Inc. in the amount of \$64,924.00 for Kostoryz Road from Brawner Parkway to Staples Street. (BOND 2012 Proposition 1)

Council Member Rosas abstained from the vote on Item 7. This Motion was passed on the Consent Agenda.

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Scott and Council Member Vaughn

Abstained: 1 - Council Member Rosas

Enactment No: M2016-066

8. Service Agreement for Lindale Senior Center Roof Repair

Motion authorizing the City Manager, or designee, to execute a service agreement with South Texas Metal Roofing of Corpus Christi, Texas, for the roof repair of Lindale Senior Center, in accordance with Bid Event No. 96 based on the lowest, responsive and responsible bid for a base cost of \$174,850 and an additional 10% project contingency in the amount of \$17,485 for unforeseen repairs.

This Motion was passed on the Consent Agenda.

Enactment No: M2016-067

9. Second Reading Ordinance - Rezoning property located at 3142 Masterson Drive and 6201 Kostoryz Road (1st Reading 6/14/16)

Case No. 0516-01 Paisano Contractors, LLC: A change of zoning from the "RS-6" Single-Family 6 District to the "CN-1" Neighborhood Commercial District. The property is described as being 3.1 acres out of Lot 3, Section 8, Bohemian Colony Lands, and Lot 1B, Block 1, Crestmont Unit 11 (0.76 acres), located on the northwest corner of Masterson Drive and Kostoryz Road.

Planning Commission and Staff Recommendation (May 18, 2016):
Approval of the change of zoning from the "RS-6" Single-Family 6 District to the "CN-1" Neighborhood Commercial District.

Ordinance:

Ordinance amending the Unified Development Code ("UDC"), upon application by Paisano Contractors, LLC ("Owner"), by changing the UDC Zoning Map in reference to 3.1 acres out of Lot 3, Section 8, Bohemian Colony Lands, and Lot 1B, Block 1, Crestmont Unit 11 (0.76 acres), from the "RS-6" Single-Family 6 District to the "CN-1" Neighborhood Commercial District; amending the Comprehensive Plan to account for any deviations; and providing for a repealer clause and publication.

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

Enactment No: 030876

10. Second Reading Ordinance - Adopting International Fire Code with local amendments (1st Reading 6/14/16)

Ordinance adopting the International Fire Code, 2015 Edition, with local amendments, as the Fire Code of the City of Corpus Christi; and providing for severance, publication, penalty, and an effective date.

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

Enactment No: 030877

11. Second Reading Ordinance - Naming the park located at Coves of Lago Vista subdivision (1st Reading 6/14/16)

Ordinance naming the park located at Coves of Lago Vista subdivision as Barclay Park.

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

Enactment No: 030878

12. Second Reading Ordinance - Accepting and appropriating a State grant for the Oso Bay Wetlands Preserve and Learning Center (1st Reading 6/14/16)

Ordinance authorizing the City Manager or designee to execute documents to accept a Community Outdoor Outreach Program grant from the Texas Parks and Wildlife Department in amount of \$48,033.00 for the Observing Science Outdoors Summer Guardians 2016 with City matching funds of \$4,950 and an in-kind match of \$8,391, for total program funds of \$61,371; appropriating the \$48,033.00 grant in the No. 1067 Parks Grants fund and authorizing

the transfer of \$4,950 from the No. 1020 General Fund to the No. 1067 Parks Grant fund and appropriating the same for the Observing Science Outdoors Summer Guardians 2016.

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

Enactment No: 030879

13. Second Reading Ordinance - Lease agreement for the 2016 Arts Alive! Event (1st Reading 6/14/16)

Ordinance authorizing the City Manager or designee to execute an agreement with the Arts Community Center of Corpus Christi, Inc. to allow use of area generally bounded by current and former N. Shoreline Blvd., between Coopers Alley and Williams Street, for the Arts Alive! Event and related activities on September 1 through September 5, 2016.

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

Enactment No: 030880

14. Second Reading Ordinance - Interlocal Agreement Amendment for County Road 52 Extension Phase 1B (1st Reading 6/14/16)

Ordinance amending the FY 2016 Capital Budget to add Project No. E16303 County Road 52 Phase 1B, appropriating \$100,000 of anticipated revenue from Nueces County, Texas; approving Amendment No. 1 to an Interlocal Agreement with Nueces County, Texas; and authorizing the City Manager, or designee, to execute Change Order No. 2 with Haas Anderson Construction of Corpus Christi, Texas in the amount of \$649,017.80 for the County Road 52 project Phase 1B for final surface treatment and completion of project. (BOND 2008)

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

Enactment No: 030881

M. PUBLIC HEARINGS: (ITEM 19)

19. Public hearing to discuss and consider proposed Charter Amendments for the November 8, 2016 Special Election with possible action.

