

**CITY OF INGLESIDE
REGULAR CITY COUNCIL MEETING
MINUTES **AMENDED**
SEPTEMBER 10, 2024**

Opening Agenda

1. Call Meeting to Order.

The Regular Council Meeting of the City of Ingleside was called to order by Mayor Adame at 6:30 p.m. on September 10, 2024, at City Hall 2671 San Angelo Ave., Ingleside, TX and live video streaming.

2. Roll Call.

With Council Members present a quorum was established.

Council Members Present: Steve Diehl, Stewart Wilson, David Pruitt, John Salinas, Mayor Pro-Tem Tracy Long, Julio Salinas, and Mayor Oscar Adame.

3. Invocation.

Council Member Pruitt led the invocation.

4. Pledge of Allegiance.

Mayor Adame led the Pledge of Allegiance to the U.S. flag.

5. Citizen Comments and Reports.

Stephanie Hajducek, 2334 Highway 361 Suite 182, addressed the Council about comments on the YaREN Project, YaREN not hosting a coloring contest, Enbridge and YaREN about hiring locally, and gave information as to contact information about the project.

Victoria Pereida, 410 E. Market St., San Patricio Elections Office, addressed the Council about the elections office trying to make voters aware of the voting locations and to vote early. Early voting taking place October 21 through November 1, and Election Day is November 5. Ingleside will not have an early voting location, but can go to the Aransas Pass Civic Center or Portland Community Center. Election Day voting, for Ingleside, will take place at the Ingleside ISD Administration Building, and explained why the locations have changed due to legislation changes and funding. Encouraged citizens to get their information from San Patricio County Office Website.

Mary Jo Wells, Northbay Ingleside Lions Club, addressed the Council about September being Children's Cancer Awareness Month and are taking donations, all donations will be split between Driscoll Children's Hospital and St. Jude's.

Martha Habluetzel, 3508 Ave A, addressed the Council about voting early, the handout she provided to council, who is going to protect the residents from a chemical spill, and Ordinance on buffer zones near schools.

6. Staff Comments and Reports.

a) Council Comments and Reports.

No discussion was held on this item.

b) Announcements of Community Interest and/or upcoming events.

No discussion was held on this item.

c) Report on the status of grants.

No discussion was held on this item.

d) Report to council on action being taken to correct findings of deficiencies in the 2023 Annual Financial Report.

No discussion was held on this item.

E) Report on the Vessel Turn In program.

No discussion was held on this item.

f) Report on timeline for bidding and construction of City of Ingleside Wastewater Treatment facility.

City Manager Lewis stated the City has received authorization from the Texas Water Development Board. The timeline includes a Pre-Construction Meeting for January 2025 and the construction completion will take 730 calendar days. The City is under orders from TCEQ to get a new wastewater treatment plant.

Discussion between the City Council and City Manager Lewis on funding to begin, the project costing more than the loan but won't know exact inflation until we go out for bids. Wastewater Treatment Plant is state mandated because of the growth of Ingleside, reimbursement to the Texas Water Development Board during the process by means of industry.

g) Report on Ingleside Citizen's Academy.

City Manager Lewis addressed the Council about starting the Academy, needing participants to be involved in this community, open to all Ingleside residents including High School students, and the application on the city website.

Presentations

There were no presentations presented for this meeting.

Consent Agenda

Agenda Items 7, 10, and 11 were pulled from the Consent Agenda and moved in to the Regular Agenda for separate discussion.

8. Deliberate and take appropriate action on approving the 2024 Zombie Walk and Trick or Treat Trail at Live Oak Park on October 26th 2024 from 4pm-7pm.

9. Deliberate and take appropriate action on the City Council authorizing the annual 2024 Halloween Parade on October 29th 2024.

12. Deliberate and take appropriate action on a contract for services between the City of Ingleside and the Ingleside Chamber of Commerce for services from October 1, 2024 to September 30, 2025.

