

City Council Chamber, City Hall, Tuesday, June 26, 2007

A Regular Meeting of the Houston City Council was held at 1:30 p.m. Tuesday, June 26, 2007, Mayor Bill White presiding and with Council Members Toni Lawrence, Jarvis Johnson, Anne Clutterbuck, Ada Edwards, M. J. Khan, P. E., Pam Holm, Adrian Garcia, Carol Alvarado, Peter Brown, Sue Lovell and Ronald C. Green; Mr. Don Cheatham, Division Chief, General Counsel Division, Legal Department; Ms. Claudia Vasquez, Director Citizens Assistance; and Ms. Marty Stein, Agenda Director present. Council Member Addie Wiseman absent on city business. Council Member Michael Berry absent on personal business.

Note: Council Member At-Large Position 3 vacant.

At 1:55 p.m. Mayor White stated that presentations would begin and called on Council Member Edwards; Council Member Edwards stated that one of the things her office was most proud of was the reinstatement of the BRAVO Awards which recognized the integrity, passion and compassion of city employees who worked to make Houston one of the best cities in the world and invited Ms. Ludivina Gutierrez with the Parks and Recreation Department, Ms. Toni Middleton Lewis with the Public Works and Engineering Department and Ms. Wendy Willeford with the Library Department to the podium and presented each a BRAVO Award for going above and beyond the call of duty; and thanked each for what they did. Council Members Garcia, Alvarado and Brown absent.

Council Member Clutterbuck invited Miss Barbara May and her teacher at Westside High School Ms. Karen Shaw, Mr. John Scott the general manager of the Olive Garden and her parents to the podium and stated that today she was honoring a high school student nationally recognized for winning a national essay contest sponsored by the Olive Garden with over 10,000 applicants and presented a Proclamation from Mayor White to Miss May and a Certificate of Recognition from her for winning the national essay contest; commending her for her exceptional writing talent and wished her many more successes. Council Members Johnson, Alvarado and Brown absent.

Council Member Green invited Mr. Jerry Mutchler to the podium and stated that he was a retiring president of Junior. Achievement, Southeast Texas, Incorporated, which would meet over 170,000 students this year; that they worked to raise \$4,000,000 in operating funds and recruited volunteers for schools; that Mr. Mutchler was the only person in its 88 year history to be president in three of the top twenty-five cities; and presented him a Proclamation on his 37 years; and proclaimed June 26, 2007, as "Jerry Mutchler Day" in Houston, Texas. Council Members Johnson and Alvarado absent.

At 2:17 p. m. Council Member Edwards called on Ms. Sharon Moses, a member of her staff, who sang the Lord's Prayer and Council Member Edwards led all in the pledge. Council Member Johnson absent.

At 2:20 p.m. Mayor White called the meeting to order and the City Secretary called the roll. Council Member Wiseman absent on city business. Council Member Berry absent on personal business. Council Member Garcia absent.

Council Members Khan and Alvarado moved that the minutes of the preceding meeting be adopted. All voting aye. Nays none. Council Member Wiseman absent on city business. Council Member Berry absent on personal business. Council Member Garcia absent. MOTION ADOPTED.

Council Member Alvarado moved the rules be suspended for the purpose of hearing Mr. Eric Ibarra at the top of the Non-Agenda Speakers List, seconded by Council Member Khan. All

voting aye. Nays none. Council Member Wiseman absent on city business. Council Member Berry absent on personal business. Council Members Lawrence, Garcia, Lovell and Brown absent. MOTION 2007-0700 ADOPTED.

At 2:21 p.m. the City Secretary began calling the public speakers. Council Members Lawrence, Garcia, Lovell and Brown absent.

Miss Ashley Garrett, 11107 Grassy Glen, Houston, Texas 77336 (281-685-5612) appeared and stated that she could not visit her Nana very much because the sewer prices were raised to \$400.00; and when she did get to go they could not afford to go anywhere. Council Members Lawrence, Garcia and Lovell absent.

Ms. Juanita Knight, 25814 Water Ridge Drive, Huffman, Houston, Texas 77336 (281-685-5612) appeared and stated that she had five grandchildren and her septic bill would be over \$1,000 a month if they came to visit; that she paid city taxes and it was outrageous to not be able to have her grandchildren come and when they did she could not afford to take them anywhere. Council Members Lawrence, Garcia and Lovell absent.

Mayor White stated that he appreciated her coming and the item was on the agenda and he was getting answers to questions talked about last week so that there would be a balance in meeting the requirement to have things bare the cost of service in the Enterprise Fund and also take into account the impact if it was raised to that extent; and they supported nothing going into effect in July. Council Members Lawrence, Garcia and Lovell absent.

Mr. Mark Butz, 25826 Water Ridge, Huffman, Texas 77336 (281-468-6653) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Garcia and Lovell absent.

Mr. Charles Curry, 25842 Water Ridge, Huffman, Texas 77336 (713-392-4246) appeared and stated that about 6 years ago he and his wife bought a home on Lake Houston but now if the septic price was raised to almost 40% it was just too much and he did not know what they would do. Council Members Lawrence, Garcia and Lovell absent.

Mayor White stated that the intention was they had water and sewer run in a way where they did not have some category subsidizing another and there had been no increase in a number of years, but on the other hand they wanted to make sure they reviewed how the calculations were made and he thought it unfair to raise it by that percentage in one swoop and it would be addressed on tomorrow's Agenda. Council Members Lawrence, Johnson, Garcia and Lovell absent.

Ms. Patricia Mathis, 6906 Blandford Lane, Houston, Texas 77055 (713-681-7359) appeared and stated that she worked for HPD and was a negotiator for the Houston Organization of Public Employees and was present to thank the Council and negotiating team of the Pension Board for holding benefits for current employees where they were and secondly would like to say the union opposed the two tier system in principal, it was very difficult for those with the least funds, it was not a real choice having to decide whether to let bills go to have ends meet today; that she did not know individual details but did know it was a two tier system with a choice and she would like it to be a real choice so all could have a secure retirement. Council Members Lawrence, Garcia, Lovell and Green absent.

Mayor White stated that he shared her concerns and actions spoke louder than words and the actions of contributions to each pension fund caused each to now be in better shape and more secure. Council Members Lawrence, Garcia, Lovell and Green absent.

Upon questions by Council Member Edwards, Ms. Mathis stated that yes, she was a civilian employee with HPD. Council Members Lawrence, Garcia, Lovell and Green absent.

Ms. Maria Isabel, P. O. Box 498, Houston, Texas 77001 (713-542-0721) appeared, presented information to Ms. Vasquez and stated that she represented the board members of the Sixth Ward Property Owners (SWPO) they were over 230 properties and they had reservations about funding the Sixth Ward TIRZ with moneys to continue doing business under the current circumstances; that they presented the Council Members and Planning and Development facts showing how the TIRZ was unaccountable in their actions and they were requesting the budget not be approved at this time, not until the situation with the Old Sixth Ward proposed guidelines and changes were resolved. Council Members Lawrence, Garcia, Lovell and Green absent.

Ms. Barbara Thompson, 9301 Bean, Houston, Texas 77028 (713-201-2563) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Garcia, Lovell and Green absent.

Mr. Sammie Jones, 1415 W. Gulfbank Road #1912, Houston, Texas 77088 (no phone) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Garcia, Lovell and Green absent.

Mr. Dan Ownby, 4422 Cheena, Houston, Texas 77096 (713-728-2590) appeared and stated that he lived in the Willow Meadows Subdivision and he and his neighbors had their street lights off since early November and they would like them back on; that a water line was put in and after the contractor finished in March their street was never turned back on and since then there was a robbery and suspicious people; that they reported it to 311 and the Center Point tracking system two times and when talking to the city or Center Point was always referred elsewhere; that he wrote Council Members and today they were still in the dark and would appreciate any help. Council Members Lawrence, Holm and Garcia absent.

Mayor White stated that a deputy director of Public Works called in and said to Mr. Norman either there should be a technical reason why the city could not do construction with the line off or severed and he would want that explanation or this was a classic case of bad customer service; that employees were paid by citizens and did not need to be shuffled from company to company, utility provider to utility provider and he would appreciate Public Works telling him what actions had been done and not to respond to the citizen but to help the citizens get the lights back on; how many times had the contractor been called at home and on his cell number and by whom and what was it the contractor needed to do or what authority was the contractor given by the contract which let the contractor determine if the lights could go on or off and what action needed to be taken by Center Point and what level of Public Works contacted Center Point and he said it because getting the lights on did not solve the problem if the problem was a bad process other citizens would have to deal with in the future. Council Members Lawrence, Holm and Garcia absent.

Council Member Clutterbuck stated that her office had worked with Mr. Ownby all this month on it and she thought the Mayor was right, the problem was the process, as Mr. Ownby experienced what many citizens did when a their neighborhoods underwent waterline replacement or street reconstruction and in his case they had the misfortune of having the circuitry for all lights near the excavation site and she had been told the problem was Center Point would not be allowed to turn on the lights until substantial completion on the project was certified, but if the circuitry could be protected in some way so the excavation would not interrupt it then they should be able to get the lights on; and Mayor White stated that was why he asked

for what he did and he would think by information provided him in the last 30 seconds the lights would be able to get turned on, but he did want Mr. Krueger, who was monitoring this, and Mr. Norman to look at the process because the underground utility projects were very expensive and complicated and they needed to be bold on how they dealt with drainage problems in the future and secondly when they needed to relocate utilities there should be no time where there was exposed electrical wire in the pit, there should be some conduit around the wire, some protection, and the lights were there for a reason and the lights should be back on and activated as soon as possible unless there was a concrete risk of an exposed electrical pipe meeting metal and electrocuting a worker. Council Members Lawrence, Holm and Garcia absent.

Council Member Lovell stated that she spoke to Mr. Norman before Council and he said it would be a few days before the lights were on and she was sorry Mr. Ownby felt he had to come but now they could step in on a flawed process; and Mayor White stated that he would say to Mr. Fontaine and Ms. Bingham that he wanted this information sent to him and each Council Member; that he did get reports on 311 calls and then they were categorized and the disposition of the call was categorized and he wanted to see where this was on the aging report and whether it was correctly accounted for in the system and he wanted the original intake, the paper trail on the 311 system where they saw how this was handled. Council Members Lawrence, Holm and Garcia absent.

Mr. Erik Ibarra, 2907 Shady Park, Houston, Texas 77017 (832-731-4170) appeared with his business partner Mr. Justine Jones, presented information and stated that they owned a company called REV and they wanted to provide the Downtown area as well as Midtown a new type of transportation service using all electric vehicles emission free; and with Council's guidance he felt this service could be a great and valid effort for the community and the continued revitalization of Houston's economy. Council Members Lawrence, Holm and Garcia absent.

Upon questions by Mayor White, Mr. Ibarra stated that they had electric vehicles by Chrysler and seated 4 people and they would establish routes from Minute Maid Park to various Downtown parking areas and urban hotspots; and Mayor White stated that he did not know where they were on the permitting process but if he met all applicable permits and there was no other issues he wished them the best of success; that electric vehicles would be the waive of the future and he did want them to be at the cutting edge of it. Council Members Lawrence, Holm and Garcia absent.

Upon questions by Council Member Alvarado, Mr. Ibarra stated that among Council Members there was much experience and entrepreneur knowledge along with knowledge of grants, etc., and if they had any idea of how to assist them it would be greatly appreciated and Council Member Alvarado stated that her office would be eager to point them in the right direction. Council Members Lawrence, Holm and Garcia absent.

Mr. Larry Chachere, 15643 Elgin, Channelview, Texas 77530 (281-709-8769) appeared and stated that he was present as he wanted to know the Mayor's plans for the Fire Department. Council Members Lawrence, Holm, Garcia and Brown absent.

Mayor White stated that he was working on correspondence today from citizens and all were proud of the Fire Department; and Mr. Chachere stated that the men and women in the Fire Demand were in demand, underpaid and under equipped and overworked and they needed help; and Mayor White stated that was why the largest percentage increase in budget was Fire Department. Council Members Lawrence, Holm, Garcia and Brown absent.

Rev. Bryon Jones, 8604 MLK Blvd., Houston, Texas 77033 (713-734-4370) appeared and stated that he was present regarding illegal gambling in the areas of Sunnyside and South Park; that they met with various city officials June 2nd but it was there and if it was illegal they needed to be closed; that efforts in revitalizing were being sucked out and he understood the laws covered them and prosecutors did not want to step to it because it was too much money but it was the taxpayer money and they wanted it handled; that there were too many establishments paying officers under the table. Council Members Lawrence, Holm, Garcia and Brown absent.

Council Member Edwards stated that her office received a list of establishments he put forth; and upon questions, Rev. Jones stated that his business was next to them and illegal gambling was going on; and Council Member Edwards stated that they had several committee meetings on the legality or illegality in the area and she would get his list to the Police Department, some of those listed were supposed to be reputable businesses; and Rev. Jones stated that Chief Hurt said to them he knew they were illegal but his hands were tied; and Council Member Edwards stated that she did not understand that and stated to Mr. Cheatham he might know if the eight line had been determined illegal, but she would turn all over to the proper authority and it was fine if he (Rev. Jones) followed up with her. Council Members Lawrence, Garcia and Alvarado absent.

Mayor White stated that there were provisions of state law and he knew of several Council Members and the Mayor who did not like the laws in that regard; and upon questions, Mr. Cheatham stated that he was not familiar with particular restrictions, he knew they were looking at the subject of the eight liners and how they could address it and Council Member Lawrence's committee had been looking at what they called a game room ordinance which involved that issue and how they might regulate it locally to better enforce the laws; that the problem in general as he heard back from the Police Department was the machines themselves were not illegal but they were usually used in an illegal manner as a gambling device and that meant the officers had to go in and make a case the District Attorney would accept for prosecution and like many criminal activities they were very creative in their attempts to evade a gambling charge, there was the stuffed toy exception, where they Attorney General ruled if you played for no more than the equivalent value of a stuffed toy it was not considered gambling, but he thought all knew that was not what was going on here and the Attorney General wrote on other ruses where they tried to give them a store value card, but they were still winning something of value and it was still gambling; that the difficulty came in finding and making sure you could make the case the D. A. would take; and Mayor White stated that was it the Attorney General's opinion, the affect of interpreting statute which would limit the ability of municipalities from regulating certain machines, in other words what did the A. G. have to do about it; and Mr. Cheatham stated the A. G. was a pining he thought on a couple of scenarios which involved eight liners, it was an interpretation of what was gambling; and he was not aware of state statutes which restricted or limited the city's ability to regulate machines as such; that he said what he did to point out the lengths such establishments would go to in disguising themselves other than gambling; that he did not know if the city could pass a law banning the machine because it could be used in a non gambling context; and Mayor White stated that he was under the impression state law in some form or fashion may limit the city's ability to simply pass a general ordinance saying it was gambling paraphernalia but they would go back as he wanted to get to the bottom of it. Council Members Lawrence, Garcia and Lovell absent.

Council Member Edwards stated that she just wanted to make a statement that her office was made aware of this and the issue was if they could not...; one of the noted criminals of the decade was sent to jail on tax evasion not on gambling and they could be closed down and they were looking at other ways, to be sure codes, permits, etc., were in place and she would give his list to the officer present. Council Members Lawrence, Garcia and Lovell absent.

Council Member Khan stated that the issue adversely affected many people in the community and he saluted him for coming; that this problem was all over the city and it was affecting the poorest of the poor and the children also lost money in the machines; that with locked doors they had advanced notice when officers were coming and he would request the Mayor to look into having a requirement of doors not allowed to be locked. Council Members Lawrence, Alvarado and Lovell absent.

Council Member Brown stated that on Council Member Lawrence's committee they discussed the gaming parlor ordinance in some detail and he suggested the basis of the ordinance should be issuing and revocation of an occupancy permit which was the same drafted for the hot sheet motels and tested in the courts; and they needed to pursue a different tact and he would urge his colleagues and Legal to pursue that; and Rev. Jones stated he thought that would work. Council Members Lawrence, Khan and Alvarado absent.

Council Member Edwards stated that she would invite Rev. Jones and others to the committee meetings and allow their input while the ordinance was being formed and her office would give him those dates. Council Members Lawrence, Khan and Alvarado absent.

Mayor White stated that he said this with grace and love, but he better have evidence that a member of HPD was getting payments under the table because otherwise he risked tarnishing a reputation of a fellow human being using the most heinous accusation against that person. Council Members Lawrence and Khan absent.

Ms. Sandra Massie-Hines, 4425 Alvin, Houston, Texas 77051 (713-731-9806) appeared and stated that there actually was illegal gambling in Sunnyside, it was game and entertainment machines which paid off in cash and community leaders had teamed up with the Northside and Pearland; that convenience store owners located on Cullen, Scott & MLK were ringing in the dough and thousands of unaccounted dollars were being provided by store owners by amusement machines which pay off in cash and many Black patrons who frequent the establishments were middle age women, drug users and elderly citizens and city permit stickers identify the business establishment with one being "Looking Good, Inc." located at 15127 Lantern Creek and another was 8611 MLK and operated as many as 50 machines and you gambled there and received your money at 8617 and the officer the minister mentioned was at that location and he was not the owner but the city permits were issued to an officer. Council Members Lawrence and Khan absent.

Council Member Johnson stated that Mr. Cheatham mentioned the machines could not be banned for giving out fuzzy toys, but many were actual quarter machines and quarters fell out and that was a gaming machine; that they were allowing immoral behavior in underserved communities and they needed to stand and get rid of such machines, if they weren't allowed in other communities they should not be allowed there; and he agreed with Council Member Brown if someone was caught one time they should be closed and not allowed to reopen. Council Members Lawrence and Lovell absent.

Council Member Garcia stated that they tried for years to go to the state and get the law changed, they had been on point doing what they could locally, but state law prohibited them doing what they wanted, this issue was strictly governed by state law and Ms. Hines had influence with state legislatures and the best use of her energy would be with those in the state to get the law changed; that Council Member Lawrence was trying to find rules to engage but by finding a way to stop them they also gave them an opportunity to be more legitimate and they did not want that and the Legislature needed to separate gumball machines from gambling machines. Council Members Lawrence and Lovell absent.

Council Member Edwards stated that she would invite her also to the Rules and Regulations committee as they worked on the ordinance; and she had seen this going on in Westchase four years ago so it was not just underserved areas and she would like to know if there was a difference in the county as opposed to the city, but this was city wide, in every district. Council Members Lawrence, Holm and Lovell absent.

Council Member Brown stated that he thought they needed to get going with all deliberate speed on such problems which gave the city a bad reputation and he would work with whomever to help make it happen. Council Members Lawrence, Holm and Lovell absent.

Council Member Garcia, as a point of personal privilege, invited students from the Upper Bound Program of the University of Texas Pan American University who were visiting from many cities in Texas; and asked that they stand to be recognized. Council Members Lawrence, Holm and Lovell absent.

Council Member Johnson moved the rules be suspended for the purpose of hearing Ms. Pauline Cheatham after Ms. Tanya Boyd, seconded by Council Member Khan. All voting aye. Nays none. Council Member Wiseman absent on city business. Council Member Berry absent on personal business. Council Members Lawrence, Holm and Lovell absent. MOTION 2007-0701 ADOPTED.