Mayor Martinez deviated from the agenda and referred to Item 19, a public hearing on the proposed Charter Amendments for the November 8, 2016 Election.

Mayor Martinez opened the public hearing. John Bell, Chairman of the Charter Review Ad Hoc Committee, stated that he submitted a letter to the City Council after being contacted by former City Manager Marvin Townsend regarding

Proposition 9 relating to the sale of untreated water. Mr. Townsend considers this section of the City Charter a critical part of the City of Corpus Christi's leadership role in being a regional provider of treated and untreated water and that repealing this section would be a major step backwards. Mr. Bell stated that he has discussed this issue with City Attorney Risley and both believe there is existing authority under state law that would allow the City of Corpus Christi to sell water. This issue is more of a perception issue as opposed to a legal issue. From Mr. Townsend's perspective, repealing this section would be sending the wrong signal to the region. There were no comments from the public.

City Secretary Huerta provided a brief overview of the proposed charter amendments, Propositions 1 - 11 as follows:

Proposition 1

Establishing a Dedicated Fund To Be Used Solely for Residential Street Reconstruction and Authorizing the City Council To Levy, Assess And Collect A Property Tax Not To Exceed Six Cents (\$0.06) Per One Hundred Dollars (\$100.00) Of Assessed Value For The Purpose Of Residential Street Reconstruction, Including Associated Utilities Work And Professional Engineering Services, Said Taxes To Be Maintained In This Dedicated Fund And Used Solely For The Purpose Of Residential Street Reconstruction, And Said Taxes to Be Gradually Implemented at a Rate of Not More Than Two Cents (\$0.02) Per One Hundred Dollars (\$100.00) Per Year.

Proposition 2

Providing That The Mayor Pro Tem Shall Be The Council Member Elected At Large Who Received The Highest Number Of Votes.

Proposition 3

Adjusting Total Annual Compensation For The Mayor To \$24,000 And Total Annual Compensation For Each Council Member To \$18,000, and Eliminating All Other Forms of Compensation, To Be Effective With The City Council Elected In 2022.

Proposition 4

Allowing For Procurement Of Contracts For Independent Auditor With Terms Up To Five Years.

Proposition 5

Providing For The Appointment Of Two Alternate Members To The Civil Service Board.

Proposition 6

Eliminating The Prohibition On City Employees Filing For Nomination Or Election To Municipal Public Office To Comply With Texas Local Government Code Section 150.041.

Proposition 7

Providing Authority To Issue Bonds In Accordance With The Laws Of The State Of Texas.

Proposition 8

Clarifying The Approval Process For Leases, Updating The Statutory

Reference, And Eliminating the Waiting Periods for Leases and Lease Amendments Which Do Not Exceed 5 Years.

Proposition 9

Repealing An Unnecessary Provision Regarding Untreated Water Supply Contracts.

MOTION OF DIRECTION

Council Member Magill made a motion directing the City Manager to remove Proposition 9, repealing an unnecessary provision regarding untreated water supply contracts, seconded by Council Member Rubio and passed unanimously.

Proposition 10

Updating Legal References In The General Powers Section And Clarify The General Powers.

Proposition 11

Clarifying The Procedures Regarding Purchases And Contracts in Conformity with State Law.

Council members spoke regarding the following topics: feedback on Proposition 1 related to including a sunset provision of 10, 15 or 20 years; the ability to combine Propositions 4 - 11 regarding housekeeping items; including information to provide clarity on the other forms of compensation referred to in Proposition 3, and concerns with Proposition 2, related to the manner in which the Mayor Pro Tem is proposed to be determined eliminating the current practice of rotating the Mayor Pro tem duties among council members.

Mayor Martinez closed the public hearing.

MOTION OF DIRECTION

Council Member McIntyre made a motion directing the City Manager to amend Proposition 2 to include the language "in the event of the disability of the mayor", seconded by Council Member Garza, and passed unanimously.

MOTION OF DIRECTION

Council Member Garza made a motion directing the City Manager to move forward with Propositions 1 - 8 and 10-11, as amended, seconded by Council Member Vaughn and passed unanimously.

