



1111 Bayou
La Marque, Texas 77568
409.938.9202

**City of La Marque
Minutes
June 24, 2013**

Minutes of the City Council Regular Meeting of the City of La Marque, Texas that was conducted on Monday, June 24, 2013 at 6:00 p.m. at 1109-B Bayou Road for purpose of considering the following agenda:

(1) Mayor Hocking called the meeting to order at 6:00 pm.

(2) ROLL CALL

Mayor Hocking

Mayor Pro-Tem Bell

Councilmember Brown

Councilmember Trube

Councilmember Osteen

City Administrator Buttler

City Clerk Eldridge

(3) MAYOR HOCKING LED THE INVOCATION AND THE PLEDGE OF ALLEGIANCE.

(4) MINUTES

a. Regular Minutes, May 13, 2013

b. Workshop Minutes of June 10, 2013

c. Regular Minutes of June 10, 2013

****Councilmember Trube moved to approve the Minutes of the Regular Meeting held on May 13, 2013, Workshop Minutes of June 10, 2013; and Minutes of Regular Meeting held on June 10, 2013, with the insertion of Councilmember Osteen's corrections. Councilmember Brown seconded the motion. Motion passed unanimously.**

(5) CITIZEN'S PARTICIPATION

Comments from the Public (At this time, any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). In compliance with Texas Open Meeting Act the City Council may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours.

- a. Geraldine Sam said that she is disappointed and wants City Council to stop being wishy-washy and to be honest about the financial woes that the City is in; the incurring of future debts; would like to see the citizens made aware of where the City stands so that it can move forward.
- b. Jake Feigle stated that he doesn't want to see the City go back to the way it was before. He feels that if the ordinance concerning the abandonment of the right of way was passed at the



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last meeting, the way it was read, the City would have been in violation of its own ordinance. He said that he was proud of this Council, and wants to see it continue to move forward.

(6) PRESENTATION

a. Recognition – New City Employee – Frank Adams

**Mayor Hocking recognized Frank Adams, the new Firefighter/Paramedic in the Fire Department.

b. Proclamation – Fifty Club ‘Officer of the Year’ – Detective Sergeant Shawn Spruill

**Mayor Hocking read and presented a proclamation to Detective Sergeant Shawn Spruill for his outstanding accomplishments.

(7) PUBLIC HEARING

a. To receive public input regarding proposed Ordinance No. **O-2013-006**, An Ordinance of the City Council of the City of La Marque, Texas, providing for the vacating, abandonment, and closing of a portion of a 60 foot right-of-way, lying North of FM 519, out of the Grebb Addition Subdivision.

** Mayor Hocking closed the Regular Meeting and opened the Public Hearing at 6:14 p.m.

Geraldine Sam said that she objects to the passing of the ordinance, and that it states that if one person opposes this abandonment, the ordinance shall not be passed. She also stated that City Council should stand behind the zoning ordinances.

Chris Colombo said the Planning and Zoning Commission makes recommendations to City Council but that City Council can override their recommendation. City Council has the final say.

** Mayor Hocking closed the Public Hearing and reconvened the Regular Meeting at 6:17 p.m.

(8) OLD BUSINESS

a. **Councilmember Trube made a motion to approve the second and final reading of Ordinance No. **O-2013-006**, An Ordinance of the City Council of the City of La Marque, Texas, providing for the vacating, abandonment, and closing of a portion of a 60 foot right-of-way, lying North of FM 519, out of the Grebb Addition Subdivision.

City Attorney Ortego stated the Planning and Zoning Commission recommended the abandonment of the right-of-way, and that right-of-ways are not objective to a driveway or curb cut. He said that the owner could go through TxDOT and obtain a permit to have access to the property.

Councilmember Osteen brought it to the attention of City Council that that there was no recommendation by the Planning and Zoning Commission and in his opinion by not making a recommendation was in violation of the abandonment right-of-way ordinance. He then referred to a letter that was received the previous week in relation to a lawsuit being filed against the City



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regarding the abandonment of this right-of-way. He does not want to see the City in a lawsuit or to violate one of the City's own ordinances.