Ms. Tanya Boyd, 7833 Laura Koppe, Houston, Texas 77018 (281-540-7737) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Holm and Lovell absent.

Ms. Pauline Cheatham, 2307 Stevens, Houston, Texas 77036 (832-731-3438) appeared and stated that she wanted to know what the city was doing to enhance the lower west in fifth Ward; that on Sunday at 2010 1/2 Jensen they had a block party with much foul language, gambling and loud music that they had called for several years and revitalization was all around but not where they were. Council Members Lawrence, Holm and Lovell absent.

Mayor White stated to Ms. Vasquez to check if there was a particular permit pulled for that and there was a number of sites where construction had begun in the Fifth Ward and other lots were available to inventory, but he thought there were 100 long-term tax delinquent, but they were going to fix it a lot quicker than the time taken to get into such condition, but there was nothing magic to do it over night; that progress was made lot by lot and house by house, etc., and that was how they would pursue this; and Ms. Cheatham stated 2311 Stevens had prostitutes, etc., and Mayor White stated he would also ask Ms. Vasquez to put that as a priority and get him a report on the taxes and Mr. Tinnerman a report on the tax paying status and ownership and they would see what they could do. Council Members Lawrence, Holm and Lovell absent.

Council Member Johnson stated that problems were more prevalent there now and they did research on 2010 1/2 Jensen and they actually had a gaming permit, paid \$6.00 for an entire year and received a gaming permit and that was unacceptable; and past week received a noise permit for \$10.00; that Jensen Drive was always a main corridor and on its way back and they needed to come together as a community group and all put the pressure on them to close. Council Members Lawrence, Khan and Holm absent.

Mayor White stated to Mr. Cheatham that there were precedents for activities in proximity to places such as churches and there was traffic congestion to consider at various times. Council Members Lawrence, Khan and Holm absent.

Council Member Edwards stated that she would like permission to establish a group of people who work with young people to see if they could get a plan for a possible alternative, they need something to say yes to and would like to call on Ms. Cheatham to be a part of the discussion. Council Members Lawrence, Khan and Holm absent.

Ms. Sue Kinney, 17435 Imperial Valley, Houston, Texas 77060 (281-405-8394) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Khan and Holm absent.

Ms. Maria Jimenez, 7105 Sherman, Houston, Texas 77011 (713-514-0445) appeared and stated that during the past fall many were involved in supporting Houston janitors in the struggle to improve their jobs and the victory was one for all of Houston and showed evidence it was possible to have guaranteed wage increases, health insurance, paid holidays, etc., and yet today a local company, Professional Janitorial Services" emerged as an example of irresponsible corporate activity, they stood in contrast to the many companies who negotiated an agreement with the janitors union and it was being investigated for unfair labor practices and sued for not paying wages; that the manager of PGS stated the laborers were happy and yet a janitor who cleaned stated seriously they were not, but they were afraid to speak and today many were present to share their feelings before they went to work; and urged all as representatives of the political leadership of Houston to support them. Council Members Lawrence, Khan and Holm absent.

Council Member Alvarado thanked Ms. Jimenez for coming; and upon questions, Ms. Jimenez stated that complaints had been filed with the Labor Board and there was a lawsuit because of unpaid wages; that PJS had employees at many buildings in the area, besides the NLRB complaints could be taken to the Texas Commission for Human rights, but the best place was the NLRB; and Council Member Alvarado stated that she knew Mayor White was supportive of what they were doing last time and perhaps if there was a wage for them to engage again with PJS perhaps it was time to intervene again; and Mayor White stated that he would say he did intervene and his efforts were recognized by Mr. Stern and others at the first meeting and he always tried to say what he did and do what he said he would do in dealing with all parties and he had said he was concerned about hourly wages and the availability of health benefits to individuals and compliance with federal labor laws; that he spoke to a number of building owners and received various reports concerning pay scale and health benefits and things pending and decided by the NLRB. Council Members Lawrence, Khan and Holm absent.

Council Member Edwards stated that she received information from SEIU today and was looking through it, but the allegation women were being fired because they were pregnant; and upon questions, Ms. Jimenez stated that she did not know the particulars but through they could get her the information; that some with PJS were SEIU members; and Council Member Edwards stated that she would like for the two of them to sit and talk. Council Members Lawrence, Khan, Holm and Lovell absent.

Upon questions by Council Member Garcia, Ms. Jimenez stated that she did not know the term of pregnancy anyone was in when fired but could provide the information. Council Members Lawrence, Khan, Holm and Lovell absent.

Mr. Manuel Benitez, 9614 Triola, Houston, Texas 77036 (713-252-5539) appeared with an interpreter and stated that he was present supporting his coworkers who PJS fired; that he told the company he was going to a union meeting and then was called in and fired for not speaking English; that he worked for the company two years and why give him that reason now when his application was in Spanish. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. ((NO QUORUM PRESENT))

Upon questions by Council Member Garcia, Mr. Benitez stated that he earned \$7.25 with PJS; that he used to work for GPA, a union company and it changed to PJS. Council Members Lawrence, Holm, Alvarado and Lovell absent.

Ms. Rosalba Arias, 13455 Woodforest, Houston, Texas 77015 (832-892-0751) appeared and stated that she worked for PJS and last year she asked for more jobs, now she cleans 6 units and was paid for 4 hours; that they said for her not to speak to the union because she would lose her time and they were asking for benefits for all. Council Members Lawrence, Holm, Alvarado and Lovell absent..

Upon questions by Council Member Garcia, Ms. Arias stated that her friends were scared because they were already told they would be fired if they go to the union and she had seen some fired; that she worked for them a year this November, she had no insurance and put in 4-1/2 hours working Monday through Friday; and Council Member Garcia stated that he offered to be a janitor for a day free but was told it was too dangerous and would like her to describe her day; and Ms. Arias stated that she started cleaning, dusting, picking up trash and the kitchen and right now did four floors, she used to do six but was only paid for four; that she was paid \$6.00 and now was paid \$6.25 thanks to these people. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Nancy Garcia, 7103 Santoblo, Houston, Texas 77083 (281-983-5783) appeared with an interpreter and stated that she cleaned for PJS at the Village of West Lake, cleaning 4 floors in 4 hours, she dusted, took out trash, cleaned cafeterias and around 3 months ago a boss from PJS came and said what the union said was a lie, they were going to get a raise anyways, but up to today they still had no raise, but they did give them an extra floor to clean; that they worked very hard and wanted what other workers earned; and urged Council Members to ask the company to be fair and respect employees. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Upon questions by Council Member Garcia, Ms. Garcia stated that she had not seen coworkers pregnant fired or employees who joined the union fired. Council Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Lazra Almanza, 8610 rockhill, Houston, Texas 77061 (713-641-6270) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Anna Compos, 10350 Cuffrto Oaks, Houston, Texas 77013 (832-452-0099) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Marina Benitez, 5500 Camino Del Rey #602, Houston, Texas 77036 (713-668-6385) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. Joe McLaughlin, 4299 San Felipe, Houston, Texas 77027 (281-685-6215) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Mercedes Herrera, 5500 Camino Del Rey #607, Houston, Texas 77036 (713 666-0490) had reserved time to speak but was not present when her name was called. Council

Members Lawrence, Edwards, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Anna Lopez appeared and stated in Spanish that she would like to speak on Ms. Herrera's behalf; and Mayor White stated that by consent she would be allowed to speak on Ms. Herrera's behalf. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Anna Lopez spoke in Spanish stating that she worked for the Santos Company and worked at the building located at 1980 Post Oak, that she was a janitor and was proud of the changes the union had made for the janitors; that before their contract the janitors received holiday pay, vacations paid and now this had changed; that the janitorial companies, including PJS, were obliged to be responsible and fair with their workers; that PJS had 20 years in Texas and she was sure that like the majority of the janitorial companies in Houston they would earn the minimum wage per hour instead of the \$5.50 per hour; that companies like PJS had a lot of money because they paid their workers minimum wage and only let them work part-time and do not give them medical insurance, that PJS gave their janitors a raise that the union fought for, but the PJS janitors did not have the same benefits as the union janitors. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Mayor White stated that they understood her comments and thanked her for being present. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. Darrell Sinkule, 1900 W. Loop South #1910, Houston, Texas 77027 (713-621-2277) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Michelle Jenkins, 1900 W. Loop South #1910, Houston, Texas 77027 (713-621-2277) appeared and stated that she was present to speak on issues of the case they filed on behalf of some of the workers who were a part of SEIU; that one issue was potential pregnancy discrimination and the suit currently on file in the southern District of Texas was they were filing a motion for notice to potential class members and it would permit them to send notices to all similarly situated individuals wherever Professional Janitorial Services of Houston did business and as they saw it the suit had two issues, first, PJS did not appear to pay employees for their first 2 weeks of work, it was held as a deposit however it was never received at departure; and the second issue was PJS made employees work off the clock, they worked hours longer than scheduled and were not compensated; and that was briefly issues as presented in the lawsuit currently on file. Council Members Lawrence, Holm, Lovell and Green absent.

Upon questions by Council Member Garcia, Ms. Jenkins stated that at this point they did not know which term of pregnancy women were fired but there were situations from recent birth to any time in pregnancy; that she did not know how many working for PJS had insurance; and Council Member Garcia stated that he would be curious to know if it was the supervisor ranks who had insurance and the frontline workers did not; and would also like to know if checks were insufficient or delay in payments; and as said before he asked PJS to let him work as a janitor to know what they dealt with on a daily basis and would be grateful if she could help negotiate a shift for him; and Ms. Jenkins stated that she would certainly make his request known. Council Members Lawrence, Holm, Lovell and Green absent.

Upon questions by Council Member Edwards, Ms. Jenkins stated that yes, the case was filed already and currently it was scheduled for trial September 24, 2007, however, they believed it would be moved. Council Members Lawrence, Holm, Lovell and Green absent.

Mr. Claude, Griffin, 11152 Westheimer #342, Houston, Texas 77042 (281-531-5113) appeared and stated that he represented Got You Pest Control and he took care of many honey and killer bees in Houston; that Council Member Edwards helped him recently and he was present as he had many elderly and handicapped people needing help and abandoned houses full, sometimes he pulled out 80 pounds of honey from an abandoned house, he did it free for five years and sometimes people could not feel their legs because of all the stings; and he needed help in helping them. Council Members Lawrence, Khan, Holm, Lovell and Green absent. (NO QUORUM PRESENT)

Mayor White stated to Mr. Cheatham that first, he was familiar with about 18 points on dangerous buildings and he did not know why there could just not be a rule to allow demolition when rodents and social insects were there and second, he wanted his specific suggestions; third, the bad news was there was a number of dilapidated properties which were not tax delinquent, but what Louisville, Kentucky, did was they had a process for blighted property not being used and essentially abandoned and you paid triple the property taxes because you required much more service for the property and that was considered one of the better run cities. Council Members Lawrence, Johnson, Khan, Holm, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that just last week he E-mailed Mr. Turner and Mr. Williams in Health because there was no contract for the issue and specifically for elderly, fixed income and handicapped; that he understood there used to be a response; and Mayor White stated that he understood what Council Member Garcia said and also heard what Mr. Griffin said and what they needed to do was he would like Neighborhood Protection to get to know him, if he was who he said and did what he did, then he would like to find out where there was someone with decision making authority on demolition, so far there were certain priorities which Chief Lumpkin and his team knew better than he but among categories of dangerous buildings it would be Houston Hope first, severity second, and time and queue third and this should have a high priority status; and again to Mr. Cheatham he wanted to know why they could work in emergency circumstances in a fire but could not act where there was pestilence invading someone's house nearby and may pose a more severe danger than did a burnt shell and he would like him to pursue that with Chief Lumpkin and his staff and the City Attorney and then they may have certain categories where it was considered an emergency. Council Members Lawrence, Johnson, Holm, Garcia, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Edwards stated that she had an abandoned place next to her and called pest control and they said they did not service that zip code, she called three companies and all said they did not service 77051; that she went onto the internet and Houston was kind of in epidemic with killer bees and she wondered in those circumstances if they could move on the abandoned buildings and at least eradicate bees; that people came to her house and took down four nests on her roof eaves, but when there were areas pest control would not service then she did not know where the people stood and hopefully they would be able to work with Mr. Griffin; and Mayor White stated that he wanted a report from Neighborhood Protection. Council Members Lawrence, Johnson, Holm, Garcia, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Clutterbuck stated that she had a number of thoughts with one being she was a bee keeper and had much understanding of them and would urge they possibly partner with Harris County Agricultural Extension Office which had jurisdiction over the issue as well and working on abandoned houses was an issue but would caution providing this as a free city service, whether it was a dead dog or bees it was an unfortunates fact of nature and they should not necessarily look to government to solve all problems; and additionally to add insight bees

could be dangerous but to her knowledge there had only been two actual cases of Africanized Killer Bees in Harris County and it was important to distinguish between the Africanized Killer Bees and other hostile, aggressive bees; that they also may be able to partner with the Houston Bee Keepers Association, to service the Houston area; that Mr. Griffin provided a vital service and she thanked him for coming. Council Members Lawrence, Johnson, Holm, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Mayor White stated that any help was appreciated and this was very valuable; that he had now given Neighborhood Protection some direction, Ms. Vasquez direction and Legal direction in expediting as emergencies. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr/Coach R. J. (Bobby) Taylor, 3107 Sumpter, Houston, Texas 77026 had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. James D. Knight, 7100 Westview #801, Houston, Texas 77051 (713-623-1351) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. Ira McBride, 3255 Elgin, Houston, Texas 77044 (832-633-4697) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. Mike Espinosa, 9988 Windmill Lakes Blvd., Houston, Texas 77075 (832-277-3903) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Janeka Hector (E-mail address mpadilla@achornhousing.org) (713-863-9002) had reserved time to speak but was not present when her name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. Charlie Jones, 4307 South Acres, Houston, Texas 77047 (713-734-0772) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Mr. James Partsch-Galvan, 1611 Holman, Houston, Texas 77004 (713-528-2607) had reserved time to speak but was not present when his name was called. Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. (NO QUORUM PRESENT)

Ms. Marilyn Curry, 25842 Water Ridge Drive, Huffman, Houston, Texas 77336 (713-392-4246) appeared, presented information to Ms. Vasquez and stated that this was her third time to speak before Council and she understood Council was reconsidering the ordinance which increased the cost of cleaning sewage tanks on Lake Houston and for her and her husband the increase was from \$42.00 to \$415.00 monthly and they could not afford that amount and may have to sell their house. Mayor White, Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Council Member Edwards thanked Ms. Curry for coming and stated that she should stay tuned, her Council Member was working on the issue. Mayor White, Council Members Lawrence, Johnson, Holm, Alvarado, Brown, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Council Member Clutterbuck stated that this was being considered tomorrow, an adjustment to it and she appreciated her coming and highlighting it for Council as they had received different information from Public Works when they considered it; that often if the problem was not there they did not know of it and the public were their eyes and ears and they were eager to address her situation and she knew she spoke on behalf of all her colleagues when she said they were eager to get accurate information from each department because they relied on that information when they made a judgment and vote and they were working to resolve this. Mayor White, Council Members Lawrence, Johnson, Holm, Alvarado, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Ms. Edie Welmaker, 203 Hill, Huffman, Texas 77336 (972-983-2809) appeared and stated that her water bill on a 3,000 square feet home in Addison, Texas, which was annexed by Dallas was \$35.00 and that was with a swimming pool and watering her yard one hour daily; that on Lake Houston she knew they were amending the ordinance, but she was told the Mayor was to get a mailing list and all would be notified and no one was notified, she knew because her tank was pumped out. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Council Member Clutterbuck stated that it was after 5:00 p.m. and she appreciated Ms. Welmaker waiting to speak; that they were addressing her issue on tomorrow's Agenda and hopefully no one would tag it and it could be addressed before it went into effect. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Ms. Maria Barrios, 6021 Ranchester, Huoston, Texas 77036 (713-988-3760) had reserved time to speak but was not present when her name was called. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado, Lovell and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

President Joseph Charles, P. O. Box 524373, 77052-4373 (832-453-6376) appeared and stated that he was being attacked by criminals; and continued expressing his personal opinions until his time expired. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Mr. Wes Tipton, 4314 Fagan, Houston, Texas 77007 (281-932-8951) appeared and stated that he was again present regarding unnecessary utility poles on his street and pictures he presented for viewing showed low utility lines which looked dangerous; that he had no response and felt he was now being ignored by Council Member Garcia's office and he wanted to see a committee developed. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Council Member Brown stated that he had a committee, Litter On A Stick Committee, and he thought this should be an official Agenda item for the appropriate committee, each day more litter went up and the city was blemished; and Council Member Edwards stated that he only needed to request to the chair to have it discussed at the meeting and Mr. Tipton could work through Council Member Brown to have it addressed through the committee's structure; and no

one was in Center Point's pocket, there was a contractual agreement between them and the city as to what happened on city right-of-way; and asked Council Member Brown to be sure Mr. Tipton was notified of the meeting Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

Council Member Clutterbuck stated that this issue plagued all Council Members districts and Council Member Brown had already held a meeting to discuss the legal issues of it and what they could and could not regulate in terms of litter on a stick and she thought the Council now was eager to implement some kind of standards as to where poles could be placed and how many; and Mr. Tipton stated that they were willing to take money out of their pockets to fix their street but they still needed a city liaison to deal with this problem; and Council Member Clutterbuck stated that in the current law they had two options if they were willing to pay for it, they could pay for Center Point to move them behind their homes or pay for them to bury them, but they would require them to pay and the cost to bury was astronomical. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

At 5:15 p.m. City Council recessed until 9:00 a.m., Wednesday, June 27, 2007. Council Member Wiseman absent on city business. Council Member Berry absent on personal business. Mayor White, Council Members Lawrence, Johnson, Holm, Garcia, Alvarado and Green absent. Council Member Edwards presiding. (NO QUORUM PRESENT)

City Council Chamber, City Hall, Wednesday, June 27, 2007

A Regular Meeting of the Houston City Council was held at 9:00 a.m. Wednesday, June 27, 2007, Mayor Bill White presiding and with Council Members Toni Lawrence, Jarvis Johnson, Anne Clutterbuck, Ada Edwards, Addie Wiseman, M. J. Khan, P. E., Pam Holm, Adrian Garcia, Carol Alvarado, Peter Brown, Sue Lovell, Ronald C. Green and Michael Berry; Mr. Anthony Hall, Chief Administrative Office, Mayor's Office; Mr. Arturo Michel, City Attorney; Ms. Marty Stein, Agenda Director and Ms. Marta Crinejo, Assistant Agenda Director, present.

Note: After City Council consideration of Item No. 1A, Council Member Melissa Noriega was sworn into office and was present during the meeting.

At 8:29 a.m. the City Secretary read the descriptions or captions of items on the Agenda.

At 9:15 a.m. Mayor White called the meeting to order. Council Members Wiseman, Alvarado and Brown absent.

9:00 A.M.

