CITY OF LAREDO
Laredo, Texas
Regular City Council Meeting
2400 San Bernardo Avenue
Civic Center Conference Rooms 1 & 2
6:00 P. M.

AGENDA NO: 86-R-31 Minutes DATE: September 2, 1986

IN ATTENDANCE:

ALDO TATANGELO, MAYOR
SANTOS BENAVIDES, COUNCILMEMBER, DISTRICT I
JACINTO P. JUAREZ, " , " II
SAUL N. RAMIREZ, JR., " , " III (Arrived at 6:28 p.m.)
MARGARITO BENAVIDES, JR.," , " IV
ENRIQUE "HENRY" TREVINO, " , " V
DAVID R. CORTEZ, " , " VI (Arrived at 6:32 p.m.)
JOSE A. VALDEZ, " , " VII (Arrived at 6:20 p.m.)
JOHN PETER MONTALVO, " , " VIII(Arrived at 7:00 p.m.)
ANTHONY McGETTRICK, CITY ATTORNEY
MARVIN TOWNSEND, CITY MANAGER
HORTENCIA C. GONZALEZ, CITY SECRETARY

I. MAYOR TO CALL THE MEETING TO ORDER.

(056.1) With a quorum present, Mayor Aldo Tatangelo called the meeting to order.

II. APPROVAL OF THE MINUTES:

Regular City Council Meeting: August 18, 1986

(062.1) Motion to approve: Juarez
Second: Trevino
For: 4 Against: 0 Abstain: 0

III. COMMUNICATIONS

(075.1) Presentation of awards to retiring Family Care Program Employees:

1. Paula Martinez - 9 years
2. Maria H. Ramos - 14 years

Mayor Tatangelo as well as Mr. Carlos Villarreal made presentation of plaques.

IV. MOTION

(184.1) Regarding the sale of the City's Combination Tax and Sewer System Revenue Certificates of Obligation, Series 1985. The authorization and sale of these certificates is postponed until the next regular meeting of the City Council and final reading of ordinance 85 O 161 is likewise postponed until the next regular meeting.

Motion to postpone until the next regular meeting: Valdez
Second: Juarez
For: 6 Against: 0 Abstain: 0

V. PUBLIC HEARING INQUIRY

Motion to open the Public Hearing: Valdez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

(184.1) On the application of Entex, Inc. to increase gas rates by 10.3%. The full increase is proposed in the first step which would be increased by reducing the amount of gas for the $8.65 minimum from 500 cubic feet to $8.36 for 100 cubic feet plus $.69 for each additional 100 cubic feet. The cost of the first 500 cubic feet per month would thus increase from $8.65 to $11.12.

Motion to recess to October 6, 1986 for presentation o consultant's recommendation: Valdez
Second: Juarez
For: 6 Against: 0 Abstain: 0

VI. PUBLIC HEARING(S)

TABLED ITEMS FROM AUGUST 18, 1986 (A THRU C)

A. On the request of Ms. Betty L. Hinojosa to change the zone of W 1/2 of S 1/2 of E. 1.085 Acre, Block 77, Calton Gardens Subdivision from B-1 (Limited Business District) to B-3 (General Business District). The site is occupied by a home, which has been used as a business in the past. There were no verbal or written protests at the Commission meeting. The Planning and Zoning Commission at their meeting of 8/7/86 unanimously recommended approval.

AN ORDINANCE

AMENDING THE ZONING MAP OF THE CITY ZONING ORDINANCE OF THE CITY OF LAREDO BY CHANGING FROM B-1 (LIMITED BUSINESS DISTRICT) TO B-3 (GENERAL BUSINESS DISTRICT) THE FOLLOWING DESCRIBED PROPERTY LOCATION: W 1/2 OF S 1/2 OF E. 1.085 ACRE, BLOCK 77, CALTON GARDENS.

(270.1) Motion to defer to Cm. Cortez' arrival: Trevino
Second: Ramirez
For: 7 Against: 0 Abstain: 0

(424.1) Motion to concur with Planning & Zoning Commission recommendation for approval: Cortez
Second: Valdez
For: 8 Against: 0 Abstain: 0

Ordinance Introduction: Cortez

(340.1) B. Consideration of the deletion of Section 24-83 (q) of the Zoning Ordinance. This section requires a 2/3 vote of the City Council to override a decision of the Historic District/ Landmark Board. The City Charter requires only a simple majority for such action. The Planning & Zoning Commission appointed a Committee to study this proposal and thus deferred action until their second meeting in July 1986. The City Council, after opening the hearing, tabled the hearing to August 4, 1986, then to August 18, 1986 and then to September 2, 1986, awaiting the recommendation of the Planning Commission.

AN ORDINANCE

AMENDING SECTION 24-83(q) OF THE CODE OF ORDINANCES PERTAINING TO APPEALS OF THE DECISION OF THE HISTORIC DISTRICT/LANDMARK BOARD TO CITY COUNCIL TO DELETE THE LAST SENTENCE REQUIRING A TWO-THIRDS (2/3) MAJORITY VOTE OF CITY COUNCIL TO OVERTURN A DECISION OF THE BOARD; AND PROVIDING FOR PUBLICATION AND FOR AN EFFECTIVE DATE.

Motion to approve: Ramirez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

Ordinance Introduction: Ramirez

(364.1) C. On the request of the City to amend Section 3-6(L) (c) of the Subdivision Ordinance to allow deletion of sidewalks under certain conditions. The Planning and Zoning Commission on July 14, 1986 tabled this proposed ordinance amendment to July 17, 1986 and then further tabled the item for study by a sub-committee. On June 19, 1986 the Commission had voted to not amend the ordinance and to enforce the sidewalk ordinance as written. Also pending are the requested sidewalk waivers along a CPL easement in Paso Del Norte and Geronimo Subdivisions and along Country Club Drive in Plantation #2 and Glen Eagles #1. The hearing was originally advertised for July 21, 1986, tabled to August 4, 1986, to August 18, 1986, and then to September 2, 1986, awaiting the recommendation of the Commission.

