

**VICTORIA CITY COUNCIL**  
**July 18, 2006**

**CALL TO ORDER**

A regular meeting of the Victoria City Council was called to order by Mayor Will Armstrong at 5:00 p.m. Tuesday, July 18, 2006 in the Council Chambers, 107 W. Juan Linn, Victoria, Texas. The pledge of allegiance was said, and all citizens were welcomed.

**MEMBERS PRESENT**

Will Armstrong, Mayor  
Philip Guittard  
Lewis Neitsch  
Paul Polasek  
David Hagan  
Jim Wyatt  
Tom Halepaska

**STAFF PRESENT**

Charles Windwehen, Assistant City Manager  
David A. Smith, City Attorney  
Miles Risley, Senior Assistant City Attorney  
Gilbert P. Reyna, Jr., Director, Finance  
John Johnston, Director, Public Works  
John Kaminski, Director, Planning  
Andrew Jacob, Assistant Finance Director  
Steve Trevino, Director, IMS  
Rick Henrichs, Director, IT  
Doug Cochran, Director, Parks and Recreation  
Jared Mayfield, Project Manager, Planning  
Scarlet Swoboda, City Secretary

**APPROVAL OF MINUTES**

The minutes of the special meeting of June 27, 2006 and the special meeting of July 5, 2006 were approved as presented.

**CITIZENS COMMUNICATION**

Bill Sutherland, 171 Raab Road, addressed the smoking ban suggesting it was unenforceable. He presented a copy of the smoking ban from the City of Beaumont, which he suggested was a much better ordinance than the one adopted by Victoria. He stated that there were a lot of people still dissatisfied with the way the Council handled the smoking ban. He stated that the petition to recall Mayor Armstrong was going forward and would continue to go forward until there were enough signatures to warrant a recall election. He stated that the City Council had the power to amend or repeal the smoking ban at any time, and suggested that it be amended so that it was a workable ordinance.

**ITEMS FROM COUNCIL**

There were none.

**PUBLIC HEARINGS**

Mayor Armstrong opened a public hearing on the following item:

**ORDINANCE 2005-2006I – AMENDING THE 2005-2006 FISCAL YEAR BUDGET TO PROVIDE ADDITIONAL FUNDING FOR THE SWAN CROSSING PROJECT**

The ordinance considers amending the 2005-2006 fiscal year budget by \$35,000 for Swan Crossing Subdivision Improvements. Andrew Jacob.

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

**CITY MANAGER REPORTS**

**Swan Crossing Subdivision**

Jared Mayfield, Project Manager, reported on the Swan Crossing Subdivision on the corner of Delmar and Hanselman. The contract on the 55 lot subdivision was authorized last fall with the

## CITY COUNCIL MINUTES

July 18, 2006

infrastructure improvements almost complete. He advised that a contract with AEP would be brought to Council in a few weeks to install electrical lines for street lights, then the laying of gas lines and perimeter fencing would complete the project in early September.

He advised that the staff had been working on a draft of the program guidelines, which would include the following: (1) The City would provide lots at no cost to qualifying homebuyers, (2) a five-year deferred forgivable note to secure a lot and insure the affordability period for those five years, and (3) an additional \$5,000 in Community Development Block Grant (CDBG) assistance to buyers meeting the income requirements of the homebuyer's guideline, which would cover things like down payment and closing costs. He stated initial contact of the homebuyers would be through the City Planning Department where clients would receive a list of participating lenders and builders.

Mr. Mayfield reported that after meeting with several builders it was determined that there was a need for volume building, which would be an opportunity for the builders to build more than one house at a time. If they could be guaranteed ten to fifteen lots at a time they could go to their suppliers and possibly negotiate better pricing on their supplies which would reduce the cost of the house. He suggested the following options for the builders:

- Option 1: Give builder fifteen lots with the condition that they construct two model homes.
- Option 2: Give builder ten lots with the condition that they construct one model home.
- Option 3: Allow smaller builders one to five lots with no model home construction required.

