

CITY COUNCIL MINUTES

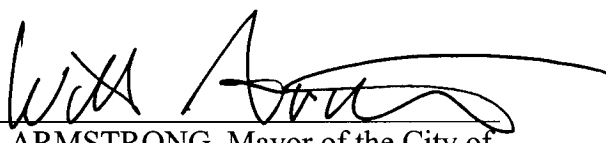
May 6, 2008

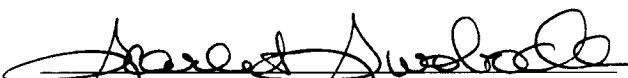
going and coming in the community, and to those constituents he encounters, they feel that a closed process, where Council arbitrarily picks a person on staff, and says that is the best person for the job without going through the process, has not always set well. Because of that perception and his representation of those individuals, he concurred that they should go out and look. He stated that he had been through three city attorneys during his tenure, and Council had been able to manage the case load, and in some cases an attorney was put on retainer to help out. He believed for the process to be open, they needed to look, and maybe Mr. Risley would be the best candidate. However, he would hope that his colleagues would look at this and make certain that as a government they were willing to look at every opportunity to enhance City personnel. He just did not see Council continuing to have that good ole boy system in the City of Victoria.

Cm. Neitsch moved to adopt the resolution to hire Miles Risley as City Attorney at a salary of \$103,000, with Cm. Halepaska seconding the motion. The resolution was adopted by the following vote:

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

There being no further business, the meeting was adjourned at 7:45 p.m.

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

ATTEST: 
 SCARLET SWOBODA, City Secretary

VICTORIA CITY COUNCIL
May 20, 2008

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, May 20, 2008 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

OTHERS PRESENT

Dale Fowler, Ex. Director VEDC

STAFF PRESENT

Charles E. Windwehen, City Manager
 Charmelle Garrett, Deputy City Manager
 Miles Risley, City Attorney
 Gilbert P. Reyna, Jr., Director, Finance
 Lynn Short, Director, Public Works
 John Kaminski, Director, Planning
 Vance Riley, Fire Chief
 Doug Cochran, Director, Parks and Recreation
 Rick Henrichs, Director, IT
 Steve Trevino, Director, IMS
 Jerry James, Director, Environmental Services
 John Johnston, Deputy Director, Public Works
 Jennifer Opiela, Applications Developer, IT
 Rick Madrid, Building Official
 Scarlet Swoboda, City Secretary

APPROVAL OF MINUTES

The minutes of the regular meeting of May 6, 2008 were approved as presented.

CITIZENS COMMUNICATION**Guadalupe-Blanco River Authority (GBRA) Report on Operation and Ownership of Sewage Treatment Plants**

Bill West, General Manager of GBRA thanked Council for the opportunity to address them and spoke of the importance of the relationship between the City and GBRA, stating that Victoria was GBRA's largest customer and they greatly valued that fact. He advised that the City and GBRA were partners regarding numerous key issues, such as the Edwards Aquifer Authority, and the ultimate management of that had a major bearing on both entities. He listed the numerous other committees that both the City and GBRA routinely worked on together, such as water supply issues, legislation, and participation with the Exelon Project. He stated that there was a lot of hard work ahead of them that would require continued partnership with the City.

Bryan Serold, GBRA Lower Division Operations Manager, thanked Council for the opportunity to present the results of the Black and Veatch evaluation of GBRA's wastewater operations at the Victoria Regional and Willow Street wastewater plants. He appreciated the long standing operations of the plants since 1972. He advised that GBRA's current contract with the City was scheduled to expire on December 31, 2010, and conditions within that contract allowed the City to assume operations of the wastewater system at the end of the current contract period, by giving GBRA 12 month's written notice prior to the expiration of the contract. The City previously had Camp Dresser and McKee (CDM) do an assessment on the operations of the wastewater plants comparing GBRA's current operating and maintenance costs. The results of CDM's assessment concluded that significant savings could be realized if the City took over operations. GBRA was afforded the opportunity to perform its own independent assessment and retained the services of Black and Veatch Engineers. Council Members and City staff received copies of the final report. Mr. Serold advised that it was GBRA's hope that the City Council would continue to perform its due diligence before a final decision was made on the operations of the wastewater plants. He extended an invitation to the Council to tour the GBRA operations at both plants.