P. RECESS TO CORPORATION MEETING: (ITEM 28)

Mayor Martinez deviated from the agenda and referred to Item 28. Mayor Martinez recessed the regular Council meeting to hold a special board meeting of the Corpus Christi Housing Finance Corporation.

28. Special Board Meeting of the Corpus Christi Housing Finance Corporation

The Corporation Meeting was held.

Q. RECONVENE COUNCIL MEETING

Mayor Martinez reconvened the regular Council meeting.

M. PUBLIC HEARINGS: (ITEM 20)

20. Public Hearing and First Reading Ordinance regarding the City of Corpus Christi's proposed FY2016-2017 Consolidated Annual Action Plan

Ordinance to adopt the fiscal year (FY) 2016-2017 Consolidated Annual Action Plan (CAAP), for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and the HOME Investment Partnerships (HOME) Programs; to authorize the City Manager or designee to submit the FY2016-2017 CAAP to the U.S. Department of Housing and Urban Development (HUD), and to amend if required by HUD; to authorize the City Manager or designee to execute all documents necessary to accept and appropriate upon receipt the grants from HUD into the Grant Fund No. 1059 for the approved FY2016-2017 CAAP projects and further to execute funding agreements and all other documents necessary to implement the FY2016-2017 CAAP with organizations of approved projects.

Mayor Martinez referred to Item 20. Director of Housing and Community Development Rudy Bentancourt stated that the purpose of this item is to adopt the FY2016-2017 Consolidated Annual Action Plan for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and the HOME Investment Partnerships (HOME) Programs. Mr. Bentancourt provided the entitlement allocations received from the U.S. Department of Housing and Urban Development as follows: CDBG - \$2,404,606, ESG - \$221,468, and HOME - \$868,482; and information regarding staff's recommendations.

Mayor Martinez opened the public hearing. Linda McKamie, 1279 Glenoak Drive, spoke on behalf of Catholic Charities of Corpus Christi and expressed appreciation for staff's recommendations. Ms. McKamie explained that CDBG funding will be used to upgrade accessibility at its newly relocated facility and ESG funding will be used to assist with case management and rental assistance. Niki Kiruki, Director of Operations at the Boys and Girls Club, thanked staff for their recommendation for CDBG funding to renovate the Teen Center. Ms. Kiruki stated that the Boys and Girls Club's mission is to enable all youth and provide a positive focus for teens in Corpus Christi. Mayor Martinez closed the public hearing.

Council members spoke regarding the following topics: how the CDBG funding for Ben Garza Park Improvements will impact discussions regarding the leasing of that facility; requests for additional information on the CDBG HCD - Single Family Rehabilitation Program, including the number served, price point and how the program operates; feedback on the balances each year for the following CDBG programs: Police - Code Enforcement Program, Police - Demolition Program, and Police - Clearance of Vacant Properties Program; staff's evaluation of ESG requests that do not have any revenue other than client payments; the ability to assist more homeowners with the grant funding from the CDBG - Appliance Replacement Grant Program; a description of the improvements for CDBG Parks and Recreation - Sacky Park Improvements;

whether funding for HOME - Affordable Housing Project/Program is designated to a specific non-profit or open to affordable housing programs; and any funding considerations during this fiscal year for the relocation of residents related to the new Harbor Bridge.

Council Member Rubio 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: 9 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas, Council Member Scott and Council Member Vaughn

Abstained: 0

S. BRIEFINGS: (ITEM 32)

32. Financial Audit of the Regional Transportation Authority (RTA) by Jerry Van Beveren from Flusche, Van Beveren, Kilgore, PC

Mayor Martinez deviated from the agenda and referred to Item 32, financial audit of the Regional Transportation Authority (RTA). Jerry Van Beveren of Flusche, Van Beveren, Kilgore P.C., stated that the firm was engaged to perform a review of the RTA's internal controls and to explore issues related to their recent fraud activity. Mr. Van Beveren referred to the conclusions regarding the detection of and response to the fraud activity and reported that the RTA responded quickly to the matter and conducted a thorough investigation. The RTA had their internal investigation reviewed by an outside auditor, Collier Johnson & Woods, and the Corpus Christi Police Department. Mr. Van Beveren stated that the audit concludes that the RTA's response was sufficient and timely. The reason the fraud activity occurred was due to a lapse in the RTA's internal controls. However, the RTA's internal controls were also how the fraudulent activity was identified. Mr. Van Beveren stated that the audit provided recommendations to address the internal controls and that the RTA had changed their internal controls prior to any auditor making recommendations.