1. MOTION to suspend the rules for the purpose of considering matters relating to the election of Council Member, At-Large Position 3 – was presented, moved by Council Member Khan, seconded by Council Member Lawrence. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Wiseman, Alvarado and Brown absent. MOTION 2007-0702 ADOPTED.
- 1a. ORDINANCE canvassing the returns of the City of Houston Runoff Election held on June 16, 2007, for the purpose of filling a vacancy in the Office of Council Member, At-Large Position 3 on the Houston City Council; making various findings and provisions related to the subject; declaring the official results of the Runoff Election; providing an effective date – was presented. All voting aye. Nays none. Council Member Berry absent on personal

business. Council Members Wiseman, Alvarado and Brown absent. ORDINANCE 2007-0733 ADOPTED.

Note: Ms. Noriega executed the Statement of Elected Officer, pursuant to Tex. Const. Art. XVI § 1(b) amended 2001.

1b. Swearing in of Council Member, At-Large Position 3.

At 9:19 a.m. Mayor White administered the Oath of Office to Council Members Melissa Noriega, At-Large Position 3 of the City of Houston City Council. Council Member Wiseman absent.

Council Member Green moved to suspend the rules to allow comments by Council Member Noriega, seconded by Council Member Garcia. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Wiseman absent. MOTION 2007-0703 ADOPTED.

Council Member Noriega stated that she wanted to tell them how excited she was to be at the Council table, that she was grateful to all the folks that were present, that there were a lot of family and friends in the audience, her husband State Representative Rick Noriega and her son Ricky and her parents, Dr. Charles Meisgeier and Connie Meisgeier and her mother-in-law Ms. Tommie Noriega were present, that she had two brothers present, Steve and Charles, that she wanted to thank the elected officials present, Senator Gallegos and Commissioner Garcia were present, that to all of those who were present she wanted to thank them, and she wanted to thank God for how he had blessed them and allowed them to be in the position to work for common ground for common good, that Houston was an amazing international City, a place that she thought they all should be proud of and it was an honor to be at Council to represent them. Council Member Wiseman absent.

Mayor White, Members of the City Council and the City Controller congratulated Council Member Noriega on being elected to the At Large Position 3 position. Council Member Wiseman absent.

HEARING

2. **PUBLIC HEARING** regarding the designation of a Tax Abatement Reinvestment Zone for **ACTION BOX COMPANY, INC (ACTION BOX COMPANY, INC REINVESTMENT ZONE) DISTRICT A – LAWRENCE** – was called.

The City Secretary stated that no one had reserved time to appear at the hearing and Mr. Tom Mesa would make remarks relative to the hearing. Council Members Wiseman and Alvarado absent.

Mayor White stated that Mr. Mesa had some written things and was not necessary that he go through his very detailed analysis for Members of Council.

Mayor White further stated that they passed some guidelines, which also had some principles, that they knew that if everybody got a tax abatement then nobody would get a tax abatement because they had to pay their bills, that they knew that Houston was an extremely attractive place for people seeking to do business and expand their businesses, that he would give them his judgment based on some thought and input from many people over an extended period of time before they adopted the tax abatement principles, or had debated the tax abatement principles that tax abatement should be rare, so that they do not give unfair

advantages to newcomers these would be existing firms that sought to continue their businesses or expand and they ought to be in defined criteria, that this would be the fourth tax abatement which had been considered within this administration, that they were not abating any of the taxes from the current base values, it was only taxes on improvements that would come in, that there were many people, the vast majority of people seeking some kind of tax relief of this nature that they had said no to and they had expanded or relocated any way, that the three exceptions, there was one when they had a basically cratering of the downtown office market with the collapse of Enron, they gave a very high priority after recruiting somebody to take that office, which they did early in the administration and it was a modest amount and did not include what they paid for the building, only the improvements in building out and occupying that building, that as a result of that all of the values of all of the properties around there went up, which far more than offset the amount of the abatement, that second, concerned relatively high risk retail sales, one involving the revival of the mall at Greenspoint that had been the principal mission of the TIRZ, if they read the plan at the time of it's original creation, and he had invited, and did so publicly, if there was a large ill maintained mall project near a residential neighborhoods and that may be a criteria they would use and would help revitalize residential areas around it and also create sales tax revenues that would more than offset a tax abatement, that the third would be some types of businesses which could easily locate either outside or inside the City limits and which would provide employment and would not be inconsistent with the neighborhood in which it was in, that this particular tax abatement was in that third category, that it was the type of business which typically had been suburban outside the City limits, it was in an area where it was categorized by industrial and warehouse type properties and would provide additional employment and much to the frustration perhaps of some, including the applicant, it was not a rubber stamp, they did do some fair amount of due diligence concerning the alternatives and the new types of investment which would occur and they were convinced it was more likely than not that the planned improvements would not go forward within this jurisdiction or that the business would continue to rely on input shipped in from outside this area instead of making the investments, which would attract employment, that having an integrated, corrugated box company here within the City limits was a benefit to the business community since to the extent there were more corrugated shipping containers that were available within the City limits at a more reasonable cost that benefited all businesses. Council Member Alvarado absent.

Mr. Mesa stated that this project was competitively sighted with the location in Brazoria County from the City of Pearland, so they had the opportunity to move, the total value of the abatable improvement was \$8.9 million, the duration of the abatement was 10 years at 50% of taxes abated per year, during that 10 year abatement period the total cumulative taxes paid with the abatement were \$396,840, during the abatement period the City of Houston average annual revenue increases by \$46,000, the average annual taxes abated were \$28,772, the cumulative total over the next 10 years of annual taxes abated were \$287,720, that after the abatement period the average annual revenue increases by \$75,000 over current revenue, that what the proposed project would create was 25 new permanent jobs and retain 104 jobs, that Action Box was an equal opportunity employer, they employed a diverse workforce and provided training improvement tracks for all employees, that the company provided excellent benefits consisting of vacation, medical, dental, holidays, life insurance, profit sharing plan, education assistance and safety awards, that also present during the hearing were Mr. Terry Malloy, President and CEO of the company, Mr. Tom Rodriguez, Vice President, CFO, Mr. Eric Malloy, Vice President and in charge of operations, as well as representatives of the Greater Houston Partnership, Economic Development Division, and Ms. Julia Gee, Senior Analyst, Finance & Administration, City of Houston.

Mayor White asked if it met the criteria of having County support and participation, and Mr. Mesa stated yes, that they had a letter of support from County Commissioner Jerry Eversole,

Precinct 4, they had support and partnership from Harris County and a letter of recommendation from the Greater Houston Partnership, and Mayor White stated that their anticipation based upon Mr. Mesa's dealings with the individuals responsible for economic development within Harris County was that Harris County would act following the action by the City Council, that historically they had acted with their incentive for new improvements, that the word abatement did not correctly describe because they were not abating the existing tax burden, what they were doing, in a very limited amount and defined amount, as Mr. Mesa had described it, giving an incentive offsetting the amount of new improvements which would come in but they would do so in their historic proportionate share proportionate to their ad valorem tax revenues compared to the City's ad valorem tax revenues. Council Members Johnson and Alvarado absent.

Upon questions by Council Members, Council Member Holm stated that she would like a very concise and simple statement as to why this particular company would rise above others and not open that much dreaded door for other companies, what made this particular company and abatement program special, and Council Member Edwards requested a list of the proposed positions that would be filled by the 25 slots, and Council Member Lovell stated that she wanted to know if the jobs were going to just be minimum wage or a livable wage jobs. Council Members Edwards and Alvarado absent.

Upon further questions, Mr. Mesa stated that Action Box had received a tax abatement in the past, that they had been around for 30 years and the first tax abatement they received was in July 1999, when there was an expansion of the business, and in late 2004 there was a modification of the tax abatement agreement, that the new abatement was in effect for the project, for the expansion of a new facility; that there were currently around 20 tax abatements and they were in the process of reviewing them to make sure they were complying with the goals of their abatements, that there were some issues and there would be some recapture that they were going through in regards to their analysis but it was a process they were going through. Council Members Holm and Alvarado absent.

After further discussion, Council Member Edwards requested that Mr. Mesa meet with her, that she wanted to explore the use of tax abatements as they were trying to revitalize communities, especially inner city communities and how that might be used as a tool to bring businesses to those communities. Council Members Holm and Alvarado absent.

Council Member Khan moved to close the public hearing, seconded by Council Member Green. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Clutterbuck, Holm and Alvarado absent. MOTION 2007-0704 ADOPTED.

Council Member Khan moved to suspend the rules to consider Item No. 3 out of order, seconded by Council Member Garcia. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Clutterbuck, Wiseman, Holm and Alvarado absent. MOTION 2007-0705 ADOPTED.

3. CONFIRMATION of the appointment of **MR. KASE L. LAWAL** to Position 3 on the **PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY**, for a two-year term – was presented, moved by Council Member Khan, seconded by Council Member Garcia. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Clutterbuck, Holm and Alvarado absent. MOTION 2007-0706 ADOPTED.

Mayor White and Members of the City Council congratulated Mr. Lawal on his appointment and thanked him for his service to the City and the Port of Houston. Council Members Clutterbuck, Holm and Alvarado absent.

Council Member Khan moved to suspend the rules to hear from Mr. Lawal, seconded by Council Member Garcia, and Mayor White stated that if there was no objection it was so ordered.

Mr. Lawal stated that he wanted to thank Mayor White and the City Council for their confidence in him for the reappointment to the Port Commission, Position 3, that he wanted to thank them for their support in the past and looked forward to working with them to together accomplishing the task and the objective that they set out for themselves at the Port of Houston Authority, that he also wanted to congratulate Council Member Noriega and looked forward to working with her; that he wanted to thank Council Members Edwards and Khan and the rest of the City Council and looked forward to serving for the next two years.

Mayor White stated that he would love to have a report back to the City Council and all others concerning if they had a clean air action plan by the Port.

MAYOR'S REPORT - New Garbage Collection Routes

Mayor White invited Mr. Buck Buchanan, Director, Solid Waste Department and Mr. Harry Hayes, Income Director, for the Mayor's Report.

Mr. Buchanan stated that they had distributed a package to the Council Members, it was the same as an information package that was distributed to their Council aides on a couple of occasions and most recently last Friday, that they had really taken a significant number of efforts to inform their customers who may be facing a schedule change, that the change was coming for garbage and yard waste collection, that the actions that they took were listed on the front page and some of those items had samples of the materials they had put out, that he heard from someone who said they had gone overkill on it, that they had gotten three letters, a phone call and people were putting signs outside their neighborhood, that they knew the schedule was changing; that they had been sending the message pretty loud and clear, starting with the Chronicle articles that alerted their customers that some of them may face schedule changes, meeting with super neighborhood, meeting with the Council offices, with civic clubs that represented areas who schedule would change, radio spots on 18 different radio stations advising folks to look at the mail, that they were able to send the communication by name to the property owners rather than just "resident", that most of their customers had gotten the message that their schedule was changing and hoped that all of them did, but knew however that some of them would not, that they were prepared during the month of July, they had programmed some additional overtime into their budget to get out and resolve issues that were caused by a customer not knowing that garbage was not Thursday, it was changed to Monday, so they would resolve their complaints, realistically once they resolved that complaint one time that customer would now know that it was Monday and not Thursday, so it would not, hopefully, be a continuing thing.

Council Member Holm stated that what disturbed her was that they sent out 194 letters to neighborhoods that said they were terminating a sponsorship agreement with them with no explanation, and she did not understand it and thought they should have done better, but more importantly what never was mentioned was that they had removed all option for garbage pickup, that there were 134 neighborhoods and of those 57 happened to be in District G and as they went through committee and as it went before Council she repeatedly asked questions, trying to make sure that key core public service would still be provided the option to citizens in District G because they had a lot that did private pickup, that one of the neighborhoods that had their contract terminated was called Shadow Lake Homeowners Association, that it was a community that part of the land was acquired from the toll road and they paid taxes, it was a new community and was individual single family homes, 866 homes, and they had chosen to have a

sponsorship agreement rather than use City service, in the new ordinance of all or none, now because 732 units were in the program and 281 did not qualify and because the 281 did not qualify they were not terminating the sponsorship agreement, and should they decide in the time when there was so much issue on public safety, should the neighborhood decide instead of spending \$150,000 on private garbage pickup they would like to spend it on private security they did not have that option because the City would not pick up trash in one of their main neighborhoods, that there was always unforeseen consequences, and she had some questions, that first she wanted to know if it just applied to townhouse communities, but it was clear it applied to everyone, that if for instance they had a neighborhood of 2,000 homes, if 5 of them did not qualify she assumed that meant should they decide to terminate their sponsorship agreements they would get no City service, and Mr. Buchanan said that theoretically she was correct, however he did not know of any such communities, and Council Member Holm stated that she would talk to Mr. Buchanan after the Council session; that she would like to request two things, one, they sent to the neighborhoods two sentences that said they were terminating their sponsorship agreement, it did not say they had any options, appeal or why, so in less than two weeks with no notice they had decided to terminate City pickup and their sponsorship, however the ordinance provided for a clause for an extension and her office would be contacting each one and asking them to proactively opt out and get an extension so that they at least have some provision, that she would urge the administration to work with their office to re-evaluate the ordinance to make sure that every tax paying unit in the City of Houston, who had a public street address, had an option to receive basic services, and she would also like to propose that somehow they grant an automatic extension until December 31, 2007 in order for their citizens to understand and adjust to this detrimental law that the Council had approved. Council Member Edwards absent.

Mayor White stated that he thought the concerns that Council Member Holm had concerning communication were ones that they had been examining very carefully. Council Member Edwards absent.

Council Member Clutterbuck stated that she thought they were all grabbing with what was a very difficult issue and certainly the importance of notifying their constituents of what they had done and the importance of having lots of updates, and asked Mr. Buchanan if he could provide them with a copy of the letter that was notifying the neighborhoods of the termination of the sponsorship agreements, and as she had said before and would say to every department in the City of Houston, they were their partners in this and could help them, they were their friends and would like to help notify the neighborhoods of it, and certainly in her particular neighborhood where they were still subject to the sponsorship agreement but they were at a point where they were renegotiating with their trash service provider, they had been, as she was told by the civic club, having a difficult time having any trash company to even respond to their bid requests, so if the two weeks was not enough time for the residences and neighborhoods who were no longer receiving their sponsorship agreements, and she understood why and she voted for it, and could explain that to her constituents, but they would like to help them in that, and perhaps giving them more than two weeks notice to be able to establish a contract with a private service provider might be a little bit easier on all of them. Council Members Johnson, Edwards, Alvarado and Green absent.

Mayor White asked if the neighborhood currently had a contract provider but the contract was set to expire, and Council Member Clutterbuck stated yes, and Mayor White stated that he thought it was a very reasonable type of request, where somebody had a contract provider and there was going to be a contract expiring, they were scrambling to find alternatives where it would be the type of case where it perfectly made common sense that they would try to reach some things, where as that case might be different than somebody who had a current contract provider with a longer term contract, so they would work through those and would urge people

to do it on a case by case basis, and he had heard something about having everybody in all circumstances ask for extensions and he would ask people to be fairly careful because they needed to come up with some principles that they used and he thought that would be a classic example of one where they would need an extension. Council Members Johnson, Edwards, Garcia, Alvarado and Green absent.

Council Member Wiseman stated that with respect to the Blue Ribbon Panel, and she certainly appreciated people taking their time to review something, work on it and try to come up with some proposals for the Council, that there was a recommendation there with respect to a waste collection fee for the residents of the City and a concern she had was something that she would like to have it looked into and that was if they were having to consider imposing fees on all of the residents for their waste collection because their costs had gone up she was sure that the cost of service was going up for the people who were in the sponsorship agreements and she did not see any recommendation, any suggestion that they increase the amount of the reimbursement, so when Mr. Buchanan had an opportunity she would like for him to go over that and get back with her and see if that was something that could be considered; that she understood there would be a 30 day grace period when residents would not be issued a fine for having their garbage out on the wrong day, and Mr. Buchanan stated that they had communicated with the Neighborhood Protection folks and provided information about all of the route changes, and frankly they expected to resolve any problems, for instance if somebody was collected on Monday and Tuesday and did not get the word, they used to have it on Friday or Thursday, on Wednesdays they would be out picking up that trash, and the same thing on Saturday's for Thursday and Friday collection, and they were prepared to do that for the full month of July, that once they did that the customer would now have the word, and Council Member Wiseman stated that one thing that was related back to her was that there was a meeting held on Thursday afternoon with representatives from each Council office, Solid Waste and the Mayor's office to discuss the issues, that it was her understanding that during that meeting the representatives were asked to take a vote on whether or not there should be a 30 day grace period or a 60 day grace period and they held a vote, that she was concerned about that, they certainly did not want anybody in the public thinking that they were circumventing public meetings, their requirements for open public meetings, and the illegal delegation of municipal authority as well, so in the future when these meetings were held she wanted to make sure that there was careful attention to the legal requirements, and Mr. Buchanan stated that it was clear. Council Members Edwards, Garcia, Alvarado and Green absent.

Council Member Khan stated that he wanted to thank Mr. Buchanan for doing a heck of a job informing the people, especially the people who were affected by it, and one major concern was that they knew that District F probably had the second highest number of homes which were affected by the change in the sponsorship program, and their concern was whether people knew, with all the efforts they made, were there still homeowners who had no information about it, that his office would be working on it, and he hoped they could coordinate with Mr. Buchanan and if a homeowners association from any area approached him to let their office know about it also so they could work with the department. Council Members Lawrence, Holm, Alvarado and Green absent.

Council Member Khan moved to suspend the rules to consider Item Numbers 12, 13, 14, 16, 17, 39, 58, 60, 65, 66, 66a, 70, 71, 74 and 75 out of order, seconded by Council Member Green. All voting aye. Nays none. Council Member Alvarado absent. MOTION 2007-0707 ADOPTED.

Council Member Edwards moved to suspend the rules to consider Item Numbers 11 and 6 out of order, seconded by Council Member Khan. All voting aye. Nays none. Council Member Alvarado absent. MOTION 2007-0708 ADOPTED.

Council Member Lawrence stated that they take things out of order because people were present in the Council Chamber for hearings and special reasons and hoped there was a special reason for taking 18 things out of order, and Mayor White stated that he understood and rarely were they done at the administration's request. Council Member Alvarado absent.

Council Member Brown moved to suspend the rules to consider Item No. 27 out of order, seconded by Council Member Khan. All voting aye. Nays none. Council Member Alvarado absent. MOTION 2007-0709 ADOPTED.

12. ORDINANCE approving and authorizing fourth amendment to a Meet and Confer Agreement between the City of Houston and the **HOUSTON MUNICIPAL EMPLOYEES PENSION SYSTEM ("HMEPS")** – was presented. Council Member Alvarado absent.

Council Member Holm moved to suspend the rules and ask Mr. Anthony Hall to give them an overview and talk to them about Item No. 12, seconded by Council Member Khan.

Mr. Hall stated that he would give the overview and would ask Mr. Mason to join him, that he was not part of the negotiation but was clearly an expert. Council Member Alvarado absent.

A vote was called on the motion to suspend the rules to hear from Mr. Hall and Mr. Mason relative to Item No. 12. All voting aye. Nays none. Council Member Alvarado absent. MOTION 2007-0710 ADOPTED.