Mr. Mayfield advised that they were still waiting on the Housing and Urban Development (HUD) waiver request, which would allow a percentage of the lots to be sold to homebuyers that do not meet the HUD income guidelines. Cm. Wyatt stated that one of the reasons that the waiver was so important, is that it would help recoup some of the investment that was being put into that subdivision by selling those lots outright to the general public.

Cm. Halepaska expressed concern that inflation rates in the building trades industry would drive up the cost of the homes. He questioned whether the builders felt that they could reach that target. Mr. Mayfield stated that the builders felt that the sooner they could get started building the better it would be in keeping the costs down.

### Capital Improvement Plan Projects Quarterly Report

John Johnston, Director of Public Works, presented the second quarter Capital Improvement Plan Projects, which has four sections (1) City projects, (2) Texas Department of Transportation (TxDot) Projects, (3) projects with a one year warranty, and (4) projects that the City has completed. He pointed out the following highlights:

- West Outfall Phase I – was scheduled to be completed in July 2006, however it has been delayed and an extension has been requested from the contractor.
- Sidewalk Enhancement Project along Mockingbird and Vine - complete.
- Sidewalk Project Phase I - complete.
- LaSalle Crossing Project - ahead of schedule and should be completed in mid August 2006, however, the signal will not be up and working until September.
- Glasgow Project – on schedule to open two lanes on Academy side at the end of August 2006.
- Golf Cart Project – on schedule.
- Utility Projects – ongoing.
- Lake Forest Subdivision Sanitary sewer Lines – contracts have not been executed yet.

Cm. Halepaska asked when the Lone Tree Road Reconstruction Project was planned to start. Mr. Johnston advised that the contract drawings would be let this fall and typically contractors wait to mobilize these types of projects in January after the holiday season.

**RESOLUTION 2006-102R – APPOINTING A CITY COUNCIL MEMBER TO THE VICTORIA METROPOLITAN PLANNING ORGANIZATION**

The resolution appoints Tom Halepaska to the Victoria Metropolitan Planning Organization (MPO). Scarlet Swoboda.

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

AYES: Council Members Guittard, Neitsch, Polasek, Hagan, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

**RESOLUTION 2006-103R – APPOINTING THREE MEMBERS TO THE VICTORIA DEVELOPMENT COMMISSION**

The resolution appoints David Hagan and reappoints Philip Guittard and Lewis Neitsch to the Victoria Development Commission. Scarlet Swoboda.

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 Guittard, Neitsch, Polasek, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

ABSTENTION: Council Member Hagan

**RESOLUTION 2006-104R – APPOINTING THREE MEMBERS TO THE VICTORIA HEALTH FACILITIES DEVELOPMENT CORPORATION BOARD**

The resolution appoints Paul Polasek and reappoints Philip Guittard and Tom Halepaska to the Victoria Health Facilities Development Corporation Board. Scarlet Swoboda.

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

AYES: Council Members Guittard, Neitsch, Polasek, Hagan, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

**RESOLUTION 2006-105R – APPOINTING TWO CITY COUNCIL MEMBERS TO THE VICTORIA HOUSING FINANCE CORPORATION**

The resolution appoints Paul Polasek and David Hagan to fill unexpired terms on the Victoria Housing Finance Corporation. Scarlet Swoboda.

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

AYES: Council Members Guittard, Neitsch, Polasek, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

ABSTENTION: Council Member Hagan

## CITY COUNCIL MINUTES

July 18, 2006

**ORDINANCE 2005-2006J - AMENDING THE 2005-2006 FISCAL YEAR BUDGET TO PROVIDE ADDITIONAL FUNDING FOR RETIREMENT AND TRANSITION COSTS FOR THE CITY MANAGER**

City Attorney, David A. Smith, read the caption of Ordinance 2005-2006J, which amends the 2005-2006 Fiscal Year Budget of the City of Victoria by transferring \$51,500 from the General Fund fund balance to the City Manager Department Regular Payroll line item, to provide funding for retirement and transition costs of the City Manager. Andrew Jacob.

