

City Council Chamber, City Hall, Tuesday, December 4, 2001

A Regular Meeting of the Houston City Council was held at 1:30 p.m. Tuesday, December 4, 2001, with Mayor Lee P. Brown presiding and with Council Members Bruce Tatro, Mark Goldberg, Jew Don Boney, Jr., Rob Todd, Mark A. Ellis, Bert Keller, Gabriel Vasquez, John E. Castillo, Annise Parker, Gordon Quan, Chris Bell and Carroll Robinson; Mr. Paul Bibler, City Attorney's Office; Mr. Richard Cantu, Director, Citizens Assistance Office; Ms. Martha Stein, Agenda Director present. Council Member Carol M. Galloway out of the city on city business. Council Member Orlando Sanchez absent on personal business.

At 2:03 p.m. Mayor Brown stated that he wanted to make a presentation and invited Mr. Jerry Ippoliti to the podium, that Mr. Ippoliti was the President and CEO of the Galleryfurniture.com Bowl and was happy that he had joined them today, that he remembered that it was not too long ago that they kicked it off at the Astrodome and they had a great success with the first one, that he was pleased to announce that the Galleryfurniture.com Bowl would be played on Friday, December 28, 2001 at the Reliant Astrodome, that it was Houston's bowl game and brought a great deal of excitement of college football to the City, that they would also see a number of special events take place leading up to the big game and that would include a Memorial Herman Sports Fest, the Mobic Celebrity Golf Tournament and the Mayor's VIP Reception for the teams players and coaches, that many charities would benefit from the bowl and the related events, including the Houston Fire Department's Last Alarm Club, the Sylvan Rodriguez Foundation and also Small Steps, that he thought they were all looking forward to an exciting month of activities and then the big game on the 28th, that in honor of what they were anticipating experiencing he wanted to issue a proclamation and recognition of the Galleryfurniture.com Bowl and read a proclamation that proclaimed Lee P. Brown, Mayor of the City of Houston proclaimed December 28, 2001 as Galleryfurniture.com Bowl Day in Houston, Texas. Council Members Tatro, Goldberg, Boney, Todd, Keller, Parker, Bell and Robinson absent. (NO QUORUM PRESENT)

Mr. Ippoliti stated that on behalf of their Board of Directors and their Advisory Board and their fine sponsor Mr. McIngvale they wanted to present the Mayor and Council with the bowl poster and in honor of the Mayor being re-elected they brought the Texas A&M Aggies for him this year. Council Members Tatro, Goldberg, Boney, Keller, Parker, Bell and Robinson absent. (NO QUORUM PRESENT)

At 2:08 Mayor Brown stated that they did not have a quorum yet so they would not officially start the meeting, but that would not prevent them from hearing from the public and requested that the City Secretary call the list of speakers. Council Members Tatro, Goldberg, Boney, Keller, Parker, Bell and Robinson absent. (NO QUORUM PRESENT)

Mr. Tom Bazan, P. O. Box 2786, Houston, Texas 77252 (713-466-4477) appeared and stated that he was present to speak on Item No. 29 in regard to another extension of a contract that they had with Housing Opportunities of Houston, that for about six years they had a contract with that organization that stipulated proper lead base paint inspections for every pre 1978 home and it had not been enforced, that he had handed out a copy of a fax he received from the Texas Department of Health, that they continually spot checked the improper lead base paint inspections and were continually finding deficient reports and inspection methods, that the people who purchased these homes were continually buying homes that they were not aware had lead hazards and their children were coming up poisoned and it was something that just kept going on and on and the lead base paint rules last extension, he believed, was about to expire and he implored the Council to somehow find a way to start enforcing their own contract provisions with the vendor. Council Members Tatro, Goldberg, Boney, Keller, Vasquez, Parker, Bell and Robinson absent. (NO QUORUM PRESENT)

Ms. Gracie Saenz, 440 Louisiana, Ste. 200, Houston, Texas 77002 (713-425-5330) appeared and stated that she wanted to extend her congratulations to Mayor Brown on his re-election, that she was present on Item No. 45, that she was representing Crescent Realty, that during the Fiscal Affairs committee meeting there were several things that were covered regarding the lease of the Compaq site, that Ms. Jane Page would follow her and would be handing out information that was handed out during that meeting, that while she realized that some of them might not be present next year, they did have the opportunity to do what was in the best interest of the City and its taxpayers, that Crescent's request was to have it sent back out for bid to open up the options for opportunities to look at what was in the best interest of the taxpayers in the City, to look at the opportunities for a sale, lease or an exchange, that there were many questions that were still left unanswered and much work to be done, that one of the points that was made by Council Member Quan was the fact that the City was using the site to have the availability of the site for the 2012 Olympics, that as they all knew they should know whether they were in the final bidding by 2002 and the lease of the Compaq Center was not over until the end of 2003, that they could slow the process down and look at the full impact of what was taking place and realize that in the end the tax base of the City was very important, what was going on around them right now they had to look at, that the City coffers right now were being impacted by the economy and recession, look at the industries that were being affected, Continental, Compaq, American General and Enron as well, that they needed to look at what was the best course of action for the City to take, that the ramifications were for sixty years, that they would appreciate it for Council to take the time. Council Members Keller, Parker, Bell and Robinson absent.

Council Member Tatro stated that they were told of the indemnification because of the Church, deed restriction use issue and were told that the City would be indemnified and in reading the contract it seemed that now the City was not indemnified in fact it would end up costing the City \$250,000 in legal fees to defend it first and then that it was possible that the lease may never be enacted and asked if that was right, Ms. Saenz stated that was possible, that the situation was that ultimately the challenges to the lease may prevail and then they could not move forward, and Council Member Tatro asked how long could the legal issue about deed restrictions and usage be tied up in the courts without anybody taking position of the Compaq Center, and asked if three years was long, and Ms. Saenz stated that would not be uncommon. Council Members Parker, Bell and Robinson absent.

