CITY COUNCIL OF THE CITY OF GALVESTON
MINUTES OF THE REGULAR MEETING AGENDA
THURSDAY– JUNE 23, 2011, 4:00 P.M.
COUNCIL CHAMBERS – CITY HALL

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER
Meeting called to order at 4:55 pm.

2. MOMENT OF SILENCE

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL
Present: Dianna Puccetti, Elizabeth Beeton, Chris Gonzales, Mayor Joe Jaworski, Steve Greenberg, Rusty Legg. **Absent:** Linda Colbert.

5. CONFLICTS OF INTEREST
None

6. APPROVAL OF MINUTES
June 9, 2011; Mayor Jaworski, second by CM Legg. Unanimously approved by those present.
June 20, 2011; Mayor Jaworski, second by CM Legg. Unanimously approved by those present.

7. PRESENTATIONS & PROCLAMATIONS
A. Robert Ray Middleton Day for Shriner's Hospital.
Received by Becky Whitlock.

8. COMMUNICATIONS & PETITIONS

A.	Vernon / Margaret Stach	Claim # 11-036	Notice of Claim
B.	Adrianne Bates	Claim # 11-037	Notice of Claim
C.	AT&T	Claim # 11-038	Notice of Claim
D.	Sheila Lund	Claim # 11-039	Notice of Claim

9. PUBLIC HEARINGS

A. Consider for approval an Ordinance of the City of Galveston, Texas, granting a Specific Use Permit for a "Radio, Television, or Microwave Tower" in a Commercial (C) Zoning District; property is commonly known as 3402 Avenue H/Ball and legally described as Lot 8, Block 334, in the City and County of Galveston, Texas; Planning Case Number 11P-62; making various findings and provisions related to the subject.
The proposed Ordinance was read by caption: AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, GRANTING A SPECIFIC USE PERMIT FOR A "RADIO, TELEVISION, OR MICROWAVE TOWER" IN A

COMMERCIAL (C) ZONING DISTRICT; PROPERTY IS COMMONLY KNOWN AS 3402 AVENUE H/BALL AND LEGALLY DESCRIBED AS LOT 8, BLOCK 334, IN THE CITY AND COUNTY OF GALVESTON, TEXAS; PLANNING CASE NUMBER 11P-62.

Speaking from the public:

1. Leon Phillips against it
2. Willie Scott against it
3. Vincent Huebinger for Crown Castle in favor
4. Neil Wilson against it
5. Sheila Bell suggestion turn it into a warning tower
6. Mike Orlando suggestion move it onto city property
7. Art Armando for Crown Castle in favor

- Motion to deny the ordinance by CM Beeton, second by CM Puccetti. In favor of the motion to deny the ordinance were CM Beeton, CM Puccetti & Mayor Jaworski. Opposed to the motion were CM Greenberg, CM Gonzales & CM Legg. **Motion failed.**
- Motion to approve the ordinance by CM Legg, second by CM Greenberg. In favor of the motion to approve the ordinance were CM Legg, CM Greenberg & CM Gonzales. Against the motion CM Puccetti, CM Beeton & Mayor Jaworski. **Motion failed.**

B. Consider for approval an Ordinance of the City of Galveston, Texas, granting a Specific Use Permit for a "Parking Structure, Mixed Use Commercial" in a Central Plaza, with Historic Overlay (CP-H) Zoning District at property more commonly known as 2414 Strand/Avenue B and 2418 Strand/Avenue B and legally described as Lots 11, 12, 13, and 14, Block 684, in the City and County of Galveston, Texas; Planning Case Number 11P-63; making various findings and provisions related to the subject.

Ordinance No. 11-042 was read by caption: AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, GRANTING A SPECIFIC USE PERMIT FOR A "PARKING STRUCTURE, MIXED USE COMMERCIAL" IN A CENTRAL PLAZA, WITH HISTORIC OVERLAY (CP-H) ZONING DISTRICT AT PROPERTY MORE COMMONLY KNOWN AS 2414 STRAND/AVENUE B AND 2418 STRAND/AVENUE B AND LEGALLY DESCRIBED AS LOTS 11, 12, 13, AND 14, BLOCK 684, IN THE CITY AND COUNTY OF GALVESTON, TEXAS; PLANNING CASE NUMBER 11P-63.