Mr. Hall stated that to give a quick overview of where they were and how they got there he would start with this administration's adoption of the first Meet and Confer Agreement, obviously there was much history that preceded the adoption of the first Meet and Confer Agreement in 2004; that was recited in the document they had, the history; that as they remembered they were faced with just about a \$2 billion of what was called an unfunded liability and they engaged after an election in the first effort of coming to an agreement that essentially reworked the pension plan in terms of benefits and in terms of contribution that cut that about in half, the agreement that they made was for five years for benefits, but the pension system was unwilling to enter into a Contribution Agreement by the City for more than three years, so they had five years in 2004 on the benefits and three years on the contributions, that three years was what was up at the end of June this year; that the Mayor had indicated, as he did then, that his desire was to make the fund healthy enough so that people who were promised benefits under the plan actually receive them as they go forward; what they then did was to enter Meet and Confer negotiations in an effort to try and develop a longer term plan for taking down the billion dollars about \$960 million or so dollars in unfunded liability over time in a responsible, reasonable plan; that they asked Mr. Mason and their consultants to actuarially review all of the aspects of their plan and to make recommendations to the Mayor for what he thought would be the most responsible way and the most balanced way to approach it, the City did that, they developed a plan and the City presented it to the pension system, but for one significant aspect the agreement represented that plan development; that it involved first, no change at all for presently hired City employees and presently retired City employees, and those employees that would be hired between now and the end of the calendar year; that it provided a new plan for City employees who would be hired following the end of this year; that plan would obviously involve benefits that were different than the benefits of those persons who were presently retired and presently employed by the City; that new plan would offer barely unlimited choices in many ways in terms of the benefit levels that new employees could have because the new plan that would be offered after January 1, 2008 would not require any contribution from those City employees; that now, as they knew, City employees without option were required to contribute 5% of their pay toward retirement, that was elevated from 4% that was paid prior to the adoption

of the Meet and Confer Agreement; that the new plan also involved, as he suggested, rather unlimited options so that a new employee could opt to contribute, for instance, the 5% that current employees contribute, that Mr. Mason could give them great detail, but generally speaking when they became eligible for retirement, on some new retirement requirements, that more mirror what private sector employers were doing, in terms of age for retirement, that person could generally approximate about what their employees get with some significant exceptions, so that they had choice and it was important to the City because they had also agreed to a funding mechanism that now would match the benefit agreement they had, that he would explain that because that had been asked of him before; that structurally what they had and what the Council Members had before them, was a fourth amendment to the original Meet and Confer Agreement, and what it did was incorporate all of the other agreements they had, the other three, that it modified the other three to the extent that the words on the piece of paper that represented the fourth amendment, so it was the benefits and the other package for current employees, the new ones that were outlined here for new employees and it proposed that they would pay fixed amounts, that on behalf of the Mayor and the administration, the Mayor, as they knew, recommended a \$75 million amount in the budget that they just adopted last week, that represented roughly 15.8% of their payroll, that was the guidance that he gave them in negotiating with the pension system, that going forward from this year it was rather difficult to know with precision what 15.8% of payroll was because it involved a number of things, chief among them how many people on the payroll and what kind of compensation adjustment they had authorized in years going forward, so they converted that, roughly the 15.8%, roughly, into specific amounts of money and those were the numbers that were included in the contract that they had; that specifically in the next fiscal year, FY09, not this coming fiscal year, that he had indicated \$75 million, it would be \$78.5 million, in FY10, \$83.5 million and in FY11, \$88.5 million, roughly holding to that 15.8%; that Mr. Mason was an actuary and he could tell them that it was designed to comply with the Mayor's revision that their required contribution level actually decreases over time, so that both their contribution level decreases because their unfunded liability was also decreasing over time, that was the reason for that design; that there was one other thing that he ought to mention, because he had talked to several Council Members who had asked questions about it, and it was put a lot of ways, it was the statutory rate that these numbers got thrown around in the media, the actuary determined rate, in short, for a layman like he and the Council Members, it was that amount that was required to pay of all of it over a 30 year period, in effect, and if they did not have an agreement with the pension system, it could be argued that the statute says that they were to pay that calculated amount, that when they simply sit there and calculate the amount, that would be roughly \$33 million more than the \$75 million that the Mayor included in the budget, obviously not something that responsibly the City could do and still deliver the level of services that they had promised through the budget process; that he would stop now, except to say that it was, he thought, a very very fair and balanced proposal and it was a very responsible thing for City employees going forward, the big thing that it did was continue for new employees, after the start of this year, a defined benefit program, not a defined contribution program as existed in most private sector employment now, and it made very predictable the contributions that the City and its taxpayers had to make to it over the next four years, that his hope was that the fund would realize the kind of performance it had enjoyed this last year and that the benefit of the agreement would be even greater if it did that, but nobody could predict that it would happen. Council Member Alvarado absent.

Mayor White stated that he wanted to thank Mr. Hall and Mr. Mason and they had a number of Council Members speaking, it was a complicated topic and knew they had some Council Members who had joined the Council since they did the budget reforms and for those, and he knew one or two had questions, he wanted to do a summary, that in 2001 the City of Houston entered into a change in the Municipal Pension agreement, which in many ways was flawed, it was based on flawed assumption, that Mayor Brown, he thought in an editorial piece

at the time in the Chronicle after it came to light, highlighted the fact that he was told, and the document showed, that it was represented as entailing no increase in the percentage contribution by the City, that turned out to be off by a factor of three; that was put into State law, they do not write State law, that outcomes would be different if they could, that the State law was the State law requiring those contributions to be made based on a flawed plan; that the agreement had these three well summarized, and described in some detail with Mr. Hall, that number one, the City's and taxpayer's contribution was predictable and affordable over the time period that they were able to obtain, the amount under the statute that would apply in the absence of this agreement was neither predictable nor affordable, it would result in a layoff of City employees, something that none of them wanted to do, because it would compromise services, that number two, it made good commitments for benefits that had been earned by City employees, they were promised and earned and nobody wanted to re-trade what somebody was promised and that they earned so far, that number three, it made the system more secure in the long run and increases it's affordability to the public, it makes it more secure to the employees by bringing the unfunded liability down over time, with a plan for new employees that had these two characteristics, it was fair to the new employees, because it took into account their salary at the City and their Social Security benefits and the retirement age and principles for replacement income that were used commonly in the private sector, that the 2001 amendments did not take into account other income that may be earned by early retirements and Social Security benefits, that they would be blunt; that second, it was flexible, many employees could contribute more or less to tax deferred accounts and it allowed some of the City employees the same options and benefits, choices, that many people had, because every City employee may have a different circumstance, that if they joined the City, retired military, as many people did, they had one source of retirement income and they may choose to make a different level of contribution and that would be applicable to new employees, that this had been hard, long negotiations. Council Member Alvarado absent.

Council Member Holm stated that as a part of the Council when they entered into the last Meet and Confer Agreement, she thought because of her concerns of the outcome of it and her strong opinion, because usually she ended up the Chairman of the Council committee and as always the Mayor's appointments and the people he had working to do things, she always applauded, but she had to tell him that she thought Mr. Craig Mason may have been the best appointment the Mayor had made in terms of a knowledgeable man that could deal with various personalities and kept the objectivity and the goal, that he knew what his goal was and he never wavered from it and he was the one who really crafted the new plan, that it was really complicated but she thought it was really important that they say three things, first of all, the goal of the City of Houston was to provide a fair and equitable plan that their employees could rely on in their retirement years, that also was affordable to the citizens and the taxpayers of their City; that at this point and time the agreement and plan they were under did not have long term sustainability, so they had to address a new plan and they had to address their unfunded liability, that it would not be at the expense of current employees or current retirees, that nothing in their benefit package or plan would change at all, and asked if both Mr. Hall and Mr. Mason could confirm that, and Mr. Mason stated that was confirmed, and Council Member Holm stated that secondly, there was a new plan that was coming forward for incoming employees that was fair and equitable and had a part of it that, as the Mayor said, captured all of the Social Security plus the City's input and should they chose they could have no contribution at all, current employees had a 5% contribution, that they could have no contribution at all with an option to contribute if they wanted more, the most important thing to this fair and incoming plan and this good incoming plan was that long term it would get them out of the unfunded liability that they were in today, that over a period of time they ought to be able to sustain their program, that the third component was the only one that did concern her a little bit, that in 2005 when they went through it, they made an agreement with the pension system that the plan, that they would adopt the plan revisions for a period of five years, they would have a funding mechanism for a

period of three years, which provided a lot of inconsistency so they were back at the table now talking about a funding mechanism, the new plan only called for a funding mechanism for four years, which meant that while they knew what their commitments were there was still some insecurity as to their employees, what could happen to them in the future, that her questions were several, one, in the original Meet and Confer agreement it called for a plan addressing at the end of five years, in the new amendment had that specifically been adopted so that in two more years they would not have another Meet and Confer to discuss the plan. Council Members Alvarado and Noriega absent.

Mr. Hall stated yes, that he was attempting to address that issue, that what the new agreement proposes was that with the changes that were made with the amendment and incorporated into the previous three plans, that then both the benefit and the payment agreements would be for four years from now, and Council Member Holm stated that her concern was that it was an amendment rather than a substitution or replacement, did it specifically say that or was there some area that someone could come back in two years, and Mr. Hall stated that he did not think so, that specifically it said that it incorporated all of the other three previous agreements and had the specific term, and Council Member Holm stated that finally as they continued to go on and try to work with the Municipal Pension System it continued to be frustrating, that as they renegotiated with the firefighter and the police officers they had a stable plan that the funding did not have to be reviewed every four years and one of the things that she was asking Mr. Hall it seemed to her that it would have been so beneficial for their employee and for everyone had everyone come to the table and agreed on a sixty or ninety day extension of their current terms so they could have a final plan that they did not have to go back and review the funding in four years, that it was her impression that the pension system would not allow them to do that, that she thought that their employees, in fairness to them, needed to know that one of the bodies that continually said they were their advocate was actually the body that was inhibiting them from stabilizing the entire plan a little bit more. Council Member Alvarado absent.

Mayor White stated that in further of support and being very clear, if they were going to do it in a way that was responsible and secure and knowledgeable they would have, that he thought it was reasonable and these were principles that Mr. Hall and Mr. Mason had articulated and developed by Mr. Mason and just logical that if it was 20 or 30 years there would be a certain percentage of payroll that they would commit to the support, because everyone would agree that zero was to little, a 100% of payroll was to much because there was a tradeoff between current compensation and the number of people employed and their retirement, and everybody was used to working within a budget but that approach was not accepted by the board, but he did very strongly support this particular agreement and in the absence of this agreement things would be worse not better, and Council Member Holm stated that she thought as they went forward once again they were finding themselves on a tight wire having to do something today and all of them had seen it for the first time, that her recommendation was, and she had said it publicly and thought she had mentioned it to the Mayor, but would say it again, that starting today or in the near future, that Mr. Mason resign his position from the board and the Mayor make another appointment to the board, and engage Mr. Mason to be working so that four years from now they were not scrambling to do another short term fix, but even if they could figure it out in a year, they come back and really offer their employees that benefit and that program that would give them the confidence and encourages them to be able to bring in and have as part of the City family some long time, life long, employees, and Mayor White stated that it very well may be, and as they looked at it in four years, it very well may be that with the exception of having a predictable and affordable funding formula by the City, it would be unusual for them to find benefit plans all over the country, that they had something right here that did indeed, that the amendment could indeed eliminate the unfunded liability and given the

turnover of City employees it took them a big step in the right direction. Council Members Alvarado and Lovell absent.

Council Member Clutterbuck stated that she took wanted to add her thanks to Mayor White and to Mr. Hall and Mr. Mason for their hard work on it, that she knew it had been an extremely difficult and long drawn out process, often tried in the media, and that could only tend to complicate matters, but as Council Member Holm stated, she personally felt she was put in a difficult position, voting on these extremely weighty important matters with very little opportunity to look over the agreement, that she thought her first question had been answered, and her question was could they have another week to look at it and ask their questions, that it sounded like they did not have that time so she would try to ask the questions that she was concerned about, that she was wondering if the actuarial that was specified in the agreement, in Item 3, if they could tell her who that actuarial was, and if they were available to address some of their concerns, and Mr. Mason stated that he did not believe they were present, they were employed by the pension system and the name of the firm was Gabriel, Roeder and Smith, and they were based in Dallas, and Council Member Clutterbuck stated that she wondered if they had costed out the package and fully evaluated it and if there was a way for the Council Members to receive something in writing from them to tell them about the costing out, that the reason she was asking was because another governing body, the City of Milwaukee, went through a similar situation, that she could not say it was a similar situation, but it was a cautionary tale for those of them who were deliberating these extremely weighty matters, but the actuaries vetted their particular package, and there were seven items in the package, as she understood it, and they only looked at five of the items before giving their advice to the Council, the Council then voted on it and all of the Council Members who voted on it were now subject to a lawsuit because it had bankrupted the City of Milwaukee, basically, because the two items that the actuaries did not vet completely were the items that ended up bankrupting the pension and based on everything she had heard and based on his commitment and his involvement she would never imply that was something that was even remotely possible here, but the issues that they discuss were of such serious consequence and the ability to vet them and to have their questions answered were so important, that as Mayor White had stated, it was so important that they not create a flawed plan based on flawed assumptions, which had happened in the past. Council Members Alvarado and Lovell absent.

Mayor White stated that he would address those issues very specifically and then on specific actuarial things, that he would address the last issue and then ask Mr. Mason to comment; that they had Milwaukee and San Diego where the trustees themselves who were being sued for making over promising as well as, that a lot of cities call him because they were considered the model of how to do it; that in 2001 they were amending a plan, they were sort of amending an amendment in 2001 that was one of the amendments of the plan, the actuarial assumptions or the actuarial work was done only by, and the changes were proposed by, the Pension Board, they had done that analysis but in this case they initiated the proposal, the City had no actuaries working for the City at the time, that Mr. Mason was probably the most, if not one of the most, respected persons in the benefits community who had an actuarial background, in the region, working for their behalf, they had zero in that category, in 2001, now they had a ringer, they made the proposal, and had one of the leading benefit firms run the numbers for them, in 2004 and now, getting both actuaries to run all these numbers was one reason for the back and forth delay, and the nature of the changes, for which people in Milwaukee, San Diego and there would be a list of other cities, were questioned by the citizens, taxpayers and employees was the fact that people did things which widened the gap between the assets and the liabilities, and the typical pattern was that they increased the benefits and said that it would require no additional contribution, that was the pattern that was in all of those cases, free lunch, sometimes that may, unless their stock portfolio had tripled, maybe there could be situations in which that happened, it was not impossible, but in this case there was a

statutory rate that would bankrupt the City or result in the layoffs of a massive number of City employees and they were avoiding that; forget any new police classes if they took it all out of that department, they would have to talk about how to cancel those and layoff police officers, and they were reducing the liabilities associated with a new plan, which would be adopted on January 1, 2008, and they had looked at the patterns of employment and turnover in the City employees over a range and every year that new plan, while it was in effect, just like within the police system, would reduce the liabilities of the system, so what he was saying to them was first, they were not simply relying on some third party actuary hired by someone else, they had both their own independent, pension executive with actuarial experience and outside consultants look at the assumptions, and the nature of their changes was to reduce the liabilities, not increase the liabilities, which was typical of the actions taken by others, that he wished that the Pension Board had agreed to these proposals three weeks ago but sometimes in negotiations there may be some brinkmanship perhaps on both side, who knew. Council Member Alvarado absent.

Council Member Edwards stated that she would like to say on behalf of the number of employees who had called to voice their concern after reading the headlines of all of the things that were going to happen to their pension and then finding out that it was not true, their gratefulness, and one of the things that she had more than one employee relate to her was that City Council should realize that a majority of their employees this was their full time job and their only source, and for those who had been working at the City for twenty plus years it was their life and it was not a part time job for them or something they did in their spare time and they would really like to feel that it was being taken in the sense of that importance to them, they understood that the problems the Council had and the concerns, but there seemed to be a perception that it was more of an intellectual exercise for them and not really feeling what it meant to them, so she wanted to relay that, that she told them that she would let the Council know that they were very concerned that the Council was not really feeling them as people, that she wanted to let Mayor White know the number of people who had called and said thank you, that she thought they were on the road to correction and righting the problem and was confident in the Council that they would not have the kind of fallouts they had from pension issues before , and wanted to thank Mr. Hall and Mr. Mason for their leadership. Council Members Alvarado and Lovell absent.

Council Member Garcia stated that it was his understanding from just following some of the discussions and the progress of Mr. Mason's work and others, that they had some light at the end of the tunnel for roughly four years, was that accurate, and Mr. Mason stated yes, that he thought it was going to be longer than that, but the Pension System agreed to four years, and Council Member Garcia asked what did the challenges look like at minimum four years but maybe longer, and what decisions would need to be made at that time. Council Members Alvarado and Lovell absent.

Mr. Mason stated that to backup what the Mayor was saying he wanted to describe the actuarial process that was followed in determining the plan, the City, as the Mayor indicated, hired Mercer, a Human Resource Consulting, and the first step in their process, and this was in response to Council Member Clutterbuck's question, was to actually validate the Gabriel, Roeder and Smith calculations that had been done as if nothing would change and the both actuarial firms agreed that if nothing changes the long term contribution, from an actuarial standpoint to the fund, would have required the City to pay in the lower 20% of payroll range, that was if nothing happened and both actuarial firms agreed to that, so with the proposal for the new plan of benefits for new hires, both actuarial firms ran projections on that and with some minor professional differences basically agreed that long term the immediate contribution could have been reduced to around 19% to 20% with a decreasing pattern over the next 15 to 20 years of around 14% so a decreasing contribution pattern, but the City though, as the Mayor

had indicated, the 19% or 20% would put the City in financial stress so the City would prefer a more level pattern of contributions, that was around 15.8% or 16% of pay and he believed the reluctance of the Pension System to agree to more than four years commitment was the fact that all of the projections from both actuarial firms were in fact projections based on estimates and he believed they just wanted to not commit to agree to say a level 15.8% or 16% of pay forever, that the issue was that in four years what they expected was that with the influx of new employees by that time, the funding of liabilities would have decreased hopefully down or pretty close to the level that this agreement commits to, which was around a little over 16% at this point, but 16% to 17% of pay. Council Members Johnson, Alvarado, Brown, Lovell and Green absent.

Council Member Garcia stated that in talking to different folks in the financial industry, that he had gone to to try to get a perspective on the issue and what needed to happen and various issues involved and also understanding some of the intricacies of the issue and the long battle they had in trying to make sure that they could be responsible for their retirees, making sure they did not get retirement checks that were bouncing, that he thought that had been chief in the Mayor's perspective and he just wanted to say that there were folks that were saying to him that Mr. Mason and Mayor White were the people who had saved the pension, so he wanted the employees to understand the significance of that. Council Members Johnson, Alvarado, Brown, Lovell and Green absent.