Council Member Boney asked Mr. Tollett in the first RFP process Crescent responded to the RFP as well as Lakewood Church and what was the financial bottom line for Crescent and Lakewood, and Mr. Tollett stated that it was a negative \$5 million from Crescent to his department and a positive \$71 million in the Lakewood, that there was a clear financial advantage to the City with the Lakewood proposal and no financial advantage at all with the Crescent proposal, and Council Member Boney stated that on the issue of taxes, the City did not receive any tax revenue now, and Mr. Tollett stated no they did not because they owned it, that as to the issue of indemnification, there was a part in the contract that stated that the City would absorb the first \$250,000 if they were sued on the lease agreement and he would tell them that it was very productive and they had a very aggressive and helpful counsel body and he believed that by tomorrow morning there would be amendments and Lakewood would eat the \$250,000 and he thought a lot of the things that Council brought up they were willing to give in to show good faith, that they had shown good faith for the last 9 months and were willing to concede some other points that were in there, and they would bring that back to the Mayor and City Council tomorrow morning, and Council Member Boney stated that if that were so and if the amendments did pass they were basically looking at a net financial gain to the City of \$69 million plus from the Lakewood proposal and Crescent would have a second chance to bite at the apple on an RFP that they failed to be competitive on the first time around and Mr. Tollett stated yes,

that was correct. Council Members Parker, Bell and Robinson absent.

Council Member Goldberg stated that if Crescent bought the property versus the Lakewood proposal which proposal would bring in more revenue to the City's General Fund, and Ms. Saenz stated that Ms. Jane Page would be the next speaker and would be handing out a chart that showed the comparison between the two proposals. Council Members Bell and Robinson absent.

Council Member Quan stated that Mr. Tollett gave them the evaluation of the value of Crescent's proposal versus that of Lakewood and asked if goodwill was a factor in that evaluation, was a dollar amount placed on goodwill when that review was done, and Mr. Tollett stated no, and Council Member Quan stated that he was led to believe that \$50 million was credited to Lakewood as far as goodwill that they would engender, community service, and Mr. Tollett stated no, and Council Member Quan asked Ms. Saenz how would she feel about putting the property up for auction, that he knew they had talked about the fact that all of those taxes could be paid, but Lakewood or some other non-profit could also buy it at an auction and therefore take it off the tax rolls just the same, and Ms. Saenz stated that she believed there was an opportunity for the City to be able to look at what was being bid for and either reject or accept it, and Council Member Quan asked if between a lease or purchase of the property by a non-profit what did she think would yield them the best benefit, and Ms. Saenz stated that by a non-profit that would be difficult, it depended on what they bid for, if they were going to be bidding the value, but the present day value of cash up front was a lot greater than the extended payments throughout several years. Council Members Bell and Robinson absent.

At 2:22 p.m. Mayor Brown called to order the meeting of the City Council, and Council Member Todd led everyone in prayer and the pledge of allegiance. Council Member Bell absent.

Mayor Brown requested the City Secretary to call the roll. Council Member Galloway out of the city on city business. Council Member Sanchez absent on personal business. Council Member Bell absent.

Council Members Keller and Boney moved that the minutes of the previous meeting be adopted. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent on personal business. Council Member Bell absent.

Mayor Brown stated that they would go back to the list of speakers and the City Secretary resumed calling the list of speakers. Council Member Bell absent.

The City Secretary stated that listed under the non agenda she noticed that staff made an error and there was a couple of speakers that were on an agenda item and she would call them next under that category, Ms. Suzanne Poole and Mr. Jonathan Bruce, who she believed were speaking on the wrecker ordinance. Council Member Bell absent.

Mrs. Jane B. Page, 2000 Post Oak Blvd., Ste 1950, Houston, Texas 77056 (713-840-1170) appeared and stated that they had some handouts had been passed out and those were the handouts that were presented to the Fiscal Affairs Committee that morning and she wanted everybody to have an opportunity to look at that information, that there was a lot of discussion at the meeting and very valid points were brought up and there was no decision made in the committee meeting and so they would like to talk about some of those issues over again and then answer some questions, that first she would like to take the opportunity to respond to some of the questions, especially that Council Member Boney raised, that when they went back and looked at the proposal that Crescent submitted in the Spring of 2001 they did not submit a proposal that responded to what was sent out, that they did not respond with a lease, that was

true and they were not trying to hide that at all, that they responded with an exchange of land downtown for the land at Compaq Center, that she wanted to note that she could be guilty of one thing and that was being naïve and trusting people, that they put together information, that they were led to believe by Mr. Tollett, was important to the City and that Mr. Tollett had said he wanted a cashless transaction and that an exchange would be very acceptable, and so that was what they did, they were trying to make it a win win situation for the City and for Crescent and so there were several things that they put in their proposal that evened the values, because the value of Compaq Center was not quite the same as the value for downtown land, so there were several items that they put in their proposal that evened up that balance of values, so they put several things in there, that she wanted to say that the numbers that were talked about, that Lakewood's proposal was that much above Crescent's and that the City had to pay money to Crescent, that really was not true, that there were several things in their proposal that were not in the Coastal Securities analysis, that there was not the free use of the entire super block for 42 months that they put in their proposal, which was of value, that there were 685 parking spots on that block, which the City would have been able to utilize and use for parking and generate the revenue from that parking for the super block and that was not analyzed, that the property tax revenue of putting some of the sites back in place and building a building on the Compaq Center site with the property tax revenues generated from that was not in the analysis, so when they talked about the analysis she wanted to take the opportunity to say that they did not agree with the analysis and they were not given an opportunity to talk through it. Council Member Bell absent.

Upon questions by Mayor Brown, Ms. Page stated that she was Senior Vice President for Crescent Real Estate and was responsible for their portfolio in Houston and Austin, which was about 14 million square feet, that they probably did not respond on a regular basis to Request for Proposals, that they were not a vendor so they did not respond to proposals in that way, that they probably issued RFP, that when they issued RFP's she did know that if someone did not respond with exactly the criteria of the RFP they had the opportunity to pickup the phone and talk through the issues, and Mayor Brown stated that she also knew that what happened in the public sector, because of the law they must abide, were different than what they could do because they could do whatever they wanted to do because it was no one else's business except their company's, and Ms. Page stated that she understood that the City had to abide by its policies. Council Members Castillo and Bell absent.