Council members spoke regarding the following topics: the recommendation to identify potential conflicts of interest to include vendors; appreciation to the City Council for initiating the financial audit and the members of the internal audit team which included Tom Niskala, Nueces County Judge Loyd Neal and City Manager Ron Olson; the plan for implementation moving forward; and whether the RTA has an ethics policy in place, including financial disclosure requirements for board members.

L. EXECUTIVE SESSION: (ITEMS 15 - 18)

Mayor Martinez referred to the day's executive sessions. The Council went into executive session. Council Member Magill abstained from the discussion on Item 18.

15. Executive session pursuant to Texas Government Code § 551.071 for consultation with attorneys regarding collective bargaining matters,

(including litigation) between the City of Corpus Christi and the Corpus Christi Firefighters Association.

This E-Session Item was discussed in executive session.

- 16. 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 conveyance, lease, and sale of City property and pursuant to **Texas Government Code § 551.072** to discuss and deliberate the purchase, exchange, lease, and value of real property located at 521 Josephine Street known as Ben Garza Park and Gym when deliberation in open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

This E-Session Item was discussed in executive session.

- 17. 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 proposed improvements to the Park Road 22 canal and pursuant to **Texas Government Code § 551.087** to discuss confidential commercial or financial information pertaining to entities that the City seeks to have locate, stay or expand within the City limits along Park Road 22 and with which the City is conducting economic development negotiations and to deliberate possible offers of financial or other incentives to said business prospect(s)

This E-Session Item was discussed in executive session.

- 18. 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 annexation of property adjacent to City limits, 14 C.F.R. § 77.31, 14 CFR § 77.9, Section 358 of Public Law 111-383, Part 211 of Title 32, Code of Federal Regulations (CFR), the Consolidated Appropriations Act 2016 (H.R. 2029, Sec 301), topics of the aforementioned statutes and regulations, and related statutes and regulations.

City Secretary Huerta announced that Council Member Magill abstained from the discussion on Item 18. This E-Session Item was discussed in executive session.

S. BRIEFINGS: (ITEMS 29 - 31 and 33)

- 29. Ad Hoc Residential Street Infrastructure Advisory Committee
Final Report**

****Approximate Time will be 4:00 pm****

Mayor Martinez deviated from the agenda and referred to Item 29. Andy Taubman, Chairman of the Ad Hoc Residential Street Infrastructure Committee

(Committee), stated that the purpose of this item to provide a briefing on the Committee's recommendations. Mr. Taubman introduced the Committee members present: Toby Futrell, Richard Stracener, Kyle Pape, and Javier Huerta. Adria Schreiber-Garza, Business Manager for the Office of Public Works, responded to questions from the City Council.

Mr. Taubman presented the Committee's first finding: the amount of money that Corpus Christi would have to spend to maintain and replace residential streets on a 60-year cycle would be approximately \$71 million per year and that this amount does not include spending for arterial or collector streets.

Mr. Taubman further presented the Committee's following findings and recommendations for Process Observations included the following: 2.1 the City track job cost at the street level; 2.2. the City use the contracting methods of IDIQ, Micro-IDIQ and Project Bid method, in addition to tasking City-internal work crews to perform the work to maintain and rebuild the streets; 2.3. the City should pay contractors promptly; 2.4 the creation of an acquisition planning role for purchasing and contract administration; 2.5 the City design and implement process and system improvement to document cost, geo-spatial parameters, and performance measures; 2.6 the City define a formal process in place for the intake, evaluation, trial, and acceptance of new technologies; 2.7 budgetary savings that result from understaffing, unfilled vacancies and under-compensation have a real cost impact on the project themselves; 2.8 there is a need for construction project management; 2.9 the continuation of the Street Preventative Maintenance Program (SPMP) seal coat program and track the data for effectiveness; 2.10 the continuation of the SPMP overlay program with a reallocation to increase spending on residential collector streets; 2.11 the prioritization of incremental spending on arterial/collector streets; 2.12 the grandfathering of Street Design; 2.13 the City consider improved street standards or construction damage mitigation such as increased warranties, delayed acceptance, or delayed installation guaranteed by performance bonds; 2.14 the City consider a strategy to address street construction in the ETJ to limit exposure to increased costs if those roads become the City's responsibility through annexation; and 2.15 the City evaluate the stormwater problem outside of the purview of this Committee.