The following representatives from Black and Veatch Engineers were consultants on the project and some of them presented a PowerPoint presentation: Andy McCartney, Project Manager; Gary W. Neun, Operations Specialist; William Causey, Jr. Engineering Specialist; Michael Dutton, Project Specialist; and Rheagan Coffey, Consultant.

Andy McCartney introduced the project team members and reviewed their qualifications and experience. They went over the project approach, reviewed the evaluations of the wastewater facilities, and discussed wastewater verses water treatment, as there were differences in the two. They reviewed the results of a benchmarking study or industry comparisons to GBRA, and reviewed results of cost comparisons via a wholesale rates survey that was preformed. They reviewed GBRA's performance history, and went over what to expect if the City took over the wastewater treatment operations in 2011.

Evaluations and Recommendations of current operations:

- Staffing level was adequate, did not recommend either an increase or decrease.
- Operation efficiencies, regular and routine cleaning was recommended, also operating one mechanical bar screen, and one grit removal system.
- Recommendation to reassign the lab technician to assist in the sludge press operations or assign to a maintenance planner position, and also perform general maintenance.
- Willow Street Treatment Plant, recommended shutting down the plant and divert the flow to the Regional Plant
- Reassign workers from Willow Street Plant to Regional Plant.
- Decommission of Willow Street Plant would require an amendment to the Texas Commission of Environmental Quality (TCEQ) discharge permit and some regulatory administrative efforts.

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The differences between water and wastewater treatment was explained. There were issues which require more shut downs and cleaning of equipment because of grit, debris, and corrosive gases in a wastewater plant that are not found in a water treatment plants.

Currently GBRA has a temporary blessing from TCEQ on the 75/90 rule, so before closure and decommissioning the Willow Street plant the Regional plant it could be re-rated, which would defer building a new wastewater plant. If the City took over operations of the plants the administrative and general costs would not be absorbed either 100% by the City, or 100% eliminated either. The City would need to look beyond one or two years. Another thing to consider would be the distance from one plant to another, and maintenance workers being shared between the wastewater and water treatment plants, which would not be a prudent decision in the opinion of the consultants. It was noted that GBRA has operated the plants for the past 35 years and there have been no fines or penalties.

If the City takes over the plants the liability for wastewater treatment results would lie with the City. If there were any permit violations the City would be responsible and suffer any fines or penalties. There would also be an issue of qualified personnel and the hiring and retaining of them. There was no guarantee that the current employees working at the wastewater plants would switch over and work for the City. The City has no recent wastewater treatment experience, GBRA costs are know, whereas the City's costs are not known. Finally, in emergencies such as the 1998 flood, GBRA was able to bring in staff from other plants elsewhere and operate the plant, which could be a hardship on the City because their staff would be needed elsewhere.

Mayor Armstrong advised that he was on the City Council in 1973 through 1979, and it was the intent at that time to take over the regional plant once the debt was paid off. He advised that Victoria operates under a city manager form of government, and this was not the Council saying they were taking over the plant, it was the administration saying they were ready, qualified, staffed up, and recommending taking over the plant. The administration feels this would be the best for the community, and they were ready and willing to take on that load. He then thanked GBRA for the work they have done for the City.

Wayne Cockroft, 235 Maguey Road, expressed concerns with the City taking over the operations of the wastewater treatment plants. He advised that he was a retired civil engineer, registered professional engineer, retired surveyor; possessed a Class A water operator license, and Class A wastewater operator license. He worked as the Utilities Director for the City of Victoria from 1999 till he retired in 2004. He had worked for the City of Corpus Christi for 27 year and was responsible for the operation of seven wastewater treatment plants. He stated that in his experience it was not the same as the operation of the water treatment plants. A water treatment plant was a mechanical process; it was a lot more difficult to operate a wastewater treatment plant because of the living organisms living in there that have to be kept alive. They eat the organic matter in the wastewater, if you are not careful you can upset that plant and they will die off. Then raw sewage is going into the river that someone down stream is going to be drinking or feeding livestock. It was his opinion that it would be a grave mistake for the City to take over the plants.