Upon questions by Council Member Boney, Ms. Page stated that their company assets were worth about \$4.5 billion, that they could have hired someone to help them understand how the City operated with regard to responding to Request for Proposals, that they came and spoke at the end of June, that the RFP was out since March, that she did not know when the Coastal analysis was presented to Members of Council, and Mr. Tollett stated that it was presented July 3, 2001, and Council Member Boney stated that here it was December and they were raising their disagreement with Coastal's analysis now, that they talked about the free use for 42 months of the parking spaces, 685 spaces, and she must understand that just because they had 685 parking spaces did not mean that they were going to get 685 spaces worth of revenue everyday so there had to be some projection based on potential, and Ms. Page stated that when they submitted they used the actual numbers that Crescent had been receiving and over a 42 month period it was approximately \$1.5 million worth of revenue, that as far as property taxes there was an approximate \$3.9 million of property taxes to the City. Council Member Castillo absent.

Council Member Tatro stated that in the RFP process Crescent did not respond to a, b, c or d of the RFP process and that was one of his concerns, that the Council never saw the RFP it was fully the administration that put together the RFP on a substantial piece of City real estate, that they had the committee meeting that morning and he still did not understand why the stranded piece of property needed to remain in the City inventory and not be productive to the

average taxpayer of the City of Houston for the next 60 years, that he saw the economic analysis done by Coastal and the \$69 million that Coastal ranked the Lakewood proposal had no bearing in reality to what the taxpayers of the City of Houston would benefit if the proposal were to be approved, that it was very clear and simple that total benefit to the taxpayers of the City of Houston was \$9.5 million plus any perceived benefit that they got from those ten days, however on the other hand they did have the opportunity to make it a tax producing piece of property and by the lease sale analysis that she passed out the numbers were very simple, that he would say that when the RFP was crafted and put out for bid, the highest economic value for the taxpayer of the City of Houston was not goal number one and he would side with the thought that they did not need to rush into it and they needed to rethink about their utilization of City assets and get the highest economic value. Council Member Castillo absent.

Mayor Brown stated that Council Member Tatro had pointed out that Council did not see the RFP before it went out and he was sure that Council Member Tatro was aware that there was a distinction between what they did in the administration and the Council's role and they send the RFP's out and Council never sees the RFP's and that was the administrative function. Council Members Castillo and Parker absent.

Council Member Keller stated that what they did have though and it was in the lease on Page 1 in C, was that they had the obligation to get the best deal for the City and that might include broadening scope of services or scope of bids to include things like sale or lease purchase or lease and that was in the lease that they were currently approving, that he had chastised Crescent some time ago for not responding to the PRP and theirs was the best that they had to consider and they voted to move that along, and he asked Ms. Page if she was saying that she was told to do a cashless proposal, and Ms. Page stated that was a suggestion, that in discussions with Mr. Tollett, and she was present with some other business leaders of the City, they were talking about the super block and how the City really wanted the parcel of land in front of the Convention Center and the new hotel and they talked about how that could be possible and it was supposed to be cashless, and Council Member Keller asked Ms. Page if she was told not to submit a lease proposal, and Ms. Page stated no she was not told not to. Council Member Quan absent.

Mr. Tollett stated that everyone in Council received a master plan from Lakewood that showed page by page how they were going to gut the bottom, that now it was locker rooms and now they would not need locker rooms, it was a library, they were going to redo the food court, they were going to spend the money, that when Council asked them to negotiate with them in July they saw their design concept, that they had to pay within 10 years and then so much within 30 years and then so much to get to the other 30 years, that there was a design concept attached that was mentioned in the lease, and he wanted to say something that he always says and he would go on record as saying, that the City of Houston wanted them to submit their proposal the way they asked to submit their proposal, and that was what he had told Ms. Page, and on top of that he said, "but you can submit whatever else you want to" period. Council Member Quan absent.

Council Member Robinson stated that Dr. Scheps was at the meeting and they were handed a document with a bunch of numbers and he asked Dr. Scheps if he would take a look at it and do an analysis, that one of the parties gave it to them and he was not sure if it was a true apples to apple comparison and since it was dealing with numbers he would like the F&A Director to take a look at it and give them a true valuation, that his other concern was if anybody else was interested in the deal, and Mr. Tollett stated that he wanted to say that they did advertise it nationally that the property was available to anybody in the whole world back in March 2001, that this was not new and was the second go around with the same players, that they did it in July over two Council meetings, they went through the same questions and heard the same

answers and they were on video tape.

Council Member Parker asked Mr. Tollett if he had been contacted by any other company except the original parties in this deal that had expressed desire to have another shot at this project, and Mr. Tollett stated no, nor had he heard from Crescent since they were present July 3, 2001 and talked about the same thing, never one call period.

Council Member Boney asked Ms. Page that the numbers she gave them on the City tax portion of the revenue from the Compaq Center if it was the building as it was now, and Ms. Page stated no, that it showed 10 years of vacant land and the taxes as of 2001 tax assessment for 10 years on the vacant land and 20 years if a million square foot building were built on that land, that it was assuming that a developer would tear the Compaq Center down in 10 years, that was the \$13.1 million was taxes just on the building for 20 years, and Council Member Boney asked if Crescent was projecting, proposing or asserting that they would build that 1 million square foot building in 10 years, and Ms. Page stated that she thought it was very doable, that no, Crescent was not present to tell them that in 10 years they would build a million square foot building, and Council Member Boney stated that what she was really saying was that the only thing that they could assert that the City could be assured of getting were they to throw out the Lakewood proposal was the \$70,000 per year of the City tax portion, and Ms. Page stated that was correct, and Council Member Boney stated that she was saying that she believed that if the economic conditions were right and Crescents cash flow was right that they would be able to partner or get somebody together or they would build a million square foot building in ten years and they would get that amount of tax generated to the City and Ms. Page stated that it was a premier site, and Council Member Boney stated that they should represent what it was they were presenting, which was that they were guaranteeing the City \$70,000 per year and not guaranteeing them \$13.1 million. Council Member Parker absent.

Ms. Suzanne Poole, P. O. Box 1035, Houston, Texas 77459 (281-438-5427) appeared and stated that she was present on behalf of Houston Professional Towing Association and stated that she would yield the rest of her speaking time to Mr. Jonathan Bruce. Council Members Boney and Vasquez absent.

