

**VICTORIA CITY COUNCIL**  
**June 7, 2005**

**CALL TO ORDER**

A regular meeting of the Victoria City Council was called to order by Mayor Pro-Tem Bill Russell at 5:07 p.m. Tuesday, June 7, 2005 in the Council Chambers, 107 W. Juan Linn, Victoria, Texas. The pledge of allegiance was said, and all citizens were welcomed.

**MEMBERS PRESENT**

Bill Russell, Mayor Pro-Tem  
Lewis Neitsch  
Shirley Buckert  
Jim Wyatt

**MEMBERS ABSENT**

Will Armstrong, Mayor  
Philip Guittard  
Tom Halepaska

**STAFF PRESENT**

Denny Arnold, City Manager  
Charles Windwehen, Assistant City Manager  
Miles Risley, Senior Assistant City Attorney  
Gilbert P. Reyna, Jr., Director, Finance  
John Johnston, Director, Public Works  
John Kaminski, Director, Planning  
Charmelle Garrett, Director, Human Resources  
Lynn Short, Director, Utilities  
Andrew Jacobs, Assistant Director, Finance  
Steve Trevino, Director, IMS  
Scarlet Swoboda, City Secretary

**APPROVAL OF MINUTES**

The minutes of the special meeting of May 10, 2005 and the regular meeting of May 17, 2005 were approved as presented.

**CITIZENS COMMUNICATION**

No one wished to address Council.

**ITEMS FROM COUNCIL**

Mayor Pro-Tem Russell presented a proclamation declaring June 12 through June 18, 2005 "Victoria Bach Festival Week."

**PUBLIC HEARINGS**

Mayor-Pro Tem Russell opened a public hearing on the following items:

**ORDINANCE 2004-2005E – AMENDING THE 2004-2005 BUDGET OF THE CITY OF VICTORIA GENERAL FUND**

The ordinance considers amending the 2004-2005 Budget of the City of Victoria General Fund by increasing the Street Department Streets and Roadways line item by \$775,500 in order to provide additional funding for the construction of the North Navarro and Hathaway Connector Street project. Andrew Jacob.

Mayor Pro-Tem Russell asked if there were any questions from Council or the audience. There were none.

**ORDINANCE 2005-10 – AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF "CITY OF VICTORIA, TEXAS UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005"**

The ordinance considers authorizing the issuance, sale and delivery of "City of Victoria, Texas Utility System Revenue Refunding Bonds, Series 2005"; approving and authorizing an official statement and the distribution thereof; a purchase contract, an escrow agreement, and a paying agent/registrar agreement; approving and authorizing all other instruments and procedures related thereto; and providing for an immediate effective date. Single Reading pursuant to Tex. Gov't Code § 1201.028. Gilbert P. Reyna, Jr.

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Bob Henderson, with RBC Dain Rauscher, and the City's Financial Advisor, presented Preliminary Refunding Analysis on the Utility System Revenue Bonds. He advised that based on current market conditions the City could refinance \$20,455,000 of its outstanding utility bonds and potentially reduce the interest cost by \$976,675. It was his recommendation to move forward on refunding the bonds.

Mayor Pro-Tem Russell asked if there were any questions from Council or the audience. There were none, and Mayor Pro-Tem Russell closed the public hearing.

**CITY MANAGER REPORTS****Comprehensive Annual Financial Report for Fiscal Year Ending September 20, 2004**

Gilbert P. Reyna, Jr., Director of Finance, advised that the Annual Audit had been completed and delivered to the Council. Stephen Van Manen, CPA, with the Harrison, Waldrop and Uherek, L.L.P., reported that the City was given a clean opinion, which is the highest form of assurance that the auditors can give that the financial statements are materially correct. He advised that the most significant improvements in the report was that the net assets for the City increased by \$4.6 million. Mr. Reyna reminded Council that net assets did not necessarily mean that there was cash readily available, it is more an increase in the value of the City overall.

**Report on the "Draft" 2005-2010 CDBG Consolidated Plan and One-Year Action Plan for Fiscal Year 2005-2006**

John Kaminski, Director of Planning, advised that the purpose of the report was to present the 2005-2010 Community Development Block Grant (CDBG) Consolidation Plan and One-Year Action Plan for Fiscal Year 2005-2006. He advised that as a recipient of CDBG funds the City is required by the Housing and Urban Development (HUD) to submit a consolidated plan of strategy every five years. The plan provides various reports on housing demand, housing conditions, extent of homelessness, and community development needs in low to moderate income neighborhoods for the next five years. It identifies the City's priorities and strategies for addressing those needs. Another element of the plan is a one-year action plan, which provides a budget and work program for the coming fiscal year. He advised that the thirty-day public comment period begins on June 13, 2005 and the plan will be brought back to Council for action on August 2, 2005.

**RESOLUTION 2005-83R – AWARDING ANNUAL SUPPLY CONTRACT FOR COLD WATER METERS TO HUGHES SUPPLY, INC.**

The resolution awards the Annual Supply Contract for Cold Water Meters to Hughes Supply, Inc. of Helotes, Texas in a total estimated amount of \$68,682.50. Lynn Short.

Cm. Wyatt moved that the resolution be adopted, with Cm. Buckert seconding the motion. The resolution was adopted by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell

NAYS: None

**RESOLUTION 2005-84R – GRANTING A VARIANCE TO THE SEPTIC TANK REQUIREMENTS TO LOTS 13 AND 14 OFF COUNTRY LANE OWNED BY ROBERT C. CHESHIRE AND BARBARA JO REINHARDT**

The resolution grants variances to Sections 10-115 and 13-27 of the Victoria City Code, which prohibit a person from installing a septic tank within 3/4 mile of an existing city sewer service main, to Lots 13 and 14 of Subdivision No. 22 of lands purchased by James F. Welder, et al, by deed dated June 6, 1907, recorded in Vol. 54, Page 617, Deed Records of Victoria County, Texas, which is in the south quarter of Abstract 324 of the S.A. & M.G.R.R. Company Survey, located off Country Lane, owned by Robert Courtney Cheshire and Barbara Jo Reinhardt. Lynn Short.

Lynn Short, Director of Utilities, advised that staff was not recommending approval of the variance. He advised that staff typically supports these types of variances when there is an existing septic tank serving an existing structure and that septic tank is failing, and it is either topographically

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or economically not feasible to extend services. In this case there is no existing septic tank or structure.

Kemper Williams, Jr., the attorney representing the property owners, advised that approval of the variance is a condition for the sale of the property for a single family residence. The property has been in the city limits for 30 years and without a sale the property has in affect been condemned. He requested Council consideration.

Bruce Eppinger, 104 Wade Drive, with Premier Properties, stated that the intention of the potential purchaser was to have a rural type setting for a single family house.

Cm. Neitsch moved to amend the resolution by changing the language to read, *conditioned on no structures other than a single residence, together with ancillary barns and out buildings, in which there are no residential facilities or commercial purposes and in which outbuildings are not required to be connected to any septic or sewage system being placed on the aforementioned property and further conditioned on owner execution and delivery of a recordable covenant, in a form approved by the City Attorney, that provides that neither the owner nor subsequent owners of the aforementioned property shall be entitled to the City's construction or maintenance of utilities, road improvements, or drainage improvements next to the aforementioned property*, with Cm. Buckert seconding the motion. The resolution was amended by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell  
 NAYS: None

Cm. Wyatt moved that the resolution be adopted, with Cm. Buckert seconding the motion. The resolution was adopted, as amended, by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell  
 NAYS: None

**RESOLUTION 2005-85R – GRANTING A VARIANCE TO THE SIGN REQUIREMENTS AT 605 N. BRIDGE STREET OWNED BY BRENDA GUAJARDO**

The resolution grants a variance from Section 5-155(b)(4) of the Victoria City Code, which prohibits signs in excess of 8 square feet in primarily residential neighborhoods, to the tract of land located at 605 N. Bridge Street, which is owned by Brenda Guajardo (“Chula’s”), conditioned on construction of a sign not to exceed 32 square feet in total area. Steve Trevino.

Cm. Wyatt moved that the resolution be adopted, with Cm. Neitsch seconding the motion. The resolution was adopted by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell  
 NAYS: None

**RESOLUTION 2005-86R – GRANTING A VARIANCE TO THE BILLBOARD REQUIREMENTS AT 1002 SIEGFRIED OWNED BY NAZARETH ACADEMY**

The resolution grants a variance to Sections 5-154(a)3 and 5-154(e) of the Victoria City Code, which prohibit billboards from being located within 500 feet of any other billboard on the same side of a street and require that billboards larger than 70 square feet in area be mounted on a single steel pole, to the property located at 1002 Siegfried, which is owned by Nazareth Academy, conditioned on the property having no more than two billboards, one of which is no more than 144 square feet in total area and is mounted on the back of a scoreboard on the aforementioned property. Steve Trevino.

Cm. Neitsch moved that the resolution be adopted, with Cm. Buckert seconding the motion. The resolution was adopted by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell  
 NAYS: None

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**RESOLUTION 2005-87R – AUTHORIZING AN INTERLOCAL AGREEMENT WITH REGION IV EDUCATION SERVICE CENTER TO BID THE CITY’S EXCESS WORKERS COMPENSATION POLICY**

The resolution authorizes an Interlocal Agreement with Region IV Education Service Center and other necessary documents for Region IV’s provision of risk management services to bid the City’s excess Workers Compensation policy, in an amount not to exceed \$8,900. Charmelle Garrett.

Cm. Buckert moved that the resolution be adopted, with Cm. Wyatt seconding the motion. The resolution was adopted by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell

NAYS: None

**RESOLUTION 2005-88R – AUTHORIZING OFFERS AND CONTRACTS FOR THE PURCHASE OF PROPERTY AND/OR EASEMENTS FOR LONE TREE ACRES DRAINAGE PROJECT**

The resolution authorizes the City Manager to execute offers and contracts for the purchase of property and/or easements for the Lone Tree Acres Drainage Project from David and Iris Fay Chester, Edward Alexander Rigamonti, Donald David Rigamonti, PhD., Thomas Joseph Rigamonti, Helen Hoogendam, James Ray Rigamonti and Leonard Paul Rigamonti, in the amount of \$3,000, authorizes the acquisition of other interests in said project and/or property(ies), authorizes the acceptance of deeds and other documents granting interests in the aforementioned property(ies) and/or easement(s). Miles Risley.

Cm. Buckert moved that the resolution be adopted, with Cm. Neitsch seconding the motion. The resolution was adopted by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell

NAYS: None

**ORDINANCE 2004-2005E - AMENDING THE 2004-2005 BUDGET OF THE CITY OF VICTORIA GENERAL FUND**

Senior Assistant City Attorney, Miles Risley, read the caption of Ordinance 2004-2005, which amends the 2004-2005 Fiscal Year Budget of the City of Victoria by transferring \$775,500 from the General Fund fund balance to the Street Department Streets & Roadways line item for the construction of the North Navarro and Hathaway Connector Street Project; repeals all conflicting ordinances, provides for severability; and declares an effective date. First Reading. Andrew K. Jacob.

Cm. Wyatt moved that the ordinance pass on first reading, with Cm. Buckert seconding the motion. The ordinance passed on first reading by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell

NAYS: None

Caption:

**AN ORDINANCE AMENDING THE 2004-2005 FISCAL YEAR BUDGET OF THE CITY OF VICTORIA BY TRANSFERRING \$775,500.00 FROM THE GENERAL FUND FUND BALANCE TO THE STREET DEPARTMENT STREETS & ROADWAYS LINE ITEM FOR THE CONSTRUCTION OF THE NORTH NAVARRO AND HATHAWAY CONNECTOR STREET PROJECT; REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY; AND DECLARING AN EFFECTIVE DATE.**

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**ORDINANCE 2005-10 – AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF "CITY OF VICTORIA, TEXAS UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005"**

Senior Assistant City Attorney, Miles Risley, read the caption of Ordinance 2005-10, which authorizes the issuance, sale and delivery of "City of Victoria, Texas Utility System Revenue Refunding Bonds, Series 2005"; approves and authorizes an official statement and the distribution thereof; a purchase contract, an escrow agreement, and a paying agent/registrar agreement; approves and authorizes all other instruments and procedures related thereto; and provides for an immediate effective date. Single Reading pursuant to Tex. Gov't Code § 1201.028. Gilbert P. Reyna, Jr.

Cm. Wyatt moved that the ordinance pass on single reading, with Cm. Buckert seconding the motion. The ordinance passed on single reading by the following vote:

AYES: Council Members Neitsch, Buckert, Wyatt, and Mayor Pro-Tem Russell  
NAYS: None

Caption:

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF VICTORIA, TEXAS AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF "CITY OF VICTORIA, TEXAS UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2005"; APPROVING AND AUTHORIZING AN OFFICIAL STATEMENT AND THE DISTRIBUTION THEREOF; A PURCHASE CONTRACT, AN ESCROW AGREEMENT, AND A PAYING AGENT/REGISTRAR AGREEMENT; APPROVING AND AUTHORIZING ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.**

**EXECUTIVE SESSION**

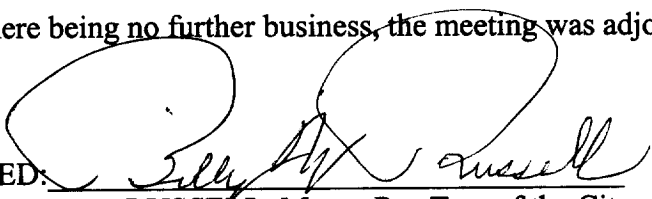
Mayor Pro-Tem Russell announced that Council would recess into Executive Session at 6:03 p.m., in accordance with:


Section 551.071, Texas Government Code, consultation with attorney on matter involving litigation or potential litigation 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 the Texas Open Meetings Act (including, but not limited to, potential lawsuits involving City projects in areas next to Airline and condemnation of property next to the Lone Tree Acres subdivision on Lone Tree Road). Miles Risley.

Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease, or value of real property interests due to the fact that deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person (including, but not limited to, acquisition and value of property next to the Lone Tree Acres subdivision on Lone Tree Road). Miles Risley.

The Council reconvened in regular session at 6:59 p.m. and considered the following:

There being no further business, the meeting was adjourned at 7:00 p.m.

APPROVED:   
BILL RUSSELL, Mayor Pro-Tem of the City of  
Victoria, Texas

ATTEST:   
SCARLET SWOBODA, City Secretary