AN ORDINANCE

AMENDING SECTION 3-6 (LOTS AND LOT ARRANGEMENT) OF CHAPTER III (SUBDIVISION DESIGN STANDARDS) OF THE SUBDIVISION ORDINANCE, SPECIFICALLY TO AMEND SECTION 3-6(L) (PERTAINING TO SIDEWALKS) TO ADD FURTHER EXCEPTIONS TO REQUIREMENT OF SIDEWALKS UNDER SECTION 3-6(L) (c)(1)(11) AND (111); EXCEPTION (c) (1) PROVIDING FOR WAIVER WHERE SIDEWALK WOULD BE UNSAFE OR UNNECESSARY; EXCEPTION (c) (11) PROVIDING FOR WAIVER WHERE SIDEWALK WOULD BE ADJACENT TO UTILITY EASEMENT AND TO LAND THAT CANNOT BE

DEVELOPED: EXCEPTION (C) (111) PROVIDING FOR WAIVER ON ONE SIDE OF A COLLECTOR OR ARTERIAL STREET IN CERTAIN CIRCUMSTANCES; PROVIDING FOR PUBLICATION; AND PROVIDING FOR EFFECTIVE DATE.

Motion to concur with Planning & Zoning Commission recommendation for approval: Juarez
Second: Ramirez
For: 6 Against: 0 Abstain: 0

Ordinance Introduction: Juarez

(520.1) D. On the request of Mr. Hector Hinojosa to rezone Lots 1 and 2, Block 73, Calton Gardens, from R-2 (Multi-Family Residential) to R-3 (Mixed Residential). The property is located at 201 E. Cherry Lane. The zone change will allow use of the land for a mobile home. Adjacent vacant land located to the west is zoned R-3. There were three written protests. The Planning and Zoning Commission on 8/21/86 recommended approval.

AN ORDINANCE

AMENDING THE ZONING MAP OF THE CITY ZONING ORDINANCE OF THE CITY OF LAREDO BY CHANGING FROM R-2 (MULTI-FAMILY DISTRICT) TO R-3 (MIXED RESIDENTIAL DISTRICT) THE FOLLOWING DESCRIBED PROPERTY LOCATION: LOTS 1 AND 2, BLOCK 73, CALTON GARDENS.

Mr. Hector Hinojosa made a presentation on his own behalf.

(3198.1) Motion to concur with Planning & Zoning Commission recommendation for approval: Cortez
Second: M. Benavides
For: 7 Against: 0 Abstain: 0

Ordinance Introduction: Cortez

(976.1) E. On the request of Mr. Francisco Javier Ramirez to rezone Lot 6 and 6A, Block 1787 ED from R-3 (Mixed Residential) to B-3 (General Business). The lots are located at 2919 Market. There was one written protest at the Planning and Zoning meeting of 8/21/86. The Planning and Zoning Commission at their meeting of 8/21/86 recommended denial.

Mr. Francisco Javier Ramirez made presentation on his own behalf.

Motion to overrule the Planning & Zoning Commission recommendation and approve: S. Benavides
Second: Ramirez
For: 7 Against: 0 Abstain: 0

Ordinance Introduction: S. Benavides

(1162.1)F. On the request of Mr. Gerardo Javier Garcia to rezone Lot 10, Block 8, Moreno Addition from R-1 (Single Family) to R-3 (Mixed Residential). The lot is located at 3306 Galveston. There were no verbal or written protests. Mr. Garcia withdrew his application prior to the Planning and Zoning Commission meeting of 8/21/86.

Withdrawn

(1182.1)G. The Planning and Zoning Commission of the City of Laredo, recommends approval of the zoning ordinance amendment relating to re-applications for zone changes after withdrawal or denial of a previous application. The purpose of the amendment is to:

1. Discourage situations where applicants attempt to wear down opposition by using delay tactics, and
2. To help alleviate crowded City Council and Planning and Zoning Commission agendas by eliminating requests for zoning amendments which have been recently denied.

The Planning and Zoning Commission recommended approval of the ordinance amendment at their meeting of 8/21/86.

AN ORDINANCE

AMENDING SECTION 24-84 (b)(3) INITIATION OF ZONING AMENDMENTS, OF ARTICLE V, ZONING, OF CHAPTER 24 OF THE CODE OF ORDINANCES TO PUT A TIME LIMITATION ON REAPPLICATIONS FOR A ZONE CLASSIFICATION CHANGE AFTER THERE HAS BEEN WITHDRAWAL OF THE PREVIOUS APPLICATION OR AFTER THERE HAS BEEN DENIAL OF THE ZONE CLASSIFICATION CHANGE BY THE CITY COUNCIL: PROVIDING FOR PUBLICATION AND FOR AN EFFECTIVE DATE.

Motion to concur with Planning & Zoning Commission recommendation for approval: M. Benavides
Second: Ramirez
For: 7 Against: 0 Abstain: 0

Ordinance Introduction: M. Benavides

Motion to close the Public Hearing(s): Valdez
Second: Ramirez
For: 7 Against: 0 Abstain: 0

Motion to resume the regular meeting: Ramirez
Second: M. Benavides
For: 7 Against: 0 Abstain: 0

VII. PRESENTATIONS
CITIZENS AND COUNCILMEMBERS REQUESTS FOR DISCUSSION AND POSSIBLE

ACTION:

A. Request by Councilmember Santos Benavides on the following:

(1294.1) 1. Report on Bingo revenues to the City.

Councilmembers discussed the possibility of allocating Bingo revenues to clean City lots. City Manager Townsend reported that a total of $8,000 had been received by the City to date.

2. Bids be considered from general contractor for cleaning of all City owned properties to comply with the City Code of Ordinances.

Councilman S. Benavides stated that the City should go on contract now. Councilman Ramirez concurs with Councilman S. Benavides and stated that monies should be set aside for cleaning City properties.

(1951.1)B. Request by Councilmember John Peter Montalvo on the following items:

(1751.1) 1. Report on lighting at Zacate Creek south of Iturbide bridge.

City Manager Townsend indicated that Central Power and Light Company would have a for presentation at the next regular meeting.

(1785.1) 2. Report on open pit on Pinder Ave. from 1300 thru 1600 Blk. crossings Garcia, Benavides and Coke Streets which has been filled with trash and other debris which pose fire and health hazards.

Mr. Joe Guerra, Public Works, indicated that clean-up of these pits had begun today.

(2204.1) 3. Report on parking meters survey and possible elimination of certain meters.

City Manager Townsend stated that meters have been identified, however, a recommendation addressing this request will be forthcoming in segments.

(2266.1) 4. Resolution expressing condolences to families of fallen postal employees in Edmond, Oklahoma.

Motion to approve: Montalvo
Second: M. Benavides

For: 8 Against: 0 Abstain: 0

(2326.1)C. Consideration of the request of the Laredo Philharmonic Orchestra that the City Council meeting scheduled for November 17, 1986 be re-scheduled for November 18, 1986 so as not to conflict with a concert honoring the Laredo Philharmonic Orchestra's 50th Anniversary.