Mr. Jonathan Bruce, 6464 Savoy, Ste. 100, Houston, Texas 77036 (713-667-2234) appeared and stated that he was the attorney for Houston Professional Towing Association and also the attorney who represented Stuckey in the Stuckey versus City of San Antonio case which had caused the City of Houston to have to go back and redo their Tow Truck Ordinance, that the position of his client, the Houston Professional Towing Association was that they were in favor of any agreement that would basically allow tow truck drivers to get a contract with the City or a police service agreement, who could have gotten a permit before, it was his understanding that the City was going to go to a police authorized towing service agreement which would allow this, that the Transportation Committee had come out with a proposal that would have limited or excluded sling tow trucks from applying for this service agreement or operators who operated sling tow trucks, that it was also his understanding, after talking with Mr. Ross Allyn, who represented the other association that requirement was going to be taken out of the proposed agreement and if that was the case they did not really have any problem with the new agreement that was going to be on the table, that a few issues that they did have a problem with was a requirement for Workers Compensation Insurance, that his group was basically individuals or small tow truck companies and requiring Workman's Compensation for those companies was basically about \$1,000 to \$1,600 per year additional cost and was a lot when they operated a small business, that they also had a problem with the \$1 million worth of liability insurance, that the State only required \$300,000 and thought the City's Legal Department had already addressed the issue that the City in no way could be liable for the actions of the tow truck drivers and that really the \$1 million was a bit excessive, that they did not oppose any zones, which was

another issue which had come up in the Transportation Committee meeting, as long as basically the sling trucks were allowed to apply for and get the towing agreements the Houston Professional Towing Association did not have any problems with the zone issue, and that concluded their position today. Council Members Boney and Vasquez absent.

Council Member Quan asked if in summary everything had been worked out except the issue of Workman's Compensation and if that issue would be deleted their association would be in full agreement with what was being proposed, and Mr. Bruce stated that the Worker's Compensation, and he thought the liability insurance, it was not a huge expense but it kind of nickled and dimed those guys to death, that they were small individuals, that the Workman's Compensation was a big issue with them or even an occupational safety insurance because they were basically talking \$1,500 per driver, per year, that they could live with the increase in the liability insurance, but they would certainly like to see the \$300,000, which was what the State required, but it was not a deal breaker, the zones was not a deal breaker, but the Workman's Compensation that they really had a concern about. Council Members Boney, Keller, Vasquez and Robinson absent.

Mr. Jack Xiong, 2125 Augusta, No. 76, Houston, Texas 77057 (281-518-9691) appeared and stated that he was present on behalf of Falun Gong Practitioners, both in Houston and their Sister City, Shenzhen, City, that as they knew Falun Gong was an ancient spiritual practice that taught truthfulness, compassion and tolerance, that it was first made public in China, but had since then spread all over the world and in Houston, Texas, that the Chinese government spanned Falun Gong and began a nationwide campaign of torture and intimidation beginning in July 1999, that since then over 50,000 practitioners had been sent to forced labor camps and over 300 of them killed while in police custody, and countless more had lost their jobs, been expelled from school or evicted from their homes, that he was sorry to report that their Sister City Shenzhen, had been one of the worst persecutors in China since the anti Falun Gong Campaign, that in the labor camps Falun Gong practitioners were forced to work 17 to 18 hours a day and frequently beaten, shocked with cattle prods, bound tightly with ropes or denied sleep for days, that when they protested their being deprived of their rights through hunger strikes, officials used brutal force in force feeding them to respond to their request, that the guards frequently forced toothpaste, soap, dirty clothes or even used sanitary napkins into the mouths of the practitioners, that one practitioner was burned 13 times on his legs with a red hot iron rod, that ironically he was able to escape and found help in Houston, that frequently guards sexually abuse female practitioners and also instructed criminal inmates to participate in that abuse, that it had been reported that several practitioners had been stripped naked so that the guards and other inmates could use the bottom of their shoes to strike at their private areas, that in January of 2001 they learned that female practitioners were thrown into a jail cell with male prisoners and the result of that unbelievable act were beyond description, that as pointed out by the U. S. State Department on July 5th these people should never have been incarcerated in such camps in first place, that the Falun Gong practitioners had no one to speak out for them in China so it was up to them in the United States to stand up for them, that they called on the officials of Houston to pass a resolution and send a message that they were strongly against injustice and the violations of human rights against Falun Gong practitioners, that they asked to send the resolution to the city government of Shenzhen and to other responsible officials condemning their torture and other forms of persecution, that they would find in the packets that he had passed out a sample resolution that had been passed by cities such as New York and documents of persecution. Council Members Goldberg, Boney, Keller, Castillo and Robinson absent.

Ms. Genelia Smith, 3232 Francis, Houston, Texas 77004 (713-751-0072) had reserved time to speak, but was not present when her name was called. Council Members Goldberg, Boney, Keller, Castillo and Robinson absent.

Mr. Willie Smith, 3232 Francis, Houston, Texas 77004 (713-751-0072) appeared and stated that he was present on behalf of his mother, Mrs. Ellie Mae Smith, that some work was done about three years ago on her house by Public Works and as of today the problem was still there, that they had called numerous numbers of Public Works and this was his first time at Council, but his wife had been present before and they were told that the problem would be taken care of but as of today the problem still stood, that they had a four by five hole that was dug up and they still had City equipment under the house and they had two to three different inspectors come out and they had been told various things about getting the problem solved, that he had paperwork that described the area that was worked on and it had a little sub footage on the paper that said if they did anything that resulted in destruction of the property it would be fixed, that he had faxed the paper to all different levels of Public Works and as of yet they only had two inspectors come out and had been told about three different things, that he was present to get an answer or resolution to the problem because his mother was 90 years old and was unable to keep up with it, that last year his sister tried to get some answers, but as of yet it was still un-repaired. Council Members Goldberg, Boney, Keller, Castillo and Robinson absent.