He expressed concern with the original report and the number of staff needed working 24 hours a day. He stated it could not be done with eight operators. A wastewater treatment plant was very dangerous to work in and there were chemicals and gases that could kill you instantly, and to his knowledge no one in the City with the exception of one person had experience running a wastewater plant. He stated that in the flood of 1998 the wastewater plant was underwater; the City was scrabbling taking care of other things. GBRA came in a took care of the plant, they built a wall around the plant, they moved fast and the City does not have that capability. He pointed out some sections of the reports and encouraged the Council to really look closely at the reports before making a decision. He stated whichever way they decide, to hold the City Manager and department heads feet to the fire and accountable if the City does take over operations. If they can not make it work, let them pay the price.

Chamber of Commerce

Randy Vivian, President of Victoria Chamber of Commerce, presented a handout. It had an overview of what the Visitors Bureau hotel/motel money had been used for. He advised that they have a contract with Corpus Christi where they distribute Victoria's information along with theirs.

He advised that they were working on consolidating costs, so the Visitors Bureau was moved to the Chamber Offices, and they have started upgrading their website. He felt the Chamber was operating at an optimum level and were now starting reviews of all the programs outside the scope of the Chamber. They would be setting goals and expectations and wanted the City's input. He wanted it to be a viable and proactive mission making Victoria a destination location.

Cm. Neitsch questioned the audit report of \$108,000 in salaries and administration out of a \$200,000 budget. He had a hard time justifying that, and wanted to make sure they were getting what they wanted out of the Visitors Bureau. Community negativism toward the Visitors Bureau has bothered him for a while and he expressed a desire for that to change. Mr. Vivian responded that in the next several months he hoped to have some program changes that Council would like. He also noted that the Visitors Bureau really should be on some major roadway or more visible area to show off the City and its attractions.

ITEMS FROM COUNCIL

Mayor Armstrong complimented John Kaminski and Dale Fowler on showing a businessman around town recently.

PUBLIC HEARINGS AND ACTION

Mayor Armstrong opened a public hearing on the following items:

ORDINANCE 2008-4 – AUTHORIZING AND RATIFYING A SPECIAL WARRANTY DEED TO TRANSFER PARCELS OF PROPERTY TO THE COUNTY OF VICTORIA

City Attorney, Miles Risley, read the caption of Ordinance 2008-4, which authorizes and ratifies the act of the City Manager to execute a Special Warranty Deed to transfer the following parcels of property to the County of Victoria, which is the abutting property owner and is a political subdivision of the State of Texas with powers of eminent domain, in exchange for \$156,750 and other consideration:

- (1) Hospital Drive that extends from Rio Grande Boulevard to Red River Street
- (2) A portion of Citizens Drive as shown per attached plat,
- (3) A portion of Continental Drive as shown per attached plat. Second and Third Reading.

Miles Risley.

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, Wyatt, Halepaska, and Mayor Armstrong

NAYS: Council Member Hagan

Caption:

AN ORDINANCE AUTHORIZING AND RATIFYING THE ACT OF THE CITY MANAGER TO EXECUTE A SPECIAL WARRANTY DEED TO TRANSFER THE FOLLOWING PARCELS OF PROPERTY TO THE COUNTY OF VICTORIA, WHICH IS THE ABUTTING PROPERTY OWNER AND IS A POLITICAL SUBDIVISION OF THE STATE OF TEXAS WITH POWERS OF EMINENT DOMAIN, IN EXCHANGE FOR \$156,750 AND OTHER CONSIDERATION:

(1) HOSPITAL DRIVE THAT EXTENDS FROM RIO GRANDE BOULEVARD TO RED RIVER STREET

(2) A PORTION OF CITIZENS DRIVE AS SHOWN PER ATTACHED PLAT,

(3) A PORTION OF CONTINENTAL DRIVE AS SHOWN PER ATTACHED PLAT,

REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY, AND DECLARING AN EFFECTIVE DATE.