Motion to approve: Trevino
Second: Ramirez
For: 7 Against: Valdez Abstain: 0

(2342.1)D. Mrs. Belia Sanchez in regard to sewer service at 315 East Peach Lane.

Due to illness of Mrs. Belia Sanchez, motion was made to postpone this item to the next regular meeting: Cortez
Second: Valdez
For: 8 Against: 0 Abstain: 0

(2380.1)E. Appeal regarding the use of West Martin Field for the Shrine Circus.

Mr. Jesus Olivares, Parks and Recreation Director and Mr. Larry Dovalinas, Civic Center Director, have met on two occasions with representatives of the Shrine Circus. After reviewing the proposed activities and equipment, Mr. Olivares reurges that West Martin Field not be used for a circus on October 4 and 5, 1986, due to probable damage to the turf. Mr. Olivares, further explained that equipment would be on the field 36 hours, therefore, activity would be detrimental to turf.

Mr. Richard Reyes appealed his request and indicated that the City would receive 10% of all proceeds for damages that the City may encounter.

Motion to deny this request: Valdez
Second: Ramirez
For: 8 Against: 0 Abstain: 0

VIII. REPORTS. IT IS RECOMMENDED THAT:

(TABLED item from Council Meeting of 8/18/86.)

(3217.1)A. Piedra China, between Bartlett and Martin (2 blocks) be added to the next paving project. About 9 property owners will be involved. Construction cost will be higher than average because a large drainage ditch crosses Piedra China immediately to the east of the Guard's property.

This item was deferred until City Manager Townsend re-places it on agenda.

(108.2) B. Water and sewer improvements in the Juan Martinez Subdivision be accepted from the contractor, South Texas Utility Contractors, and final payment of $14,398.26 be approved. The revised total contract of $76,374.65 includes a final quantity variation change order increasing 8" water pipe by 110 feet ($957.00) and decreasing 10" sanitary sewer main by 90 feet ($1,125.00) for a net decrease of $168. The work was completed in 95 of the 100 calendar days specified in the contract. The completed work includes 2460 feet of 8" water line, 2410 feet of 10" sewer line, and related manholes, valves, and fittings. The cost of these utilities are being paid by abutting owners by monthly payments.

Motion to approve: Ramirez
Second: M. Benavides
For: 8 Against: 0 Abstain: 0

(185.2) C. A contract be awarded to the low bidder. Pete Gallegos Paving Inc., for $133,887.40 for sanitary sewer system infiltration repairs, including repairs to sewer lateral, manholes, and cleanouts, and resulting pavement repairs. 55% of the cost will be paid by the grant the City has received from the Environmental Protection Agency. Other bids were received from

Brazos Valley Utility Company, Bryan	$188,536.40
South Texas Utility Contractors, Mercedes	$189,875.00
E.J. Stefek Company, Corpus Christi	$217,134.95

Motion to approve: Ramirez
Second: Juarez
For: 8 Against: 0 Abstain: 0

(186.2) D. Change Order #6 for $16,845.10 be approved for Pete Gallegos Paving, Inc.'s contract for 1984 Voluntary Assessment Street Improvements Group IIIA to provide a storm sewer to drain O'Kane Avenue from Lexington to Cedar Streets. The existing street drains through 4 private lots to Clark Street. The owners are willing to provide a 10 foot easement. The project includes 278 feet of 18" pipe, a 5 foot inlet, a grate inlet in the middle of the block and an outlet structure including related driveway and sidewalk improvements. This is the last block of this contract. The change order will add 10 calendar days to the otherwise complete contract.

Motion to approve: Ramirez
Second: Juarez

For: 8 Against: 0 Abstain: 0

(190.2) E. A change order be approved with Pete Gallegos Paving, Inc. to increase the 1985 Voluntary Street Improvement Group IA Contract by $17,193 to add Santa Rita Avenue from Markley Lane to Farias Street. The revised contract will total $315,072.15 and the contract time will increase 15 days to 195 calendar days.

Motion to approve with the exception of the addition of Santa Rita Avenue from Markley Lane to Farias Street: Juarez
Second: Cortez
For: 5 Against: Ramirez, S.Benavides & M. Benavides Abstain: 0

Motion to reconsider motion: S. Benavides
Second: Juarez
For: 6 Against: Ramirez & M. Benavides Abstain: 0

Motion to approve as presented: Juarez
Second: S. Benavides
For: 6 Against: Ramirez & M. Benavides Abstain: 0

(1339.3)F. Discussion of the Webb County Appraisal District budget for 1986-87. The tax code requires the Board of Directors to approve the budget no later than September 15 of each year. Taxing units have 30 days from date of adoption to pass a resolution disapproving the budget if they so desire. The Board of Directors is scheduled to adopt the 1987 budget September 3, 1986. Therefore, City Council will have until October 3, 1986 to record, if desired, opposition to the budget. A majority of the taxing units must disapprove the budget by resolution in order to require the County Appraisal District to revise the budget.

Mr. Ezequiel Laurel, Tax Assessor Collector and Chief Appraiser for Webb County, (who was present as per Council-members' request), spoke of the budget that was prepared for the Appraisal Board. Councilman Ramirez asked whose responsibility it was to see that the City was notified of nomination to the Board. Mr. Laurel stated that the responsibility lies with the tax entity who makes the nomination or votes for the nominee. Process is started by the County Clerk, and requests for nominations are sent out to the taxing entities entitled to vote. Once they send back their nominations, he prepares a tabulation or list of those people who are candidates for Board of

Directors and returns them to the taxing entities. Mr. Laurel also stated that there had been an apparent lack of communication but in the future he will take it upon himself to see that the City receives the request for nomination. Councilmembers also questioned guidelines used by the Board regarding salaries, times they meet, composition of Board, etc.

(231.4) G. Consideration of the 1986 appraisal roll and effective tax rate calculation. The property tax code sets out a specific timetable for adopting a tax rate. Due to the timetable and the need to mail out timely tax statements in October, consideration should be given to setting a date for a public hearing regarding a tax increase if an increase of more than 3% or $.01 is to be considered. It is anticipated that the semi-final tax valuation roll will be presented to the City August 29, 1986.

Assistant City Manager Florencio Pena made the presentation and explained as follows:

1985 Tax Value	$ 1,895,879,473
1986 Tax Value	1,890,669,155
New Improvements	67,053,149
Annexation	11,646,561
Loss of Value (Over 65)	(39,271,065)
Low Suppl. Estimate	21,619,850
Loss of Value *	(66,258,713)

*Explanation to be given at the next Council meeting.