Council Member Khan stated that he thought it was a very important item that needed to be thoroughly discussed and debated; that he applauded the Mayor's leadership, he had looked it with a long term perspective, which was quite rare in the environment of term limitation and the environment of daily headlines; that he appreciated the services that Mr. Mason provided and Mr. Hall they kind of took for granted, that the amazing things he did they ended up taking as normal; that somebody had to go in there and have the board agree to the agreement which all the City employees were clued to the television waiting to see what the Council would do today and the City employees, like Council Member Edwards stated, it was the most important benefit they had, that many of them were scarred about what was going to happen, that many of them felt their productive years were behind them and they were coming close to retirement and in many cases were already retired, and what decision the Council would make that may affect them adversely, so it was very important, and the most important aspect of it was that there was no change as far as the current employees and current retirees were concerned, that it was very important and good news for workforce and retirees; that he had a question on Item 3, Page 2, Actuarial Services, that it said only HMPES, which was the Pension Board, would be solely responsible for actuarial firms authorized to perform services for the purpose of actual evaluations, funding and benefit matters, did that mean that the services that Mr. Mason provided would no longer be acceptable to them or a part of the system, how would it affect the agreement they were reaching if they were solely responsible for that. Council Members Johnson, Alvarado, Brown and Lovell absent.

Mr. Hall stated that the best way to respond to that was that the Board had the responsibility, the Pension Board itself, to include Mr. Mason, of performing and providing actuarial analysis and evaluation, that the City hires consultants and as the Mayor indicated they had probably one of the best, but independent of Mr. Mason, they hired one of the leading consultant firms to check it, that the actuarial business was sort of the notion of real estate appraisal, they hire two and they were not exactly alike because they make slightly different assumptions, that as he indicated those were reconciled, they urged them to talk and they talked to each other and talked about what the differences were and they came to agreement on the reasonableness of each result, that was what they would continue, but frankly the Pension Board had an obligation to perform an actuarial analysis as a Board, they now had the good sense to hire their own to make sure that what they say was reasonable, and Council Member

Khan asked when they got an actuarial analysis done it was basically to give themselves a logical basis to negotiate, and Mr. Hall stated that to give themselves confidence that what the Board's actuarial analysis was correct and reasonable, and Council Member Khan stated that he had mentioned that it was now a defined benefit plan versus a defined contribution plan, and Mr. Hall stated that it had always been a defined benefit and would suggest to them that it was still a defined benefit even for the new employees after January, they would have a non contributory defined benefit plan, meaning they would not have to contribute any of their salary to it and they would get a set of benefits that they would know what they were, and Council Member Khan stated that he had certain reservations about defined benefit plans, but that was a separate discussion. Council Members Johnson, Alvarado, Brown and Lovell absent.

Mayor White stated that there were many people who really asked them to look at these issues of could employees be given an option of an employee contribution based plan, and he got various answers from different sources, including Legal and the Pension Board, but Mr. Mason, and his knowledge of pension law and the rules that specifically would or would not govern this plan, the Federal Laws, pointed out that they could have something which was, for want of a better word, a fair compromise by allowing a larger or greater amount of benefits depending on the amount that the employee elected to contribute, and that was going to be a good thing, and why did it not occur to somebody else, that the goal was to respect and empower their employees and not think they knew more of their lives than they did, why had they not been doing it all along, where they could pay more and get more benefits or pay less and get less benefits, with the earnings accumulated on the tax deferred basis, the contribution would not always be tax deductible or tax exempt but at least the benefits would, so it was really something good for employees and for those who had asked the question about how could they move a little bit more of employee choice contribution plans, individual contribution plans, that it was a non contributory defined benefit plan but had one feature of letting employees have more choice and say so in what the level of benefits were depending on their contributions. Council Member Alvarado absent.

Council Member Green stated that he wanted to tip his hat to Council Member Holm for putting her arms around it, it had been a major issue for the last couple of years, but also Mr. Mason and especially Mr. Hall, who he knew, along the way during the negotiations, the shrewd negotiator that he was, that he knew where he started and they were still able to end with a good plan, so he did thank him for looking out for not only the City's best interest and that included not only the administrative area of the City but the employees, that he had gotten some calls from some City workers who were thankful for what had been going, they had also been thankful for the entire dialog, that he had gotten more calls that said that they would now keep up with what was going on with their pension plan and really understand their benefits, because before all they thought was that they worked and when they retired in 20 years they would get 95% of their salary, so he thought that was a clear mandate to the Pension Board to help to better educate the employees because he did not know if they were the under the impression that they really did not want to be educated about what was going on but they really did, so his hat went off to Mr. Hall and the rest of the crew. Council Member Alvarado absent.

Council Member Garcia stated that he was confirming with Council Member Holm and asked if they proposed any legislation or legislative changes in the past session, and for particular reasons they could not, but with this agreement in place what opportunity did that pose, in the next session, to propose the kind of legislation that would strengthen this body's position to effectively manage their fund to their employees benefit and best interest, and Mayor White stated that he thought it was something that should be on their continuing agenda, that at each stage he would tell them, without going into detail, they had handicapped the various hurdles that would need to be overcome, that as they knew the legislative process was designed to make it easier for things to fail than to succeed and there was a whole chapter and verse on

it, and moreover the legislature did give them an opportunity to meet and confer on some of the issues, and finally there were people for good reason there were employers out there who from time to time, for want of better words, raided pension funds or deliberately under funded something, not because it was unaffordable to begin with, but because they just wanted to claim they were conservatives by not raising taxes while not meeting their obligations as they came due, so there had been raid on pension funds before and the story was hard to explain but they all ought to see what they could do that would give local taxpayers and employees more responsibility for local government as opposed to residing at other levels of their governing process. Council Member Alvarado absent.

A vote was called on Item No. 12. Council Member Clutterbuck voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0734 ADOPTED.

13. ORDINANCE approving and authorizing contract between the City and the **HOUSTON ARTS ALLIANCE (formerly known as the CULTURAL ARTS COUNCIL OF HOUSTON/HARRIS COUNTY)** for the support of the Arts Community - \$10,036,000.00 - Enterprise Fund - was presented, and tagged by Council Members Wiseman and Khan. Council Member Alvarado absent.
14. ORDINANCE approving and authorizing contract between the City and the **GREATER HOUSTON CONVENTION AND VISITORS BUREAU** for the Promotion of tourism and the solicitation of convention business - \$12,810,000.00 - Enterprise Fund - was presented, and tagged by Council Member Wiseman. Council Member Alvarado absent.
16. ORDINANCE relating to the fiscal affairs of the **MIDTOWN REDEVELOPMENT AUTHORITY** on behalf of **REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS (MIDTOWN ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority and the Fiscal Year 2008-2013 Capital Improvement Budget for the Zone - **DISTRICTS D - EDWARDS and I - ALVARADO** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Edwards and Alvarado absent. ORDINANCE 2007-0735 ADOPTED.
17. ORDINANCE relating to the fiscal affairs of the **MAIN STREET/MARKET SQUARE REDEVELOPMENT AUTHORITY** on behalf of **REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS (MAIN STREET/MARKET SQUARE ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority - **DISTRICT I - ALVARADO** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Mayor White and Council Member Alvarado absent. Council Member Edwards presiding. ORDINANCE 2007-0736 ADOPTED.
39. ORDINANCE appropriating \$150,000.00 out of General Improvements Consolidated Construction Fund and approving and authorizing Professional Engineering Services Contract for services between the City of Houston and **CLAUNCH & MILLER, INC** for Pierce Elevated and Parking Lot C Rehabilitation, WBS D-000127-0001-3 and B-000117-0001-3 - \$30,000.00 - Enterprise Fund - **DISTRICTS H - GARCIA and I - ALVARADO** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Mayor White and Council Member Alvarado absent. Council Member Edwards presiding. ORDINANCE 2007-0737 ADOPTED.
58. ORDINANCE appropriating \$6,140,959.95 out of Street & Bridge Consolidated Construction Fund, \$2,683,075.00 out of Water & Sewer System Consolidated Construction Fund, awarding contract to **TOTAL CONTRACTING LIMITED** for York Street

Reconstruction from Polk Street to Navigation, WBS N-000698-0001-4; S-000500-0058-4 and R-000500-0058-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering, testing, project management, and contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund and the Water & Sewer System Consolidated Construction Fund - **DISTRICTS H - GARCIA and I – ALVARADO** – was presented, and tagged by Council Members Garcia and Clutterbuck. Council Member Alvarado absent

Council Member Clutterbuck stated that this was the kind of contractor that they would not want visiting their work on any of the City of Houston neighborhoods and she would continue her effort to urge the Public Works Department to consider whether or not they were indeed qualified bidders on any of these items, there was an article in their local newspaper a few weeks ago about this contractor and about the work they were doing in District C, and this portion of the City of Houston abutted directly to West University and they were starting their work next to that municipality and the homeowners in West University were experiencing severe settling and foundation problems on their property because of, in her opinion, the incompetent excavation and lack of the particular contractor to be able to do the job in a safe way, safe meaning protecting the adjacent homeowners and property owners, so she would like to add her tag to the item, that she would continue to advocate against Total Contracting Limited as long as she sat on Council. Mayor White and Council Member Alvarado absent. Council Member Edwards presiding.

Council Member Lawrence stated that she would like to get an evaluation from Public Works on their rating when they went out and rated this contractor, that she had been a proponent of rating all contractors and sub contractors, that she wanted to see why they qualified for it and look at their rating. Mayor White and Council Member Alvarado absent. Council Member Edwards presiding.

Council Member Brown stated that he would support Council Member Clutterbuck and as someone who had been involved for sometime in the construction industry, the City really needed to set some better standards for who did work for the City and encourage better contractors to bid City work. Mayor White and Council Member Alvarado absent. Council Member Edwards presiding.

Council Members Lovell and Lawrence stated that they would like to add their tags to the item. Mayor White and Council Member Alvarado absent.

60. ORDINANCE appropriating \$7,114,505.00 out of Metro Project Commercial Paper Series E Fund and \$935,095.00 from the Water & Sewer System Consolidated Construction Fund, awarding contract to **JFT CONSTRUCTION, INC** for Market Street Reconstruction from N. Wayside to Lockwood Drive, WBS N-000773-0001-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering, testing, project management, construction management and contingencies relating to construction of facilities financed by the Metro Project Commercial Paper Series E Fund and Water & Sewer System Consolidated Construction Fund - **DISTRICTS H - GARCIA and I – ALVARADO** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0738 ADOPTED.

65. **ORDINANCE AMENDING CHAPTER 28 OF THE CODE OF ORDINANCES, HOUSTON, TEXAS**, relating to the parking of vehicles on certain residential properties; containing other provisions relating to the foregoing subject; providing a penalty; providing for severability; providing an effective date – **(This was Item 79 on Agenda of June 13, 2007, POSTPONED BY MOTION #2007-589)** - was presented. Council Member Alvarado absent.

Council Member Lawrence moved to refer Item No. 65 back to the administration, and stated that Public Works was looking at it and concerned with flooding issues and driveway sizes, and they were going to get a policy and a plan out of Public Works and then they would add it to the amendment, seconded by Council Member Garcia. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0711 ADOPTED.

After further discussion, Council Member Edwards stated that she hoped they would have some committee meetings that would urge the communities to talk about what they would like to see. Council Member Alvarado absent.

66. WRITTEN Motion by Council Member Holm to amend Item 66A below:

E - 000094 Kendall Neighborhood Library - Replacement
609 N. Eldridge Parkway

Source of funding of \$ 1.3 Million in Private Funds is amended to be fully funded through the Public Library Consolidated Construction Funds – **(TAGGED BY COUNCIL MEMBERS GARCIA and WISEMAN)** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0712 ADOPTED.

- 66a. MOTION by Council Member Khan/Seconded by Council Member Alvarado to adopt recommendation from Director Building Services Department to approve proposed Fiscal Year 2008-2013 Capital Improvement Plan and establish a charge of \$75.00 (\$20.00 per CD) plus tax and postage for the adopted CIP documents – **(This was Item 6 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GARCIA and WISEMAN)** – was presented.

Council Member Garcia presented a written motion to amend Item No. 66a as follows, and stated that it would have no financial impact on the item:

“Replace in CIP, NO717 Sampson Street with Fulton Street, from Hogan to Quitman”. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0714 ADOPTED.

Council Member Wiseman presented a written motion to amend Item No. 66a as follows;

“Amend the Fiscal Year 2008-2013 Capital Improvement Plan to reflect change in CIP Item N-0807 to read \$3,200,000 for design and construction of North Park Drive in FY08. Number 10 Lake Houston TIRZ to be the source of the funding.” – All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Garcia and Alvarado absent. MOTION 2007-0715 ADOPTED.

Mayor White stated that the administration supported the amendment, and would like to give a brief statement of why because there were several different interests or stakeholders to give a context for it, that first, that it was going to be the policy of the administration from now

on, with the help of Mr. Fiederlien and Mr. Mesa to do something that was not done in the past and always should have been done, which was to try to get the TIRZ budgets done before the CIP and incorporate everything in the CIP that was in the TIRZ plan, so when they looked at the CIP, just like they had grant funding or they had private funding, they had all the TIRZ funding, and they were juggling some of this because they were not there yet, so they had not quite approved the TIRZ budget, Capital Improvement Plan yet, but they were approving the CIP and they wanted it to all be on one form and that was one reason, now that they could see the TIRZ plans that were in the same kind of format that they used for the budgets, with the project number, the source of funding, identical, that the second point was that this particular TIRZ was an unusual TIRZ, it was a MUD that came in at the time of the annexation of the area and was converted to a TIRZ so it had it's own history and unique processes dating back to the annexation of the Kingwood area, and they were going to work very hard, he and Council Member Wiseman, Mr. Icken, Mr. Fiederlien and Mr. Mesa, that there were monies within the TIRZ that were not needed to accomplish the purpose of the TIRZ, which ought to be spent on a capital improvement that would benefit everybody in that community and they were impatient about how long it had taken, it was very complex, a set of agreements that would have to go through developers and TIRZ board, he was not minimizing that, but he thought they had the team in place now to do it, that third, that he wanted to do what they say they were going to do, and to actually start the project in FY08 would be very difficult but the amendment, as he understood it, kept the pressure on, that the TIRZ and one of the developers in particular needed to agree to an amendment to the TIRZ plan to accomplish this purpose, they needed to engineer something and needed to do their fees for construction and he wanted it to be done as soon as it possibly could but did not want somebody coming back to Council Member Wiseman when she was on Council or retired, or himself, and saying that they promised more than they could deliver and it was going to be a stretch to do stuff in 2008 given the status of the fact that they had to do it, that he understood what Council Member Wiseman was trying to accomplish and for those three reasons they supported the item. Council Members Garcia and Alvarado absent.

Council Member Wiseman stated that the TIRZ, the street reconstruction portion of the TIRZ project plan, since it's creation had been tangling the \$5 million for road construction, and that was supposed to provide two roads, they were talking about just a small portion of a road and turn it into a four lane road, originally they were supposed to fund that work on Kingwood Drive, that was done out of the CIP funds, out of the bond issuance, and that was because they were able to juggle some things around, they had a TIRZ that had not entered into one single street construction project, as it showed they had dedicated \$5 million to so she appreciated the Mayor moving forward with it, the amendment had been put forth last CIP and because of some issues with the TIRZ it had dragged on, and Mayor White stated that they would work together to get it done as soon as they could, an amendment to the TIRZ plan. Council Members Garcia and Alvarado absent.

Council Member Lawrence stated that she hoped the various Council Members would attend their hearings, that over the last year they had a little bit of push back from the previous years hearing, they had a hearing with 8 TIRZ the other day and thought they understood the process better now, they really appreciated the work that Mr. Mesa and Mr. Fiederlein, Planning, Public Works and Building Services were doing for them, it had been a hard change and a long process and she thought they would be proud of the work their TIRZ was doing for the City, that they planned on doing a PowerPoint presentation in the future so that everybody could see what an area looked like now and thought the TIRZ would play a very big role in some of the areas that needed to be redeveloped in Houston. Council Members Garcia and Alvarado absent.

A vote was called on Council Member Wiseman's motion to amend Item No. 66a. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Garcia and Alvarado absent. MOTION 2007-0714 ADOPTED.

Council Member Holm stated that she continued to be concerned that the percentage of dollars used for public infrastructure in an aging and failing system was diminishing compared to the growth of the services they needed to be providing and the infrastructure they needed to be providing, and that she was not finding that the City of Houston had any substantial maintenance and reconstruction plans, so she continued to be concerned that in the 2008 budget the allocation was \$767,286,000 of which District G gets only 4% and it went to \$645,000,000 in 2009 but then in 2010 it starts dropping again to \$568,000,000, that she could not say enough that public safety was by far their largest and highest priority but she thought what they found in the budget process and no matter how they all framed it what it came back to was that they could not just keep throwing money at public safety, they had to have accountability of those programs and for her the infrastructure was public safety and somehow they had to bring that priority of infrastructure in line and make sure that they had the capacity for their storm water and street reconstruction to be able to sustain the core services that they were bound to provide. Council Member Alvarado absent.

A vote was called on Item No. 66a as amended. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0715 ADOPTED AS AMENDED.

Council Member Edwards stated that she wanted to add her tag to Item No. 58 and Mayor White stated that the record would reflect that Council Member Edwards had intended to tag Item no. 58. Council Members Wiseman and Alvarado absent.

Council Member Johnson stated that he had wanted to tag Item No. 13, and Mayor White stated that the record would reflect that his intent was to tag Item No. 13. Council Member Alvarado absent.

Council Member Green moved to extend the City Council meeting to 12:30 p.m., seconded by Council Member Khan. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0716 ADOPTED.

70. **INTEGRATED COMMERCIALIZATION SOLUTIONS (ICS) dba DURAMED PHARMACEUTICALS, INC** for Copper-bearing Intrauterine Contraceptive Devices for Health & Human Services Department - \$50,198.40 - General Fund – **(This was Item 17 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS CLUTTERBUCK and KHAN)** - was presented, moved by Council Member Khan, seconded by Council Member Garcia. Council Member Wiseman voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0717 ADOPTED.

71. **ORDINANCE AMENDING SECTION 9-57(g) OF THE CODE OF ORDINANCES, HOUSTON, TEXAS** relating to Ground Transportation at the City's Airports - **DISTRICTS B - JOHNSON; E - WISEMAN and I – ALVARADO – (This was Item 21 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS WISEMAN and CLUTTERBUCK)** – was presented. Council Member Holm voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0739 ADOPTED.

74. ORDINANCE approving and authorizing first amendment to contracts between the City and **DR. PEPPER BOTTLING COMPANY OF TEXAS (#C56086)** and **FRESH BREW GROUP, USA (#C56087)** for Soft Drink and/or Vending Marketing Partnerships – Revenue – (This was Item 30 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GREEN, CLUTTERBUCK, ALVARADO, LAWRENCE, KHAN, HOLM, LOVELL, HOLM and GARCIA) – was presented. Council Member Alvarado absent.

After discussion, Council Member Holm asked how much revenue were they talking about and what was the balance in what they were doing to themselves. Council Member Alvarado absent.

Mayor White stated that one objective was that they wanted to make more money and they did an RFP process, that he did not know what all the issues were but the basic objective was to reduce the burden on their property taxes in the City of Houston, that was the goal and to have it marketed and to also have an RFP process and deal with a flaw in a cost escalation. Council Member Alvarado absent.