Councilmember Bell said that he appreciated the time the City Attorney took in gathering the case law information and providing it to City Council. But, since the information was provided at such short notice of the Council meeting, he would like for City Council to have some time to review it, in order to provide due diligence in resolving all questions before making a final decision. He stated that the owner and his attorney have played by rules and doesn't understand why all interested parties have not been able to sit down, discuss and resolve the issues. The City should want to take the extra step to ensure that everyone understands the interpretation of the ordinance.

It was determined the case law presented by the owners, pertained to cities that are 'general law' and 'home ruled' cities are a little different.

Building Official Ana Tims said that this has been an issue for a couple of years, and the two property owners were advised to work something out, but as far as she knew they had not settled anything yet. She said that if the owners request would be to move the portion that he wants to abandon one foot back, that it wouldn't be in violation of the current abandonment ordinance.

No one from either side of the abandonment issue was in attendance at the meeting.

Mayor Hocking asked if the first and second motion could be withdrawn in order to have more time for the two parties to possibly get together and reach an agreement and would also give Council time to review the information that had just been given to them.

Councilmember Trube withdrew her motion. Councilmember Brown withdrew his second motion.

Motion was made by Councilmember Brown to table this item until the next City Council meeting. Seconded by Councilmember Osteen. Motion carried 4 to 1, with Councilmember Trube voting in opposition.

(9) NEW BUSINESS

a. Discussion/possible action providing a Managed Fleet Program for the City of La Marque.

****Alan Caswell and Brian Cox of Enterprise Management presented two (2) options on a Fleet Management Program; one extremely aggressive option (replacing all of the fleet of thirty-eight vehicles with the exception of the first response vehicles) and the second being a very conservative approach (replacing seventeen vehicles the first year, with a ten year plan for the maintenance and replacement of the others within that time frame). The two options were explained in detail and comparisons were made on each of the options.**

****Staff was directed to move forward with the plan of having a managed fleet program with no vote taken to choose one option at this time.**



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b. **Councilmember Trube made a motion to approve the recommendation of the Parks Board approving a Letter of Agreement between La Liga Soccer League and the City of La Marque regarding the use of the Highland Bayou Soccer Fields Seconded by Councilmember Osteen. Motion carried unanimously.

c. **Councilmember Osteen made a motion to approve Resolution No. R-2013-009 for the reappointment of City of La Marque Alternate Municipal Judge Carlton Getty.
**Seconded by Councilmember Trube. Motion carried unanimously.

d. **Councilmember Bell made a motion to approve Resolution No. 2013-0010 for the reappointment of City of La Marque Municipal Prosecutor Robert J. Barfield.
**Seconded by Councilmember Trube. Motion carried unanimously.

e. Discussion/possible action amending Ordinance No. O-192, An Ordinance of the City of La Marque, Texas providing for the installation of additional stop signs at the intersection of Fannin Street and Houston Drive West, making it a four-way stop. Since there was no ordinance prepared, there was no action taken at this time.

f. Discussion/possible action of the 2012 Audit- CAFR

Robert Belt of Belt Harris Pachacek presented the 2012 Comprehensive Annual Financial Audit and referred to page 13, which is the Independent Audit and a clean and qualified opinion which is the highest level of assurance that he can give as an auditor and that all transactions financial statements are materially correct. Fund balance is the primary health indicator of a governmental entity, and typically it is recommended to have an operating reserve balance of 60 to 90 days, and the City currently has an operating budget of about 1.5 months. He also said that in speaking with the City's management, they are actively pursuing that. The question was asked, is the City of La Marque broke? According to the auditor, he sees no characterizations of the City as being broke.