Cm. Wyatt moved that the ordinance pass on second and third reading, with Cm. Neitsch seconding the motion. The ordinance passed on second and third reading by the following vote:

AYES: Council Members Guittard, Neitsch, Polasek, Hagan, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

Caption:

**AN ORDINANCE AMENDING THE 2005-2006 FISCAL YEAR BUDGET OF THE CITY OF VICTORIA BY TRANSFERRING \$51,500 FROM THE GENERAL FUND FUND BALANCE TO THE CITY MANAGER DEPARTMENT REGULAR PAYROLL LINE ITEM, TO PROVIDE FUNDING FOR RETIREMENT AND TRANSITION COSTS OF THE CITY MANAGER, REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY; AND DECLARING AN EFFECTIVE DATE.**

**ORDINANCE 2005-2006K - AMENDING THE 2005-2006 FISCAL YEAR BUDGET TO PROVIDE FUNDING FOR THE LONE TREE ROAD RECONSTRUCTION PROJECT**

City Attorney, David A. Smith, read the caption of Ordinance 2005-2006K, which amends the 2005-2006 Fiscal Year Budget of the City of Victoria by transferring (1) \$350,000 from the General Fund fund balance to the General Fund Street Department Streets & Roadways line item and (2) \$350,000 from the Water Wastewater Fund fund balance to the Water Wastewater Fund Water Department Mains & Hydrants line item for the Lone Tree Road Reconstruction Project. Andrew Jacob.

Cm. Wyatt moved that the ordinance pass on second and third reading, with Cm. Guittard seconding the motion. The ordinance passed on second and third reading by the following vote:

AYES: Council Members Guittard, Neitsch, Polasek, Hagan, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

Caption:

**AN ORDINANCE AMENDING THE 2005-2006 FISCAL YEAR BUDGET OF THE CITY OF VICTORIA BY TRANSFERRING (1) \$350,000.00 FROM THE GENERAL FUND FUND BALANCE TO THE GENERAL FUND STREET DEPARTMENT STREETS & ROADWAYS LINE ITEM AND (2) \$350,000.00 FROM THE WATER WASTEWATER FUND FUND BALANCE TO THE WATER WASTEWATER FUND WATER DEPARTMENT MAINS & HYDRANTS LINE ITEM FOR THE LONE TREE ROAD RECONSTRUCTION PROJECT, REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY; AND DECLARING AN EFFECTIVE DATE.**

**ORDINANCE 2005-2006I – AMENDING THE 2005-2006 FISCAL YEAR BUDGET TO PROVIDE ADDITIONAL FUNDING FOR THE SWAN CROSSING PROJECT**

City Attorney, David A. Smith, read the caption of Ordinance 2005-2006I, which amends the 2005-2006 Fiscal Year Budget of the City of Victoria by transferring \$35,000 from the General Fund fund balance to the Non-Departmental New Housing Initiative line item, to provide additional funding for the Swan Crossing Water, Sanitary Sewer, Storm Sewer & Streets Project. Andrew Jacob.

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

AYES: Council Members Guittard, Neitsch, Polasek, Hagan, Wyatt, Halepaska, and Mayor Armstrong

NAYS: None

Caption:

**AN ORDINANCE AMENDING THE 2005-2006 FISCAL YEAR BUDGET OF THE CITY OF VICTORIA BY TRANSFERRING \$35,000.00 FROM THE GENERAL FUND FUND BALANCE TO THE NON-DEPARTMENTAL NEW HOUSING INITIATIVE LINE ITEM, TO PROVIDE ADDITIONAL FUNDING FOR THE SWAN CROSSING WATER, SANITARY SEWER, STORM SEWER & STREETS PROJECT, REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY; AND DECLARING AN EFFECTIVE DATE.**

