21-0707 - FINAL REPORT -2021

2020 CHARTER REVIEW AD HOC COMMITTEE

1st Presentation June 2020

Members

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Table of Contents

List of Propositions and Recommendations	2
Committee Objective and Guiding Values	4
Introduction	4
Methodology	5
Committee Timeline	7
Proposed Proposition #1: Single Member Districts with 4-Year, Staggered Terms	8
Alternative Recommendation #1	8
Proposed Proposition #2: Mayor and Council Compensation	15
Proposed Proposition #3: Term Limits	18
Proposed Proposition #4: Initiative/Referendum Signature Requirement	20
Proposed Proposition #5: Consistent Zoning Approval	21
Proposed Proposition #6: Removing a Council Member from Office	22
Recommendation #2: Financial Transparency w/ Intra-Departmental Budget Transfers	23
Recommendation #3: Financial Transparency w/ City Contracts	24
Recommendation #4: Council Staff Support	.25
Recommendation #4. Council Start Support	
Appendices	
Appendices	
Appendices <u>Appendix A</u> : Proposed Proposition #1 and Recommendation #3 Minority Opinions	.26
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments	.26
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions	.26
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions	.26 .30
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions	.26 .30 .32
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments Proposed Proposition #1 Single Member Districts with 4-Year, Staggered Terms Appendix C: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation Appendix D: Ballot Language and Actual Text Amendments	.26 .30 .32
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments Proposed Proposition #1 Single Member Districts with 4-Year, Staggered Terms Appendix C: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation Appendix D: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation Appendix D: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits	.26 .30 .32 .34
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments Proposed Proposition #1 Single Member Districts with 4-Year, Staggered Terms Appendix C: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation Appendix D: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits Appendix E: Ballot Language and Actual Text Amendments	.26 .30 .32 .34
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments Proposed Proposition #1 Single Member Districts with 4-Year, Staggered Terms. Appendix C: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation. Appendix D: Appendix D: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits. Appendix E: Appendix E: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits. Proposed Proposition #4 Initiative/Referendum Signature Requirement.	. 26 . 30 . 32 . 34 . 36
Appendices Appendix A: Proposed Proposition #1 and Recommendation #3 Minority Opinions Appendix B: Ballot Language and Actual Text Amendments Proposed Proposition #1 Single Member Districts with 4-Year, Staggered Terms Appendix C: Ballot Language and Actual Text Amendments Proposed Proposition #2 Mayor and Council Compensation Appendix D: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits Appendix E: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits Appendix E: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits Appendix E: Ballot Language and Actual Text Amendments Proposed Proposition #3 Term Limits Appendix E: Ballot Language and Actual Text Amendments Proposed Proposition #4 Initiative/Referendum Signature Requirement Appendix F: Ballot Language and Actual Text Amendments	.26 .30 .32 .34 .36

LIST OF PROPOSED PROPOSITIONS AND RECOMMENDATIONS

Proposition #1: Single Member Districts with Staggered 4-Year Council Terms: Change our current mixed election system – 5 single member districts each elected by majority vote of the their district voters, 3 at-large positions elected by plurality, and our mayor elected at large, all with 2-year non-staggered terms – and move to a new election system of 8 single member districts each elected by majority vote of their district voters and our Mayor elected at large, all with staggered 4-year terms.

Recommendation #1 is a Potential Alternative to Proposition #1: If the Council decides against putting Proposition #1 on the ballot <u>or</u> if voters reject Proposition #1 at the ballot box, the Committee recommends keeping our current mixed election system with 2-year non-staggered terms, but exploring a State Constitutional Amendment through the City's future legislative agendas to eliminate the constitutional requirements that are triggered when any Texas city adopts council terms longer than 2 years.

Proposition #2: **Mayor and Council Compensation**. Increase the Mayor's annual salary from \$9,000 to \$18,000. Increase the City Council Members' annual salary from \$6,000 to \$12,000. Include an escalator that adjusts those salaries every 2 years by that year's unadjusted U.S. All Items Consumer Price Index (CPI) for Urban Consumers as determined by the U.S. Bureau of Labor Statistics.

Proposition #3: Term Limits. Establish lifetime City Council term limits as follows: No person shall serve more than 8 years as Council Member, or more than 8 years as Mayor or more than 12 years in any combination. Any time served prior to the approval of this proposition shall count towards the lifetime term limit. This provision shall not prohibit any Council Member or Mayor from beginning or completing any term that begins in 2020 or 2021, but would prohibit any other candidate from running for a term they cannot complete because of term limits.

Proposition #4: Initiative/Referendum Signature Requirement. Clarify that signatures are required on the statements of intent to commence either initiative or referendum proceedings.

Proposition #5: **Consistent Zoning Approval**. To delete the requirement that zoning ordinances presented for Council approval require a two-third affirmative vote during the 30 days before a regular election and extending until newly elected council members take office. These same zoning ordinances normally require a simple majority vote any other time of the year.

Proposition #6: Removing a Council Member from Office. Delete charter provision that allows as few as 5 registered voters to initiate a Council action to remove a council member from office. Currently, a council member may be removed by a simple majority vote of other council members. Change to require 6 affirmative votes for other council members to overturn an election by removing an elected council member from office.

Recommendation #2: Financial Transparency with Intra-Departmental Budget Transfers. Amend City Financial Policy to require intra-departmental budget transfers within the same fund to be included in the City's Quarterly Budget Report which is presented to Council every 3 months and maintained on the City's web site for public review.

Recommendation #3: Financial Transparency with City Contracts. Expand the reporting of contracts under \$50,000 for greater scrutiny through a City Financial Policy Amendment. Lower the threshold of \$50,000 to include more city contracts reported and maintained in searchable format on the City website.

Recommendation #4: Council Staff Support. The provision of dedicated, paid staff resources to support council members is better handled as a policy issue through the annual budget process rather than through a charter requirement.

COMMITTEE OBJECTIVE

To judiciously recommend charter revisions that consider national best practices and are value added in both governing, as well as operating our City

GUIDING VALUES

The following three values guided the Committee's deliberation on each potential charter revision:

- Improving operational efficiency
- Advancing public accountability
- Respecting our Council/Manager form of government

INTRODUCTION

The Committee considered over 30 potential charter changes during 11 months that selectively resulted in the 6 proposed charter propositions outlined in this Report. Our Report also includes 4 additional recommendations on items that seemed more suited to a Council policy or budget action than a charter revision.

Recognizing that the Committee's role is purely advisory to the Council, we tried to make our work value added by focusing heavily on the discovery or research component for each item under consideration. This Report provides the Council with both a strong national and statewide picture of trends and best practices that might be relevant to the Council's final ballot deliberations. Additionally, we specifically laid out the rigorous pro and con debates that occurred for each item to give the Council a road map of the diverse community perspectives that were brought to the table.

By following the discovery – discussion – decision-making process outlined in the Report's Methodology Section, the Committee had a significant number of unanimous decisions to both propose – and as frequently, not to propose – specific charter amendments. I'd like to flag a notable exception to that track record. Proposed Proposition #1 recommends a move to all single member districts that is combined on the ballot proposal with 4-year staggered council terms because of a complicated link to State constitutional requirements when a Texas city moves past 2-year council terms. This proposal had a hard split among Committee members and is explained in detail in the following report section dedicated to Proposed Proposition #1.

METHODOLOGY

The Committee created a scope of work and prioritized work plan for recommending charter revisions organized around addressing:

- 1. Mayor and City Council's charter revision interests and concerns articulated in both the Council Motion of Direction creating the Charter Review Ad Hoc Committee, as well as the surrounding Council discussion on that item,
- 2. City Manager's charter revision interests and concerns related to improving operational process efficiency and effectiveness,
- 3. Housekeeping items raised by both the City Secretary and City Attorney, and
- 4. Other items identified for discussion by individual Committee Members

Following The 3 D Process: DISCOVERY \rightarrow DISCUSSION \rightarrow DECISION

Each potential charter revision was put through a rigorous process of discovery, discussion, and decision-making. A great deal of effort was front-loaded in the discovery or research element of the 3 D's to identify trends and best practices. Diverse resources were tapped including, but not limited to:

- October 2019 Survey of the top 20 largest Texas cities on relevant charter issues.
- 2018 nationwide Municipal Government Survey conducted by the International City/County Management Association (ICMA).
- 2018 Texas Municipal Government Survey done through a collaboration of both Texas Municipal League (TML) and ICMA.
- <u>Texas Home Rule Charters</u>, considered the quintessential guide to model Texas city charters, written by Terrell Blodgett and published by TML in 1994 and updated again in 2010.
- <u>An Analysis of Texas Home Rule Charters</u> written by Charles E. Zech and published as a 2008 Texas State University Applied Research Project that expanded the work done by Terrell Blodget.
- Numerous interviews conducted with experts on the state constitution, election analysis and election law, best practices in municipal charters, form of government and local government operations, as well as gaining local historical perspective from past charter committee chairs, elected officials, city attorneys, and city executives.

• Interviews were also conducted with other relevant entities such as the Secretary of State Election Office, LBJ School of Public Affairs at the University of Texas, Texas A&M University at Corpus Christi, TML, Texas City Manager Association (TCMA) and ICMA.

Throughout the process, each Committee Member provided updates to their assigned Council Member to keep the member informed on the status of the Committee's work and to convey Council's feedback for Committee consideration. Potential charter revisions that received a majority affirmative vote of the Committee resulted in either a preliminary recommendation or proposed charter proposition. For each recommendation or charter proposition, the final Committee Report includes a summary of any relevant research or identified best practices, both pro and con arguments, a cost-savings impact statement if applicable , and a legal review and sign off, as well as any other germane operational review and sign off, such as from the City's Intergovernmental Relations Director or Chief Financial Officer.

Committee members that were part of a losing vote with \geq 2 votes but < 5 votes had the option to draft a one-page Minority Opinion on those recommendations or propositions. Any Minority Opinions are included as an appendix in both the preliminary and final Committee Report.

The preliminary Committee Report was posted on the City's Charter Review Committee web page in May 2020 for early public feedback and was reported to the Committee before the Committee Report was finalized for presentation to the City Council. Additionally, public feedback from the web page will be summarized and reported to the City Council during the Committee's presentation to the City Council on June 23, 2020. This web site was promoted and maintained by the City's Communication Office as part of the Committee's public education and outreach efforts on the charter revision initiative.

COMMITTEE TIMELINE

DATE	WORK TO ACCOMPLISH
May - July 2019	 Mayor & Council Creates Charter Review Ad Hoc Committee Mayor & Council Outline Key Areas of Interest for Possible Charter Revision Mayor & Council Makes Committee Appointments
August 2010	 Dissevery Desseven en Dest Drestiese & Legel Deview
August 2019 –APRIL 2020	 Discovery: Research on Best Practices & Legal Review Discussion Complete Preliminary Recommendations and Proposed Propositions
May 2020	 Draft Report reviewed by Law & City Secretary Before Posting on Website Law Begins Preparing Proposed Ballot Language City Communications Office Aggressively Promotes City Charter Revision Website during May Public Feedback Period Receive Citizen Comments through Charter Revision Web Site
JUNE 2020	 Prior to 6/5 Meeting, Review Public Feedback from Charter Review Web Site 6/5 is Last Committee Meeting to Finalize Recommendations and Proposed Ballot Language Finalize Charter Committee Report Week of 6/8, Fully Brief All Individual Council Members & Mayor Back Up for 6/23 Council Meeting is Due on 6/15 6/23 Formal Committee Presentation to Mayor & Council
JULY 2020	 Council Deliberation on Report Recommendations Continues Council Vote on First Reading of Ballot Language Scheduled for 7/14/20 with a Deadline of 7/28/20
	Final Council Deading of Dallat Lagranges Sales dute d fau 7/24/20
August 2020	 Final Council Reading of Ballot Language Scheduled for 7/21/20 with a Deadline of 8/11/2020
November 3, 2020	General Election, Including Charter Revision Ballot Items

<u>Proposition #1: Single Member Districts with Staggered 4-Year Council Terms</u>: Change our current mixed election system – 5 single member districts each elected by majority vote of the their district voters, 3 at-large positions elected by plurality, and our mayor elected at large, all with 2-year non-staggered terms – and move to a new election system of 8 single member districts each elected by majority vote of their district voters and our Mayor elected at large, all with staggered 4-year terms.

RECOMMENDATION #1 IS A FALL BACK TO PROPOSITION #1

If the Council decides against putting Proposition #1 on the ballot <u>or</u> if voters reject Proposition #1 at the ballot box, the Committee recommends keeping our current mixed election system with 2-year non-staggered terms, but exploring a State Constitutional Amendment through the City's future legislative agendas to eliminate the constitutional requirements that are triggered when any Texas city adopts council terms longer than 2 years.

Background

This was both the most controversial and most complicated charter proposal the Committee explored and requires an explanation on why the proposal links single member districts to longer, staggered council terms.

Originally, the Council's interest in the Committee exploring longer, staggered council terms was deliberated separately from an unrelated Committee interest in examining changing our election system to all single member districts. Although 7 of our 9 Committee members favored 4-year staggered council terms, 5 didn't want to move forward until the State and legal barriers could be mitigated. The Committee's first proposal after deliberating longer, staggered terms is now summarized in Recommendation #1 above – to keep the status quo while partnering with other Texas cities to explore a State Constitutional Amendment removing the existing barriers to adopting longer council terms.

Proposed Proposition #1 was a hard-fought Committee decision. After subsequently exploring the separate issue of single member districts, the Committee realized that changing

our election system to all single member districts would remove State constitutional barriers to adopting longer council terms, as well as mitigate the potential conflicts with our 1983 Federal Court Order. So, when the benefits of moving to single member districts was combined with the benefits of longer council terms, the Committee voted 5-4 to recommend a new blended Proposition #1 to the City Council. The Committee's first proposal then became a fallback position reflected in Recommendation #1 only if the Council decides against putting the new Proposition #1 on the ballot or if voters reject Proposition #1 at the ballot box. Appendix A contains a Committee minority opinion.

Understanding the barriers: Adopting longer council terms is complicated by Texas State constitutional requirements, as well as the subsequent impact on a 1983 Corpus Christi lawsuit and Federal Court Order.

Longer terms have been discussed repeatedly by prior Councils and Charter Review Committees for the last 20 years without a recommendation to move beyond 2-year terms. Why?

Part of the reason is that the discussion of longer council terms is complicated by Texas State Constitutional requirements triggered by moving from 2-year terms to longer terms for City Council Members. These constitutional requirements are not mirrored in most other states where longer terms are a best practice with 76% of all national cities having terms longer than 2 years. This is in contrast to only 33% of Texas cities having longer than 2-year terms.

These Texas State Constitutional requirements include:

- 1. <u>Majority Vote</u>: <u>All</u> city council members must be elected by majority vote rather than plurality vote
- 2. <u>Mandatory Elections</u>: Any vacancy with more than 12 months left in the term must be filled by election rather than city council appointment
- 3. <u>**Resign to run:**</u> Automatic resignation if a city council member announces candidacy for other office with more than 13 months remaining in their term

All 3 requirements increase costs to Texas cities adopting longer council terms by increasing the number of required elections. Most importantly however, the first state requirement to elect all council members by majority vote is further complicated by a 1983 lawsuit against the City of Corpus Christi surrounding the lack of diversity at that time in our city council. The City lost this 1983 lawsuit and was placed under a federal court order that created our current mixed election system of both single-member districts and at-large positions. It also changed

any at-large positions elected by majority vote to our current system of a plurality vote in our at-large positions. This was because in 1983– as it still remains today – most election experts see using a majority vote in at-large positions as the least conducive system to produce diversity in council elections.

Boiling down the debate.

It is up for debate how that 1983 federal court order impacts a decision today to move to longer council terms, that would then trigger a State Constitutional requirement for a majority vote on all our at-large positions. In a recent conversation with an attorney in the Secretary of State's Election division on an ancillary issue, the attorney raised our 1983 federal court order unprompted and suggested we needed to carefully review that federal court order to be sure we were able to make the changes under discussion. Additionally, one prior City Attorney and one prior Assistant City Attorney believed the City of Corpus Christi remains bound by that federal court order. This is reflected in a June 2011 City Attorney email responding to similar Council questions that states "...the 1983 federal court order is still in effect and we are still required to comply with its provisions. we would have to petition the federal court for a modification of the order. According to federal law if we seek modification, we must first show that there has been a significant change in circumstances that require the modification."

In January 2020, our City Attorney gave the City Charter Review Ad Hoc Committee a current legal opinion on this matter, the highlights of which follow.

First, the opinion notes that since 2013, U.S. cities are no longer required to get a preclearance of any changes to their election system or procedures from the Department of Justice (DOJ). The City Attorney's legal opinion then focuses on the specific consideration of the 1983 Federal Court Order on our ability to implement an alternate election system.

The Judgment clearly issued two orders: It approved the 5-3-1 mixed election system and then ordered an election of persons to the City Council and as Mayor of the City of Corpus Christi be conducted pursuant to this new system on August 13, 1983.

The Judgment clearly prohibited the following: From hereafter using for election of city council members and mayor of the City of Corpus Christi, Texas the all at-large system by majority vote which was in effect on November 29, 1982. No other actions were expressly prohibited.

In short, the City Attorney believes changing the election system would not expressly violate the Federal Court Order <u>except</u> if the City were to adopt "the at-large system which was in effect on November 29, 1982." However, the City still may not adopt a practice or procedure that denies or abridges the right of any citizen to vote on account of that citizen's race or color <u>or</u> that dilutes a minority racial group's voting strength per the Voting Rights Act.

The 1983 lawsuit was resolved by ending the City's <u>all</u> at-large by majority vote election system (that was and is still believed to dilute a minority racial group's voting strength) to our current <u>mixed</u> election system of single member districts by majority vote combined with at-large positions by plurality vote. So, the question today is whether by moving to longer council terms and triggering the state requirement to change our at-large positions by plurality vote puts the City at risk of diluting a minority racial group's voting strength.

#	Pros of Longer, Staggered Council Terms
1	Provides consistency. Mirrors longer terms for other local officials, i.e. ISD Board Members, County Commissioners & Port Commissioners creating a more level playing field, specifically for local elected officials. Local elected ISD Board Members are held to either three or four-year terms by the State Election Code and are specifically allowed plurality voting in their at-large positions – an option denied to cities with longer than 2-year terms. The State Constitution dictates four-year terms for elected County Commissioners without requiring the same package of restrictions laid out for cities that opt for terms longer than 2 years.
2	Fosters longer term, strategic thinking versus focusing on short term outcomes to prepare for reelection every other year. Cities with 2-year terms are playing a long-term game with short term players.
3	Eliminates the distraction of reelection 1 out of every 2-year term, leaving more time to get things done. Promotes continuity and focus in governance.
4	Mitigates disruption of significant or wholesale turnover on city council

What are the pros and cons of moving to longer staggered council terms?

#	Pros of Longer, Staggered Council Terms
5	Gives time for newly elected council members to grow in position rather
	than spending 1-year coming up to speed, then spending the 2 nd year
	running again for reelection.
6	Grows stronger productive relationships between city staff and city council.
7	Builds experience. Experience helps with good governance and longer terms helps with building experience. Staggered terms allow new council
	members the benefit of serving with experienced members who have
	organizational and political history.
8	Balances city staff and council power. Two-year terms create political
	disruption and turnover that can diminishes that balance of power.

#	Cons of Longer, Staggered Terms
1	Creates less voter accountability by not keeping council members closely aligned or connected with voters. Let voters decide if they want to keep their council members for more than 2 years.
2	Compounds today's widespread lack of trust in government.
3	Ignores that the majority of incumbent 2-year council members already get
	reelected providing continuity and consistency despite shorter terms.
4	Increases costs of special elections created by mandatory vacancy and resign to run elections, as well as more run-off elections required by state requirement for at-large elections by majority vote.
5	Creates voter burn out with the requirement of more special elections and run offs when the state constitutional requirements are triggered by adopting longer terms.
6	Complicates communication to voters of all the nuances of the state constitution requirements and the impact of the 1983 lawsuit, among other considerations of moving to longer terms

What are the pros and cons of changing our current mixed election systems to single member districts?

#	Pros of Single Member Districts Over Mixed Election System
1	Brings government closer to voters and both balances power with and makes government more accountable to the interests of individual neighborhoods, specific areas of town, and communities.
2	Reduces the costs of running a council election campaign. As cities grows, so do election costs. Allows for a more focused, less costly election campaign which broadens both the pool and diversity of candidates that can run for council office.
3	Takes advantage of new census data being available for designing new City district boundaries.
4	Coordinates with the timing of upcoming state redistricting.
5	Makes the workload and expectations of a single member district representative more manageable and productive as compared to managing an at-large representative's citywide responsibilities and expectations.

#	Cons of Single Member Districts Rather than Mixed Election System
1	Reduces a citizen's voting impact by replacing their current ability to vote for 5 or a majority of council positions (the Mayor, their single member district representative and three at large members) to only 2 council votes (the Mayor and their single member district representative), which is significantly less than a majority.
2	Creates a ward system of governance – tends to produce a singular focus on my house and the house next door, rather than balancing interests of the City as a cohesive community.
3	Eliminates at-large positions which provide a training ground for mayoral candidates who must represent the City as a whole.

#	Cons of Single Member Districts Rather than Mixed Election System
4	Eliminates the mixed election system – which combines both elected
	representatives with a single member district perspective and elected
	representatives an at-large perspective – in trade for all single member
	districts with smaller district boundaries.
5	Both nationally and statewide our survey data shows single member
	district systems are losing ground to mixed election systems. Currently in
	Texas, less than 8% of cities have single member district systems while
	mixed election systems are at 20%. Nationally, only about 2% of cities
	have requested a charter change to single member districts in the last few
	years, although when this change does make it on the ballot it is
	statistically likely to pass. It is also important to note when looking at this
	data that most single member district cities are larger cities.
6	Ignores the impact of social media on changing election strategies and
	reducing the cost of elections, including making the cost of at-large
	election campaigns more viable for a diverse pool of candidates.

Proposition #2: Mayor and Council Compensation. Increase the Mayor's annual salary from \$9,000 to \$18,000. Increase the City Council Members' annual salary from \$6,000 to \$12,000. Include an escalator that adjusts those salaries every 2 years by that year's unadjusted U.S. All Items Consumer Price Index (CPI) for Urban Consumers as determined by the U.S. Bureau of Labor Statistics.

Background

Our Mayor and Council Member salaries are currently included in our City Charter as a flat amount and a required citywide vote to change that Charter provision on the amount of council compensation has not happened for over 37 years.

Although the proposed charter amendment is a conservative recommendation and does not keep up with the present value of salaries that were set almost four decades ago, it does provide for a small cost of living escalator that helps correct for the inherent fallacy of including a flat amount of compensation in the City Charter. In today's dollars, the \$6,000 council member salary set in 1983 would need to be \$15,480 to maintain its buying power today. The mayor's \$9,000 salary would need to be \$23,221. This means that those citizens who serve on our City Council today are making less than those who served in 1983 despite the challenges of managing a city's population that has grown by over 100,000 since the 1980's.

In fact, today's city councils are facing the increasingly complex challenges of governing a diverse, growing city currently ranked as the 8th largest city in Texas, including being the regional water supplier, as well as having the third-largest port in the nation by tonnage and the number one exporter of crude oil in the U.S. Our policy makers are juggling the impact of an astonishing \$52 billion dollars of industrial capital investment in our region which alone is the equivalent of the 8th largest statewide capital investment in the nation.

Recognizing local elected public service is not intended to be a lifetime career or to be a substitute for paid full-time employment, it is also important to recognize the level of time and commitment, as well as both the personal and professional sacrifice required of our citizens

who choose to serve in local elected offices. While the role of mayor and council member may not be structured as a full-time job, it is hard to argue that the time and energy commitment required in Corpus Christi has grown beyond a part-time responsibility.

After almost four decades, some reasonable increase in compensation paired with a conservative compensation escalator needs to be in place to encourage the very best from our community to serve and to make that service possible for a larger segment of our community, not just those with wealth and privilege.

Nationally and statewide, council salaries are all over the map, running from \$1 to \$115,000 a year in a recent survey. However, there are many local benchmarks that can be used to put our current \$6,000 council member salary and \$9,000 mayoral salary in context:

- A full-time minimum wage annual salary is \$15,080 and part-time salary is \$7,540.
- A Nueces County living wage of \$11.85 per hour produces a full-time salary of \$24,648 and part-time salary of \$12,324.
- A full-time median salary for Corpus Christi city employees is \$36,533 and is \$11,200 for part time city employees.
- The U.S. median income is \$53,482 and the Corpus Christi median income is \$45,675.
- Corpus Christi per capita income is \$26,743.

What Are the Pros and Cons of Increasing Council Salaries?

#	Pros of Increasing Salaries
1	Helps maintain the buying power of salaries established over 37 years
	ago and that haven't been increased in almost 4 decades.
2	Encourages more people to serve.
3	Allows for more diverse segments of our population to serve.

#	Pros of Increasing Salaries
4	Recognizes and values the increasing challenges to governing, as well as
	the time and commitment required to serve, in a growing, complex city.

#	Cons of Increasing Salaries
1	The compensation proposal was deliberated by the Committee over 8
	months ago. As the Committee's work is just now being presented, this
	proposal unfortunately comes at a time of national economic stress and
	job loss due to the COVID-19 pandemic and the Committee recognizes it
	may no longer be the time for consideration.
2	Requires citizens to recognize and appreciate what is required of city
	council service at a time when trust and confidence in government is
	low.
3	Acknowledges there is no clear definition of the Council as either full-
	time or part-time, as well as no formal documentation of the amount of
	time the job requires each week.
4	Promotes self-interest in local elected public service if salaries are raised
	to reflect or substitute for full time, career compensation.

<u>Proposition #3: Term Limits</u>. Establish lifetime term limits where no person shall serve more than 8 years as Council Member, or more than 8 years as Mayor or more than 12 years in any combination. Any time served prior to the approval of this proposition shall count towards the lifetime term limit. This provision shall not prohibit any Council Member or Mayor from beginning or completing any term that begins in 2020 or 2021. No person shall be eligible to run for election to a term if completion of that term would cause that person to exceed a maximum service limit of this subsection.

Background

There appears to be no best practice in regard to term limits. From recent International City Manager Association (ICMA) and Texas Municipal League (TML) surveys of both U.S. and Texas cities, most cities – primarily very small cities with more limited candidate pools – have no term limits. For those that do, term limits range widely from a single term to 12 terms.

Since Corpus Christi is the 8th largest city in Texas, we examined term limits in the 20 largest Texas cities since term limits are more common in larger cities. About a third of the 20 largest Texas cities have no term limits. Those with term limits run the gamut from a total of 4 years to 9 years. Analyzing the range of term limits in these cities, finds some common ground with almost 40% having total term limits of 8 years. Most of the term limits are based on consecutive terms. Only about 10% allow a break before starting over with term limits.

Our current term limits are four consecutive 2-year terms for a total of 8 years for those serving as either a Council Member only <u>or</u> the Mayor only. For anyone serving in a combination of both Council Member <u>and</u> Mayor, term limits are six consecutive 2-year terms for a total of 12 years. A termed-out Council Member or Mayor may sit out 3 consecutive terms or 6 years and start over with term limits.

#	What are the Pros of Term Limits?
1	Encourages new blood and diverse participation on the City Council.

What Are the Pros and Cons of Term Limits?

#	What are the Pros of Term Limits?
2	Builds interest in and availability of candidates for public service.
3	Helps prevent undue influence of long-standing political relationships.
4	Helps reduce the power of incumbent name recognition that can
	override other election considerations.

#	What are the Cons of Term Limits?
1	Limits the candidate pool and disallows willing public servants from continuing to serve.
2	Limits voter choices. Term limits don't always allow the voters to decide. If a local elected official is doing a good job, voters should be able to re- elect that official.

<u>Proposition #4: Initiative/Referendum Signature Requirement</u>. Clarify that signatures are required on the statements of intent to commence either initiative or referendum proceedings.

Background

This is a housekeeping item brought forward by the City Secretary's Office to specifically state that signatures, in addition to names and addresses, are required on citizen petitions calling for an initiative or referendum.

<u>Proposition #5: Consistent Zoning Approval</u>. To delete the requirement that zoning ordinances presented for Council approval require a two-third affirmative vote during the 30 days before a regular election and extending until newly elected council members take office. These same zoning ordinances normally require a simple majority vote any other time of the year.

Background

This change was brought forward from Development Services through the City Manager to provide operational consistency and fairness throughout the year. The intent is to treat all zoning cases equally regardless of their submission timeline. Most experienced developers and land use attorneys already avoid submittals during this window, but the average citizen is usually caught unaware of the two-third vote requirement during citywide elections.

The history of this charter provision is murky. Through oral history provided by both a retired assistant city manager and assistant city attorney, as well as a former director of Development Services, this provision was added to the City Charter over 50 years ago in 1968 and was driven by a specific incident. According to oral history, a council member up for re-election openly shopped their zoning vote on a controversial and high-profile project in exchange for an endorsement by a group opposing the upcoming zoning action. We could find no evidence of this happening before or after this charter provision was added. Additionally, we did not find similar charter provisions by other Texas cities. The Committee brings forward this charter revision agreeing that consistency and certainty in development processes is important to all parties in the development process.

<u>Proposition #6: Removing a Council Member from Office</u>. Delete charter provision that allows as few as 5 registered voters to initiate a Council action to remove a council member from office.

Currently, a council member may be removed from office by a simple majority vote of other council members. Change to require 6 affirmative votes for other council members to overturn an election decision by removing an elected council member from office.

Background

In general, the Committee believed that there should be a high bar to overturn the results of an election to remove a council member from office. Registered voters are given a charterprescribed recall process to have Corpus Christi voters decide whether to remove an elected council member from office or not. Having another provision that allows as few as 5 registered voters to bypass the recall process and initiate a Council removal action is subject to abuse and is redundant. The same logic applies to requiring a council removal action to have 6 affirmative votes as opposed to a simple majority vote of the council when removing a council member from elected office.

RECOMMENDATION #2

<u>Recommendation #2: Financial Transparency with Intra-Departmental Budget Transfers</u>. Amend City Financial Policy to require intra-departmental budget transfers within the same fund to be included in the City's Quarterly Budget Report which is presented to Council every 3 months and maintained on the City's web site for public review.

Background

Under the Council Manager form of government, much flexibility and authority are given to the City Manager to develop, manage and maintain balanced fund budgets. This is because the City Manager is held accountable for maintaining not just an annual balanced budget, but for producing measurable operational results set by the City Council. In exchange, the City Council gives the City Manager the budgetary and operational flexibility to accomplish this.

The City of Corpus Christi uses fund accounting, as do most non-profits and governmental entities. Fund accounting is used when an operation is driven by results as opposed to profit. No money is moved between funds without a council approved budget amendment, but the authority to move money within funds is given to the City Manager – whether it is moving money among departmental line items or among departments within the same fund. Additionally, money that is moved among departmental line items or between departments in the same fund is audited, reconciled and reported at the end of each fiscal year during close out.

In the interest of improved financial transparency, the Committee conferred with the City's Chief Financial Officer. We believe this issue does not need to be a charter provision, but can be handled through a Financial Policy amendment. We agreed that a compromise is to include all intra-departmental money transfers within the same fund in the City's Quarterly Budget Report which is presented to Council every 3 months. These Quarterly Budget Reports are also maintained on the City web site for public review.

RECOMMENDATION #3

<u>Recommendation #3: Financial Transparency with City Contracts</u>. Expand the reporting of contracts to include contracts under \$50,000 for greater scrutiny through a City Financial Policy Amendment. Lower the threshold of \$50,000 to include more city contracts that are reported and maintained in searchable format on the City website.

Background

The City already maintains Council-approved contracts in searchable format in compliance with state law on the City website. The City also maintains paper and electronic copies of all contracts in compliance with state record retention schedules. All city contracts are currently public information and available on request.

The Committee agrees that financial transparency can be improved by increasing scrutiny of the many contracts that fall below \$50,000, but does not believe this needs to be a charter amendment and should be handled through a Financial Policy amendment instead. The Committee recommends that the City's Chief Financial Officer should stipulate a floor below \$50,000 and inform the Council on what it will cost to include and maintain those contracts in searchable format on the City website before codifying this change in the City's Financial Policy.

RECOMMENDATION #4

<u>Recommendation #4: Council Staff Support.</u> The provision of dedicated, paid staff resources to support council members is better handled as a policy issue through the annual budget process rather than through a charter requirement.

Background

Results from both national and state surveys show that the larger the city, the more likely it is for the Council to have some level of dedicated, paid staff support. On the other hand, the majority of all U.S. cities have some level of dedicated, paid staff support for the Mayor.

The Committee felt this was a policy and resource question best handled by the Council and the City Manager though the annual budget process.

APPENDIX A

MINORITY OPINION ON PROPOSED PROPOSITION #1: SINGLE MEMBER DISTRICTS WITH STAGGERED 4-YEAR TERMS

Written by Committee Member Bob White

MINORITY OPINION ON RECOMMENDATION #3: FINANCIAL TRANSPARENCY WITH CITY CONTRACTS

Written by Committee Member Shirley Thornton

Proposed Proposition #1 Minority Opinion

On May 14, 2019, the City Council voted 7-2 to establish a Charter Review Ad Hoc Advisory Committee with each Council Member appointing one individual to represent their opinions. The first meeting was held on August 30, 2019 with a list of items the Council members wanted fully examined. The items included (1) Extending Council terms to four years (2) City Council compensation (3) Staggered Council terms (4) Create At Large places that draw opponents (5) Move to total versus consecutive time for Council service term limits (6) Legal housekeeping items and a few lesser items. Because of the complexity of the requested items we voted to move to two meetings a month after our fifth meeting in December.

After long consideration and discussion, the committee voted to keep our current Council election system in place but to seek some relief from the Texas Legislature which would allow us to go to four-year terms while keeping the At Large election method. Without this legislative relief, moving to four year terms would automatically place us under Texas State Constitutional requirements which include all Council members be elected by majority, mandatory elections for any vacancy with more than 12 months remaining in the term rather than city council appointment as well as the requirement for automatic resignation if a council member announces candidacy for another office if they have more than 13 months remaining in their term. During the October 15th meeting City Attorney Miles Risley mentioned all single member districts as a possible option while spelling out <u>numerous roadblocks</u>.

During the April 24, 2020 meeting a vote was taken that upended all the previous work the committee had done. By a vote of 5-4 the committee completely changed directions and approved recommending the Council go to all single member districts with four-year staggered terms requiring additional elections. Our city has operated under the 5/3/1 rule since 1983 when a Federal Court ruling disallowed our previous at large system of electing our City Council members. The 1983 Federal Court ruling stated that "the new system assures to Hispanic residents of the City of Corpus Christi equal access to the political processes leading to nomination or election of City Council members and Mayor". The court approved the establishment of boundary lines for five single member districts, 3 council members to be elected at large with a plurality vote of at least 12 % and a Mayor to be elected by majority. There is absolutely no justification for change as our City is still under the 1983 court ordered 5/3/1 Council plan in the opinion of several attorneys, 2 former City Attorneys and our Secretary of State also stated great concern. In 1994 MALDEF went to Federal Court seeking all single member districts and were rejected by the Court. It would be difficult, if not impossible to convince the Court the need for change as the 5/3/1 system we have used since 1983 has proven very effective in providing the diversity the court sought in its ruling. There is no mechanism in place to redraw the district boundaries and go from 5 to 8 districts as the court was not agreeable to having more than 5 districts. It has been suggested that we MUST move

now as this is a census year. The most current information from Washington is that "<u>it is most</u> <u>likely impossible to complete the census in the timeframe originally planned due to the COVID</u> <u>19 pandemic".</u>

Before we jump out front to pass any sort of charter amendment that completely revises our election system, we should seek preclearance to ensure that it will pass muster with the court. To place an amendment on the November 2020 ballot that gets approved by the voters and then overturned by the court could prove to be an embarrassment to the Council that sent the item to ballot. We have operated successfully under our court mandated 5/3/1 rule since 1983 and can continue while further researching single member districts if that is the will of the Council.

Recommendation #3 Minority Opinion

City Employee: "Can you spot me \$49,999?" City Council: "Of course. In fact, you don't even have to ask!"

In town hall meetings across the city, citizens have raised concerns about the lack of transparency in municipal spending. The City currently maintains a publicly accessible electronic database for "approved" city contracts. But, contracts under \$50,000 do not require City Council approval. Since the vast majority of city purchases are for amounts under \$50,000, the City is not required to publish these smaller contracts in its current electronic database.

Our minority opinion is for the City Secretary's Office to maintain an indexed publicly accessible database of <u>all</u> city contracts, including those not approved by City Council. Contracts would be available during their effective time periods and for ten years thereafter.

It is a relatively simple expansion of an existing city practice, but it would provide citizens with a much greater perspective on municipal spending. Citizens (and city council members) would be able to see precisely where city funds are being spent.

Which contractors have earned the most city contracts? How much did a particular contractor charge to install a widget? Which portion of a contract price is earmarked for consulting and planning rather than for performance of the work? These questions can all be answered if Proposed Change #18 were incorporated into the City Charter.

The benefit to the citizens clearly outweighs the increased administrative burden on city employees. To include all contracts would, practically speaking, likely require one extra step for city employees: forwarding a copy of each contract to the City Secretary's Office for indexing and publication.

Conversely, the existing burden on citizens in obtaining this information can be significant. To access many of these contracts, a citizen must submit a Texas Public Information Act request and must pay associated fees, which can be cost prohibitive for the average citizen. Putting all contracts in the current electronic database would eliminate the existing burden on citizens.

This is about <u>transparency</u>, <u>trust</u>, and <u>accountability</u> in city government. Most city council members invoke these principles when running for political office because such principles are cornerstones of a fair democratic system. For that reason, and for the other reasons outlined above, we encourage the City Council to present Proposed Change #18 to the voters.

APPENDIX B

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS

PROPOSITION #1: SINGLE MEMBER DISTRICTS WITH STAGGERED 4-YEAR TERMS

Insert Text of Proposed Amendment

APPENDIX C

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS PROPOSITION #2: MAYOR AND COUNCIL COMPENSATION

Insert Text of Proposed Amendment

APPENDIX D

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS

PROPOSITION #3: TERM LIMITS

Insert Proposed Text of Amendment

APPENDIX E

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS

PROPOSITION #4: INITIATIVE/REFERENDUM SIGNATURE REQUIREMENT

Insert Text of Proposed Amendment

APPENDIX F

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS PROPOSITION #5: CONSISTENT ZONING APPROVAL

Insert Text of Proposed Amendment

APPENDIX G

BALLOT LANGUAGE AND ACTUAL TEXT AMENDMENTS

PROPOSITION #6: REMOVING A COUNCIL MEMBER FROM OFFICE

Insert Text of Proposed Amendment