Upon questions by Mayor Brown, Mr. Smith stated that they lived in the Forest Homes Subdivision by Texas Southern and they had a housing project there that the whole sewer system was shut down and they went maybe a mile from the City project and had big machines come in and tracted it out and under his mothers house an easement, like a little spur, ran off on the main line and they stuck a big vacuum hose in and sucked all of that refuge out and in doing so the hole collapsed, and Mayor Brown stated that Mr. Gary Norman was present and would meet with him and get the problem solved. Council Members Goldberg, Boney, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mr./Coach Bobby Taylor, 3107 Sumpter, Houston, Texas 77026 (202-FA3-4511) had reserved time to speak, but was not present when his name was called. Council Members Goldberg, Boney, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Ms. Kathryn Spicker, 201 South Height Blvd., No. 2426, Houston, Texas 77007 (713-864-8071) appeared and stated that she was present to urge the Council Members to vote against the HGA's proposal to move the Shell Houston Open to Memorial Park, that the issue surrounding such a proposal were numerous and would have wide spread repercussions on both the park and its users, that unfortunately most of these were negative in nature, that to say the least she was very dismayed when she first received word of the proposal, that on average she spent four to five days per week at the park, biking, roller bladeing, running and playing tennis, that additionally she often headed to the park with her dog where she saw Houstonians from all economic and social backgrounds enjoying the many park facilities, that Memorial Park provided a welcome escape from the concrete of Houston, that her opposition to the proposal stemmed from the environmental and economic issues that were generated but not addressed by the proposal, that she found it inconceivable that the tennis courts could be relocated anywhere in the park without the removal of numerous large amount of trees, that additional the chemical and water requirements to maintain a PGA tour event would cause ecological damage to the park and its wildlife, that the economic terms of the proposal were favorable only to the HGA, that the City would essentially privatize an operation that generated an average of \$500,000 per year and had a \$3 million surplus fund, that in return the City received annual rent of only \$200,000 displacement of park facilities, inconvenience during construction and tournament play and costly environmental issues, that the bottom line was that taxpayers would not see a dime of the \$9 million in revenue the tournament generates, because that belonged to the HGA, but they would be asked to bare the burden of nearly \$5 million in cost and inconvenience to reconfigure the park just to accommodate the tournament, that the City of Houston was not in the business of running golf tournaments, its job was to provide services for taxpayers and in this case

recreational opportunities and green space, that in conclusion she saw the proposal as a poor attempt by the HGA to ramrod their pet project through without consideration of the sweeping impact on the park and its users, that the facilities of the golfers were being improved at the expense of all other park users, that it was clear by the proposal that the HGA was not concerned that the park was a multi user facility when their proposal required removing over 50% of the tennis courts as well as the picnic loop that was used by avid cyclists such as herself, that was bringing the Shell Houston Open to Memorial Park and the renovation of the golf course the best use of the City's assets and most importantly would these proposed changes benefit the taxpayers of Houston who used the park on a daily basis, that she thought they would agree that the environmental and economic costs to make the changes just to support a tournament which would last one week were hard to swallow. Council Members Goldberg, Boney, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that no decision had been made on the issue and would make sure that the comments she had made would be shared with the Parks Department, that if she wished to have more input Mr. Brian Hill was present and would meet with her, that at some point and time there would be another Council committee meeting before it came to Council. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mr. Trent Winters, 7967 W. Airport Blvd., Houston, Texas 77071 (713-729-1153) had reserved time to speak but indicated from the audience that he did not wish to speak. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Ms. Cheri Butler, 1066 South Lane, Houston, Texas 77088 (281-734-4164) appeared and stated that she wanted to congratulate Mayor Brown on his re-election, that she wanted to thank them for the opportunity for allowing her to go before the Metropolitan Board of Directors, that she was disappointed because the board did not respond to her request on October 21, 2001, that she felt like they owed her an explanation for the mishap of the paperwork, that there were incident reports in the paperwork that she had that needed to be addressed, that there were some harsh things being said to her and about her, that Metro needed to address these things, that she had not had any luck in finding a job because of the bad paperwork. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that the City did not control the Metro operation, that it was a separate Metro Board that controlled their operation and asked Ms. Butler what it was she wanted to see the City do understanding that they had no jurisdiction over what the Metro Board did, and Ms. Butler stated that the issues of harassment by her former co-workers needed to be addressed, that Metro needed to look into it, that the board did not respond to her request, that they did not tell her why they did not respond, and Mayor Brown stated that about the best they could do was to refer her back to Metro because the City Council did not have jurisdiction over the Metro Board, that she may want to find one of the board members and talk with either him or her and share her concern with that board member and see if they could be of any assistance to her, that Ms. Debra Dillard, Citizens Assistance, could get her the telephone number. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mr. Earl Lewis, 5641 Yale Street, No. 1, Houston, Texas 77076 (713-741-0277) had reserved time to speak, but was not present when his name was called. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Ms. Kathie Rodriguez, 718 Wescott, Houston, Texas 77007 (713-861-7844) appeared and stated that she wanted to congratulate Mayor Brown on his re-election, that she owned five lots located at 718 and 712 Westcott, that her husband was Lee Rodriguez and together they operated Lee Rodriguez Photographers, that they had their business for 34 years in the Houston area and since 1986 they had operated from this location, that in the past year and couple of months they had acquired a new neighbor who had purchased almost all of block 41, the Rice Military area, four blocks off of Memorial Drive, that for the past year they had been in an ongoing battle with this particular developer with many issues involving City violations, that she had gone to many of the different City departments to bring the violations to their attention and they had been noted in the City records, but she had still been unable to have anyone look into these issues or resolve these issues, that it had cost her a great deal of expense because of drainage issues on her property, trespassing issues, littering, blocking of streets, trash and debris left in ditches, that yesterday she went to the OIG and filed a formal complaint asking for their help in sorting out this problem, that she implored them to follow through with the investigation and hopefully assist her in resolving the issue, protecting the rights of property owners and her neighbors as well who were also running into similar situations with the developers in her area, that in the course of researching her own plight she found others who had been abused by the same developer. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that he had spoken with her about this earlier and had asked Mr. Robert DeYoung to get with her, that he was present and would follow up, that if there were any violations they needed to take the appropriate action, and if there was any inactivity on the part of their inspectors in doing their job they would take the appropriate action as well, and asked Mr. DeYoung to follow up with her and get a report back to him as to how the issue could be resolved, and Ms. Rodriguez stated that she had left a list of the violations with them. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Ms. Brenda Flores, 2041 Mandel, Houston, Texas 77055 (713-722-9258) appeared and stated that she had helped Ms. Rodriguez with her paperwork and took her to the OIG yesterday, that if they looked at the last two pages of the paperwork Ms. Rodriguez presented, when Kathy came to her back in August she began to help her with research on the developer and she did not think the problem was just in the City departments, that this developer and Council Member Sanchez shared the same address, the same suite and office number, that the developer also gave him \$50,000 just 8 days before the election, that if they had a system in place that allowed a Council Member to pick up the telephone and see that their ordinances were ignored and that people's individual property rights were violated they needed to fix the system, that they had built on a zero lot boundary line to Ms. Rodriguez property, that also to a 74 year old widow, the same thing, that in the letter that was in there from the City, they did not have permits to do it, that the same inspector was involved with the majority of the people that they had been looking at. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that they would help, that if any inspector was not doing his or her job right they would certainly take the appropriate action, that they did not have the authority to overlook any violation, regardless of who called them, a Council Member or the Mayor, they were expected to do their job and they would make sure to get to the bottom of this. Council Members Goldberg, Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Council Member Parker asked if the handout was a formal statement of complaint to the