Council Member Edwards stated that they should offer their coworkers something healthy from the vending machines, that maybe the Wellness Committee could look at it in the machine; that there was another problem and she was voting no on the item, that it was strictly personal, that as a Black woman she had a problem supporting a person that in his professional life, she thought, he had been very degrading to women, in particular African American women, so she would be voting no. Council Member Alvarado absent.

Council Member Khan stated that a memo from Ms. Tina Paez stated that Dr. Pepper donated 1,000 cases of free product each year, valued at \$12,600, and were used by City departments, as well as Council Member offices, that they did not use the product themselves, they were used, at least on one occasion, for the C3 Cleanup, where they ask volunteers to come and clean up the streets, that he just wanted to make it clear that the donated product was not consumed by Council Members.

Mayor White stated that each person around the Council table had a statement about how they cast their votes and for the reasons, and they were entitled to that, they were independently elected representatives, that he personally did not endorse the health qualities of anything in vending machines; and second, that at least he had not investigated the ownership of a lot of things and knew there were a lot of products that he bought or that his kids probably bought from a manufacturer in the People's Republic of China and there were certain practices of that government that he did not agree with and there were other things and in casting his vote he was not indicating the support for any particular person, nor had he investigated the ownership of each of them, that he was not saying that to argue with anybody because everybody was free to chose their conscience and make a statement. Council Member Alvarado absent.

Council Member Lovell requested a clarification of who was the owner of the vitamin water and moved to postpone Item No. 74 until the end of the agenda, seconded by Council Member Lawrence. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0718 ADOPTED.

75. ORDINANCE approving and authorizing Professional Engineering Services Contract between the City of Houston and **FRESE AND NICHOLS, INC** for Energy Cost Reduction Study at various Wastewater Treatment Plants; providing a maximum contract amount - \$252,000.00 - Enterprise Fund – (This was Item 35 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GARCIA) – was presented. All voting aye.

Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0740 ADOPTED.

11. ORDINANCE **AMENDING SECTION 47-139 OF THE CODE OF ORDINANCES, HOUSTON, TEXAS**, relating to charges for the collection of refuse from sewage holding tanks and septic tanks in the Lake Houston vicinity - **DISTRICT E – WISEMAN** – was presented. Council Member Alvarado absent.

Council Member Wiseman stated that she wanted to thank the administration for responding to their constituents who were set to be seriously impacted by the item, that the fee that they passed was a part of a series of amendments that they passed in May and were very hurtful to their pocketbooks at this time, that she appreciated that the administration and the department were willing to look at finding a compromise for the constituents. Council Member Alvarado absent.

Council Member Edwards stated that she and Council Member Clutterbuck reviewed the tapes of a committee meeting and she just wanted to affirm what she thought she heard in the meeting and she did that, and would move to refer Item No. 11 back to the administration because the remarks that were made said that it was not pertinent to septic tanks in the ground but only to boathouses. Council Members Garcia and Alvarado absent.

Mayor White stated that he would make a suggestion, that Council Member Edwards had the same concern that some of them had, including Council Member Wiseman, that they give thorough consideration, and Council Member Edwards had raised an additional ground for that thorough consideration, making sure there was a fair and accurate description of what they were doing and what they were doing, that it was posted on the agenda to vacate a portion or to eliminate the effect of that, prevent that from going into affect, that portion of the ordinance that they had previously adopted and it was their intention to review the topic and thought based on their points he thought there ought to be a separate Council meeting on the topic, there was some information that he had requested on the particular item that concerned the number of users that were affected, the frequency of the cleaning, their cost, the cost of the commercial service to do it and also express the concern that in all things involving fees, even if they were supposed to be cost based, that they not change policy so dramatically that they pull the rug out of people in a way that was unreasonable in relation to their total income and stuff like that, and they were gathering that information, so by voting yes on the item, they were voting basically to eliminate the effectiveness or repeal, or what the magic words were, but make it so that it did not go into affect, and so the support of the item would be consistent with what they were saying; that what it did was put it back and all it did was change the ordinance to instead of changing it, it put it back to what it was. Council Members Alvarado and Noriega absent.

Council Member Edwards stated that she understood that and respected and respected the Council Members, but her position was that she thought they needed to look at it a little further than just putting it back to where it was, that her concern was how it got to where it was now, that process, and how do they fix that process, that she took the word of directors and assistant directors at face value, so when she asked a question and if they were not understanding her they should say they did not understand what she was asking or could they get back with her, but when they told her point blank something, then she took that at face value, if that was going to remain the protocol for how they interchanged then she needed to have some reassurance that what they said was correct, so not only did she think the constituent issues were very salient, but thought the process itself of how information was presented at committee meetings, that she really needed to know that when they say what they say that they mean it and when they find out they misspoke that they have the ability to say they had misspoken. Council Members Alvarado and Noriega absent.

Mayor White stated that he agreed, and would say that he covered that with directors, maybe not all the assistant directors, prior to the budget hearings and there was something about human nature among good people, call it willingness to please or not wanting to appear as though they did not know or all of them either had bad recollection or were provided by some poor information on which they rely, that as soon as they knew they had said something that was not 100% right they ought to tell the person that they said it to and bring it to their attention immediately, that it was something that a lot of people did not understand, that it was not enough to slide by, if they find that they misspoke from whatever that they had incorrect information even if it did not seem important and even if it was an innocent error on their part, it ought to be immediately brought to people's attention, people who did that looked good not bad and he would encourage them on that. Council Members Alvarado and Noriega absent.

Mayor White further stated that they ought to have another hearing, but procedurally, he thought, another way they ought to do it would be the following, first, he would commit not to bring it up before they had another hearing where the statement in particular was explained by the person who made it and the other people responsible for whatever new proposal they came up with were there, that second, he would encourage people to support this particular proposal which simply if they did not support the proposal then they would have rates going into affect based upon questions that all of them had, that they had his commitment that they would not bring forward something and post it until it was previously vetted before a Council Committee. Council Members Alvarado and Noriega absent.

After further discussion by Council Members, a vote was called on Item No. 11. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0741 ADOPTED.

Council Member Lawrence moved to extend the Council meeting until 1:00 p.m., seconded by Council Member Khan. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Alvarado and Brown absent. MOTION 2007-0719 ADOPTED.

6. RECOMMENDATION from Director Building Services Department for approval of final contract amount of \$827,303.87 and acceptance of work on contract with **APACHE SERVICES, INC** for SHAPE Community Center, WBS Y-00P013-0002-4 - 4.46% over the original contract amount **DISTRICT I – ALVARADO** - was presented. Council Members Alvarado and Brown absent.

Council Member Edwards stated that she was going to tag Item no. 6, that it was not in District D, it was District I but there were some issues regarding possible damage to surrounding buildings and she would like to get that cleared up before they did the final payment on the contract. Council Members Alvarado and Brown absent.

27. ORDINANCE appropriating \$65,308.00 out of Homeless & Housing Consolidated Fund and approving and authorizing loan agreement between the City of Houston and **CLOUDBREAK HOUSTON, LLC** to refinance \$500,000.00 of prior borrowings and to provide an additional \$1,661,080.00 of other funds (\$65,308.00 of Homeless and Housing Consolidated Funds; \$311,270.00 of Federal CDBG Funds; and \$1,284,502.00 of Federal Home Program Funds) for eligible costs in connection with the renovation of a multi-unit residential development known as U.S. Vets at Midtown Terrace to house qualifying U.S. Veterans - **DISTRICT D – EDWARDS** - was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0742 ADOPTED.

CONSENT AGENDA NUMBERS 3 through 64

DAMAGES - NUMBERS 4 and 5

4. RECOMMENDATION from City Attorney for settlement of lawsuit styled **CLAYTON HINTON** v. City of Houston in the 55th Judicial District Court of Harris County, Texas; Cause No. 2006-23813 \$57,353.55 - Property and Casualty Fund – was presented, moved by Council Member Khan, seconded by Council Member Green. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0720 ADOPTED.
5. RECOMMENDATION from City Attorney for settlement of lawsuit styled **CYNTHIA RAMIREZ** and **JOYCE HOWELL** v. City of Houston; in the Civil District Court 165th Judicial District of Harris County, Texas; Cause No. 2005-80600 - \$38,500.00 - Property and Casualty Fund – was presented, moved by Council Member Khan, seconded by Council Member Green. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0721 ADOPTED.

PURCHASING AND TABULATION OF BIDS – NUMBER 10

10. **SOUTHWEST SOLUTION GROUP, INC** for Shelf Storage System from the State of Texas Building and Procurement Commission's Contract for Police Department - \$94,993.67 - Forensic Science Improvement Fund – was presented, moved by Council Member Khan, seconded by Council Member Garcia. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0722 ADOPTED.

ORDINANCES - NUMBERS 22 through 64

22. ORDINANCE relating to the fiscal affairs of the **UPTOWN DEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER SIXTEEN, CITY OF HOUSTON, TEXAS (UPTOWN ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority and the Fiscal Year 2008-2013 Capital Improvement Budget for the Zone - **DISTRICTS C - CLUTTERBUCK and G - HOLM** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0743 ADOPTED.
23. ORDINANCE relating to the fiscal affairs of the **UPPER KIRBY REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER NINETEEN, CITY OF HOUSTON, TEXAS (UPPER KIRBY ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority and the Fiscal Year 2008-2013 Capital Improvement Budget for the Zone - **DISTRICTS C - CLUTTERBUCK and G - HOLM** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0744 ADOPTED.
24. ORDINANCE consenting to the addition of 20.0067 acres of land to **FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 146**, for inclusion in its district – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0745 ADOPTED.
26. ORDINANCE consenting to the addition of 378.39 acres of land to **NORTHEAST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1**, for inclusion in its district – was

presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0746 ADOPTED.

29. ORDINANCE approving and authorizing a Pre-development Loan Agreement between the City of Houston and **ACCEPTING CHALLENGES TO IMPROVE OUR NATION COMMUNITY DEVELOPMENT CORPORATION, INC**, to provide \$450,000.00 in Home Investment Partnerships (HOME) Funds to pay pre-construction costs associated with the development of a 56 unit Affordable Housing Apartment Complex - **DISTRICT D - EDWARDS** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0747 ADOPTED.
30. ORDINANCE approving and authorizing agreement between the City of Houston and **VN TEAMWORK, INC** to provide a \$3,340,139.00 grant of Federal Home Program Funds for eligible costs in connection with the construction of the Golden Bamboo Village Apartments to be located at Dashwood and Aqua Lane, Houston, Texas, to house qualified low income senior residents - **DISTRICT F - KHAN** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0748 ADOPTED.
31. ORDINANCE amending Ordinance Number 2005-0936 to increase the maximum contract amount for contract between the City and **O'BRIEN OIL POLLUTION SERVICE, INC** for Bioterrorism Exercise Consulting Services - \$200,000.00 - Grant Fund – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0749 ADOPTED.
32. ORDINANCE approving and authorizing lease agreement (parking) between the City of Houston, Texas, as landlord, and **J.B. SMITH MFG CO., LLC**, as tenant, for approximately 16,464 net rentable square feet of parking space located beneath the Navigation Boulevard Overpass at 6618 Navigation Boulevard, Houston, Harris County, Texas 77011 - Revenue - **DISTRICT I - ALVARADO** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0750 ADOPTED.
33. ORDINANCE approving and authorizing Operation and Maintenance Agreement between the City of Houston, Texas, as owner and **WILLOW POOL, INC.** as operator for approximately 104,622 square feet of real property located at 10500 Cliffwood Drive, Houston, Harris County, Texas, 77035, to be operated and maintained as a neighborhood swimming pool and recreational facility - Revenue - **DISTRICT C - CLUTTERBUCK** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0751 ADOPTED.
40. ORDINANCE appropriating \$271,673.00 out of Fire Consolidated Construction Fund and approving and authorizing Professional Architectural Services Contract between the City of Houston and **NATEX CORPORATION** for Design of New Fire Station 37, WBS C-000147-0002-3; providing funding for the Civic Art Program and contingencies relating to construction of facilities financed by the Fire Consolidated Construction Fund - **DISTRICT C - CLUTTERBUCK** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0752 ADOPTED.
41. ORDINANCE awarding construction contract to **ALL PLAY, INC** for Cliff Tuttle Skate Park, WBS F-000636-0001-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering

testing; construction management; and contingencies relating to construction of facilities financed out of the Federal Government-Grants Fund - \$191,827.00 - CDBG Fund - **DISTRICT H - GARCIA** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0753 ADOPTED.

42. ORDINANCE approving and authorizing an Interlocal Agreement between the City of Houston and **HARRIS COUNTY** for Tanner Road Paving from Triway Road to Beltway 8, WBS N-000589-0001-3 - **DISTRICT A - LAWRENCE** - had been pulled from the Agenda by the Administration, and was not considered. Council Member Alvarado absent.
43. ORDINANCE appropriating \$246,162.00 out of Storm Water Utility Fund and approving and authorizing Interlocal Agreement between the City of Houston and **THE PORT OF HOUSTON AUTHORITY** for the Reconstruction of the Storm Sewer Outfall at Wharf No.1 East at the Turning Basin of the Houston Ship Channel, WBS M-000126-00S7-4; providing funding for contingencies relating to construction of facilities funded by the Storm Water Utility Fund - **DISTRICT I - ALVARADO** – had been pulled from the Agenda by the Administration, and was not considered. Council Member Alvarado absent.
45. ORDINANCE appropriating \$106,593.00 out of Water & Sewer System Consolidated Construction Fund and approving and authorizing an Advance Funding Agreement between the City of Houston and the **TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT)** for Tunnel Restoration and equipment standby costs associated with the rupture of the existing waterline near Wisterwood, WBS S-000521-0023-4; providing funding for contingencies relating to construction of facilities financed by the Water & Sewer System Consolidated Construction Fund **DISTRICTS A - LAWRENCE and G - HOLM** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0754 ADOPTED.
46. ORDINANCE appropriating \$82,501.00 out of Water & Sewer System Consolidated Construction Fund and approving and authorizing an Advance Funding Agreement between the City of Houston and the **TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT)** for a Waterline Interconnect at Wycliff, WBS S-000521-0023-4; providing funding for contingencies relating to construction of facilities financed by the Water & Sewer System Consolidated Construction Fund **DISTRICTS A - LAWRENCE and G - HOLM** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0755 ADOPTED.
48. ORDINANCE appropriating \$321,539.81 out of Metro Project Commercial Paper Series E Fund as an additional appropriation to Professional Construction Management And Inspection Services contract between the City of Houston and **RATNALA & BAHL, INC** for Westview Paving: W. Sam Houston Parkway to Shadowdale (approved by Ordinance No. 06-0433), WBS N-000549-0004-4 **DISTRICT A - LAWRENCE** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0756 ADOPTED.
49. ORDINANCE appropriating \$686,704.00 out of Street & Bridge Consolidated Construction Fund as an additional appropriation for Professional Engineering Services Contract between the City of Houston and **TCB, INC formerly known as TURNER COLLIE & BRADEN, INC** for Design of Yale Street Paving from West Tidwell to West Parker Street (approved by Ordinance No. 06-0478), WBS N-000592-0001-3 - **DISTRICT H - GARCIA** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0757 ADOPTED.

50. ORDINANCE appropriating \$150,000.00 out of Street & Bridge Consolidated Construction Fund as an additional appropriation for Professional Engineering Services Contract (approved by Ordinance No. 04-0756; Contract #56171) between the City of Houston and **EDWARDS AND KELCEY, INC** for Negotiated Work Orders for Design of Intersection Redesign and Street Safety Improvement, WBS N-000650-0014-3; providing funding for contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0758 ADOPTED.
51. ORDINANCE appropriating \$150,000.00 out of Street & Bridge Consolidated Construction Fund as an additional appropriation for Professional Engineering Services Contract between the City of Houston and **LJA ENGINEERING & SURVEYING, INC** for City-Wide On-Call Transportation Engineering Services (approved by Ordinance No. 05-0857), WBS N-000650-0019-3; providing funding for contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0759 ADOPTED.
52. ORDINANCE appropriating \$340,000.00 out of Street & Bridge Consolidated Construction Fund and approving and authorizing Professional Engineering Services Contract between the City of Houston and **TERRACON CONSULTANTS, INC** for Technical Research and Consultation for Pavement Subgrades, WBS N-000668-0012-3; providing funding for contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0760 ADOPTED.
53. ORDINANCE appropriating \$1,492,232.00 out of Street & Bridge Consolidated Construction Fund as an additional appropriation for Professional Engineering Services Contract between the City of Houston and **DANNENBAUM ENGINEERING COMPANY-HOUSTON, LLC** for Homestead Road Grad Separation (approved by Ordinance No. 06-0204), WBS N-000713-0001-3; providing funding for contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund - **DISTRICT B - JOHNSON** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0761 ADOPTED.
54. ORDINANCE appropriating \$400,000.00 out of Street & Bridge Consolidated Construction Fund and approving and authorizing first amendment to Professional Engineering Services Contract (approved by Ordinance No. 06-0152) between the City of Houston and **JONES AND CARTER, INCORPORATED** for Design of Sabo Road Paving from Kingspoint to Fuqua and Kingspoint Road from Sabo to Kleckley Drive and Beechnut Rehabilitation from Wilcrest to Cook Road, WBS N-000688-0001-3 and N-000765-0001-2; providing funding for contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund **DISTRICT F - KHAN** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0762 ADOPTED.
55. ORDINANCE appropriating \$160,000.00 out of Street & Bridge Consolidated Construction Fund as an additional appropriation for Professional Engineering Services Contract between the City of Houston and **JONES and CARTER, INCORPORATED** for Design of Sabo Road Paving from Kingspoint to Fuqua Road and Kingspoint Road from Sabo to Kleckley Drive and Beechnut Rehabilitation from Wilcrest to Cook Road (approved by Ord No. 06-0152), WBS N-000688-0001-3 and N-000765-0001-2; providing funding for

contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund - **DISTRICT E - WISEMAN** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0763 ADOPTED.

57. ORDINANCE appropriating \$2,020,816.51 out of Street & Bridge Consolidated Construction Fund, awarding construction contract to **STATEWIDE TRAFFIC SIGNAL COMPANY** for Downtown Area Traffic Signal Reconstruction, WBS N-000650-0031-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for project management and contingencies relating to construction of facilities financed by Street & Bridge Consolidated Construction Fund - **DISTRICTS D - EDWARDS and I - ALVARADO** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0764 ADOPTED.
59. ORDINANCE appropriating \$6,229,900.00 out of Street & Bridge Consolidated Construction Fund and \$2,600,000.00 out of Harris County Construction Fund, awarding contract to **SOUTH COAST CONSTRUCTION, INC** for Cambridge Bridge and paving from Holcombe Boulevard to South MacGregor, WBS N-000720-0001-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering testing, project management and contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund and Harris County Construction Fund - **DISTRICT D - EDWARDS** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0765 ADOPTED.
62. ORDINANCE appropriating \$3,392,458.00 out of Water & Sewer System Consolidated Construction Fund; awarding contract to **UNDERGROUND TECHNOLOGIES, INC** for Special Sanitary Sewer Rehabilitation by Sliplining and Pipe Bursting Method, WBS R-000266-00G6-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering and testing, project management, and contingencies relating to construction of facilities financed by the Water & Sewer System Consolidated Construction Fund – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0766 ADOPTED.
63. ORDINANCE appropriating \$847,000.00 out of Water & Sewer System Consolidated Construction Fund awarding contract to **BOYER, INC** for wastewater treatment plants safety and security improvements, WBS R-000302-0008-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering and testing, and contingencies relating to construction of facilities financed by the Water & Sewer System Consolidated Construction Fund - **DISTRICTS B - JOHNSON; D - EDWARDS and I - ALVARADO** – was presented. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0767 ADOPTED.
64. ORDINANCE appropriating \$607,326.77 out of Water & Sewer System Consolidated Construction Fund, awarding contract to **TROY CONSTRUCTION, L.L.P** for Water Distribution System Rehabilitation and Renewal, WBS S-000035-0V10-4; setting a

deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering and testing, and contingencies relating to construction of facilities financed by the Water & Sewer System Consolidated Construction Fund – had been pulled from the Agenda by the Administration, and was not considered. Council Member Alvarado absent.