Speaking from the public:

1. Leslie Summer on behalf of the Historic Downtown Strand Seaport Partnership in favor of the ordinance.

- **Motion to approve with changes by CM Puccetti, second by CM Legg. Unanimously approved.**

10. REQUEST TO ADDRESS COUNCIL ON AGENDA ITEMS

1.	Jerry Moan	13B with handouts
2.	Marty Baker	13B
3.	Bruce Reinhart	13B
4.	Frankie Rivera	13A
5.	David Stanowsky	13A
6.	Jim Seigler	13A

7.	Benny Davis	13B
8.	Peggy Zailer	13B
9.	Marie Robb	13B with handouts
10.	Mike Orlando	13B, 13G, 13A
11.	James Dennis	13A
12.	Monna Ferguson	13A

11. ORDINANCES, RESOLUTIONS

A. Consider for approval an Ordinance of the City of Galveston, Texas, creating and providing for a Capital Development and Financing Fund; making various findings and provisions related to the subject and providing for an effective date.
The proposed Ordinance was read by caption: AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, CREATING AND PROVIDING FOR A CAPITAL DEVELOPMENT AND FINANCING FUND.
Motion to Defer to July 14th by CM Greenberg, second by CM Legg. Unanimously approved.

B. Consider for approval an Ordinance of the City of Galveston, Texas, increasing future Public Works Department annual funding for the maintenance, operation, and improvement of city streets until the annual allocation reaches a minimum of 12% of the total General Fund budget; making various findings and provisions related to the subject and providing for an effective date.
The proposed Ordinance was read by caption: AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, INCREASING FUTURE PUBLIC WORKS DEPARTMENT ANNUAL FUNDING FOR THE MAINTENANCE, OPERATION, AND IMPROVEMENT OF CITY STREETS UNTIL THE ANNUAL ALLOCATION REACHES A MINIMUM OF 12% OF THE TOTAL GENERAL FUND BUDGET.
Motion to Defer to July 14th by CM Greenberg, second by CM Legg. Unanimously approved.

C. Consider for approval an Ordinance of the City Council of the City Of Galveston, Texas, authorizing the issuance of City Of Galveston, Texas General Obligation Refunding Bonds, Series 2011; levying a tax in payment thereof; setting certain parameters for the bonds; authorizing the authorized officer to approve the amount, the interest rate, price and certain other terms thereof; authorizing the redemption prior to maturity of certain outstanding bonds; authorizing the execution and delivery of a bond purchase agreement and a paying agent/registrar agreement relating to such bonds; approving the preparation and distribution of an official statement; and enacting other provisions relating thereto; and providing for the effective date thereof.
Ordinance No. 11-043 was read by caption: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF GALVESTON, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011; LEVYING A TAX IN PAYMENT THEREOF; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING THE AUTHORIZED

OFFICER TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE AND CERTAIN OTHER TERMS THEREOF; AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A PAYING AGENT/REGISTRAR AGREEMENT RELATING TO SUCH BONDS; APPROVING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT.
Motion to approve by CM Puccetti, second by CM Gonzales. Unanimously approved.

D. Consider for approval a Resolution of the City Council of the City of Galveston, Texas, approving the execution of an Interlocal Contract with the Texas Department of Transportation ("TxDOT") whereby the City of Galveston will provide Galveston Police Officers for law enforcement and traffic control operations at the Galveston Ferry Landing; authorizing the City Manager to sign the Interlocal Agreement; directing the City Secretary to send a certified copy of this Resolution to the Texas Department of Transportation; providing for findings of fact and providing for an effective date.
Resolution No.11-027 was read by caption: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, APPROVING THE EXECUTION OF AN INTERLOCAL CONTRACT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION ("TXDOT") WHEREBY THE CITY OF GALVESTON WILL PROVIDE GALVESTON POLICE OFFICERS FOR LAW ENFORCEMENT AND TRAFFIC CONTROL OPERATIONS AT THE GALVESTON FERRY LANDING; AUTHORIZING THE CITY MANAGER TO SIGN THE INTERLOCAL AGREEMENT; DIRECTING THE CITY SECRETARY TO SEND A CERTIFIED COPY OF THIS RESOLUTION TO THE TEXAS DEPARTMENT OF TRANSPORTATION.
Motion to approve by CM Legg, second by CM Puccetti. Unanimously approved.