Motion to recess meeting to September 3, 1986 at 10:00 a.m. and 1:00 p.m., at City Hall Conference Room, and 6:30 p.m. at Civic Center Conference Rooms 1 & 2: Juarez
Second: Ramirez
For: 8 Against: 0 Abstain: 0

THE FOLLOWING ARE PROCEEDINGS OF THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 3, 1986 AT 6:30 P.M. AND WHICH WAS RECESSED FROM 1:00 P.M.

IN ATTENDANCE:

ALDO TATANGELO, MAYOR (Arrived at 8:00 p.m.)
JACINTO P. JUAREZ, COUNCILMEMBER, DISTRICT II
MARGARITO BENAVIDES, JR., " , " IV
ENRIQUE "HENRY" TREVINO, " , " V (Arrived at 7:30)
DAVID R. CORTEZ, " , " VI (Mayor Pro-Tem)
JOSE A. VALDEZ, " , " VII (Left at 10:15 p.m.)
JOHN PETER MONTALVO, " , " VIII
ANTHONY McGETTRICK, CITY ATTORNEY
HORTENCIA C. GONZALEZ, CITY SECRETARY

ABSENCES:

SANTOS BENAVIDES, COUNCILMEMBER, DISTRICT I
SAUL N. RAMIREZ, JR., " , " II

(733.4) With a quorum present, Mayor Pro-Tem David R. Cortez called the meeting to order, due to the Mayor's delay.

Motion to excuse Councilmen Santos Benavides and Saul N. Ramirez from the meeting, due to illness: M. Benavides
Second: Juarez
For: 4 Against: 0 Abstain: 0

(1498.4) Following is the continued discussion of item VIII(G) on September 3rd meeting. Assistant City Manager Florencio Pena reported on meeting with Appraisal Board and corrected figures previously presented:

	PRESENTED 9/2/86	CORRECTIONS 9/3/86
:1985 Tax Value	$ 1,895,879,473	
New Improvements.....	67,053,149	$ 31,791,164
Annexation	11,646,561	
Loss of Value	(39,271,065)	
Low Suppl. Est.	21,619,850	
Loss of Value	(66,258,713)	30,848,589
1986 Tax Value	1,890,669,155	

City Manager Townsend indicated that a 3% tax increase or 39.69¢ could be imposed without a public hearing. A public hearing without referendum to roll back needs to be held in order to impose an 8% increase or 41.6¢. The Budget was prepared at 41-1/2¢. The effective rate is 38.5¢.

Councilman Juarez indicated that the City of Laredo could not afford higher taxes. The City should strive to raise percentage of collection of delinquent taxes.

Councilman Montalvo also does not favor higher taxes. Councilman Valdez indicated that taxes are raised for a definite purpose and that a closer look should be taken into operations.

Mayor Pro-Tem Cortez indicated that the best alternative is to hold this in abeyance until budget hearings are completed.

(2516.4)H. Bids be received on September 25, 1986, for an annual supply contract for Clay Pipe and Fittings for sewer connections and general maintenance work. All materials will be ordered

on an as needed basis. Total estimated cost is approximately $75,000. Bids will be awarded by lots to the lowest responsible bidder.

Motion to approve: Juarez
Second: M. Benavides
For: 5 Against: 0 Abstain: 0

(2519.4)I. Bids be received on September 30, 1986, for an annual supply contract for Motor Fuel and Lubricants for all departments. Estimated cost for these supplies for 1986-87 is approximately $360,000. The specifications include:

	ESTIMATED QUANTITY GALLONS	DESCRIPTION
FUEL	125,000	Regular
	175,000	Unleaded
	170,000	Diesel
LUBRICANTS	2,000	30W Motor Oil
	3,025	30W Diesel Oil
	440	Fleet Motor Oil
	3,575	Hydraulic Oil
	1,375	Automatic Trans.Fluid
	1,100	85-140W Gear Oil
	825	Anti-Freeze
	6,000 lbs	Chassis Grease

Motion to approve: Juarez
Second: M. Benavides
For: 5 Against: 0 Abstain: 0

(743.4) Motion to consider Item VIII(J) at this time: Juarez
Second: M. Benavides
For: 4 Against: 0 Abstain: 0

(770.4)J. Consideration of the request of Mr. Jim Winch of the old Mercado to close the streets on all 4 sides of the Mercado except the intersections from 5 P.M. to 1 A.M. on Friday and Saturday, September 12 and 13, 1986. Various events are planned, including the Tejano Music Festival on Friday and the outdoor festival on Saturday. The closing is not recommended unless the following action first occur:

a. Written approval is received from all businesses involved which would ordinarily be open for business during the requested hours, including Lincoln from San Agustin to San Bernardo, but excluding San Agustin, from Lincoln to Hidalgo for which a street closing public hearing has already been held.

b. The hours are set back to 6:30 P.M. or other arrangements

are made to handle traffic.

c. A plan of crowd control be submitted, including information regarding proposed admission fees, if any.

Mr. Winch presented request as well as Mr. Richard Reyes.

Motion to approve: Valdez
Second: Montalvo
For: 4 Against: 0 Abstain: 0

(2544.4)K. Report regarding collection of delinquent hotel-motel taxes.

Assistant City Manager Florencio Pena presented a report on delinquencies in hotel/motel taxes citing that approximately $304,737 is due the City. A report is to be provided to City Council by the City Manager regarding legal actions that could be pursued in this respect.

(Mayor Tatangelo arrived at this time.)

(1343.2)L. A contract be awarded for Banking Services-Depository Contract to the bank providing the requested services for the most favorable interest rate to the City. As is required by the City Charter, the requests for proposals will be received on September 2, 1986 at 12:00 in the City Secretary's Office. The contract will be for the period of October 1, 1986 to September 30, 1988. The contract award will be by Resolution. City Manager Marvin Townsend explained that two bids had been received - one from City National Bank and one from Union National Bank. International Bank of Commerce indicated they would not bid.

Motion to recess and meet as a Committee of the Whole with City National Bank on September 3, 1986 at 10:00 A.M. and with the Union National Bank on September 3, 1986 at 1:00 P.M., City Hall Conference Room, 1105 Lincoln: Cortez
Second: Ramirez
For: 8 Against: 0 Abstain: 0

THE FOLLOWING ARE PROCEEDINGS OF THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 3, 1986 AT 10:00 A.M. AND WHICH WAS RECESSED FROM SEPTEMBER 2, 1986 AS A COMMITTEE OF THE WHOLE.