Motion: Council Member Diehl made a motion to approve the Consent Agenda excluding ~~Items 8, 9, and 12~~ **Items 7, 10, and 11**, which were removed from the Consent Agenda for separate discussion. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

Public Hearing

13. Public Hearing regarding an application filed by The Port of Texas LP, requesting a Special Use Permit for Intensive Use for the following property: Property ID#s 115773, 67221, 78729, & 65108, an approximately 288.13 acre tract comprising of

45.67 ACS OUT OF A-262 ROSA TEAL SURVEY, ABST 262 ROSA TEAL 36.198 ACRES, 44.08 ACS OUT OF A-262 ROSA TEAL SURVEY, and ABST 184 WM MCDONOUGH LAND OWNED NOT IN USE 162.182 ACRES.

Mayor Pro-Tem Long addressed Attorney Garza about needing to be zoned first before having the public hearing on the Special Use Permit, when needing two readings for the zoning. Legally it can happen, and the Council can choose the order in where the Public Hearing falls, but until Agenda Item 14 has had action taken, no action can be taken during Public Hearing. The item requested can only have one Public Hearing, and the public will be able to come back to speak on that item at the next meeting.

At 7:09 p.m. Mayor Adame convened the Ingleside City Council into a Public Hearing.

Speaking For:	None	
Speaking Against:	Elisa Granados	1591 4th St., Ingleside
	Elaine Rodgers	2020 FM 2725, Ingleside
	Cora Rose	326 N. Sandpiper, IOB
	Patrick Nye	1018 Bayshore Dr., IOB
	Cyndi Valdes	809 Bayshore Dr., IOB
	Brandi Robinson	106 Bayshore Circle, IOB
	Sarah Crumbley	2480 Henrietta Place, Ingleside
	Martha Habluetzel	3506 Ave A, Ingleside
	Debra Sanders	3076 Ave A, Ingleside

At 7:31 p.m. Mayor Adame reconvened the Ingleside City Council into a Regular Meeting.

Mayor Adame requested that Item 15 be moved before Item 14.

Regular Agenda

- 7. Deliberate and take appropriate action on the Regular Meeting Minutes of August 27, 2024, and Special City Council Minutes of September 03, 2024. PULLED and moved to regular agenda.**

Discussion was held between Council Members and City Secretary Beaven about packet page 42, August 27, 2024 minutes, needing to strike out “about the proposed replat;” packet page 55, September 3, 2024, “fun balance” needs to be “fund balance.”

Motion: Mayor Adame made a motion to approve the Regular Meeting Minutes of August 27, 2024, and Special City Council Minutes of September 03, 2024, with the stated corrections. Council Member John Salinas seconded the motion. Motion carried with all present voting in favor.

- 10. Deliberate and take appropriate action on the City Council authorizing the first annual Christmas Parade to be held on December 6th 2024.**

Discussion was held between Council Members and City Manager Lewis about the parade ending up at the lighting of the tree event at N. O. Simmons Park.

Motion: Council Member Julio Salinas made a motion to approve authorizing the first annual Christmas Parade to be held on December 6th 2024. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

- 11. Deliberate and take appropriate action on the City Council authorizing the annual Christmas Tree Lighting Event to be held on December 6th 2024.**

Discussion was held between Council Members and City Manager Lewis about N. O. Simmons lighting at the park; still wrapping trees at Live Oak, but without the drive thru event; and should have had better scheduling. City Manager Lewis explained about the reduction on the drive thru part of the event on Light Up Live Oak (LULO).

Further discussion between Council Members and City Manager Lewis about not understanding why LULO has been cancelled, the report last year stating that it was good, and that the event was to take place of LULO. City will have the lighted event for the trees, started in 2020 during COVID and started getting participants for LULO, looking into doing the event the next day and be able to walk thru at N. O. Simmons, and that these events should take place at all the city parks.