The Committee's recommendations and findings for Street Treatment Types included the following: 3.1 the City funds a program of residential street spending to achieve a Targeted Area Reclamation (TAR), with a defined budget amount and program cycle time for proactive, intensive maintenance; 3.2 fund a residential street spending program to be known as Rebuild, with a defined budget amount. Mr. Taubman referred to the recommendations regarding Prioritizing Street Rebuilding: 4.0 Prioritizing street rebuilding according to a process that considers road condition, safety, maintenance history, proximity to schools, population density, utility coordination, transportation coordination and road network connectivity. The Committee offered Reconstruction Scenarios and made recommendation regarding financing and communications.

Council members and the presentation team discussed the following topics: whether staff is already tracking at the street level and when the tracking began; current use of the Micro-IDIQ; the Weaver report's findings indicating the need to speed up the payment process for contractors; the legal requirement regarding the time frame allowed for paying vendors; the number

of inspectors to approve a street; the acquisition planning role; whether improvements to the information systems are factored into the budget costs; contracting project managers when staffing levels are low; the need to increase staffing levels to manage the work; reallocating the spending to improve the quality of residential collector streets; the current allocation through the SPMP; grandfathering of street design standards; the number of subdivisions grandfathered; how long the grandfathering law has been in effect; a formal process for accepting streets in subdivisions; rezoning of platted property; concerns with TAR cycle by segment in each district; pavement index condition (PCI) measurements; creation of a workplan to target areas by need; reconstruction scenarios; next steps for implementation; an audit work plan; addressing adequate staffing for the Street Department during the budget process; standards for new construction; and extraterritorial jurisdiction recommendations.

31. Nueces County Truancy Committee Final Report and Recommendations

** Approximate Time will be 5:00 pm**

Mayor Martinez referred to Item 31. Director of Intergovernmental Relations Tom Tagliabue stated that the purpose of this item is to provide a briefing on the final recommendations of the Nueces County Truancy Committee (Committee) dealing with the statutory changes to de-criminalize truancy and focus on prevention. John Milam, Deputy Director of the Nueces County Juvenile Department, along with Committee members Judge Gail Loeb, Judge Inna Rogoff-Klein, and Judge Thelma Rodriguez presented this item. Mr. Milam provided the following information: the committee's membership; background on House Bill 2398 and Senate Bill 107; and the Committee's recommendations on the following six (6) goals each county is required to review: 1) a uniform process for filing truancy cases with truancy courts; 2) uniform administrative procedures; 3) uniform deadlines for processing truancy cases; 4) a local plan with strategies to address truancy, including effective prevention, intervention, and diversion methods to reduce truancy and referrals to a truancy; 5) a system for tracking truancy information and sharing information among school districts, open-enrollment charter schools, truancy courts, juvenile courts, and juvenile probation departments in the county; and 6) any changes to statutes or state agency rules the Committee determines are necessary to address truancy.

Council members spoke regarding the following topics: whether state legislators who pushed to decriminalize truancy offered any solutions; the processes or methods used in other states regarding truancy compliance; evidence-based programs; criminalization of truancy having stigmatized children with a criminal record; local control of the process; the recommendation to limit truancy cases to two courts; and increasing the number of case managers.

30. Discussion regarding the proposed ballot for November 8, 2016 election

Mayor Martinez deviated from the agenda and referred to Item 30. City Secretary Rebecca Huerta stated that the purpose of this item is to review the draft ballot language for the General and Special Elections being held on November 8, 2016 and to obtain direction from Council on the sales and use tax authorization. Direction on the Charter Amendments was provided during

the discussion on Item 19. City Secretary Huerta stated that the first reading of the election ordinance is scheduled for August 9, 2016, with the second reading scheduled for August 16, 2016. The General Election is related to the election of the mayor and eight council members. The list of candidates and races will be determined after the end of the filing period which is scheduled from July 25, 2016 to August 22, 2016.

The first item on the Special Election is Proposition 1, regarding the sales tax authorization. The draft language of which includes the direction provided during the March 22, 2016 city council retreat, which included: general sales and use tax with allocations of up to \$500,000 for affordable workforce housing, 45% for economic development projects, and the remainder for construction, repair and maintenance of residential streets; with a term of 15 years.