OIG and there was an active investigation going on, and Ms. Flores stated yes, that they filed it yesterday, and Council Member Parker asked if part of the contentions to the OIG was that the inspectors ignored violation of City ordinances, and Ms. Flores stated yes that Ms. Rodriguez had spent days at Code Enforcement, and Council Member Parker asked if the company shared a business address with one of the many inactive businesses that Council Member Sanchez seemed to have and was it part of their allegation to the OIG and Ms. Flores stated yes, that she and Ms. Rodriguez had spent an hour and a half pulling files and his board of directors, their wife's and children and him, \$50,000 in the last eight days before the election, and Council Member Parker stated that she looked forward to the results of the OIG investigation and thanked her for bringing it to their attention. Council Members Boney, Todd, Keller, Vasquez, Castillo and Robinson absent. (NO QUORUM PRESENT)

Mr. Aubrey Vaughn, 5025 Telephone Rd., Houston, Texas 77087 (713-644-4882) appeared and stated that he was Pastor of the Church Jesus Christ, known as the Grace Baptist Church in Houston, Texas and stated that he was present to call their attention to the National Day of Reconciliation that the national Congress established on this day set aside from 5:00 p.m. to 7:00 p.m. for those Member of Congress who would come and try to renew their fellowship with their God, and continued to voice his personal religious beliefs until his time expired. Council Members Boney, Todd, Keller, Vasquez, Castillo, Parker and Robinson absent. (NO QUORUM PRESENT)

Mr. Levy Calderon, 10260 Bridgeland Ln., Houston, Texas 77041 (713-416-6897) appeared and stated that he was a truck driver and drove a dump truck, that he had been talking to a lot of truck drivers and they needed someone to pay attention about their situation because the taxi cabs and other equipment workers who worked in the City got raises and they did not, that when he talked to the companies about a raise he got fired, that he worked with different contractors, that he had been working with a company who supplied asphalt and different equipment for the City, that he did not want to get fired, that there were a lot of problems with the safety equipment for the rate that they get, that there were many problems for the truck drivers and they were the ones who assumed all of the costs of the repairs and they did not make enough money, that he was an independent and was speaking for a lot of other independent truck drivers. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that Mr. Richard Cantu, Citizens Assistance, was present and would meet with him. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Ms. Brenda Fay Clay, 12500 Dunlap, No. 244, Houston, Texas 77035 (713-721-5208) appeared and stated that she was present to ask for housing for her and her three children and compensation from Security Storage and she also wanted justice done because of the wrongful move done by the Harris County Constable when he came to her house, that he worked for Precinct 7 with Mr. Perry Wooden, that his name was Officer Swanson, that she was wrongfully removed, that 2 hours before the Constable got there to evict her she came up with the \$743 and she and the office had settled and they explained that to the Constable and he got on his radio and he paged Mr. Mark, who was the owner of Security Storage, that Mr. Mark instructed the Constable to stop moving her things and go ahead on the to next eviction he had, that Officer Swanson did not follow the instructions, that after he called he said he was the Constable and he was ordered to writ out an eviction and that was what he was going to do and therefore he did move her and she and her kids became homeless, that when she went to the storage to buy back some of her stuff she had nothing, that her stuff was gone, that she had no clothes, only what she was allowed to take from the apartment, that the wall unit she had was broken, that she tried to talk to the secretary and another gentlemen and they were very rude, they wanted to

sell her four boxes for \$100, that she only got two boxes and they did not want to give her the money back, that the gentlemen threw a \$50 bill at her. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Mayor Brown stated that the Constable was an elected official and Mr. Wooden was elected by the voters and that meant that the City Council did not have any jurisdiction, and suggested that she go back and talk to the Constable himself and asked if she had done that, and Ms. Clay stated that they were aware of what had happened, that they would not let her talk to him, that they would not assist her, and Mayor Brown suggested that she call the County Commissioner in charge of that precinct and see if that person could be of any assistance to her. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Ms. Deborah Elaine Allen, would not give address or phone number, had reserved time to speak, but was not present when her name was called. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Dr. Motapa, 6425 Woodard, Houston, Texas 77021 (713-645-9598) had reserved time to speak, but was not present when his name was called. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Mr. William Beal, 4718 Boicewood Street, Houston, Texas 77016 (713-633-0126) had reserved time to speak, but was not present when his name was called. Council Members Boney, Todd, Keller, Vasquez, Parker and Robinson absent. (NO QUORUM PRESENT)

Mr. Lee Mercer, 4928 Winnetka, Houston, Texas 77021 (713-741-9656) appeared and stated that he wanted to congratulate the Mayor on his re-election and requested a budget for his undercover work. Council Members Tatro, Boney, Todd and Keller absent. (NO QUORUM PRESENT)

Mr. James Partsch-Galvan, 1611 Holman, Houston, Texas 77004 (713-528-2607) appeared and stated that Tuesday, December 4, 2001, www.galvanism.com, www.plasticbabylon.com, just a few analysis, that he wanted to read something that was posted on hand.net by Rainbow the Clown, Ricky Hurt, that it was very interesting that Michael Berry received the most votes 166,166, that he found it very interesting and a victory for fiscal conservatives, a victory for independents, and a victory for youth since he was going to be the youngest City Council Member, and Mr. Galvan continued to voice his political opinions until his time expired. Council Members Tatro, Boney and Todd absent.