Council Member Diehl asked if HOT Funds was used to help promote LULO, which it was, and why can we not use it again to promote it this year.

Motion: Council Member Julio Salinas made a motion to approve authorizing the annual Christmas Tree Lighting Event to be held on December 6th 2024. Mayor Adame seconded the motion. Motion carried with all present voting in favor.

- 14. POSTPONED 08/27/2024 Deliberate and take appropriate action on first reading of an Ordinance changing the zoning for the following property: Property ID#s 115773, 67221, 78729, & 65108, legally described an approximately 288.13 acre tract comprising of 45.67 ACS OUT OF A-262 ROSA TEAL SURVEY, ABST 262 ROSA TEAL 36.198 ACRES, 44.08 ACS OUT OF A-262 ROSA TEAL SURVEY, and ABST 184 WM MCDONOUGH LAND OWNED NOT IN USE 162.182 ACRES from its present zoning of R-1 (Single Family Residential) to C-2 (General Commercial) and I (Industrial) and further providing for effective date, reading, severance, and publication.**

Interim Building Official Delauro stated the previous information about the annexed acres, applicant requesting the zoning, Planning and Zoning Commission recommending the rezoning of the property, and staff recommends approval of the rezoning.

Discussion was held between Council Members, City Manager Lewis, and Interim Building Official Delauro on the rezoning only, the special use is not addressed in this action, Industrial zoning doesn't include tanks, and the request also including commercial zoning. There being certain rules to go by for council, Council Members not wanting to support the rezoning at this time to rezone the whole property, and once zoned industrial it changes what can be put on the property.

Representative Rob Killen, for applicant Ken Berry, presented to a Council an updated version of the presentation from the last meeting, buffer zones, the land being annexed by the city in 1998, never been permanently zoned, cases, non-conforming use rights, cleanup, restricted uses. Representative Killen addressed the Council about easement of grants, the city recognizing it as a tank farm, case about a lapse of time is not conclusive, setbacks, special permits, "Industrial" standards, and sequenced it under the city's requirements.

Further discussion was held about citizens' rights, Planning & Zoning Commission is recommendation only not law, looking to the future are the decisions council is making, and the purpose of zoning for the quality of life for the citizens to rezone. Land use map required and comprehensive master plan is not mandatory but is a forecast for the future; the health, welfare, and safety of the citizens trumps the zoning; and the end result being the health, welfare, and quality of life for the citizens. Ordinances keep rezoning and Special Use Permits separate, and the council can set what parameters they want within a Special Use Permit. The land should be zoned industrial, but Council would like to know about the environmental studies, and that the TCEQ clean-up documents would be provided if permit was obtained.

Further discussion about the buyer's responsibility to know what they are buying, the land being Temporary Residential for 20 years, the school purchasing it with the current zoning, Ken Berry purchased the land from the school to help keep the school district from penalties and fees, has taken 20 years to decontaminate the property, wells are still there, the property is just now being cleaned up, and certificates coming from TCEQ about the cleanup.

Ken Berry stated the city needs commercial property, that the property would need to be approved by TCEQ which wants the property to go back to its original use, a tank farm being the safest option for what it could become, and the school and city receiving tax money off that property. Berry then stated that the 1969 Exxon easement stated that nothing can change the land and can be a tank farm forever, and "Ingleside shall not limit the purpose for which the Humble land is used."

Ken Berry further stated that cleaning the property is what he has been doing for many years. Plans for the property are not a secret, but there is not a lot of things you cannot put on the land. Council Members commented that cleaning it up is adding value to the property and then it would be sold to another buyer, and that they would like to see the plans from that buyer.