Iain Vasey, President/CEO of the Corpus Christi Regional Economic Development Corporation (EDC) stated that the EDC Board recommended the following: a Type B structure; with a minimum of 50% for economic development; up to \$500,000 for affordable housing; the balance to arterial and collector streets; continuation of the sales tax for a term of 20 years; maintaining a review/recommendation panel; and appropriate protection mechanisms to ensure the funds for economic development are maintained. The Type A Board recommended the following: a Type B structure; \$3 million for streets (set amount); \$500,000 for affordable housing (set amount); and the remainder for Economic Development.

Council members discussed the following topics: removal of the general sales and use tax; the Type B structure not allowing for residential streets; other funding sources for residential streets; that the general sales tax structure could be used for residential streets; debt service availability; the Council's priority to address residential streets; that the public would support a residential rebuild program; the 2014 Arlington bond which defined the program and criteria for the types of streets, exploring the ability to change the wording from affordable housing to housing initiatives; and support for the EDC's recommendation.

MOTION OF DIRECTION

Council Member Garza made a motion directing the City Manager to move forward with the ballot language recommended by the EDC Board: a Type B structure; with a minimum of 50% for economic development; up to \$500,000 for affordable housing; the balance to arterial and collector streets; continuation of the sales tax for a term of 20 years, seconded by Council Member Magill and passed unanimously (Council Member Vaughn - absent).

City Secretary Huerta referred to the remaining proposed ballot items: Proposition 2 regarding the continuation of the Crime Control District for ten years and the Charter Amendments, as previously discussed in Item 19. City Secretary Huerta explained the other possible propositions: two (2) initiative petitions, one regarding "Cite and Release" for Class B Misdemeanors due June 24, 2016, the other related to Transportation Network Companies due July 29, 2016; as well as one (1) recall petition due July 8, 2016.

MOTION OF DIRECTION

Council Member Magill made a motion directing the City Manager to move

forward with the ballot language presented regarding the Crime Control and Prevention District, seconded by Council Member Garza and passed unanimously (Council Member Vaughn - absent).

33. Beach Operation and Maintenance Funding Update

Mayor Martinez deviated from the agenda and referred to Item 33. Interim Director of Parks & Recreation Stacie Talbert Anaya stated that the purpose of this item is to provide a presentation regarding the resources used to maintain and provides services at the parks and beaches. The Parks and Recreation Department maintains two (2) bay beaches: McGee Beach, approximately .3 miles and City-owned; and North Beach, approximately 1 mile, which is leased from the Texas General Land Office. Both bay beaches are maintained by the Tourist District team and patrolled by Park Enforcement officers. The bay beaches are funded from the General Fund and State Hotel Occupancy Tax (HOT) fund. The Parks and Recreation Department is also responsible for the Gulf Beach, approximately 7.9 miles. Maintenance of the Gulf Beach is driven by the U.S. Army Corps of Engineers permit, which influences the City's drafting of its adaptive beach maintenance plan. Operational activities include: sale of beach parking permits; maintenance of driving lanes; patrol of Beach Enforcement Offices; lifeguards and Packery Channel patrol. Gulf Beach activities are funded from the General Fund, local and state HOT funds, the Tax Increment Financing Fund (TIF), and General Land Office reimbursements. Ms. Anaya provided a chart detailing expenditures per beach.

A council member and Ms. Anaya discussed the following topics: funding for North Beach renourishment; whether state HOT funds can be used for beach cleaning; North Beach qualifying for state HOT funds; and the ability to continue using the Texas General Land Office's Coastal Erosion Management Program to renourish North Beach and McGee Beach.

N. REGULAR AGENDA: (ITEMS 21 - 25)

21. One Reading Action Item - Appropriating Unreserved Funds into Employee Health Benefits Fund to cover claim expenditures for the remainder of the fiscal year

Ordinance appropriating \$6,500,000 from the Unreserved Fund Balance in Fund No. 5610 Employee Health Benefits - Citicare; appropriating \$845,863 from the Unreserved Fund Balance in Fund No. 5609 Employee Health Benefits - Police; appropriating \$605,263 from the Unreserved Fund Balance in Fund No. 5608 Employee Health Benefits - Fire; amending the FY2016 Operating Budget adopted by Ordinance No. 030620 to increase expenditures by \$7,951,126; and declaring an emergency.