**WORK SESSION**

Mayor Armstrong announced that the Council would immediately go into a Work Session at 5:41 p.m. and the following items were discussed:

- **South Texas Zoo (General Fund)** - Eddie Overbay, Director of Operations of the Texas Zoo, presented a power point program on the changes being made at the Zoo. He reported that the community was excited that the Zoo was bringing in more and more exotic animals. He advised that they had been working on the Master Plan for the new Zoo, which would be built on 76 acres of donated land. They were also talking about bringing in splash pad and putting in a children's playground. He stated that the Zoo was requesting \$160,000 instead of the \$115,000 that had been allocated in the past.
- **Visitor Center (Motel Tax Fund)** – Phyllis Hunt, Executive Director of the Chamber of Commerce, 106 Windcrest, requested a minimal increase to their budget. She advised that they would be concentrating on tourism business and how it can pay off with the local economy.
- **700 Main Center Funds** - Steve Trevino, Director of Inspections and Maintenance Services, went over items with a significant increase. He presented information on several building improvements: Restroom maintenance, painting and replacing floor covering in the Engineering Department, new carpet in the Planning Department, and installing a new roof and painting the exterior of the building at 700 Main. He further indicated an increase in the electricity and heating costs.
- **Fleet Services/Garage** - Steve Trevino, Director of Inspections and Maintenance Services, advised that fuel costs were up, the TECOM contract was increased due to the Consumer Price Index (CPI) adjustment, there were some building improvements that were needed, and the vehicles account was increased to purchase a fire pumper truck.
- **Information Technology Costs** – Rick Henrichs, Director of Information Technology, presented a brief overview of the department. He advised that the majority of the City is underground with fiber optic. He reviewed the life cycle and maintenance schedules of the computers, printers, and servers. He highlighted some of the more expensive items requested in the budget.

CITY COUNCIL MINUTES  
July 18, 2006

- **Community Center** - Doug Cochran, Director of Parks and Recreation, advised that the following items requested were in the proposed budget: Remodel the old annex restrooms and dome kitchen, replace fire suppression system, install master key entry and magnetic locks, replace color laser printer, and add an ice machine for annex kitchen.
- **Council Discussion** – Cm. Wyatt suggested earmarking funds for the sand volleyball courts, BMX dirt track, and skate park for phase II of the sports complex. He also suggested that appropriate drainage for soccer fields be addressed. Mayor Armstrong advised that the Junior Service League would be coming to Council with a presentation and he asked that Council take a serious look at their request.

EXECUTIVE SESSION

Mayor Armstrong announced that Council would recess into Executive Session at 6:53 p.m., in accordance with:


Section 551.071, Texas Government Code, consultation with attorney on matter involving litigation, potential litigation or other 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 the Texas Open Meetings Act. (Including, but not limited to, state law related to initiative, recall & referendum). 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 party. Miles Risley.

Section 551.074, Texas Government Code, with regard to personnel matters (including, but not limited to, appointments to the Planning Commission, Sign Board of Adjustments and Appeals, Victoria Development Commission, Building and Standards Commission, Victoria Health Facilities Development Corporation, and Victoria Housing Finance Corporation). Scarlet Swoboda.

Section 551.087, Texas Government Code, to discuss or deliberate the offer of a financial or other incentive to a business prospect that the City Council seeks to have, locate, stay, or expand in or near the territory of the City of Victoria and with which the City of Victoria is conducting economic development negotiations. Miles Risley.

The Council reconvened in regular session at 7:30 p.m. with nothing to report. There being no further business, the meeting was adjourned at 7:31 p.m.

APPROVED:   
WILL ARMSTRONG, Mayor of the City of  
Victoria, Texas

ATTEST:   
SCARLET SWOBODA, City Secretary

\*\*\*\*\*