Motion: Council Member Diehl made a motion to deny the request of an Ordinance changing the zoning for the following property: Property ID#s 115773, 67221, 78729, & 65108, legally described an approximately 288.13 acre tract comprising of 45.67 ACS OUT OF A-262 ROSA TEAL SURVEY, ABST 262 ROSA TEAL 36.198 ACRES, 44.08 ACS OUT OF A-262 ROSA TEAL SURVEY, and ABST 184 WM MCDONOUGH LAND OWNED NOT IN USE 162.182 ACRES from its present zoning of R-1 (Single Family Residential) to C-2 (General Commercial) and I (Industrial) and further providing for effective date, reading, severance, and publication, as presented by the Port of Texas. Council Member Wilson seconded the motion. Motion carried 6:1.

For Motion:	Council Member Diehl, Council Member Wilson, Council Member Pruitt, Council Member John Salinas, Council Member Julio Salinas, Mayor Adame
Against Motion:	Mayor Pro-Tem Long

15. Deliberate and take appropriate action on first reading of an Ordinance granting a special use permit for intensive use authorizing a crude oil storage terminal for the following property legally described as a 288.13 acre tract comprising of 45.67 ACS OUT OF A-262 ROSA TEAL SURVEY, ABST 262 ROSA TEAL 36.198 ACRES, 44.08 ACS OUT OF A-262 ROSA TEAL SURVEY, and ABST 184 WM MCDONOUGH LAND OWNED NOT IN USE 162.182 ACRES and further providing for effective date, reading, severance, and publication.

Discussion was held between Council Members, City Manager Lewis and City Attorney Garza about not being able to take action on the Special Use Permit until the zoning has been approved.

Motion: Mayor Pro-Tem Long made a motion to postpone the first reading of an Ordinance granting a special use permit for intensive use authorizing a crude oil storage terminal for the following property legally described as a 288.13 acre tract comprising of 45.67 ACS OUT OF A-262 ROSA TEAL SURVEY, ABST 262 ROSA TEAL 36.198 ACRES, 44.08 ACS OUT OF A-262 ROSA TEAL SURVEY, and ABST 184 WM MCDONOUGH LAND OWNED NOT IN USE 162.182 ACRES and further providing for effective date, reading, severance, and publication until the final determination of zoning. Council Member Diehl seconded the motion. Motion carried with all present voting in favor.

16. Deliberate and take appropriate action on the New Municipal Court Administrator Position Job Description for FY 2024-2025 Budget.

Judge Glover, 2867 Avenue J, addressed the Council about not being for or against the new Municipal Court Administrator position, but asked that Council rewrite the job description to fit the City's court. Judge Glover mentioned that the City is a court of non-record and would allow the current staff to apply for the position.

Discussion was held between Council Members, City Manager Lewis, and Judge Glover about the request from Council on the position, on bringing this position in line with the charter, staff being correct in the recommendations, the judge position is not responsible for what the administrator should be doing, recommends council fund the position, not

having a proper audit for the court when the audit was completed, and the audit stating that it needs to be fixed. Draft description, under charter, it is the City Manager’s position, it should be a combination of the two.

Debra Sanders, 3076 Ave A, asked the Council about the audit issues and if that should fall under the finance department. Sanders stated that staff of the municipal court is appointed by the City Manager, created by the charter, and to separate the administrative from judicial. How are we going to keep funding more positions?

Paul Baen, 2177 Glenwood, addressed the Council about the history of the judge and reminded the Council that the citizens are the ones who will pay for it.

Further discussion was held about where the money would be coming from when cutting some positions and adding others.

Motion: Council Member Diehl made a motion to approve creating the New Municipal Court Administrator Position Job Description for FY 2024-2025 Budget. Council Member John Salinas seconded the motion. Motion carried 5:2.

- For Motion: Council member Diehl, Council Member Pruitt, Council Member John Salinas, Mayor Pro-Tem Long, Council Member Julio Salinas
- Against Motion: Council Member Wilson, Mayor Adame

17. Deliberate and take appropriate action on the reorganization of departments for the City of Ingleside for Fiscal Year 2024-2025.

Discussion was held between Council Members and City Manager Lewis about the organizational chart for the city, and the City Manager’s plans to defund the position and to reorganize the department. Audit findings show that adjustments had to be made to the accounts, state laws on what gets paid to the court, and the need to be tied into the city’s system.

Mayor Adame stated that when council requests for something to be done, it should be done. Municipal Court needs to be part of Incode, to coincide with all departments being the same.

Further discussion was held about all cities having to look at their structure, and basis to determine the elimination of positions. Council approved the last full time position, the court might need to have three positions, there are currently two (2) full time and one part time positions, not knowing how long it would take to fill the new position, and the possibility of having the position filled by December. The annual cost of the part-time position is \$25k, at 25 hours without insurance benefits. Communication is critical. There must be separation between the judicial and the financial accounting portion of the Municipal Court.

Mayor Adame can’t support eliminating a part time job until the new position is available, or make the part time position into a full-time position to have three (3) full-time positions.

Motion: Council Member Diehl made a motion to approve the re-organization of the Municipal Court, with the caveat that the new position be filled within the first six (6) months, and the part time position may apply if qualified and stay with the city until the full time position is filled. Mayor Pro-Tem Long seconded the motion. Motion carried with all present voting in favor.

Discussion was held between the Council Members and City Manager Lewis about the un-funding of the Economic Development Department, analysis from other cities of the same size, and the only city in San Patricio County that has an executive economic development would be Mathis. Should be able to depend on the San Patricio County Economic Development Corporation (SPCEDC). Industries will see the city defunding

the department, which will hurt the city in the long run of bringing in businesses. Air Liquide expanded with the help of our economic development department.

Council Member Diehl stated that the mantra for economic development is to attract industry and retail.

Further discussion was held about the budget presented to Council still has the Economic Development department in it, the duties of the development services for zoning and building, effectiveness for this department is still needed, this department is needed, SPCEDC voting member on staff, and the sales person for this city is needed.

Cindy Wilson, 2635 San Angelo, Economic Development is a vital part of this city and has brought in \$2.3M in retail alone, \$1.6M in remodeling and relocations, and had worked for over three (3) years to bring in a business that the council almost got rid of.

Debra Sanders, 3076 Ave A, there are benefits to having your own economic development department, and they are limited to find the type of industries with the land the city has left available. Ingleside used to be part of the SPCEDC, but left when the base closed to help develop that property.

Teresa Flores, 2586 Ave A, voting member on the SPCEDC executive board, depends on the SPCEDC president when it comes to development for the city, and saves the city for sight selections. The former City Manager asked for this position. Member of the Texas Economic Development Corporation, and have a name in the state because of the department that the city has.

Further discussion was held between Council Members and City Manager Lewis about the Ingleside Development Corporation and Ingleside currently under contract for \$50k for administrative services, the return on investment goes up, it needs to be revamped, take a look at the refunding of it, and many things need to be addressed.

Motion: Council Member Diehl made a motion to give guidance to the City Manager to not defund the Economic Development Department, ~~at this time~~, and revise a plan/partnership with the Ingleside Development Corporation (4B) to revisit the contract with funding to city partnership. Council Member Wilson seconded the motion. Motion carried 4:3.

For Motion:	Council Member Diehl, Council Member Wilson, Council Member Pruitt, Council Member Julio Salinas
Against Motion:	Council Member John Salinas, Mayor Pro-Tem Long, Mayor Adame

18. Deliberate and take appropriate action on the City Manager's proposed Fiscal Year 2024-2025 Budget.

City Manager Lewis stated that he will have to come back with another proposal for the Economic Development department, staffing changes, TMRS, sales tax, breakdown on property tax, M&O rate, and changing the un-obligated fund balance.

Discussion was held between Council Members and City Manager Lewis about the amount of money and areas it can be taken from, requesting the City Manager and staff to keep it at \$0.642061 and it will come at a cost because something has to change, data on positions that we don't think we will need, positions being eliminated, not all positions being proposed will be filled and they are staggered, majority of positions are for street maintenance, departments that are overstaffed and once they leave do not hire a replacement, and some departments still understaffed.

Cindy Wilson, 2635 San Angelo, what other city or county pays for 75 percent for the family's insurance? Look at all the budget numbers that we have.

No action on this item.

19. **Deliberate and take appropriate action on the first reading of an ordinance regarding the City of Ingleside, Texas, Municipal Retirement System (TMRS) benefits (1) providing for an increase to the employee contribution rate; (2) adopting non-retroactive repeating colas, for retirees and their beneficiaries under TMRS act §853.404(f) and (f-1); (3) authorizing annually accruing updated service credits and transfer updated service credits; and (4) authorizing actuarially determined city contribution rate payments.**

Discussion was held between Council Members and City Manager Lewis about taking action on this item before the adoption of the budget, and that the second reading of the ordinance would be taking place after the approval of the budget at the next regular meeting.

Motion: Council Member Julio Salinas made a motion to approve the first reading of an ordinance regarding the City of Ingleside, Texas, Municipal Retirement System (TMRS) benefits (1) providing for an increase to the employee contribution rate; (2) adopting non-retroactive repeating colas, for retirees and their beneficiaries under TMRS act §853.404(f) and (f-1); (3) authorizing annually accruing updated service credits and transfer updated service credits; and (4) authorizing actuarially determined city contribution rate payments. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

Executive Session

20. Closed Session

City Council will meet in Closed Session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

- A. Section 551.087 Deliberation Regarding Economic Development Negotiations – Update on ongoing industry and retail negotiations.**
- B. Section 551.071 Consultation with Attorney to seek or receive legal advice regarding pending litigation.**
- C. Section 551.071 Consultation with Attorney - City Manager Employment Contract.**

At 10:27 p.m. Mayor Adame convened the Ingleside City Council into a closed session pursuant to provision of Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.087 Deliberation Regarding Economic Development Negotiations – Update on ongoing industry and retail negotiations, Section 551.071 Consultations with Attorney – to seek or received legal advice regarding pending litigation, Section 551.071 Consultation with Attorney and Section 551.071 Consultation with Attorney - City Manager Employment Contract.

21. Open Session

City Council will reconvene in Open Session at which time action on the matter(s) discussed in Closed Session may be considered.

- A. Section 551.087 Deliberation Regarding Economic Development Negotiations – Update on ongoing industry and retail negotiations.**
- B. Section 551.071 Consultation with Attorney to seek or receive legal advice regarding pending litigation.**
- C. Section 551.071 Consultation with Attorney - City Manager Employment Contract.**

At 10:46 p.m. Mayor Adame reconvened the Ingleside City Council into an open session pursuant to provision of Chapter 551 of the Texas Government Code to take any action necessary related to the executive session noted herein, or regular agenda items, noted above, and/or related items.

Item A: No action taken.

Item B: No action taken.

Item C Motion: Mayor Pro-Tem Long made a motion to amend the City Manager's contract and increase his salary to \$162,500. Motion seconded by Council Member Pruitt. Motion carried with all present voting in favor.

Closing Agenda

8. Items to consider for placement on future agendas.

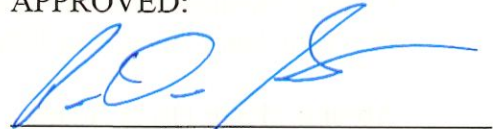
Council Member Julio Salinas would like to see a city committee to help with zoning that is not official city business.

Mayor Adame requests larger signs for zoning and mowing to be able to read.

9. Adjourn.

Mayor Adame adjourned the regular meeting of the City of Ingleside at 10:50 p.m.

APPROVED:



Pedro Oscar Adame, Mayor

ATTEST:


Ruby Beaven, City Secretary