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ORDINANCE 2008-5 – AMENDING SECTION 23-75 OF THE CITY CODE TO ESTABLISH MAXIMUM ALLOWABLE RATES FOR THE CITY’S TOW TRUCK ROTATION LIST

City Attorney, Miles Risley, read the caption of Ordinance 2008-5, which amends Section 23-75 of the Victoria City Code to establish maximum allowable rates for the members of the City’s tow truck rotation list. Second and Third Reading. Miles Risley.

Cm. Neitsch moved that the ordinance pass on second and third reading, with Cm. Halepaska 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 SECTION 23-75 OF THE VICTORIA CITY CODE TO ESTABLISH MAXIMUM ALLOWABLE RATES FOR THE MEMBERS OF THE CITY’S TOW TRUCK ROTATION LIST, REPEALING CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY, PROVIDING FOR CODIFICATION AND SAVINGS, AND DECLARING AN EFFECTIVE DATE.

ORDINANCE 2008-6 – AUTHORIZING ANNEXATION OF APPROXIMATELY 21.33 ACRES OF LAND AT THE REQUEST OF VICTORIA INDEPENDENT SCHOOL DISTRICT

City Attorney, Miles Risley, read the caption of Ordinance 2008-6, which provides for the extension of certain boundary limits of the City of Victoria, Texas and the annexation of certain territory consisting of approximately 21.33 acres of land, at the request of Victoria Independent School District (VISD), adopting a service plan for the territory to be annexed. Second and Third Reading. John Kaminski.

Cm. Neitsch moved that the ordinance pass on second and third reading, with Cm. Polasek 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 PROVIDING FOR THE EXTENSION OF CERTAIN BOUNDARY LIMITS OF THE CITY OF VICTORIA, TEXAS AND THE ANNEXATION OF CERTAIN TERRITORY CONSISTING OF APPROXIMATELY 21.33 ACRES OF LAND, AT THE REQUEST OF VICTORIA INDEPENDENT SCHOOL DISTRICT (VISD), ADOPTING A SERVICE PLAN FOR THE TERRITORY TO BE ANNEXED, REPEALING ALL CONFLICTING ORDINANCES, PROVIDING FOR SEVERABILITY, PROVIDING FOR PUBLICATION, AND PROVIDING AN EFFECTIVE DATE.

Mayor Armstrong closed the public hearing.

CITY MANAGER REPORTS

- **Expired tax abatement agreement with Sonoco Products Company and closure of Hilex Poly plant on Delmar** - Executive Director of the Victoria Economic Development Committee, Dale Fowler advised that a report was included in the Council packet. The above mentioned incentive was granted in 2002, and the abatement opportunity saved the company and allowed for modernization and expansion. They were here for six years and have fulfilled the full obligation of abatement. The training received by their employees hopefully would help them find new employment. The goal now was to figure out whom to put in that building.

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- **City of Victoria Website** - Applications Developer, IT, Jennifer Opiela presented the new look of website and demonstrated all the new features. Cm. Polasek noticed that the Library had a separate site, which was managed by them. He commented that cooperation was critical, with a similar look and feel among all city departments, which was important for the general public and suggested citizen input to the website committee.
- **Energov Online Permitting** – Building Official, Rick Madrid presented info on how the citizens portal would work for individuals to request building permits online.

Mayor Armstrong announced a short break at 7:03 p.m. and reconvened at 7:06 p.m.

RESOLUTION 2008-85R – AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN ENGINEERING FOR THE WEST CAMPUS WATER AND SEWER LINE EXTENSION PROJECT PHASE I AND II

The resolution authorizes a Professional Services Agreement with Victoria Engineering d/b/a Urban Engineering in the amount of \$142,000 for Engineering Services for the West High School Campus Water and Sewer Line Extension Project – Phase I and II. Lynn Short.

Cm. Polasek moved that the resolution be adopted, with Cm. Hagan 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 2008-86R – AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH URBAN ENGINEERING FOR THE MALLETTE DRIVE PROJECT

The resolution authorizes a Professional Services Agreement with Victoria Engineering d/b/a Urban Engineering in the amount of \$45,500 for Engineering Services for the Mallette Drive (Briggs Blvd. to City Limits) Project. Lynn Short.

Cm. Neitsch moved that the resolution be adopted, with Cm. Polasek 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 2008-87R – AUTHORIZING THE PURCHASE OF A VACALL STREET SWEEPER FROM HI-WAY EQUIPMENT THROUGH THE HOUSTON, GALVESTON AREA COUNCIL OF GOVERNMENTS (HGAC)

The resolution authorizes the purchase of a Vacall, Model VS10D, truck mounted, dual broom, vacuum type street sweeper on a 2007 American La France Condor Cab and Chassis through the Houston Galveston Area Council of Governments (HGAC) from Hi-Way Equipment Company, of Houston, Texas, in the amount of \$219,413.34. Lynn Short.

Cm. Guittard moved that the resolution be adopted, with Cm. Halepaska 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 2008-88R – ADOPTING AN UPDATE TO THE PARKS, RECREATION AND OPEN SPACE MASTER PLAN

The resolution adopts an update to the Parks, Recreation and Open Space Master Plan that reflects completion of several items on the projects list and priorities in the community that have changed. Doug Cochran.

Cm. Neitsch moved that the resolution be adopted, with Cm. Hagan 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 2008-89R -- AMENDING THE COMPENSATION OF THE CITY MANAGER

The resolution amends the compensation of the City Manager by establishing a compensation of \$135,700 base salary, \$7,000 vehicle allowance, \$19,000 contribution to a 457 deferred compensation plan, four months of severance pay upon early termination, and the right to receive accrued vacation or equivalent salary in lieu of such vacation in the event of severance. Miles Risley

Cm. Hagan inquired whether it was a 5% or 6% increase. City Manger, Charles E. Windwehen responded that the amount was 5% of the total compensation, and it turned out to be 6% of the base salary. Cm. Hagan commented that he had come to the conclusion that last year the City Manager received a 10% raise, and no other employees of the City received a 10% raise. He understood that Council was trying to get the Manager in line with other city managers, and last year the rank and file was given a 3% raise. Now they were looking at giving the manager another 5%, which was 15% over the last two years, and was out pacing other employees. He felt the raise may not be good timing, with the economic situation, compensation given to rank and file employees, issues of the economy, and recent controversies. He felt it was not a good time to give the highest paid city employee a raise. He suggested forming a subcommittee of the Council to look at turning raises into a merit raise instead of just an across the board raise, whether employees performed well or not, there was correlation between their compensation.

Mayor Armstrong advised during the City Managers evaluation in executive session there was some discussion about giving a larger raise than what was being proposed in the resolution. He took pride in the fact that they were paying the City Manager still underneath what some other city managers were paid. When the day came that a new city manager was hired, if they have to go on the open market, the community would be in for a very rude awakening of what city managers cost. Plus, anyone that they would look at would not have 30 years of city administration and financial experience. He suggested that they were very lucky.

Cm. Polasek asked Deputy City Manager, Charmelle Garrett if 5% was the maximum amount an administrator could receive. She responded that this current fiscal year, any top level manager in a pay grade 43 and above could receive up to a 5%, which was purely a merit program they did not get an across the board. The rank and file employees only received across the board raises and were not eligible for the merit program. Cm. Polasek stated that when he weighed this decision it was important to stick to what the other administrators were allowed. He also stated that Mr. Windwehen's institutional knowledge weighed in on his decision.

Cm. Neitsch advised that merit raises had been done before for the employees. Ms. Garrett stated that in the past different combinations had been used, and they were looking at what funding would allow. They were looking at merit for all employees as well as cost of living.

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

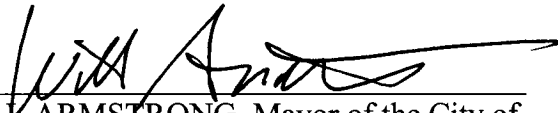
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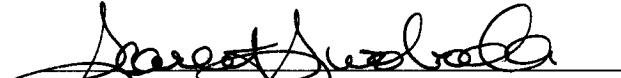
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AYES: Council Members Guittard, Neitsch, Polasek, Wyatt, Halepaska, and Mayor
Armstrong

NAYS: Council Member Hagan

There being no further business, the meeting was adjourned at 7:26 p.m.

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

ATTEST: 
SCARLET SWOBODA, City Secretary