At 3:29 p.m. upon motion by Council Member Parker and seconded by Council Member Quan, City Council recessed until 9:00 a.m., Wednesday, December 5, 2001. Council Member Galloway out of the city on city business. Council Member Sanchez absent on personal business. Council Members Tatro, Boney and Todd absent.

City Council Chamber, City Hall, Wednesday, December 5, 2001

City Council reconvened in the City Council Chamber at 9:00 a.m. Wednesday, December 5, 2001, with Mayor Lee P. Brown presiding and with Council Members Bruce Tatro, Mark Goldberg, Jew Don Boney, Jr., Rob Todd, Mark A. Ellis, Bert Keller, Gabriel Vasquez, John E. Castillo, Annise Parker, Gordon Quan, Orlando Sanchez, Chris Bell and Carroll Robinson; Mr. Anthony Hall, City Attorney; Mr. Al Haines, Chief Administrative Officer, Mayor's Office; Ms. Martha Stein, Agenda Director present. Council Member Carol M. Galloway out of the city on city business.

At 8:33 a.m. the City Secretary read the descriptions or captions of items on the Agenda.

At 9:09 Mayor Brown reconvened the meeting of the City Council and stated that the first item of business would be a public hearing. Council Members Tatro, Boney, Todd, Ellis and Keller absent.

HEARINGS

1. **PUBLIC HEARING** to consider the creation of a Reinvestment Zone for **R&L CARRIERS, INC. - DISTRICT I - CASTILLO - 9:00 A.M.**

Mr. Bill Calderon, Planning Department, stated that the hearing was on a proposed creation of a Tax Abatement Reinvestment Zone for R&L Carriers, Inc., that the City of Houston received a tax abatement application from R&L Carriers on June 20, 2001, that subsequent to its receipt they requested some additional information that was lacking in the application and received additional information from the company on October 10, 2001 and October 31, 2001 at which point the application was deemed complete, that R&L Carriers, Inc. was a 25 year old trucking company with corporate headquarters located in Wilmington, Ohio, and was a leading provider of less than truckload trucking services, that the company currently operates 11 terminals in the State of Texas and in Houston it had a terminal that was 10,000 square foot in size and was located in Council District I at 95 Oates Road in northeast Houston, where they employ 100 people, that R&L Carriers was currently considering expanding its Gulf Coast operations with the construction of an additional 70 bays, that the City of Houston was one of the several cities considered for this expansion, that should this expansion take place in Houston the total investment as proposed was \$2 million of which they estimated \$1.7 million would be subject to the abatement, that if R&L chose Houston for the project the company would retain all of the current employees and create an additional 150 employees between now and 3 years from the time the company expands its operations, that if the abatement were approved the City's average annual income during the abatement period would go up by \$74,000 and after the abatement period the average annual income would increase by \$80,000 over current revenues, that the project was competitively sited with existing facilities in Manor, Sealy, Rosenberg, Baytown and League City, that the applicant had requested a variance to allow for a delayed start of the abatement period, subject to Council approval the abatement would begin January 1, 2003, that R&L Carriers was a Greater Houston Partnership client and Harris County had also recently indicated their intent to support a tax abatement for the project, that Mr. Jim Griesel, Terminal Manager for the Houston facility was present and available to answer any questions that Council may have on the project and representatives of the Greater Houston Partnership were also present. Council Members Tatro, Boney, Todd, Ellis, Keller and Sanchez absent.

Upon questions by Council Member Quan, Mr. Calderon stated that the term for the abatement was 10 years, that they monitored the abatements very closely and on an annual basis they check with the appraisal district and trade information with them relative to the job creation and their value status, that at the end of the third year the City sends an audit team out to count heads and verify that the investment had been made pursuant to the terms and conditions of the agreement, that they also had the option to negotiate a settlement in lieu of termination. Council Members Tatro, Boney, Todd, Keller, Parker and Sanchez absent.

The City Secretary stated that no one had reserved time to speak on the hearing. Council Members Tatro, Boney, Todd, Keller, Parker and Sanchez absent.

Council Member Vasquez moved to close the hearing, seconded by Council Member Quan. All voting aye. Nays none. Council Member Galloway out of the city on city business.

Council Members Tatro, Boney, Todd, Keller, Parker and Sanchez absent. MOTION 2001-1283 ADOPTED.

MAYOR'S REPORT

REPORT FROM CITY CONTROLLER AND THE CITY ADMINISTRATION REGARDING THE CURRENT FINANCIAL STATUS OF THE CITY including but not limited to, a revenue, expenditure and encumbrance report for the General Fund, all special revenue funds and all enterprise funds, and a report on the status of bond funds

Ms. Sylvia Garcia, Controller, stated that she was pleased to present the Monthly Financial Report for the period ending October 31, 2001, that first a note about the General Fund ending fund balance for the previous fiscal year, that they might remember that last month they told them that the ending fund balance had been reduced it had been reduced by another \$937,000 and now stood at \$83.2 million, that the projected decreases were attributed to delayed billings from the Central Services Revolving Fund, but this however should be the final number as they were very close to completion of the Comprehensive Annual Financial Report for the previous fiscal year; that as to the General Fund for the current month no real change from last month, however she would point out that the Sales Tax projections were a little bit better than they thought, the November check, which represented the September tax receipts was about 7% higher than last month so they had accordingly made a new projection for Sales Tax and upped it about \$4 million and it would help them with the bottom line this year, however they remained cautious and continued to monitor Sales Tax receipts very carefully; that the other two areas which were not on budget, of course, were Municipal Courts and Directed Fund Services, that they talked about both of those last month; that Municipal Courts they continued to watch very carefully, that collections were not where they should be and knew that the administration was working to resolve some of those issues; that on the expenditure side everything was the same as last month and they reported no change, that they would like to point out that they continued to have the item of Other Financing Sources, it showed up again this month, and again it was simply the amount they thought was necessary to be able to meet any expected shortfall and which they saw now at \$27.3 million, that this was a decrease of about \$4 million or \$5 million, that they anticipated working closely with the administration to devise a plan to cover the shortfall and again as they announced last month the Controller's office had taken the first step by pledging a reduction of 2.7%, that if all departments, including City Council and the Mayor, were to do this the savings would be about \$30.2 million, about \$3 million or \$4 million more than the expected shortfall of \$27.3 million; that the Enterprise Funds continued to feel some pressures, however they had not made any changes in the Aviation Fund nor the Convention and Entertainment Facilities Fund, that the only change they had made was in the Water Sewer Fund where they decreased projections on revenues again by \$5 million, that this concluded her report. Council Members Castillo, Quan and Sanchez absent.