IN ATTENDANCE:

SAUL N. RAMIREZ, JR., COUNCILMEMBER DISTRICT III
JERRY CAIN, ASST. CITY ATTORNEY
MARVIN TOWNSEND, CITY MANAGER
HANK DOMERACKI, FINANCE DIRECTOR

DIANA ARREDONDO, FINANCE DEPARTMENT
HORTENCIA C. GONZALEZ, CITY SECRETARY

MR. ERNEST J. MORA, CITY NATIONAL BANK
MR. MARVIN MELSON, CITY NATIONAL BANK

Councilman Saul N. Ramirez, Jr. opened the meeting as the Committee of the Whole.

City Manager Townsend pointed out the difference in submission of bids. City National Bank's bid appeared to be very responsive. Specifications and their interpretation as well as their possible revision was discussed with re-bidding to be considered.

At 11:45 A.M. the meeting was recessed to 1:00 P.M.

THE FOLLOWING ARE PROCEEDINGS OF THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 3, 1986 AT 1:00 P.M. AND WHICH WAS RECESSED FROM 10:00 A.M. AS A COMMITTEE OF THE WHOLE.

IN ATTENDANCE:
SAUL N. RAMIREZ, JR., COUNCILMEMBER, DISTRICT III
ANTHONY McGETTRICK, CITY ATTORNEY
MARVIN TOWNSEND, CITY MANAGER
HANK DOMERACKI, FINANCE DIRECTOR
DIANA ARREDONDO, FINANCE DEPARTMENT
GLORIA M. GARZA, SECRETARY'S OFFICE
HORTENCIA C. GONZALEZ, CITY SECRETARY

MR. ERNEST MORA, CITY NATIONAL BANK
MR. MERCURIO MARTINEZ, JR., UNION NATIONAL BANK
MR. CHARLES R. PACE, UNION NATIONAL BANK

Councilman Saul N. Ramirez, Jr. opened the meeting as Committee of the Whole.

Mr. Pace, Union National Bank, spoke of custodian banking (Automatic Renewal). Union National Bank's Bid was reviewed and discussed.

City Manager Townsend indicated that overall charges for services appeared high.

Mr. Pace, for Union National Bank expressed willingness to re-submit new bid, after specifications were interpreted and possible revision discussed.

At 2:30 P.M. the meeting was recessed to 6:30 P.M. at Civic Center Rooms 1 & 2.

(1173.4) City Manager Marvin Townsend gave a report on the Banking Services Depository Contract by stating that both the Union National Bank and the City National Bank gave a series of suggestions. In the case of the Union National Bank most of the suggestions were submitted as modifications to specifications. In the case of the City National Bank they offered suggestions in areas where possibly some of the doubt could be removed from the specifications, and if so, that the means might be more specific. Mr. Townsend further stated; "there were a number of areas where specifications said that the bank shall proivide the following services, such as searching records and providing microfilm, without indicating whether they will be expected to do this a hundred times during the course of the year or four times during the course of the year, or whatever it might be. Some items would be quite expensive. The sense of the discussion at both meetings and the recommendation of the Councilmen, is that the bids that have been received be rejected. And that promptly the City receive new bids. The specifications have been reworked today. The main aspects of the revisions are to incorporate as many of the suggestions of the banks as possible, to taking out of the pricing services that are listed on back of page 7, which would now be listed as Bank Services to be provided with or without charge, so the bank can tell us what their charge would be. For instance, if we ask for more than 10 night money orders or cashiers checks, or if we ask them to research and microfilm more than 5 times during the course of the year, or if we ask them to make photostatic copies of materials more than 5 times a year, what their additional charges would be for those services. They were just previously included as, these shall be provided without any indication as to the numbers. The other main change we are suggesting is that the $18 million that would be covered by the basic bid, which would be what the City would guarantee, and that we would hold on deposit before we bought Treasury Bills for other kind of authorized investments that the amount be reduced to $10 million. That whatever the banks were bidding as the cost of handling this account, we could clear in the first $10 million of the cost and not spend over $18 million, which is where they are right now. As we saw the bid, the cost of this contract was in the $4 to $5 hundred thousand range, and we don't really think that was the true intent, I think that the banks are bidding on the spread as versus the total cost."

Motion to reject both bids and re-advertise for September 12th at 10.00 a.m. based on new specifications: Juarez
Second: M. Benavides
For: 4 Against: 0 Abstain: 0

(515.5) M. The City renew its contract with the Texas Municipal League Insurance Trust Fund for health and life insurance for City employees and dependents. The benefits will be at least equal to the existing program at no increase in cost. The Trust Fund has taken bids and has determined that Hartford Life and Accident Insurance Company has submitted the best bid for all of the cities in the Trust Fund.

Motion to approve: Montalvo
Second: Valdez
For: 6 Against: 0 Abstain: 0

(583.5) N. A contract be awarded to Consolidated Electrical Distributors, Laredo, for $9,698 the lowest bid meeting specifications, for eight streetlight liminaries to be installed at city cost by Central Power and Light to replace damaged streetlights on Interstate 35. Five bids were received. One bid is not qualified because the bid was submitted on the supplier's bid form and with the supplier's extra conditions. Consolidated Electrical's bid includes one quantity error but the unit price bid provides the basis for the extension to determine the correct total bid.

Motion to approve: Montalvo
Second: Valdez
For: 6 Against: 0 Abstain: 0

(622.5) O. A contract be authorized with Laredo Packing Company to accept into the city sewer system up to 220,000 gallons of treated waste at a rate not to exceed 450 gallons per minute and only between the hours of 10 P.M. and 6 A.M. The company will install a separate meter to measure the sewage flow. At any time the inflow BOD exceeds 350 a surcharge will be added to bill. The company will provide a one time $15,000 payment toward the City's cost of future improvements to the Century City Lift Station.

Motion to approve with the amendment that the City control the hours that the sewage is discharged into the plant: Valdez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

(2680.2)P. Consideration of an interim rate to be charged for the retail sale of industrial and mining water by the City directly to trucking and other firms using such water for drilling and other mining and industrial activities.

City Manager Townsend explained of water usage. There are approximately 25 to 30 trucks involved. South Laredo is the area that is mostly affected by this operation, causing low water pressure to area residents.

There was also discussion as to the traffic problem, and to damages that the trucks can cause to streets, if this operation transferred to an eastern area of the City.