Mr. Belt continued to summarize the findings of the annual audit, including schedules of revenues, expenditures and fund balance of the General Fund and the Utility Fund. Total revenues came in a little lower than what was anticipated, but the expenditures also came in under what was anticipated to offset the total ending balance in the black. Federal Government funding was discussed, as well as qualified and unqualified opinions. Since the City of La Marque expended over a certain amount of federal grant monies during the period the audit covered, a Single Audit was also required. Two opinion letters are within this report, one pertains to internal controls, the other relates to laws and regulations. There were significant findings in the federal grants area, relating to failure to follow cash management requirements and disbursement of federal funds, failing to identify invoices subsequent to year end, and those caused the City to be non-compliant. At which time, both have been corrected. The City didn't qualify as a low risk 'auditee', in this being the City was to have been audited yearly for the past three years with no exceptions and no high risk programs. It appears that 80-85% of the findings were based on lack of a policy or procedures in place in order to be in compliant or that they were not following the policies or procedures.



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Further discussion continued concerning the recording of transactions in which a portion of court revenues are sent to the State and also the reporting process. Delinquent accounts being written off in different departments was discussed. Segregation of duties by reassigning tasks so that one person does not handle all of the aspects of a transaction was discussed. It was determined that it is an on-going and difficult challenge to achieve this in a City the size of La Marque, but it is very important to try to do so. Cost benefits analysis should be considered, be it restriction of software or through additional personnel. Removal of city staff from signing off on certain types of account transactions was discussed. A few areas that were also discussed concerned payroll and human resource functions, the access to make adjustments to the utility billing bills, and to add or to edit vendors, which deals with permissions within the system. It was determined that the current purchasing policy is being discussed and reviewed by the City Manager and Finance Director which will come before City Council in the near future. The required number of quotes, the bid process, and the conflict of interest questionnaire for vendors was also discussed. City staff not having access of online banking, transfers and other banking transactions was discussed. The high turnover of employees in this area was found to be a major reason for this.

Mr. Belt reported that a tremendous amount of changes have taken place since this audit was performed to correct many of the inefficiencies. Management has prepared an action plan and said that maybe a workshop could be in the future.

Mr. Belt said that based on the information that was provided to them for making their unqualified opinion, the financial numbers that have been provided are good to begin from this point forward, and commended the Finance Director for her in getting ready for the audit.

** Councilmember Trube made a motion to accept the CAFR as presented. Seconded by Councilmember Osteen. Motion passed unanimously.

g. Discussion/possible action regarding a separation of cash into separate bank accounts of the City of La Marque and the La Marque Economic Development Corporation. The discussion followed summarizing the recommendation by the EDC. If the accounts were separated there is a possibility of losing part of the interest accrued, and to possibly wait until the end of the year. The discrepancy that was found in the accounts was found by the Finance Director and has been since corrected.

Mr. Ron Crowder, the Chairman of the EDC wanted to clarify that all money that comes in City through sales tax is identified as the "City's money", all going into the same "pool." The concept over how the money is handled, doesn't matter to him one way or another. It does allow the City to earn a better rate of interest by keeping it all in one account.

** Councilmember Bell made a motion to separate the two bank accounts beginning January 1, 2014. ** Seconded by Councilmember Osteen. Councilmember Brown and Trube voting in opposition. Motion carries 3 to 2.

(10) CITY MANAGER REPORT – No Council Action Necessary

- Mayor's Meetings Report
- Administration



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- Judicial
- Public Safety
- Development Services
- Public Works

(11) REQUESTS AND ANNOUNCEMENTS

a. Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests TEX. GOV'T CODE §551.415
(b), "items of community interest" includes:

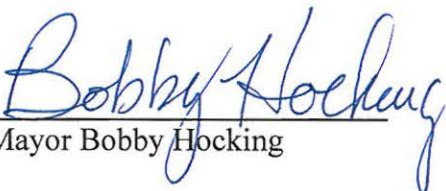
- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
- (3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision;
- (4) a reminder about an upcoming event organized or sponsored by the governing body;
- (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality or county; and
- (6) announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

(12) ADJOURNMENT

****Councilmember Trube moved to adjourn at 9:22 pm.**

Seconded by Councilmember Osteen. Motion approved unanimously.

The City Council for the City of La Marque, Texas reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized the Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development)


Mayor Bobby Hocking

ATTEST:


Robin Eldridge, TRMC
City Clerk