MATTERS REMOVED FROM THE CONSENT AGENDA WERE CONSIDERED AS FOLLOWS:

ACCEPT WORK

7. RECOMMENDATION from Director Department of Public Works & Engineering for approval of final contract amount of \$286,567.84 and acceptance of work on contract with **TIMES CONSTRUCTION, INC** for Tanglewilde Park, WBS F-504C10-0010-4 - 4.97% over the original contract amount - **DISTRICT G – HOLM** – was presented, moved by Council Member Khan, seconded by Council Member Green. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Holm and Alvarado absent. MOTION 2007-0723 ADOPTED.
8. RECOMMENDATION from Director Department of Public Works & Engineering for approval of final contract amount of \$1,693,142.78 and acceptance of work on contract with **KENMOR ELECTRICAL COMPANY, L.P.** for On-Call Traffic Signal Construction Contract in the Spur 527 Mitigation area for Traffic Signal Improvements, WBS N-000662-0023-4 - 4.99% over the original contract amount - **DISTRICTS C - CLUTTERBUCK; D - EDWARDS; G - HOLM and I - ALVARADO** – was presented, moved by Council Member Khan, seconded by Council Member Green. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Holm and Alvarado absent. MOTION 2007-0724 ADOPTED.

PURCHASING AND TABULATION OF BIDS

9. ORDINANCE appropriating \$83,788.00 out of Parks Consolidated Fund for the Demolition of the Car Wash at 7401 Scott Street including Asbestos Abatement and Site Clean-up Services for the Building Services Department, providing funding for project management relating to construction of facilities financed by the Parks Consolidated Fund; WBS F-000509-0030-4-01 - **DISTRICT D - EDWARDS** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Holm and Alvarado absent. ORDINANCE 2007-0768 ADOPTED.
- 9a. **AAR INCORPORATED** for Demolition, Asbestos Abatement and Site Clean-up Services for the Building Services Department - \$75,888.00 – was presented, moved by Council Member Khan, seconded by Council Member Green. All voting aye. Nays none. Council Member Berry absent on personal business. Council Members Holm and Alvarado absent. MOTION 2007-0725 ADOPTED.

ORDINANCES

15. ORDINANCE creating the **ACTION BOX REINVESTMENT ZONE** for Tax Abatement purposes pursuant to Article IV of Chapter 44 of the Code of Ordinances, Houston, Texas - **DISTRICT A – LAWRENCE** - was presented, and tagged by Council Members Clutterbuck and Holm. Council Member Alvarado absent.

- 15a. ORDINANCE approving and authorizing Tax Abatement Agreement between the City of Houston, Texas and **MALLOY REAL ESTATE LIMITED PARTNERSHIP, LTD.** and **ACTION BOX COMPANY, INC.**, for certain property located within the Action Box Reinvestment Zone **DISTRICT A - LAWRENCE** - was presented, and tagged by Council Members Clutterbuck and Holm. Council Member Alvarado absent.
18. ORDINANCE relating to the fiscal affairs of the **OLD SPANISH TRAIL/ALMEDA CORRIDORS REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER SEVEN, CITY OF HOUSTON, TEXAS (OLD SPANISH TRAIL/ALMEDA CORRIDORS ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority - **DISTRICT D - EDWARDS** – was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0769 ADOPTED.
19. ORDINANCE relating to the fiscal affairs of **REINVESTMENT ZONE NUMBER TEN, CITY OF HOUSTON, TEXAS (LAKE HOUSTON ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Zone - **DISTRICT E – WISEMAN** - was presented, and tagged by Council Member Wiseman. Council Member Alvarado absent.
20. ORDINANCE relating to the fiscal affairs of the **GREATER GREENSPPOINT REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER ELEVEN, CITY OF HOUSTON, TEXAS (GREATER GREENSPPOINT ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority - **DISTRICT B - JOHNSON**

Council Member Johnson stated that he had passed out a written motion to amend Item No. 20 as follows:

“I move to amend Item 20 on the June 27, 2007 agenda, to earmark TIRZ Number Eleven’s FY08 “Municipal Services – Public Safety” payment in the amount of \$350,000 to be used specifically for public safety in Police District 6, included in this zone.” Council Member Alvarado absent.

Mayor White stated that the administration supported the amendment, and wanted to explain to Council Members and Members of F&A Staff, Mr. Mesa and Mr. Fiederlein, and Council Member Lawrence, that the amendment simply incorporated what was the existing direction given by the administration to HPD and F&A concerning those payments for Municipal Services – Public Safety, that were made by the individual TIRZ zones, that he expected if people wanted to incorporate it within, he did not oppose it, but he also wanted people to know, and wanted to be on record, where people could go back and look at the record if there was any misunderstanding what that direction was, that in each of these agreements where the TIRZ made a Municipal Services – Public Safety payment for Police there would be an account set up, accounting for the expenditure within that Police district, which was how they did administer policing that required certain accounts be setup both within HPD, upon receipt of those TIRZ funds, that basically it was a subsidiary ledger account with respect to the sources of funds for the activities within that particular district, that the only exceptions that he knew of to that was the use that was also specified in the project plan, contributions for Municipal Services – Public Safety from the Sharpstown TIRZ and the Uptown TIRZ for the creation of a new Police District Headquarters that would be servicing the area that encompassed current District 8 but was not complete District 18, but was a new Police District within the Westside Division and that would require some capitol expenditure and certain funds had been earmarked for those purposes, the intent was the same but it was simply a capitol improvement that benefited those areas, that the process complied with the law, that it would not be possible under law and was one of the issues without going through further changes in the TIRZ, to specify the use of funds in one TIRZ for a use that was 25 miles away, even though if they caught a burglar in Clear Lake it

made all of them safer because burglars did not just have defined license permitted areas to operate in, but the idea was if it was closer to the particular area it was more like to reduce the crime in that area and they certainly did not want some police car screeching to a halt at a TIRZ boundary because it would be impossible to keep books on that basis, that he would further say that it was the procedure that they would follow with respect to the Municipal Services - Public Safety with respect to the other TIRZ.

After further discussion by Council Members, a vote was called on the motion to amend Item No. 20. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0726.

A vote was called on Item No. 20 as amended. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0769 ADOPTED AS AMENDED.

21. ORDINANCE relating to the fiscal affairs of the **OLD SIXTH WARD REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER THIRTEEN, CITY OF HOUSTON, TEXAS (OLD SIXTH WARD ZONE)**; approving the Fiscal Year 2008 Operating Budget for the Authority - **DISTRICT H – GARCIA** – was presented. Council Member Alvarado absent.

Council Member Garcia stated that this item was to approve the operating budget, all of the other issues relating to the Historical Preservation Plan were still at another time, and Mayor White stated that was correct, that it did contain the authorization for doing some of the engineering work that was requested by some of those who were not as supportive of the City's position as others and so delaying the item would prevent that kind of work being done to improve the infrastructure which everybody wanted. Council Member Alvarado absent.

A vote was called on Item No. 21. All voting aye. Nays none. Council Member Berry absent on personal absent. Council Member Alvarado absent. ORDINANCE 2007-0771 ADOPTED.

25. ORDINANCE consenting to the creation of **FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 194** – was presented. All voting aye. Nays none. Council Member Berry absent on personal absent. Council Member Alvarado absent. ORDINANCE 2007-0772 ADOPTED.

28. ORDINANCE approving and authorizing agreement between the City of Houston and **ORCHARD COMMUNITIES, INC** to provide a Performance Based Loan in the amount of \$3,350,000.00 of Home Investment Partnerships Program (HOME) Funds to assist in the Construction of a 195 unit Affordable Senior Housing Apartment Complex at 9701 Grant Road, Houston, Texas, to be known as Orchard Park at Willowbrook - **DISTRICT A - LAWRENCE** – was presented. All voting aye. Nays none. Council Member Berry absent on personal absent. Council Member Alvarado absent. ORDINANCE 2007-0773 ADOPTED.

34. ORDINANCE appropriating \$593,355.00 out of Street & Bridge Consolidated Fund and awarding contract to **ISI CONTRACTING, INC** for Construction and Installation of Speed Humps for the Public Works & Engineering Department; WBS N-000660-0008-4 - 2 Years with a one-year option – was presented, and tagged by Council Members Wiseman and Johnson. Council Member Alvarado absent.

35. ORDINANCE awarding contract to **HAHN EQUIPMENT COMPANY, INC** for Submersible Pump Repair Services for Public Works and Engineering Department; providing a maximum contract amount - 3 Years with two one-year options - \$2,150,000.00 - Enterprise Fund – was presented, and tagged by Council Members Johnson and Green. Council Member Alvarado absent.

Council Member Johnson stated that in regard to the MWBEs on the item, he had spoken with the Affirmative Action Department and they were saying there was no capacity for additional MWBE, they only had 3% goals on the item, that he was trying to figure out in today's society what did they mean by no capacity for more than what was being allocated on, that it looked like \$7.5 million overall and only a 3% MWBE goal, that he would like to try and get some more clarification on Item Numbers 35, 36 and 37. Council Member Alvarado absent.

36. ORDINANCE awarding contract to **COASTAL PUMP SERVICES, INC** for submersible pump repair services for the Public Works and Engineering Department; providing a maximum contract amount - 3 Years with two one-year options - \$1,100,000.00 - Enterprise Fund – was presented, and tagged by Council Members Johnson and Green. Council Member Alvarado absent.

37. ORDINANCE awarding contract to **PUMPS of HOUSTON, INC** for submersible pump repair services for the Public Works and Engineering Department; providing a maximum contract amount - 3 Years with two one-year options - \$3,600,000.00 - Enterprise Fund – was presented, and tagged by Council Members Johnson and Green. Council Member Alvarado absent.

38. ORDINANCE approving and authorizing contract between the City and **INTERNATIONAL BANCSHARES CORPORATION d/b/a INTERNATIONAL BANK OF COMMERCE** for Automated Teller Machine Services for Convention & Entertainment Department - 5 Years with 5 one-year options - Revenue - **DISTRICT I - ALVARADO** – was presented. All voting aye. Nays none. Council Member Berry absent on personal absent. Council Member Alvarado absent. ORDINANCE 2007-0774 ADOPTED.

44. ORDINANCE appropriating \$500,000.00 out of Street & Bridge Consolidated Construction Fund and approving and authorizing Interlocal Agreement between the City of Houston and **TEXAS TRANSPORTATION INSTITUTE (TTI) (TEXAS A&M UNIVERSITY SYSTEM)** for Professional Training and Development, WBS N-000662-0028-3 – was presented, and tagged by Council Member Wiseman. Council Member Alvarado absent.

Council Member Wiseman stated that she would like to visit with someone from the department to get some more information. Council Member Alvarado absent.

47. ORDINANCE appropriating \$342,265.00 out of Drainage Improvements Commercial Paper Series F, Fund No. 4030 and approving and authorizing Professional Services Contract between the City of Houston and **DODSON & ASSOCIATES, INC** for Regional/sub-regional Stormwater Detention Analysis, WBS M-000296-0001-3; providing funding for contingencies relating to construction of facilities financed by the Drainage Improvements Commercial Paper Series F, Fund No. 4030 – was presented, and tagged by Council Member Johnson. Council Member Alvarado absent.

56. ORDINANCE appropriating \$16,191,000.00 out of Drainage Improvements Commercial Paper Series F Fund; \$68,000.00 out of Water & Sewer System Consolidated Construction Fund; awarding contract to **REYTEC CONSTRUCTION RESOURCES, INC** for Kirby Drive Storm Sewer Relief Project Segment 3, WBS M-000771-0003-4, R-000500-

0053-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the city; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering testing, project management and contingencies relating to construction of facilities financed by the Drainage Improvements Commercial Paper Series F Fund and the Water & Sewer System Consolidated Construction Fund - **DISTRICT C – CLUTTERBUCK** – was presented. Council Member Alvarado absent.

Council Member Clutterbuck stated that this item was a very exciting item for the Kirby Drive Storm Sewer Relief Project, that it was segment three of a project that was moving north from Braeswood and was also the additional section after Total Contracting completed phase two, that because Total Contracting was 140 and some odd days behind, which was another reason that she spoke out against Total Contracting, in their construction it threw the whole project off and this particular contract for segment three, if it were to start on time, would have started on time and because it was around the Rice Village Shopping Center there was a suspension time in the contract from around November 2007 to January 15, 2008 to allow shoppers and the tenants and the retailers to have access and not destroy the sales and revenue producing aspects of the Rice Village area, so she would urge that possibly it be taken into account as the contract was let, that she supported the ordinance. Council Member Alvarado absent.

A vote was called on Item No. 56. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0775 ADOPTED.

61. ORDINANCE appropriating \$3,837,913.00 out of Street & Bridge Consolidated Construction Fund, awarding contract to **ISI CONTRACTING, INC** for Kirby Drive Reconstruction from IH-610 to Holmes Road, WBS N-000789-00014; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the City; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering, testing, project management, and contingencies relating to construction of facilities financed by the Street & Bridge Consolidated Construction Fund - **DISTRICTS C - CLUTTERBUCK and D – EDWARDS** - was presented. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0776 ADOPTED.

MATTERS HELD - NUMBERS 67 through 78

67. MOTION by Council Member Khan/Seconded by Council Member Alvarado to adopt recommendation from Director Building Services Department for approval of Computer Image for Dedication Plaque for Looscan Branch Library, WBS E-000095-0001-4 - **DISTRICT G – HOLM – (This was Item 7 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBER HOLM)** – was presented. Council Member Alvarado absent.

Council Member Holm moved to amend Item No. 67 to substitute a computer image for one that included the name of the new Council Member, Council Member Melissa Noriega for At Large Position 3, seconded by Council Member Garcia. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0727 ADOPTED.

A vote was called on Item No.67 as amended. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0728 ADOPTED.

68. RECOMMENDATION from Director Department of Public Works & Engineering to accept the July 2007 Semiannual Report and Recommendations of the Planning Commission, acting as the Capital Improvements Advisory Committee, relating to the implementation of the Water and Wastewater Impact Fees Program and to transfer revenues and interest generated by the Water and Wastewater Impact Fees in the amount of \$12,536,750.58 for Revenue Bond Debt Service as recommended in the Report – **(This was Item 10 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBER WISEMAN)** – was presented, moved by Council Member Khan, seconded by Council Member Green. Council Member Wiseman voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0729 ADOPTED.
- 68a. RECOMMENDATION from the Director Department of Public Works & Engineering to accept the May 24, 2007 finding of the Planning Commission, acting as the Impact Fee Advisory Committee, that no update for the Water or Wastewater Impact Fee Programs is necessary at this time pursuant to Chapter 395 of the Local Government Code – **(This was Item 10a on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBER WISEMAN)** – was presented, moved by Council Member Khan, seconded by Council Member Green. Council Member Wiseman voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0730 ADOPTED.
69. RECOMMENDATION from Director Department of Public Works & Engineering for approval of final contract amount of \$3,287,616.82 and acceptance of work on contract with **MAIN LANE INDUSTRIES** for Generic Citywide Overlay Package #6, WBS N-001037-0043-4 - 5.00% over the original contract amount – **(This was Item 11 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBER GARCIA)** – was presented, moved by Council Member Khan, seconded by Council Member Green. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Alvarado absent. MOTION 2007-0731 ADOPTED.
72. ORDINANCE **AMENDING THE CITY OF HOUSTON FIRE CODE** relating to Administrative Fees – **(This was Item 22 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS WISEMAN and JOHNSON)** – was presented. Council Member Wiseman voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0777 ADOPTED.
73. ORDINANCE approving and authorizing first amendment to the Lease Agreement between **RMC HP III, L.P., a Texas Limited Partnership, as Landlord (“Landlord”)**, and the City of Houston, Texas, as tenant (the “City”), for a total of 40,520 square feet of space located at 601 Sawyer, Houston, Harris County, Texas, at a monthly rental of \$59,125.43 during the first thirty-six (36) months and a monthly rental of \$62,502.10 during the thirty-seventh (37) through the seventy-second (72) months, for use by the Housing and Community Development Department **DISTRICT H - GARCIA – (This was Item 26 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GARCIA and HOLM)**
- After discussion by Council Members, Council Member Garcia moved to postpone Item No. 73 until the end of the agenda. Mayor White stated that if there was no objection it was so ordered.
76. ORDINANCE appropriating \$5,119,665.00 out of Metro Project Commercial Paper Series E, awarding contract to **DURWOOD GREENE CONSTRUCTION, L.P.** for Generic City

Wide Overlay Package #11 (Work Order Contract), WBS N-001037-0051-4; setting a deadline for the bidder's execution of the contract and delivery of all bonds, insurance, and other required contract documents to the city; holding the bidder in default if it fails to meet the deadlines; providing funding for engineering testing, project management, construction management, and contingencies relating to construction of facilities financed by the Metro Project Commercial Paper Series E – **(This was Item 37 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBER WISEMAN)** – was presented. Council Member Holm voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0778 ADOPTED.