Motion to approve recommendation from staff, and that any funds that are derived be reserved: Juarez
Second: Ramirez

Attorney Charles Borchers indicated that interim rate should set after public hearing is set and that discussion on traffic problems be held until item is on agenda.

Councilman Juarez withdrew his motion and Councilman Ramirez his second.

Motion that the interim rate be .50¢ per thousand and that a public hearing be scheduled or that the City obtain a legal opinion to the contrary authorizing the City to establish an interim rate higher than what is set at this point: Juarez
Second: Ramirez
For: 8 Against: 0 Abstain: 0

(677.5) Q. Consideration of a contract with LULAC Council #624 for not to exceed $8,925 for activities in conjunction with El Diez y Seis de Septiembre celebration. $10,000 was appropriated from the Hotel Motel tax revenues in 1985-86 to assist LULAC Council #624 in holding a "Grito" activity as part of El Diez y Seis celebration. A budget for this event has been prepared and is submitted for consideration.

Purchase of sound system	$4,375
Materials to construct booths	4,080
Reception	470
TOTAL	$8,925

Motion to approve: Valdez

Second: M. Benavides
For: 6 Against: 0 Abstain: 0

(3235.1)R. A public hearing be held September 15, 1986 to amend the cemetery charge schedule to add a $150 charge for a second burial in the same lot, a $1.00 annual charge for extra lot, maintenance, and related charges.

Motion to hold a public hearing on 9/15/86: M. Benavides
Second: Valdez
For: 8 Against: 0 Abstain: 0

IX. ORDINANCE(S) FINAL READING (INTRODUCED ON JULY 21, 1986)
(717.5) Motion to waive the reading of Ordinance(s) IX(A) to IX(L) with the exception of IX(I): Juarez
Second: Montalvo
For: 6 Against: 0 Abstain: 0

A. CHANGING THE NAME OF CERTAIN STREETS IN THE RIVERSIDE SUBDIVISION: FROM MASTERSON ROAD TO MASTERSON STREET; FROM GRAND ROAD TO RIVERFRONT STREET; FROM TRINITY ROAD TO BRAZOS AVENUE; COLORADO ROAD TO LLANO AVENUE; FROM NUECES ROAD TO RED RIVER AVENUE; FROM PECOS ROAD TO NECHES AVENUE; FROM MEDINA ROAD TO MEDINA AVENUE; FROM BRAVO ROAD TO SAN ANTONIO AVENUE; FROM RIO ROAD TO SAN MARCOS AVENUE AND SETTING AN EFFECTIVE DATE.
ORDINANCE NO. 86 O 151
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

B. AMENDING ORDINANCE NO. 86 O 101 DATED JULY 2, 1985, CLOSING THE HEARING ON THE 1984 PAVING ASSESSMENT STREET IMPROVEMENT BEING TO REVISE PARCEL #179 ON PAGE 11 OF ATTACHMENT A FOR PROJECT GROUP V, 1984.
ORDINANCE NO. 86 O 152
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

C. AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AMENDMENT TO THE LEASE AGREEMENT DATED MAY 5, 1986, BETWEEN THE CITY OF LAREDO, AS LESSOR, AND R & R ENTERPRISES, INC., A TEXAS CORPORATION, AS LESSEE, SAID AMENDMENT WILL CHANGE LESSEE'S

NAME FROM R & R ENTERPRISES, INC., A TEXAS CORPORATION TO RICK BLOCK D/B/A ASSOCIATED FORWARDERS.
LEASE TERM IS FOR ONE YEAR TO FEBRUARY 28, 1987, MAY BE EXTENDED FOR ONE ONE-YEAR OPTION TO FEBRUARY 29, 1988. INITIAL MONTHLY RENTAL WILL BE $236.90 AND IS TO BE ADJUSTED ANNUALLY BASED ON CHANGES IN THE CONSUMER PRICE INDEX (CPI).
ORDINANCE NO. 86 O 153
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

D. ESTABLISHING AVIATION FUEL FLOW FEES AT THE LAREDO INTERNATIONAL AIRPORT; SAID AVIATION FUEL FEES TO BE 5.5 CENTS PER GALLON; ESTABLISHING PROCEDURES FOR COLLECTION OF SAME; AND PROVIDING FOR EFFECTIVE DATE.
ORDINANCE NO. 86 O 154
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

E. CLOSING THE HEARING ON THE 1985 PAVING ASSESSMENT STREET IMPROVEMENTS PROJECT-GROUP IV-A AND FIXING A LIEN AND CHARGE.
ORDINANCE 86 O 155
Introduced by Councilmember Margarito Benavides, Jr.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

F. CLOSING AS A PUBLIC EASEMENT THAT SECTION OF SAUNDERS COURT BETWEEN JARVIS AND MILMO AVENUE IN THE EASTERN DIVISION OF THE CITY OF LAREDO, WEBB COUNTY, TEXAS.
ORDINANCE 86 O 156
Introduced by Councilmembers David R. Cortez, Santos Benavides and Jose A. Valdez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

G. AUTHORIZING THE CITY MANAGER TO EXECUTE A CERTAIN LEASE AGREEMENT WITH AIRCRAFT PARTS & DEVELOPMENT FOR AND ON BEHALF OF THE CITY OF LAREDO FOR BUILDING #1307 CONSTITUTING 5,888 SQUARE FEET LOCATED AT 310 FLIGHTLINE AT THE LAREDO INTERNA-

TIONAL AIRPORT AND BELONGING TO THE CITY OF LAREDO.
ORDINANCE NO. 86 O 157
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

H. AUTHORIZING THE CITY MANAGER TO EXECUTE A CERTAIN LEASE AGREEMENT WITH AMERICAN AIR FREIGHT, INC., FOR AND ON BEHALF OF THE CITY OF LAREDO FOR THE APPROXIMATE 11,560 SQUARE FEET CONSTITUTING HANGAR #123; 1,467 SQUARE FEET OF OFFICE SPACE IN BUILDING #132; 416 SQUARE FEET OF LINE SHACK #124, ALL FACILITIES LOCATED ALONG THE FLIGHTLINE AND BELONGING TO THE CITY OF LAREDO.
ORDINANCE 86 O 158
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

I. AMENDING SECTION 13-39 (FEES) OF DIVISION 2 (LICENSE) OR ARTICLE II (FOOD PRODUCTS ESTABLISHMENTS) CHAPTER II (FOOD PRODUCTS ESTABLISHMENTS) OF CHAPTER 13, FOOD AND FOOD PRODUCTS, OF THE CODE OF ORDINANCES TO RAISE THE ANNUAL LICENSE FEE TO BE PAID BY A FOOD ESTABLISHMENT, WHICH FEE WILL CONTINUE TO BE BASED UPON THE NUMBER OF EMPLOYEES IN AN ESTABLISHMENT; SPECIFICALLY SETTING THE LICENSE FEES FOR FOOD ESTABLISHMENTS IN THE FOLLOWING MANNER:

1. THOSE EMPLOYING TWO (2) OR FEWER PERSONS, TWENTY ($20.00) DOLLARS:
2. THOSE EMPLOYING MORE THAN TWO (2) AND NOT MORE THAN SIX (6) PERSONS, FORTY DOLLARS ($40.00);
3. THOSE EMPLOYING MORE THAN TEN (10) PERSONS, EIGHTY DOLLARS ($80.00);
4. THOSE EMPLOYING MORE THAN TEN (10) PERSONS, ONE-HUNDRED SIXTY)$160.00) DOLLARS;

CREATING A SUPPLEMENTARY ANNUAL FEE TO BE PAID BY ANY FOOD ESTABLISHMENT WHICH IS A MEAT OR FISH MARKET TO COVER THE ADDITIONAL COSTS OF INSPECTIONS THEREOF, WHICH FEE SHALL BE IN THE AMOUNT OF SIXTY ($60.00) DOLLARS; PROVIDING FOR PUBLICATION AND FOR AN EFFECTIVE DATE.
ORDINANCE NO. 86 O 160
Introduced by all Councilmembers.

WITHDRAWN.

J. AMENDING SECTIONS OF DIVISIONS 2 AND 3 (LICENSE AND EMPLOYEES) OF ARTICLE II (FOOD PRODUCTS ESTABLISHMENTS) OF CHAPTER 13 (FOOD AND FOOD PRODUCTS) OF THE CODE OF ORDINANCES BY DELETING ALL REFERENCES TO THE BOARD OF HEALTH: BY GRANTING AUTHORITY TO THE DIRECTOR OF THE HEALTH DEPARTMENT TO INSPECT THE REAL AND PERSONAL PROPERTY USED BY A FOOD PRODUCTS ESTABLISHMENT, TO DETERMINE WHETHER TO ISSUE A LICENSE FOR THE OPERATION OF A FOOD PRODUCTS ESTABLISHMENT, AND TO ISSUE SUCH A LICENSE; PROVIDING THAT THE LICENSE SHALL ONLY BE VALID IF SIGNED BY THE DIRECTOR OF THE HEALTH DEPARTMENT AND THE HOLDER THEREOF COMPLIES WITH ALL RESTRICTIONS IMPOSED BY SUCH OFFICIAL; SPECIFYING THAT ALL FOOD ESTABLISHMENT LICENSE FEES ARE TO BE COLLECTED BY THE HEALTH DEPARTMENT; ELIMINATING THE MANTOUX SKIN TEST/CHEST X-RAY AS A REQUIREMENT FOR FOOD HANDLERS CERTIFICATE ISSUANCE AND THE RELATED TEST FEES; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.
ORDINANCE NO. 86 O 159
Introduced by all councilmembers.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

K. AMENDING THE ZONING MAP OF THE CITY ZONING ORDINANCE OF THE CITY OF LAREDO BY CHANGING FROM B-3 (GENERAL BUSINESS DISTRICT) TO R-3 (MIXED RESIDENTIAL DISTRICT) THE FOLLOWING DESCRIBED PROPERTY LOCATION: LOTS 11 & 12, BLOCK 1632 ED.
ORDINANCE NO. 86 O 161
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

L. GRANTING A SPECIAL USE PERMIT UNDER THE PROVISIONS OF SECTION 24-79(c)(7), SPECIAL USE PERMITS, SPECIAL USES, FLEA MARKETS, OF ARTICLE V, ZONING, OF CHAPTER 24 OF THE CODE OF ORDINANCES TO ARTURO I. DOMINGUEZ, JR., FOR THE OPERATION OF A FLEA MARKET AT THE LOCATION AND SUBJECT TO CONDITIONS SPECIFIED HEREIN.
ORDINANCE NO. 86 O 162
Introduced by Councilmember Jacinto P. Juarez.

Motion to approve: Juarez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

X. INTRODUCTORY ORDINANCE(S)

(758.5) A. The Planning and Zoning Commission recommends that a one block long street, located one block north of Calton Road and east of San Francisco, be named Zulema Street. A petition from the neighborhood requests that 2 blocks be so named, but the second block used as a private easement, is not platted and can not be named until platted or dedicated.

AN ORDINANCE

NAMING PUBLIC RIGHT-OF-WAY LOCATED ONE BLOCK NORTH OF CALTON ROAD, EAST OF SAN FRANCISCO STREET WITH THE NAME OF ZULEMA STREET AND SETTING AN EFFECTIVE DATE.

Ordinance Introduction: Cortez

(773.5) B. This ordinance prohibits the discharge of a firearm from anywhere within the city limits whereas the State law prohibits the discharge be across a public road or a public place. This ordinance also prohibits the carrying of any firearm, including rifles, at a public park, public meeting, political rally, parade whereas the State Law does not prohibit the carrying of a rifle or shotgun at these places, unless the firearm is displayed to cause alarm in a public place.

AN ORDINANCE

AN ORDINANCE PROHIBITING THE DISCHARGE OF ANY FIREARM WITHIN THE CITY; PROHIBITING ANY SHOT OR AMMUNITION TO FALL WITHIN THE CITY; PROHIBITING THE CARRYING OF CERTAIN DANGEROUS WEAPONS AT PUBLIC PARK AND CERTAIN PUBLIC EVENTS; PROVIDING FOR CERTAIN EXCEPTIONS; AND PROVIDING FOR A PENALTY, PUBLICATION AND AN EFFECTIVE DATE.

Councilmembers requested staff to look for solution to assist Border Patrol in relocating their firing range to avert any mishaps. City Manager Townsend stated that Joint meetings have been held to resolve problem, and further indicated that the ordinance will be corrected to delete amendment for those authorized places to discharge firearms.

Ordinance Introduction: All Councilmembers.

XI. RESOLUTION: NONE

XII. COMMITTEE REPORTS.

XIII. APPOINTMENT(S)

Appointments to Boards and Committees

(1526.5)1. Building Standards Board.

(No appointments made at this time.)

2. Transportation and Traffic Safety Advisory Committee- (3) appointments.

(No appointments made at this time.)

(1503.5)3. Civil Service Commission.