E. Consider for approval an Ordinance of the City of Galveston, Texas, amending the 2009 water conservation plan for the City of Galveston; amending "appendix c", "sections ix: drought response stages", "stage 2, response – moderate water shortage conditions"; "water use restrictions", "section (a)" to modify the days of use and "section (h)" to allow for services to be provided by third party for profit companies; making various findings and provisions related to the subject.
Ordinance No.11-044 was read by caption: AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING THE 2009 WATER CONSERVATION PLAN FOR THE CITY OF GALVESTON; AMENDING "APPENDIX C", "SECTIONS IX: DROUGHT RESPONSE STAGES", "STAGE 2, RESPONSE – MODERATE WATER SHORTAGE CONDITIONS"; "WATER USE RESTRICTIONS", "SECTION (A)" TO MODIFY THE DAYS OF USE AND "SECTION (H)" TO ALLOW FOR SERVICES TO BE PROVIDED BY THIRD PARTY FOR PROFIT COMPANIES.

Motion to approve by CM Puccetti, second by CM Gonzales. Unanimously approved.

12. CONSENT ITEMS
The following items shall be considered for action as a whole, unless one or more Council Members objects:

A. Discuss & consider for action additional funding in the amount of $40,000.00 to Lloyd Gosselink to provide the City additional legal representation to create, update, and/or amend the documents involving the pretreatment program due to mandatory TCEQ changes.

B. Approval of the purchase of one new Ford F350 SWB Regular cab truck from the Streets Division which will be funded by the Vehicle Replacement Program for a total price of $22,089.36 from Philpott Motors through HGAC Buy. This vehicle will be utilized to tow two new fueling trailers for offsite refueling of city equipment.
Item B pulled.

C. Discuss and consider for approval to extend the current deadline of June 30th for execution of the City – Mitchell Development and Facilities Agreement (DFA) to July 31, 2011. This extension is authorized pursuant to Section 5.4 of the ground lease between the City and 2814 Strand Corporation and will allow more input and discussion regarding the "Exterior" appearance of the proposed transit terminal.

D. Authorize the Interim City Manager to execute Amendment No. 1 of the Airport Project Participation Agreement for TxDOT Project No.: AP Galveston 17 TxDOT CSJ No.: 1112GLVST, increasing the grant by $40,000 for wetland delineation and historical review of the area in which drainage improvements on the airside near Taxiway A storm lines 1,3 & 8 will be installed at Scholes International Airport and authorization to make an expenditure of the City's 10% share in the amount of $4,000.00 from our Capital Outlay account.

E. Requesting that City Council authorize the Interim City Manager to execute a second amendment to the lease between PHI, Inc. and the City of Galveston, which commenced on June 1, 2001, amending Article 2., Leased Premises, by adding 64, 023 sq. ft. of ramp space and 58,246 sq. ft. of unimproved land, and Article 3, Rental, by adding $1,542.81 per month upon final approval by the City Attorney.

F. Consider for approval change order #1 from landmark structures to complete communication loop between the water pumping facilities and the water storage facilities. This additional bid item is necessary to complete communication loop between the various water supply facilities. This change order will increase the contract amount by $256,199.59 and add one hundred and twenty (120) days to the contract period. The current contract amount is $8,149,795.00 which will bring the new revised amount to $8,405,994.59.

The funding source for this change order will be a transfer of the remaining balance of $21,000.00 from the Isla Del Sol Project and $235,199.59 Water Improvement Fund.

G. Consider for approval change order #2 from Caldwell Tanks, Inc. to change the routing of the sanitary sewer from the Isla Del Sol 2.00 million gallon elevated water storage tank to the existing sanitary sewer lines in the proximity of the project, install a small grinder pump station and add eighty two calendar days to the project. The routing of the lines will replace the original proposed sanitary sewer system and is a credit of ($108,900.00). The cost of the grinder pump is ($21,000.00). The current contract amount is $6,643,000.00 plus $14,000.00 for previous change order and change order #2 in a credit in the amount of ($21,000.00) which will bring the new revised amount to $6,636,000.00. Funding source is the TWDB Grant.

H. Consider for action awarding RFP#10-11-013 (Vending Machine Services) to Brown Food Services for a three year period to include all equipment and labor, as their proposal demonstrated the optimum vending machine service opportunity for the City of Galveston, and there will be no expenditure of City funds during the course of the agreement.

I. Authorize the Interim City Manager to execute Amendment No.4 of the Airport Project Participation Agreement for TxDOT Project Nol.: AP GALVESTON, TxDOT CSCJ No. L 0712GLVST, increasing the grant by $33,392.00 for archeological study for the area on the airside which held Magnolia Grove Cemetery at Scholes International Airport and authorization to make an expenditure of the City's 10% share in the amount of $3,398.00 from our Capital Outlay Account.

