



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 2

Tuesday, August 22, 2017

9:30 AM

Council Chambers

A. Chairperson Greg Smith to call the meeting to order.

Chairperson Smith called the meeting to order at 9:30 a.m.

B. City Secretary Rebecca Huerta to call roll of the Corporation Directors.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the Corporation Directors were present to conduct the meeting.

(Note: Ms. Guajardo arrived at 9:31 a.m.; Ms. Lindsey-Opel arrived at 9:32 a.m.)

Present 12 - Chair Greg Smith, Director Rudy Garza Jr., Director Paulette Guajardo, Director Michael Hunter, Director Cal Jennings, Director Debbie Lindsey-Opel, Director Joe McComb, Director Ben Molina, Director Samuel Neal Jr., Director Gabriel Rivas, Director Lucy Rubio, and Director Carolyn Vaughn

Absent 1 - Director Steve Ellis

D. MINUTES:

1. Approval of Minutes of the February 21, 2017 Meeting and the March 7, 2017 Meeting.

Chairperson Smith referred to approval of the minutes. Mr. Neal made a motion to approve the minutes, seconded by Mr. Molina and passed unanimously (Mr. Ellis and Ms. Lindsey-Opel - absent).

E. FINANCIAL REPORT:

2. TIRZ #2 Financial Reports for June 30, 2017.

Chairperson Smith referred to Item 2. Director of Financial Services Constance Sanchez presented the Reinvestment Zone No. Two Financial Report.

G. PUBLIC COMMENT:

Chairperson Smith deviated from the agenda and referred to comments from the public. Libby Edwards, 15309 E. Chesapeake and Chair of the Island Strategic Action Committee (ISAC), spoke regarding Item 5, and stated that ISAC approved the budget subject to the following conditions: 1) removal of the patrol boat and any further expenditures and 2) clarification on expenditures related to the Packery Channel restrooms, showers, and

mobi-mats. In response to a director, Ms. Edwards provided a handout regarding the reasons ISAC recommended to discontinue the patrol boat.

F. AGENDA ITEMS: (ITEMS 3-4)

3. FY 2017 - 2018 Proposed TIRZ #2 Operating Budget

Resolution approving the proposed Reinvestment Zone Number Two, City of Corpus Christi, Texas, FY 2017-2018 Budget; and recommending adoption of the proposed budget by City Council.

Chairperson Smith referred to Item 3. Director of Management and Budget Eddie Houlihan stated that the purpose of this item is to approve the FY2018 Budget for the Reinvestment Zone No. 2. Mr. Houlihan provided the proposed revenue detail and expenditure detail for the Reinvestment Zone No. 2 Fund. Mr. Houlihan stated the reserve for commitments will need to be amended from \$4.5 million to \$6 million to include the bond reserves.

After Mr. Houlihan's presentation, the following topics were discussed: clarification of the amount reserved for commitments; how long the bond reserves have been reflected inaccurately; the cost associated with operating the patrol boat; whether the patrol boat was an appropriate allocation; the financial implications of the Parks and Recreation Department incurring expenditures related to the patrol boat; revisiting the relationship between staff and ISAC and how ISAC interacts with the City Council; the reason ISAC had two conditions regarding their approval of the budget; the analysis performed by ISAC regarding the benefit of the patrol boat versus cost; the boat not being staffed since December 2016; boat patrol staff not having the authority to issue citations; an explanation of the patrol boat expenditures if the boat has not been staffed; a request by a director to provide a report on the repairs of the boat; staff's recommendation to ISAC to consider upgrading the staff position which would allow the authority to issue citations; whether funds for the showers, restrooms, and mobi-mats were moved to the capital improvement projects (CIP) fund; the original intent of the patrol boat; staff needing to be accountable and provide history or background information to Reinvestment Zone No. 2 members; continued dialogue between staff and ISAC regarding the future of the patrol boat; and consideration to drastically reduce funding for the patrol boat until there is a complete analysis of the patrol boat.

Ms. Lindsey-Opel made a motion to amend the resolution to include \$1.5 million in the reserve for encumbrances to bring the total to \$6 million and reduce the funding for the patrol boat from \$89,500 to \$10,000. The motion failed for lack of second.

Mr. McComb made a motion to amend the resolution by including \$1.5 million in the reserve for encumbrances to bring the total to \$6 million, seconded by Ms. Lindsey-Opel and passed unanimously (Mr. Ellis - absent).

Mr. McComb made a motion to amend the resolution by removing the patrol boat from the budget, ensuring that the Parks and Recreation Department does not pick up the patrol activity/expenses, and liquidating the boat, seconded by Mr. Garza and passed unanimously (Mr. Ellis - absent).

Ms. Lindsey-Opel made a motion to approve the resolution as amended,

seconded by Mr. Garza. This Resolution was approved as amended with the following vote:

Aye: 12 - Chair Smith, Director Garza Jr., Director Guajardo, Director Hunter, Director Jennings, Director Lindsey-Opel, Director McComb, Director Molina, Director Neal Jr., Director Rivas, Director Rubio, and Director Vaughn

Absent: 1 - Director Ellis

Abstained: 0

4.

Amendment to TIRZ #2 Project and Financing Plan

Resolution recommending adoption of an amendment to the revised project and financing plan (plan) for the reinvestment zone number two, City of Corpus Christi, Texas, Dated August 22nd 2017, regarding the use of zone funds to reimburse administrative expenses for the zone.

Chairperson Smith referred to Item 4. Assistant City Manager Keith Selman stated that the purpose of this item is to amend the Project Plan to add back an administrative allocation reimbursement to reimburse ongoing administrative costs of the Reinvestment No. 2 Zone.

Ms. Vaughn made a motion to approve the resolution, seconded by Mr. Molina. This Resolution was passed and approved with the following vote:

Aye: 12 - Chair Smith, Director Garza Jr., Director Guajardo, Director Hunter, Director Jennings, Director Lindsey-Opel, Director McComb, Director Molina, Director Neal Jr., Director Rivas, Director Rubio, and Director Vaughn

Absent: 1 - Director Ellis

Abstained: 0

H. ADJOURNMENT

Corporation members and staff discussed the following topics: the reason for delaying the installation of restrooms at the beach and missing the entire summer season without acting on what the Corporation approved and a request from a corporation member to provide a memo on the process to move projects forward.

The meeting was adjourned at 10:27 a.m.

** Regardless of the agenda heading under which any item is listed, any word or phrase of any item listed on this agenda shall be considered a subject for consideration for purposes of the Texas Open Meetings Act and other relevant laws, and the Board of Directors may deliberate and vote upon any such subject and resolutions related thereto. Any descriptions of property or amounts stated in this agenda are descriptive and not restrictive, and property and amounts may be changed in the motions, actions or documents. In addition to other items listed in this agenda, policies and procedures of this corporation, legal analysis of any items, policies or procedures, and any items that are currently receiving funding from this corporation may be discussed and deliberated and these matters are added as subjects of discussion to this meeting. This agenda has been reviewed and approved by the attorney for the governing body, and the presence of any subject or description in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for this corporation indicating that said subject or description thereof may be legally discussed in a closed meeting.*