Mayor Martinez deviated from the agenda and referred to Item 21. Interim Director of Human Resources Steven Viera stated that the purpose of this item is to request an increase in the amount budgeted for the City's Citicare, Citicare Fire and Citicare Police health plans to cover claim expenditures for the remaining FY2016 budget period. Mr. Viera presented a snapshot of the budgets for the following: Citicare Plan, the general employee health plan; Citicare Police plan; and Citicare Fire plan. Mr. Viera provided an overview of

the driving factors resulting in increased costs in the health plans including: the Affordable Care Act (ACA); inpatient costs; prescription drug cost increases related to the ACA; increased utilization of emergency room facilities; outpatient costs; and a chart detailing how the ACA mandates have impacted the health plan and resulted in increased costs. Mr. Viera stated that staff is working to implement the following recommendations: proposed premium increase for employees, retirees and dependents in the Citicare and Citicare Police plans; plan design changes for Citicare related to deductibles, co-pays, emergency room, and diagnostic care; focus on employee education; meeting with the leadership of the Corpus Christi Police Officers' Association regarding the status of the plan, the need for premium increases, and how the ACA has impacted the police plan, including increased costs; and preliminary discussions with the Corpus Firefighters' Association regarding the fire plan and impacts.

Council members and Mr. Viera discussed the following topics: the percent changes in deductibles and premium increases; the national epidemic regarding health insurance and cost; the health of the reserve funds even with removing the \$7.9 million out of the fund balance; that the employee-only premium has not been increased since 2010 and the City has not experienced a rate increase in the last three years; employee education; when the plan information will be ready; monitoring mechanisms; and keeping rates competitive for recruitment purposes.

There were no comments from the public.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas and Council Member Scott

Absent: 1 - Council Member Vaughn

Abstained: 0

Enactment No: 030882

22.

**Engineering Design Contract for Sea Town (aka S.E.A. District)
Pedestrian Improvements (Bond 2012, Proposition 8)**

Motion authorizing the City Manager, or designee, to execute an Engineering Design Contract with LJA Engineering, Inc. of Corpus Christi, Texas in the amount of \$157,806.71 for the SeaTown (aka S.E.A. District) Pedestrian Improvements project for engineering design services. (Bond 2012, Proposition 8).

Mayor Martinez referred to Item 22. Director of Engineering Services Jeff Edmonds stated that the purpose of this item is to award an engineering design contract for the SeaTown (aka S.E.A. District) Pedestrian Improvement project, Bond 2012 Proposition 8. During the discussion on this item at the June 14, 2016 city council meeting, there was a question raised regarding the project budget related to the Corpus Christi Downtown Management District.

This project is outside the limits of the Downtown Management District and none of the funds will be used to reimburse the Downtown Management District.

Council Member Magill made a motion to remove the Downtown Management District charge of \$55,000 from the project budget, seconded by Council Member McIntyre and passed unanimously (Council Members Scott and Vaughn - absent).

There were no comments from the public.

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

Aye: 7 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio and Council Member Rosas

Absent: 2 - Council Member Scott and Council Member Vaughn

Abstained: 0

Enactment No: M2016-068

23.

Appointing Financial Advisor for Issuance of Utility System Revenue Refunding Bonds

Motion authorizing the appointment of and approving the contract for M. E. Allison, & Co., as Financial Advisor for the issuance of the "City of Corpus Christi, Texas Utility System Junior Lien Revenue Refunding Bonds, Series 2016", in an amount not to exceed \$84,735,000.

Mayor Martinez referred to Item 23. Director of Financial Services Constance Sanchez stated that the purpose of this item is to authorize the appointment of M. E. Allison & Co. as Financial Advisor for the issuance of Utility System Revenue Refunding Bonds. There were no comments from the Council or the public.

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

Aye: 7 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio and Council Member Rosas

Absent: 2 - Council Member Scott and Council Member Vaughn

Abstained: 0

Enactment No: M2016-069

24.

Second Reading Ordinance - Authorizing the Issuance of Utility System Revenue Refunding Bonds (1st Reading 6/14/16)

Ordinance authorizing the issuance of "City of Corpus Christi, Texas Utility System Junior Lien Revenue Refunding Bonds, Series 2016" in an amount not to exceed \$84,735,000; making provisions for the payment and security thereof by a junior and inferior lien on and pledge of the net revenues of the City's Utility System on a parity with certain currently outstanding utility system revenue obligations; stipulating the terms and conditions for the issuance of additional Revenue Bonds on a parity therewith; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the Bonds; including the approval and distribution of an official statement pertaining thereto; authorizing the execution of a paying agent/registrars agreement, an escrow agreement, and a purchase contract; complying with the requirements imposed by the letter of representations previously executed with the depository trust company; delegating the authority to certain members of the City staff to execute certain documents relating to the sale of the bonds, and providing an effective date.

Mayor Martinez referred to Item 24. Director of Financial Services Constance Sanchez stated that the purpose of this item is to authorize the issuance of Utility System Revenue Refunding Bonds in an amount not to exceed \$84,735,000.

There were no comments from the Council or the public.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas and Council Member Scott

Absent: 1 - Council Member Vaughn

Abstained: 0

Enactment No: 030883

25. Second Reading Ordinance - Amending State Speed Limit in Certain Zones Along Shoreline Drive and Ennis Joslin Road (1st Reading 6/14/16)

Ordinance amending the Code of Ordinances, Chapter 53, Article VIII, Section 53-254 Schedule V, Increase of State Speed Limit in Certain Zones by adding Ennis Joslin from Wooldridge Road to Holly Road and updating North and South Shoreline Boulevard and amending Section 53-255 Schedule VI, Decrease of State Law Maximum Speed by removing East Shoreline Boulevard

Mayor Martinez referred to Item 25. Director of Engineering Services Jeff Edmonds stated that the purpose of this item is to amend the City's Code of Ordinances by amending the State speed limit in certain zones along Shoreline Drive and Ennis Joslin Road. City Attorney Miles K. Risley explained that the

ordinance would need to be amended prior to second reading to include the language "providing for severance; and providing for publication".

There were no comments from the public.

Council Member McIntyre made a motion to amend the ordinance as stated, seconded by Council Member Rubio and passed unanimously (Council Member Vaughn - absent).

In response to a council member, Mr. Edmonds stated that the changes to the Code of Ordinances were approved by the Transportation Advisory Commission.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas and Council Member Scott

Absent: 1 - Council Member Vaughn

Abstained: 0

Enactment No: 030884

O. FIRST READING ORDINANCES: (ITEMS 26 - 27)

26. First Reading Ordinance - CenturyLink Communications, LLC renewal of Conduit Use Agreement for Telecommunications

Ordinance authorizing the City Manager, or designee, to execute a ten-year Conduit Use Agreement with CenturyLink Communications, L.L.C., to install and maintain telecommunications facilities within city conduit located in Ocean Drive right-of-way between Ennis Joslin Road and Sand Dollar Blvd. in consideration of \$7,886.00 annual revenue payment, to be increased by 4% annually.

Mayor Martinez referred to Item 26. Director of Information Technology Belinda Mercado stated that the purpose of this item is to execute a renewal of a conduit use agreement with CenturyLink Communications. The City-owned conduit is located in the Ocean Drive right-of-way between Ennis Joslin and Sand Dollar Drive and CenturyLink has fiber optic cable in the conduit. In year 1, CenturyLink will pay to the City \$7,886 for the use of the conduit and the revenue will be placed in the General Fund. The city council previously approved three five-year conduit use agreements. This agreement will be for ten years with an annual increase in the revenue payment of 4% per year.

There were no comments from the public.

Council members spoke regarding the following topics: the reason for lengthening the term of the agreement to ten years; the type of services CenturyLink provides; the ability to trade or consolidate services with

CenturyLink; the increase of 4% per year in revenue; and opportunities for communication companies to invest in utilizing their conduit and the City's conduit for communication improvements.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas and Council Member Scott

Absent: 1 - Council Member Vaughn

Abstained: 0

27. First Reading Ordinance - Amending lease agreement to add additional parking spaces for lessee of City parking lot located at Mann Street and Mesquite Street

Ordinance authorizing the City Manager or designee to execute an amendment to the lease agreement with the Results Companies for the City parking lot located at Mann Street and Mesquite Street to allow the lease of the entire City parking lot

Mayor Martinez referred to Item 27. Business Liaison Alyssa Barrera stated that the purpose of this item is to amend the lease agreement with Results Company by increasing the number of parking spaces in the Mann Parking lot by an additional 36 spaces, with an additional revenue of \$3,600 per year.

There were no comments from the Council or the public.

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

Aye: 8 - Mayor Martinez, Council Member Garza, Council Member Hunter, Council Member Magill, Council Member McIntyre, Council Member Rubio, Council Member Rosas and Council Member Scott

Absent: 1 - Council Member Vaughn

Abstained: 0

R. FUTURE AGENDA ITEMS: (NONE)

T. ADJOURNMENT

The meeting was adjourned at 7:38 p.m.