J. Consider for action authorize the purchase of the CryWolf Alarm Management Tracking and Billing Software System and related serviced from the Public Safety Corporation in the onetime amount of $29,400.00 with a per year annual user's fee of $3,600.00. Funded by GPD Alarm Permitting Miscellaneous Equipment Account 1810-211439-544099-42100.

K. Discuss and consider for approval amending the Professional Services Consulting Contracts with the Goodman Corporation to extend the date of completion until December 31, 2013, for Task 1 Rail Alternative Analysis, and Task 2 Rail Trolley Consulting Services at no additional cost to the City.

Motion to approve Consent Items A through K but not Item B by CM Puccetti, second by CM Gonzales. Unanimously approved.

13. ACTION ITEMS

The following items shall be considered for action as a whole, unless one or more Council Members objects:

A. Discuss and consider for approval the Galveston Housing Authority's request to use $5,000,000 of $25,000,000 in Round I CDBG Disaster Recovery

Housing Funds for pre-development costs and real property acquisition associated with rebuilding 569 units of public housing.
Motion to Defer to July 14th by CM Greenberg, Second by CM Legg. Unanimously approved.

B. Discuss and consider authorizing the Director of Planning and Community Development to submit a draft Erosion Response Plan (ERP) to the Texas General Land Office (GLO) for review and comment pursuant to TAC Rule 15.17.
Motion to submit the current ERP and work over the next six (6) months to amend and update by CM Puccetti, second by CM Legg. CM Puccetti, CM Gonzales, Mayor Jaworski, CM Greenberg & CM Legg voted in favor. CM Beeton voted against. Motion carried.

C. Discuss and Consider for approval authorizing the City Manager to enter into an equipment lease of Motorola public safety radio dispatch consoles and subscriber units in an amount not to exceed $2,000,000.00.
Motion to authorize the City Manager to enter into an equipment lease after submitting the lease for approval to the Finance Director and City Attorney by CM Gonzales, second by CM Puccetti. CM Puccetti, CM Gonzales, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Greenberg abstained. Motion carried.

D. Discuss and Consider for approval the system purchase of Motorola public safety radio dispatch consoles and subscriber units in an amount not to exceed $2,000,000.00.
Motion to approve by CM Beeton, second by CM Legg. CM Puccetti, CM Gonzales, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Greenberg abstained. Motion carried.

E. Interview and select a consulting firm to conduct a search for City Manager at a cost not to exceed $23,000 for recruitment and interview expenses. Funds are available in City Manager's Contingency.
(a) Mercer Group; (b) Waters Consulting Group; (c) Affion Public; (d) Slavin Management Consultants.
Motion to select Affion Public by CM Legg, second by CM Beeton. CM Puccetti, CM Greenberg, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Gonzales abstained. Motion carried.

F. Discuss, interview candidates and consider for action retaining a candidate for an Interim City Manager.
Motion to Defer until July 7th at 1:00 pm by CM Greenberg, second by CM Legg. CM Puccetti, CM Greenberg, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Gonzales voted against the motion. Motion carried.

Discuss and consider for approval a contract with Texas First Group after interviewing candidates for an Interim City Manager.

Motion to Defer until July 7th at 1:00 pm by CM Greenberg, second by CM Legg. CM Puccetti, CM Greenberg, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Gonzales voted against the motion. Motion carried.

G. Discuss and consider for action authorizing the Ethics Commission to retain outside legal counsel.
Motion to approve at a rate of $200.00 per meeting by CM Legg, second by CM Puccetti. Unanimously approved.

H. Discuss and consider for action a hiring freeze for City employees.
Motion to defer to July 14 by CM Greenberg, second by CM Legg. . CM Puccetti, CM Greenberg, CM Beeton, Mayor Jaworski & CM Legg voted in favor. CM Gonzales voted against the motion. Motion carried.

14. MAYOR AND COUNCIL APPOINTMENTS
Consider for action Mayor and Council Appointments to various City Boards, Committees and Commissions:

1. City of Galveston Families, Children & Youth Board
Kathy Teirnan and Holly McManus spoke from the Board
Motion to approve Angela Brown, John Villareal and Marcella Arredondo, the Board's recommendation by CM Gonzales, second by CM Puccetti. Unanimously approved.

15 N/A

16. N/A

17. REQUEST TO ADRESS COUNCIL ON NON-AGENDA ITEMS UPON SUBMITTING A WRITTEN REQUEST
1. Neil Wilson demolition and section 3 labor
2. Sheila Bell warning sirens and a television station
3. Rusty Legg update on CDM construction status

18. ADJOURNMENT
Meeting adjourned at 7:15 pm.

Submitted by,

Douglas Godinich
City Secretary