77. ORDINANCE appropriating \$38,883,478.62 out of Tax Increment Funds for Reinvestment Zone Number One, City of Houston, Texas (Lamar Terrace Zone), Reinvestment Zone Number Two, City of Houston, Texas (Midtown Zone), Reinvestment Zone Number Three, City of Houston, Texas (Market Square Zone), Reinvestment Zone Number Four, City of Houston, Texas (Village Enclaves Zone), Reinvestment Zone Number Five, City of Houston, Texas (Memorial Heights Zone), Reinvestment Zone Number Seven, City of Houston, Texas (Old Spanish Trail/Almeda Corridors Zone), Reinvestment Zone Number Eight, City of Houston, Texas (Gulfgate Zone), Reinvestment Zone Number Nine, City of Houston, Texas (South Post Oak Zone), Reinvestment Zone Number Ten, City of Houston, Texas (Lake Houston Zone), Reinvestment Zone Number Eleven, City of Houston, Texas (Greater Greenspoint Zone), Reinvestment Zone Number Twelve, City of Houston, Texas (City Park Zone), Reinvestment Zone Number Thirteen, City of Houston, Texas (Old Sixth Ward Zone), Reinvestment Zone Number Fourteen, City of Houston, Texas (Fourth Ward Zone), Reinvestment Zone Number Fifteen, City of Houston, Texas (East Downtown Zone), Reinvestment Zone Number Sixteen, City of Houston, Texas (Uptown Zone), Reinvestment Zone Number Seventeen, City of Houston, Texas, (Memorial City Zone), Reinvestment Zone Number Eighteen, City of Houston, Texas (Fifth Ward Zone), Reinvestment Zone Number Nineteen, City of Houston, Texas (Upper Kirby Zone), Reinvestment Zone Number Twenty, City of Houston, Texas (Southwest Houston Zone), Reinvestment Zone Number Twenty-One, City of Houston, Texas (Hardy Place), and Reinvestment Zone Number Twenty-Two, City of Houston Texas (Leland Woods) for affordable housing, administrative expenses, payment of project costs, payments to the Houston Finance Corporation and certain Redevelopment Authorities as provided herein – **(This was Item 45 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS WISEMAN and CLUTTERBUCK)** – was presented. Council Member Clutterbuck voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0778 ADOPTED.
78. Ordinance appropriating \$35,453,630.09 out of Tax Increment Funds for Reinvestment Zone Number One, City of Houston, Texas (Lamar Terrace Zone), Reinvestment Zone Number Two, City of Houston, Texas (Midtown Zone), Reinvestment Zone Number Three, City of Houston, Texas (Market Square Zone), Reinvestment Zone Number Four, City of Houston, Texas (Village Enclaves Zone), Reinvestment Zone Number Five, City of Houston, Texas (Memorial Heights Zone), Reinvestment Zone Number Seven, City of Houston, Texas (Old Spanish Trail/Almeda Corridors Zone), Reinvestment Zone Number Eight, City of Houston, Texas (Gulfgate Zone), Reinvestment Zone Number Nine, City of Houston, Texas (South Post Oak Zone), Reinvestment Zone Number Eleven, City of Houston, Texas (Greater Greenspoint Zone), Reinvestment Zone Number Twelve, City of Houston, Texas (City Park Zone), Reinvestment Zone Number Thirteen, City of Houston, Texas (Old Sixth Ward Zone), Reinvestment Zone Number Fourteen, City of Houston, Texas (Fourth Ward Zone), Reinvestment Zone Number Fifteen, City of Houston, Texas (East Downtown Zone), Reinvestment Zone Number Sixteen, City of Houston, Texas (Uptown Zone), Reinvestment Zone Number Eighteen, City of Houston, Texas (Fifth Ward

Zone), Reinvestment Zone Number Nineteen, City of Houston, Texas (Upper Kirby Zone), for affordable housing, administrative expenses, payment of project costs, payments to payments to Houston Independent School District, the Aldine Independent School District, the Houston Housing Finance Corporation and certain Redevelopment Authorities as provided herein – **(This was Item 46 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS WISEMAN and CLUTTERBUCK)** – was presented. Council Member Clutterbuck voting no, balance voting aye. Council Member Berry absent on personal business. Council Member Alvarado absent. ORDINANCE 2007-0779 ADOPTED.

Items postpone to the end of the agenda

74. ORDINANCE approving and authorizing first amendment to contracts between the City and **DR. PEPPER BOTTLING COMPANY OF TEXAS (#C56086)** and **FRESH BREW GROUP, USA (#C56087)** for Soft Drink and/or Vending Marketing Partnerships – Revenue – **(This was Item 30 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GREEN, CLUTTERBUCK, ALVARADO, LAWRENCE, KHAN, HOLM, LOVELL, HOLM and GARCIA)** – was again before the Council. Council Member Alvarado absent.

After discussion by Council Members, Council Member Noriega stated that there were several issues raised so she would tag Item No. 74. Council Members Wiseman and Alvarado absent.

Council Member Holm stated that by accident she voted “no” on Item No. 76, that she was not trying to retract that but would like the record to reflect her error, and Mayor White stated that he would direct the City Secretary to put that in the minutes of the City Council meeting. Council Members Wiseman and Alvarado absent.

73. ORDINANCE approving and authorizing first amendment to the Lease Agreement between **RMC HP III, L.P., a Texas Limited Partnership, as Landlord (“Landlord”)**, and the City of Houston, Texas, as tenant (the “City”), for a total of 40,520 square feet of space located at 601 Sawyer, Houston, Harris County, Texas, at a monthly rental of \$59,125.43 during the first thirty-six (36) months and a monthly rental of \$62,502.10 during the thirty-seventh (37) through the seventy-second (72) months, for use by the Housing and Community Development Department **DISTRICT H - GARCIA** – **(This was Item 26 on Agenda of June 20, 2007, TAGGED BY COUNCIL MEMBERS GARCIA and HOLM)** – was again before the City Council. Council Members Wiseman and Alvarado absent.

Mayor White stated that he had information on Item No. 73 and stated that there were extensive discussions, beginning some years ago, concerning what to do about leased office space, including this item, and what to do with the particular department, the location and what the alternatives were, that in December they signed a lease that was for six year terms, that Mr. Christy looked for an extended period of time for a different alternative that may be available, that it was simply an amendment to that lease providing for what was called tenant improvements, that if they leased space in a building and they put in certain tenant improvements or the landlord put in certain tenant improvements, than the cost to those improvements were amortized over the balance of the lease, that there had been some deferred maintenance in that facility, in part because they did not know they were going to have a lease, so it was reported back to him at various times, that once they signed the lease and entered into the lease and approved by Council they were going to go ahead and make those improvements over a period of time and under the terms of commercial leasing those would be charged back to the City of Houston. Council Members Wiseman and Alvarado absent.

After further discussion, a vote was called on Item No. 73. All voting aye. Nays none. Council Member Berry absent on personal business. Council Member Wiseman, Alvarado and Lovell absent. ORDINANCE 2007-0780 ADOPTED.

MATTERS TO BE PRESENTED BY COUNCIL MEMBERS

Council Member Green stated that the next Budget and Fiscal Affairs Committee meeting was July 9, 2007 at 2:00 p.m. in the Council Chamber. Council Members Wiseman, Alvarado and Lovell absent.

Council Member Brown stated that last night he introduced Mr. Andre Duany, a gifted and well known architect and urban designer, who had changed the way they understood and made decisions about American cities and their regions, that Mr. Duany had grown up in Cuba and Spain and distinguished himself at the Yale School of Architecture and established his firm DPZ in Miami; that he wanted to recognize that Mr. Frank Liu, of Lovett Homes, had brought the DPZ team and Mr. Duany to Houston to design three major projects for Houston, the first was a traditional neighborhood development in the Spring Branch area, the second was a Brownfield development in the lower Fifth Ward, and the third was a transit oriented development where the developer owned some 60 acres at the PAN and South Rail Station, hopefully to be done in concert with Metro, that Mr. Duany wanted him to give Mayor White a signed copy of his book, Suburban Nation, the Rise of Sprawl and the Decline of the American Dream. Council Members Wiseman, Khan, Alvarado and Green absent.

Mayor White stated that he and Mr. Icken would do everything they could within their power to further those projects along, with the exception of giving people their property tax money, but everything else they would do, that he knew that nobody wanted that or had indicated that was anything that people had in mind, but on at least two occasions people told him they did not have that in mind and then at the end of the meeting they brought it up at the end of the meeting, and Council Member Brown stated that they understood there was no free money, and Mayor White stated that there were developers who brought their clients in to meet with the Mayor when they heard him say he would do everything possible to assist and bring their mixed use project along except for giving them their property tax money, where they had other priorities and they say they understand that, and then guess what, but Mr. Liu was not one of them, he had never done that. Council Members Wiseman, Khan, Alvarado and Green absent.

Council Member Clutterbuck stated that she received a note about her outstanding staff member, Barbara Hite, who had assisted, along with the dedicated work of Brenda Kirkling of Public Works, that they assisted Mr. Douglas Fordice; that she received an email from Heather Sacer of the Muscular Dystrophy Association informing her of the extraordinary amount of donations received this year through the Fire Department's "Fill the Boot Program" and she wanted to thank the citizens of Houston who participated in that program, that over \$531,000 was raised, which was an increase of over \$20,000 from last year. Council Members Wiseman, Khan, Alvarado and Green absent.

Council Member Clutterbuck stated that she wanted to announce the grand opening of the Westbury Pool, that it was the only City owned pool in District C and on Wednesday, July 11, 2007, from 6:00 p.m. to 9:00 p.m. at the Westbury Pool, located at the corner of Mullins Drive and Willowbend, next to Parker Elementary, they would be having a grand opening; that she wanted to thank Issa Dadoush and Wendy Hagger, that they had done an outstanding job trying to make the project finish on time, that they had to remove some of the trees from their original location and rather than destroying them they were able to place them near the entrance to the

pool. Council Members Wiseman, Khan, Garcia, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Noriega stated that she wanted to thank her colleagues for the warm welcome, that she particularly wanted to thank Council Member Holm for tagging the item on the library and giving them an opportunity to include her name on the plaque; that she wanted to thank all of the folks all over the system that had been wonderful getting her started, that she wanted to thank every single one of them. Council Members Wiseman, Khan, Garcia, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Johnson stated that he wanted to congratulate Council Member Brown for a job well done last night with Mr. Duany; that he thought Mr. Duany had the right message, especially for districts like District B, in which they were talking about how to create districts of choice. Council Members Clutterbuck, Wiseman, Khan, Alvarado, Lovell and Green absent. (NO QUORUM PRESENT)

Council Member Johnson stated that he wanted to thank Susan Christian and the entire Special Events office, that he appreciated the work that they did in the Fifth Ward for the Lyons Street Festival, that he thought they were well prepared for the event, but they did not have a grand turnout, and the reason why he wanted to make a point of that was because constantly and daily he got calls from people asking what were they going to do to save the Fifth Ward and their community and he often times tell them that it starts at home and with them; that the idea behind the Lyons Street Festival was to give people the understanding that Lyons Avenue was back, brand new streets, businesses were coming and people drove that area every single day, but truly to bring Lyons Avenue back and many other corridors of the district, not just isolated to the Fifth Ward, was going to take commerce, people to spend their dollars in the community, and as they would do it that would save the Fifth Ward and District B; that they were going to replicate it along Wayside and West Montgomery and many other corridors of his district, because again it was the commerce that they must start to generate in their communities that was going to support their communities and keep them strong. Council Members Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Edwards stated that she wanted to thank Mayor White for the initiative that he started with the veterans that were returning home, that she was not clear if the community understood the depth of what was happening with their community and the veterans that were coming home, the number of young Texans and Houstonians and disabled, that most of them were under 30 years old, which meant they were going to be disabled for a long time, they were going to need the services and support of the communities for a long time and their families were going to need those services and support, that she hoped the initiative would drill down to a meaningful ongoing process; that for the City, County and municipalities it spoke as to what was their commitment to supporting the sacrifices that the veterans had made on their behalf and she would say that because Agenda Item No. 39, one of the pieces of that item would be retrofitting and refurbishing of the Pierce Elevated, that it was necessary and needed but at the same time there had to be some kind of balance between the homeless community that used that area, rightly or wrongly they were there, and she would hope that it would not become confrontational; that when they looked at the fact that a large majority of the homeless were veterans that had been disabled it was a real phenomena and when it hits them in the face in the person of a homeless man asking for money or being disrespectful on the street, they had to do something meaningful about it. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Brown, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Edwards stated that regarding the tax abatement question, that since the trip she took with Ms. Clarke, she had done a lot of study on how cities used tax abatements in the revitalization of communities, when they looked at the Project Hopes and how they revitalized their inner cities, she really thought that it could be possibly a very meaningful tool, it was one thing to sell a house and one thing to sell a community, and a community presupposes that there were amenities there that people would like, so how do they help build not only the house but how do they help encourage businesses that would not necessarily come to a Sunnyside or Lyons Avenue based on perception, how do they encourage that, that she would like to have some serious discussion with Mr. Mesa and Mr. Fiederlein as to was tax abatement a viable tool that they could look at for the City of Houston, it may not work for them but she would like to have those conversations. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Brown, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Edwards stated that as to Item No. 74, the issue was a part of the whole issue as to how they looked at monies and how they were used, that she had been a very strong proponent in the City and Country of divestment of companies from country's which she thought did not uphold human rights and civil rights of people, be it South Africa or Dafar or whoever, and she could not sit in good conscious and call for the City to look to see if they had any pension funds that might be invested in Dafar and call for divestment and at the same time stay silent on the issue of the water situation at City Council, the young man had been very successful in his endeavors, but she thought until he comes out and says publicly that some of the language that was used by him and some of his peers was inappropriate, at best, and disrespectful, she could not be silent, just because he was African American or because he was making a lot of money, that the issue was the same for her as it was for divestment of companies that infringe of human rights as it was where she cast her vote at City Hall. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Brown, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Edwards stated that the Breakfast Klub was in New York City with the Convention and Entertainment Bureau to try and sell the City of Houston and they were one of the companies that was selected to go and represent Houston on this particular trip. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Brown, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Lawrence stated that last night was very interesting at the museum, they all learned a lot, they invited two super neighborhood presidents surrounding that 110 acres that possibly would be developed and designed for a great community, they were regenerated and so it brought on a lot of hope. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Brown, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Lawrence stated that she wanted to thank Mayor White for what he was doing for the amputees, the veterans, that the City needed to step up and it needed to start somewhere, and hopefully it would be the start, that there had been a lot of meetings going on behind the scenes, that she and her husband were very active in Rotary and looked for Rotary to continue to be a great partner and work with the City. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Lawrence stated that they had a fire on North Gessner which burned down a number of apartments, that she asked the communities to reach out, if they had used clothes or furniture to take them by the Spring Pines Apartments at 1554 North Gessner, that Mr. Al Russell was organizing things, that he headed up all emergency events in District A and

was doing a great job. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Lawrence stated that she knew Mayor White had asked Mr. Tinnermon for the SNAP Projects and she asked him last year in her office with the director present, and he never got them to her, that she asked him a couple of times and never got them to her, then she recruited Mr. Gary Norman last week and he had not been able to get them to her either, that she hoped they would find out the creativity going on since Mr. Norman failed, but she thought eventually they would get them and it would be very interesting to see how that money was spent out of their budget last year and the plans for it to be spent this year. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Mayor White stated that he sent a note to and had a meeting with Public Works and Parks and a few others, that it was 30 days ago and he had certain deadlines that they were going to assign individual responsibilities for Public Works and Parks, that he gave them a budget that they had allocated some amount of money last year and there needed to be another system, that he needed some thoughts about how they handle it going forward, but he needed their help; that it was like what Council Member Edwards mentioned, that usually when they passed something he assumed people communicate and get things done around the table, they made a decision concerning HIV/AIDS funding last year, he thought people were watching the proceedings and would pick it up and implement it, they did not, that he would take responsibility for that because normally he sends memos out on new things to make sure people got the message, but the Council Members watch it so they would have his eyes and their eyes watching what they do, that they had an allocated source of funds, they had a list and categorization of the SNAP projects and sometime within the next 30 days they ought to be able to tell super neighborhoods the exact amount or range, what was on and what was off and the time table within six, twelve or eighteen months, for the completion of a couple of million dollars worth of these projects, and Council Member Lawrence stated that her problem was that she could not get anything, it was a secret how the money was spent last year, and Mayor White stated that he was not speaking for them, but there was not a tracking program, that he did meet with department directors and said to give these projects high priority, that he was not telling them to do all of them, they had to think about a lot of other things, that there were some that were routine maintenance items, there were others that were done and there was not sort of separate accounting ledger system, that in addition to that there were some things for which they allocated money last year for SNAP items over and beyond what would be in the normal budget of the departments and that money was not spent at all, so the good news was that they had it, the bad news was that it was not their intention to get it not spent and he was going to have a list that was vetted once by him and the department heads and it should be to everybody, it would probably be to the Council Members, they asked to have the first shot at notifying the super neighborhoods as to the work and how each of the items on the currently pending SNAP was going to be handled and he wanted to thank Council Member Lawrence for holding them accountable for that. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that he wanted to congratulate the residents of Denver Harbor, that tonight was the graduation of a new SERT Team that was coming not the Denver Harbor area and in particular wanted to thank Gunny Ortiz for his good work in seeing that process through and getting those folks on the map; that part of Denver Harbor area was in the possible storm surge area so having some capacity in that regard was very important. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that he wanted to continue to remind folks that they were in the Hurricane Season and they had to have an emergency plan to make sure they did not get caught in the issue. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that today they approved the skate park at Cliff Tuttle Park, that he wished they could add the Padilla's name to the plaques for the positive work they were doing in the Denver Harbor area, the Jessica Holsey's in the Second Ward and the Mr. Mesa's in the Second Ward as well, that it would be phenomenal if they could have some way of immortalizing those residents that were doing such positive things in the various communities, that he wanted to thank the Padilla's for helping to move the skate park forward. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that tomorrow would be the grand opening of the South Central Police Station, the McNair Station, named after Challenger Astronaut Ronald McNair; that there was a tragedy that occurred there when officer Danny Vaughn was shot, that thankfully he survived but not without tremendous damage, he lost an eye and was permanently disabled, that he had been a fixture of the station for many years and he was not sure if they had thought through to include a picture of him or something of that nature, but if it had not been thought about he would hope that it was not too late to include that, that the station had gone through a tremendous renovation and would be a tremendous asset to the community; that he wanted to invite the community to the grand opening at 10:30 a.m. Council Members Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that on Sunday he attended the Dia de la Familia at the George R. Brown Convention Center, where the Instituto Cultural de Mexico graduated 1,600 adults who participated in the Computer Literacy Program, that five years ago when the program was initiated they graduated 17 people and now they graduated up to 1,600; that he wanted to thank Ms. Dawn Ullrich for her support in hosting the event at the convention center. Council Members Lawrence, Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that the Central Station would be losing Captain Arnie Anderson, who used to be at the Southeast Station, that due to Chief Hurtt's rotation he would be moving on to the Robbery Division, that he supported what Chief Hurtt was doing in the rotation and thought the Robbery Division would gain a great crime fighter as a supervisor and Captain of that division. Council Members Lawrence, Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

Council Member Garcia stated that next week would be the Fourth of July and Houston was on the map in regards to this event, in part because of all the wonderful sponsors that they had, but Susan Christian had tremendous shoulders in seeing the event happen without a hitch, that the largest land based fireworks spectacular in the Country, that they expected 150,000 to come down, so he wanted to thank and congratulate Susan for all her wonderful work; that it had been the practice of many individuals and family members to watch, around 9:00 p.m. or so to pull over to the side of the freeway and watch the fireworks go off, that he wanted to make a plea to the Houston public not to continue that practice, it was too dangerous, that he would urge folks to plan their day early and go to the event and participate, that watching the event from the side of the freeway was not the place to do it. Council Members Lawrence, Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

There being no further business before Council, the City Council adjourned at 2:18 p.m. Council Members Lawrence, Johnson, Clutterbuck, Wiseman, Khan, Holm, Alvarado, Lovell, Noriega and Green absent. (NO QUORUM PRESENT)

DETAILED INFORMATION ON FILE IN THE OFFICE OF THE CITY SECRETARY.

MINUTES READ AND APPROVED

/S/Anna Russell

Anna Russell, City Secretary