City Manager Marvin Townsend appointed Mr. Dennis Longoria to fill vacancy left by Dr. Jacinto Juarez.

Motion to approve: Juarez
Second: 6 Against: 0 Abstain: 0

Motion to add Councilman John Peter Montalvo to the City Hall Ad Hoc Construct and Oversite Committee replacing Councilman David R. Cortez: Juarez
Second: Valdez
For: 6 Against: 0 Abstain: 0

Councilman Juarez asked about the progress of the Charter Revision Committee. A report to be requested for a future City Council meeting.

XIV. CONTINUED 1986-87 BUDGET HEARING

A. Presentation of the 1986-87 Budget and consideration of a timetable for required public hearings. Although the appraisal roll has not been submitted to the City an estimate of values has been prepared. The General Fund budget has been prepared based on that estimate and is subject to change after the appraisal roll is provided. Indications are that the appraisal roll should be available by September 1, 1986. It is recommended that a public hearing be held on September 15, 1986 in accordance with City Charter requirements.

Under this item City Manager Townsend explained a proposed Sewer Rate Increase as follows:

1. Rate History

In August 1984, sewer system rates were revised to provide sufficient income for debt service payments for the sale of $4,200,000 of bonds for the first phase of Zacate Creek treatment plant improvements and the sale of $2,500,000 one year later.

The history of the sewer rates in Laredo is set forth below:

GALLONS		1/1/50	1/1/75	1/1/78	5/80	8/80	8/84
First	4,000	$1.25*	$1.00*	$3.25*	$2.35	$3.30	Res.$3.70

					Com. 5.50
Next 46,000			.45/1000	.63	.72
Next 50,000			.38	.53	
Next 100,000			.32	.45	
Residential Maximum	5.00	7.50	7.50	10.50	17.00
Outside City 150% with Max.			11.25	15.75	25.00

* Plus $.10 for each fixture over 4.

2. After the sale of $10,000,000 of certificates of obligation and $2,000,000 of bonds voted by the Del Mar District, the City will have outstanding $5,300,000 more bonds than planned at the time of the August 1984 increase. To pay off these bonds requires payments of about $580,000 per year for 20 years.

3. The 1984 increase was originally designed to produce from 40% to 48% more income.

	1983	1984	Est. 1985-86	Budget 86-87
Sewer Charges	$2,515,633	$2,887,516	$3,622,111*	$3,730,000*
Rainfall (in.)	10.29	5.66	41,85(1985)	13.08 (10 months)
Customers	21,349	21,919	24,743(1985)	24,933 (7/31/86)

* Includes about $200,000 from Del Mar customers.

Because of an unusually wet 1985 and certain estimating problems the actual increase appears to be round 30% after including the impact of Del Mar annexation and growth.

4. In summary, the immediate need can be expressed by the following 2 approaches.

A. Debt Service

Actual 1986	$ 672,070
Proposed 1987-88	2,104,387
Increase of	$1,432,317
Less Entire 1984 Rate Increase (30%)	751,690
Still needed Debt service only	$ 680,627

B. The attached Budget Summary indicates $570,000 is needed in 1986-87 and sets forth the following fore-

cast for 1987-88 and 1988-89.

	Forecast 1987-88	Forecast 1988-89
Expenditures	$4,929,221	$5,090,219
Revenues	4,115,100	4,260,100
Difference	$ 814,121	$ 830,119
Average	$822,120	

5. In addition, the City needs to carry out major rehabilitation of a number of lift stations and to offset the substantial operating cost incrases which will occur at the Zacate Creek Wastwater Treatment Plant after construction is completed.

6. The alternatives available at this time are:
   (a) A sewer rate increase of approximately 33%, sufficient to meet anticipated debt service costs, ($680,000), allow for expanded operating cost ($200,000) and provide sufficient money for $200,000 to $300,000 of additional system improvements each year.

   (b) A rate increase of approximately 20% to meet debt service requirements, recognizing that rates will need to be reviewed again by 1988, upon completion of the expansion of the Zacate Creek and Del Mar

   (c) Property taxes be used for portion of debt service cost beginning in 1987-1988. A 3.7¢ levy would be required for $680,000 or a 10% tax increase.

7. It is recommended that:
   (a) Sewer rates be increased 20%
   (b) A public hearing inquiry be held on September 15, 1986.
   (c) The increase be applied to all consumption reported on meters read on or after December 15,1986. The resulting 1986-87 increase should be approximately $570,000. On a 12 month basis the increase should be about $745,000 per year.
   (d) If the 20% is applied evenly to all steps, the revised rate will be:

	NOW		PROPOSED
Min. up to 4,000 gallons	$3.70	Residential	$ 4.44
	5.50	Commercial	6.60

All over 4,000 gallons per 1,000 gallons	.72	.86
Residential Maximum	17.00	20.40
Outside City	150%	150%

Motion to place the Public Hearing Inquiry on September 15, 1986 regarding 20% rate increase for sewer rates: Valdez
Second: M. Benavides
For: 6 Against: 0 Abstain: 0

(3382.5) City Manager Townsend made further presentation regarding the Debt Service Fund.

Assistant City Manager Florencio Pena continued the presentation of the Hotel Motel Tax Fund.

Councilman Valdez requested that an item be placed on September 15th agenda regarding the naming of Gaby Canizalez Gym.

Councilman M. Benavides also requested that item be placed on September 15th agenda regarding welcome signs on entering Laredo.

City Manager Townsend presented the Civic Center Budget and gave highlights in overrall budget, with budgetary discussions to resume on September 15th.

XV. ADJOURNMENT

Motion to adjourn: Trevino
Second: Cortez
For: 6 Against: 0 Abstain: 0

Adjournment was at 11.00 P.M.

I HEREBY CERTIFY THAT ABOVE MINUTES CONTAINED IN PAGES 01 TO 26 ARE TRUE, COMPLETE, AND CORRECT PROCEEDINGS OF THE REGULAR CITY COUNCIL MEETING HELD ON THE 2ND AND 3RD DAY OF SEPTEMBER, 1986. THE ORIGINAL COPY IS ON FILE IN THE CITY SECRETARY'S OFFICE.

WITNESS MY HAND AND THE CORPORATE SEAL OF THE CITY OF LAREDO, TEXAS on this the 27 day of September, 1986.

AGENDA NO: 86-R-31 Minutes DATE: September 2, 1986

HORTENCIA C. GONZALEZ
CITY SECRETARY

PREPARED BY: Gloria M. Garza, Deputy

PASSED AND APPROVED BY CITY COUNCIL ON:

CORRECTIONS: