

CITY COUNCIL MINUTE RECORD

The City of San Angelo
Tuesday, July 2, 2013

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Vol. 104

OPEN SESSION

BE IT REMEMBERED City Council convened in a regular meeting at 9:05 A.M., Tuesday, July 2, 2013, in the San Angelo McNease Convention Center, 500 Rio Concho Drive, San Angelo, Texas. All duly authorized members of the Council, to-wit:

Mayor, Dwain Morrison
Councilmember Rodney Fleming
Councilmember Marty Self
Councilmember Johnny Silvas
Councilmember Don Vardeman
Councilmember H.R. Wardlaw
Councilmember Charlotte Farmer

were present and acting, thus constituting a quorum. Whereupon, the following business was transacted:

An invocation was given by Mayor Morrison and pledge was led by Karli Bucks, daughter of Jamie Bucks of the Finance Department.

PROCLAMATION AND RECOGNITIONS

“Texas Hunger Initiative – Kids Eat Program”, Monday, July 8th, was accepted by Mary Herbert, Regional Director, Texas Hunger Initiative and Betty Teston, Child Hunger Outreach Specialist, Texas Hunger Initiative, of the San Angelo Office

Whataburger Restaurant at 4646 Knickerbocker Road, was accepted by Eleanor Hooten and Anna Meza, Managers

City of San Angelo for receiving the Texas Comptroller Silver Leadership Circle Award recognizing the City for their continued progress towards achieving financial transparency, to be accepted by Morgan Chegwidan, Budget Manager, Laura Brooks, Senior Budget Analyst, and Bill Smith, Chief Accountant

PUBLIC COMMENT

Public comments were made by the following: Glenda Harbert and Jerry Sea representatives of West Texas Opportunity Strategy; Jan Bartlett representing Joe Bennett regarding the lease renewal process of Lake Nasworthy properties; Ann West on behalf of the Friends of Fairmount organization regarding the funding of the Master Plan Phase I; and Ann Joseph regarding safety issues on North and South bound Bryant particularly Loop 306, suggesting the City adding directional signage on North and South bound Bryant particularly at the commercial establishments, and policing of the local oil industry’s water usage.

Responding to Ms. Bartlett, Councilmember Farmer informed Council and staff is aware of the issue and is working on a solution.

Councilmember Farmer apologized to the Christian Reporter News blog representatives noting the news source had been dropped from the City’s news update email to City Council. She also offered her condolences regarding the recent loss of firefighters in Arizona.

Councilmember Silvas commented on the condition and maintenance of the North Concho River Rehabilitation project staging area.

Councilmember Farmer commented on various items on the agenda, particularly background information.

Councilmember Wardlaw commented on requested items not being placed on the agenda and subject matters pertaining to executive/closed session. He read an Attorney General opinion MW129 into the record regarding personnel matters and how they related to his request to be discussed in executive session.

CONSENT AGENDA

APPROVAL OF THE JUNE 18, 2013 CITY COUNCIL REGULAR MEETING MINUTES

CONSIDERATION OF AWARDING BID WU-06-13 FOR THE 2013 WATER LINE IMPROVEMENTS CONTRACT NO. 1 TO QRO MEX CONSTRUCTION COMPANY, INC. OF GRANITE SHOALS, TEXAS IN THE AMOUNT OF \$1,344,648.00, AND AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE SAID CONTRACT, IN SUBSTANTIALLY THE ATTACHED FORM, AND ANY RELATED DOCUMENTS (Discussed in Regular Agenda)

CONSIDERATION OF AWARDING BID WU-05-13 WATER UTILITIES GRINDER PUMPS AND SPARE PARTS TO MORRISON SUPPLY COMPANY AND SMITH PUMP COMPANY, INC. BASED ON LOWEST UNIT BID IN COMPLIANCE WITH THE BID REQUIREMENTS FOR EACH SPECIFIC ITEM (Discussed in Regular Agenda)

AUTHORIZATION FOR THE SALE OF 6630 KNICKERBOCKER ROAD (MARTINEZ) FOR THE APPRAISED VALUE OF \$21,612.00 AND AUTHORIZATION FOR THE MAYOR, CITY MANAGER, OR WATER UTILITIES DIRECTOR TO EXECUTE ALL NECESSARY LEGAL DOCUMENTS PERTAINING TO THE SALE OF SUBJECT PROPERTY, SUBJECT TO COMPLETION OF ALL CURATIVE REQUIREMENTS

AUTHORIZATION FOR THE PAYMENT IN THE AMOUNT OF \$63,646.00 TO MIDWEST EMPLOYERS CASUALTY COMPANY FOR EXCESS WORKERS COMPENSATION DEPOSIT PREMIUM FOR POLICY YEAR 7/1/13-7/1/14

ADOPTION OF A RESOLUTION OF THE CITY OF SAN ANGELO AUTHORIZING THE MAYOR TO EXECUTE A TAX-RESALE (QUITCLAIM) DEED CONVEYING ALL RIGHT, TITLE AND INTEREST OF THE CITY OF SAN ANGELO, AND ALL OTHER TAXING UNITS INTERESTED IN THE TAX FORECLOSURE JUDGMENT OR TAX WARRANT: (Page 639, #2013-07-099)

- 213 W Avenue R, (Perez), Lot 18, of the L.T. Jones Subdivision of the East ½ of Block 140, Fort Concho, \$750, Suit No. TAX90-0162B
- 1916 Shelton, (Orona), S ½ of Lot 12, Block 3, Home Acres, \$2,500, Suit No. B-00-0043-T

CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING RELEASE OF A 20 FOOT BY 300 FOOT UTILITY EASEMENT LOCATED WITHIN THE BOUNDS OF THE RED ARROYO HILLS ADDITION, SECTION 5, BLOCK 2, LOT 4B IN SOUTHWEST SAN ANGELO, AND PROVIDING FOR THE MAYOR TO EXECUTE AND DELIVER A LEGAL INSTRUMENT FORMALLY RELEASING AND DISCHARGING SUCH EASEMENT (Discussed in Regular Agenda)

Motion, to approve the Consent Agenda, with the exception of Bid WU-06-13, Bid WU-05-13, and the Resolution for the Tax-Resale (Quitclaim) Deed, as presented, was made by Councilmember Silvas and seconded by Councilmember Farmer. Motion carried unanimously.

REGULAR AGENDA: PUBLIC HEARING AND COMMENT

POSTPONEMENT OF AWARDING BID WU-06-13 FOR THE 2013 WATER LINE IMPROVEMENTS CONTRACT NO. 1 TO QRO MEX CONSTRUCTION COMPANY, INC. OF GRANITE SHOALS, TEXAS IN THE AMOUNT OF \$1,344,648.00

Water Utilities Director Ricky Dickson presented background information. Councilmember Farmer commented on the summary information related to family members, particularly specific companies submitting bids on the project. Responding to a question by Councilmembers Vardeman and Silvas, Purchasing Manager Roger Banks explained the local bidder preference and state purchasing restrictions noting contracts under \$100K receive local preference, and informed the project is in the Capital Improvement Plan.

City Attorney Lysia H. Bowling concurred with Mr. Banks and explained the state statute. In conclusion, City Council members requested staff to research the probability of utilizing local preference on the bids submitted for the project.

Motion, to postpone approval of the contract allowing staff further time to review and present requested information, was made by Councilmember Vardeman and seconded by Councilmember Farmer. Motion carried unanimously.

AWARD OF BID WU-05-13 WATER UTILITIES GRINDER PUMPS AND SPARE PARTS TO MORRISON SUPPLY COMPANY AND SMITH PUMP COMPANY, INC. BASED ON LOWEST UNIT BID IN COMPLIANCE WITH THE BID REQUIREMENTS FOR EACH SPECIFIC ITEM

Water Utilities Director Ricky Dickson presented background information. City Council members requested staff include specific details in the captions of the items.

Motion, to award the bid and not to exceed \$12,396.00 for the total purchase, was made by Councilmember Farmer and seconded by Councilmember Silvas. Motion carried unanimously.

ADOPTION OF A RESOLUTION AUTHORIZING RELEASE OF A 20 FOOT BY 300 FOOT UTILITY EASEMENT LOCATED WITHIN THE BOUNDS OF THE RED ARROYO HILLS ADDITION, SECTION 5, BLOCK 2, LOT 4B IN SOUTHWEST SAN ANGELO, AND PROVIDING FOR THE MAYOR TO EXECUTE AND DELIVER A LEGAL INSTRUMENT FORMALLY RELEASING AND DISCHARGING SUCH EASEMENT (Page 641, #2013-07-100)

Interim Director of Development Services AJ Fawver presented background information. *A copy of the presentation is part of the Permanent Supplement Record.*

Motion, to adopt the Resolution, as presented, was made by Councilmember Farmer and seconded by Councilmember Silvas. Motion carried unanimously.

RECESS

At 10:07 A.M., Mayor Morrison called a recess.

RECONVENE

At 10:34 A.M., Council reconvened, and the following business was transacted:

PRESENTATION OF THE DOWNTOWN SAN ANGELO, INC., 1ST QUARTER REPORT

DSA Executive Director Del Velasquez presented background information. *A copy of the presentation is part of the Permanent Supplement Record.* Mr. Velasquez distributed the 2013 Summer Events brochure. *A copy of the report is part of the Permanent Supplemental Record.*

General discussion was held on temporary structures within the downtown area, zoning classification and type of use for such temporary structures, and possibly extending the classification area.

DISCUSSION REGARDING THE FISCAL YEAR 2013-2014 BUDGET PREPARATION

Assistant City Manager/Chief Financial Officer Michael Dane and Budget Manager Morgan Chegwiddden presented background information. *A copy of the presentation is part of the Permanent Supplement Record.*

General discussion was held on the need to hold work sessions on the budget process.

Council suggested holding a budget workshop on July 16, 2013 at 1:00 p.m. which will be scheduled with the regular meeting. Further determination will be made whether to hold a special meeting on July 23, 2013.

DISCUSSION REGARDING EXCESS HOTEL OCCUPANCY TAX RECEIPTS

Assistant City Manager/Chief Financial Officer Michael Dane and Budget Manager Morgan Chegwiddden presented background information. *A copy of the presentation is part of the Permanent Supplement Record.*

General discussion was held on the potential revenue for FY 13, projects eligible for the funds, the state statute outlining the use of the funds and options available to the City, leveraging city dollars for particular projects, and establishing a savings.

Public comments were made by Citizen Jim Turner regarding hotel stays beyond 30 days.

DIRECTION FOR STAFF TO SEEK SPONSORSHIPS FOR THE EVENT AND DENIAL OF AN ALLOCATION REQUEST IN THE AMOUNT OF \$30,000.00 OF HOTEL OCCUPANCY TAX REVENUES TO A CITY EVENT ACCOUNT AND THE CREATION OF REVENUE AND EXPENDITURE ACCOUNTS FOR CITY EVENTS, PRIMARILY "RIVER FEST"

Parks and Recreation Director Carl White presented background information. *A copy of the presentation is part of the Permanent Supplement Record.*

General discussion was held on the potential revenue stream, loan versus a "giveaway", sponsorship by the City versus the Chamber, and obtaining sponsorships for the event. In conclusion, the City Council opposed the City's sponsorship and suggested the City obtain corporate sponsorships.

Public comments were made by Louis Perez, Chairman for Parks and Recreation Advisory Commission in support of the event, and Del Velasquez, Executive Director for Downtown San Angelo, Inc.

Motion, to approve the allocation, as presented, was made by Councilmember Silvas. Motion failed for lack of a second.

Motion, to direct staff to seek sponsorships to cover expense for the event and denial of the allocation request, was made by Councilmember Farmer and seconded by Councilmember Vardeman. Motion carries unanimously.

UPDATE AND PRESENTATION ON HICKORY AQUIFER WATER SUPPLY PROJECT

Requested by Councilmember Farmer, Water Utilities Director Ricky Dickson presented background information. *A copy of the report/presentation is part of the Permanent Supplemental Record.*

Motion, to postpone the item and direct staff to provide a report containing project cost as presented in the bid packet as to what has been actually spent to-date, was made by Councilmember Farmer and seconded by Councilmember Fleming. Motion carried unanimously.

DISCUSSION OF DROUGHT LEVELS AND RELATED MATTERS AS OUTLINED IN THE WATER CONSERVATION DROUGHT CONTINGENCY PLAN

Water Utilities Director Ricky Dickson presented background information.

General discussion was held on the trigger points to enact a particular drought stage, whether to increase or adjust the trigger points at all the drought levels, the unintended consequences of the ordinance and ordinance amendments on businesses, adding allowances or exceptions to the ordinance, the number of citizens who abused their water usage, the city's water use in comparison to previous years, the positive impact of citizen's conservation efforts, the negative effects on property foundations due to the drought conditions, and the negative effects of implementing restrictions in August versus September.

In conclusion, the following suggestions were made: amend Drought Stage Level I to watering once per week instead of twice a week; impose higher rates for users with higher water consumption

Council requested staff present a list of residential users that utilize 50K or more of total water consumption, including water sprinkler meters totals.

General discussion was held on the City's usage today in comparison to 10 years ago and the negative effects on revenue. Mayor Morrison caution as further restrictions are made, Council needs to be made aware of the use of local aquifers.

Public comments were made by Citizens Ann Joseph, Jamie Lee Tabor, Jerry Sea,

Councilmember Farmer commented on the conservation efforts made by John Begnaud and recommend staff increase the City's efforts during the summer months on the government access channel and other mediums.

RECESS

At 12:15 P.M., Mayor Morrison called a recess.

RECONVENE

At 12:32 P.M., Council reconvened, and the following business was transacted:

EXECUTIVE/CLOSED SESSION

At 12:32 P.M., Council convened in Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open, Section 551.072 to deliberate the purchase, exchange, lease, or value of real property; and, Section 551.071(2) to consult with attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter

RECESS

At 12:48 A.M., Mayor New called a recess.

RECONVENE

At 1:31 P.M., Council reconvened, with the exception of Councilmember Wardlaw, and the following business was transacted:

UPDATE AND PRESENTATION ON MEDHAB, LLC, ECONOMIC INCENTIVE PROJECT

Requested by Councilmember Silvas, Assistant City Manager/Chief Financial Officer Michael Dane presented background information.

Councilmember Wardlaw arrived to the meeting at 1:32 p.m.

Councilmember Silvas clarified the request originated from interested taxpayers.

Councilmember Farmer suggested possibly reducing the amount of the incentive and directed staff to prepare an itemization or executive summary of the project for their Friday packet. Mr. Dane commented on the concept of achieving the terms of the contract. Councilmember Farmer commented on the lack of companies requesting incentives.

FOLLOW UP AND ADMINISTRATIVE ISSUES

CONSIDERATION OF MATTERS DISCUSSED IN EXECUTIVE/CLOSED SESSION

No action was taken on matters discussed in Executive/Closed Session.

APPROVAL OF A BOARD NOMINATION BY COUNCIL AND DESIGNATED COUNCILMEMBERS:

Civic Events Board: Darlene Jones (SMD5) to an unexpired term October 2014

Motion, to approve the board nomination by Council and designated Councilmembers, was made by Councilmember Vardeman and seconded by Councilmember Self.

Development Corporation: Tommy Hiebert (SMD2) to an unexpired term February 2015 and Richard Crisp (SMD5) to an unexpired term February 2015

Motion, to approve the board nominations by Council and designated Councilmembers, was made by Councilmember Vardeman and seconded by Councilmember Self. AYE: Morrison, Fleming, Self, Silvas, Vardeman, and Wardlaw. NAY: Farmer. Motion carried 6-1.

Planning Commission: Teri Jackson (SMD5) to an unexpired term January 2016

Motion, to approve the board nominations by Council and designated Councilmembers, was made by Councilmember Vardeman and seconded by Councilmember Silvas. Motion carried unanimously.

Public comment was made by Citizen John Bariou requested the board appointment items be reconsidered due to the appointment process and how the vacancy was created. He suggested the action on the appointment be taken separate and apart. City Attorney Lysia H. Bowling explained the uniform policy adopted in 2012 by City Council. Assistant City Manager/Chief Financial Officer Michael Dane further clarified the policy.

ANNOUNCEMENTS AND CONSIDERATION OF FUTURE AGENDA ITEMS

City Manager Daniel Valenzuela distributed the proposed July 16, 2013 Agenda and solicited Council comments and suggestions.

Councilmember Wardlaw:

- Two items requested regarding Carollo contract
- Executive Closed Session pertaining to executive personnel and personnel issues
- Remove item pertaining to the treatment facility on the July 16th proposed agenda

Councilmember Vardeman:

- ½ cent sales tax update, what is involved to change the
- Possibly consider evening meeting once per quarter

Councilmember Farmer:

- Discussion on what is and is not considered as an executive session item for City Council
- Interlocal agreement with tri-cities, report on monies expended to date
- Verbiage of agenda captions pertaining to executive session items
- Hickory update

Staff updates/research:

- Long term / short term stays, is housing committee is aware of the 30 day provision being exempt from taxes
- Streets: Melrose and Hunters Glen from Rivercrest; two-way stop not being warranted. Since new homes have been built, reconsider installing a four-way stop

Councilmember Self

- Staff present extraterritorial jurisdiction (ETJ) boundaries, zoning for this area pertaining to the influx of new business; emphasis on what can be done within the area

Councilmember Silvas

- Residential water users update; conservative state of mind; report on customers utilizing 50K or more

gallons per month

- Requested staff work with TxDOT/Tracy Kane upkeep on Loop 306
- Requested staff consider installing signage at fishing area & possibly working with TxDOT
- Dead tree removal

Mayor Morrison

- Eligibility requirements on COSADC Guidelines removed in January 2012; requested the section added back to the guidelines:
 - o Code of ethics (read the items removed into the record)
- Reconvene Charter Review committee to possibly consider and review the Charter for a future election
- Complete explanation/report of the City's internal investigation of the Water Utility Department, report should be concise in the findings of the city's investigation, including detailed budget allocation, and customer service area review
- Research water utility statement regarding extra/additional charges

ADJOURNMENT

Motion, to adjourn, was made by Councilmember Hirschfeld and seconded by Councilmember Morrison. Motion carried unanimously.

The meeting adjourned at 2:11 P.M.

THE CITY OF SAN ANGELO

Dwain Morrison, Mayor

ATTEST:

Alicia Ramirez, City Clerk

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplemental Minute Record. Details on Council meetings may be obtained from the City Clerk's Office or a video of the entire meeting may be purchased from the Public Information Officer at 481-2727. (Portions of the Supplemental Minute Record video tape recording may be distorted due to equipment malfunction or other uncontrollable factors.)

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