Dr. Philip Scheps, Director, Finance and Administration, stated that the Finance and Administration had also changed its Sales Tax projections upward, that they did get a favorable report for the last Sales Tax check, although much of it had to do with audit adjustments, that they took a slightly different approach from the Controller, that they used the year to date amounts and then used Dr. Smith's model for the remainder of the year and he concurred with this and they had increased their Sales Tax projection by \$3 million from that reduced amount; that they had also added in the Direct Inter Fund Service, which amounted to \$785,000 because of the police services, which would be charged to the Water and Waste Water Fund; that this month, on the expenditure side, they had incorporated the full amount of the fire department four on a fire truck plan, which included largely overtime, so that had been put on the expenditure side as well; that they were reflecting position control savings in the 10 to 12 range and they had adopted the same approach as the Controller in terms of showing an unidentified source or

expenditure reduction that would balance the budget at the existing balance and their numbers were about \$16 million less than the Controller's because the Controller's office did not recognize the position control savings as yet and they were showing them as reductions, that in terms of position control, that process was well under way and believed they had about 12 meetings and had a combination of accepting certain additional positions and sending some departments away to come back with revisions, in most cases they had been emergency positions that they had added because of some reason, for example, in the fire department, in order to keep their EMS certification they had made a deal with the State to do certain things, which were in the budget, and they had allowed them to go ahead and hire those people; that Water and Waste Water they had made certain changes in there as well, they had dropped the revenues, but also dropped the expenses to reflect the electric revenue savings that they anticipated and had adjusted the Water and Waste Water accordingly for both revenues and expenses; that they had revised the performance measures and if they looked at their MOFAR they would see certain additional performance measures in F&A; that they were not able to talk about the Fee Study or the Managed Competition with Fiscal Affairs yesterday, because they got bumped by other matters, but they would talk about it at the first meeting in January 2002; that in the Debt Management, they had done two successful refundings since the last time he had reported to them, both very favorable high level of savings, one for Water and Waste Water and one for the Aviation System and those were listed in Table A, and that concluded his report.

Council Member Castillo moved to accept the report, seconded by Council Member Parker. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Boney and Quan absent. MOTION 2001-1284 ADOPTED.

Council Member Parker moved to suspend the rules to consider Item Numbers 45 and 45A out of order, seconded by Council Member Robinson. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Boney and Quan absent.

45. WRITTEN MOTION presented by Council Member Robinson to amend Item 45A below, to provide the following:
Require that at least \$25 million dollars of the \$69 million dollar renovation commitment be spent within the first ten (10) years of the lease.

If all \$69 million dollars for renovations are not spent within the original thirty (30) year term of the lease, the lessee will pay the City \$20 million dollars to extend the lease an additional thirty (30) years - **TAGGED BY COUNCIL MEMBERS ROBINSON and PARKER** - and

- 45a. ORDINANCE approving and authorizing lease agreement between **LAKEWOOD CHURCH, INC**, a Texas Non-Profit Corporation, as tenant, and the City of Houston, Texas, as landlord, for the Compaq Center - **DISTRICT C- GOLDBERG** – **(This was Item 9 on Agenda of November 28, 2001, TAGGED BY COUNCIL MEMBERS ROBINSON, PARKER and MAYOR BROWN)** – were before Council.

Council Member Robinson stated that he knew a number of them had additional amendments on the item and wanted to get some procedural clarification, did they vote on amendments or did they just want to lay out the amendments and tag everything and then carry over the old stuff, and Mayor Brown stated that they should introduce the amendments and then ultimately delay the whole package.

Council Member Robinson stated that he had distributed at the table an additional two amendments and while looking through other Council Members amendments he saw that some of them had the same essential amendments, one to eliminate the legal fee of \$250,000 and to deal with the lease payments going to the General Revenue Fund, so those were the two

additional amendments he wanted to make.

Council Member Robinson offered the following amendments:

1. Amend Item 45a to eliminate the requirement that the city pay the first \$250,000 in legal fees to defend the lease agreement should it be approved by Council.
2. Amend Item 45a to mandate that the \$9.5 Million lease payment be deposited in the General Fund, and that the lease payment at the end of the initial thirty (30) year term be evenly divided between the General Fund and the Convention and Entertainment Enterprise Fund.

Council Members Parker and Tatro tagged the motion presented by Council Member Robinson. Council Members Todd and Castillo absent.

Council Member Tatro stated that he knew that there was some amendments that had been distributed, that he had distributed three pages with the first page titled City of Houston Charter and stated that he wanted to review some logistics of where they stood versus what the City Charter required for the sale or lease of a particular piece of property, that the charter read "that a minimum monetary value of the real estate or interest therein at which the City Council must appoint two qualified appraisers for the purpose of determining fair market value prior to completion of the transaction", that he did not know if the amendments spoke to the appointment of two qualified appraisers by the Council, that he knew that one appraisal had been done but thought that in matters such as these adherence to the City Charter was probably a good idea if not required and thought that City Legal had a position on that yesterday, and Mayor Brown asked Mr. Stephen Lewis, Legal Department, to respond to that issue, and Mr. Lewis stated that Council Member Tatro was quite correct that the Charter did provide that, that if Council in fact adopted an ordinance approving the lease they in effect approved that value and set that as a value for purposes of satisfying the Charter, that they had done this a number of times in the past on leases that were negotiated and a value was arrived at, and Council in effect on a case by case basis could set the point at which they wanted two appraisers appointed, and Council Member Tatro stated that if that was spelled out in the Charter he did not believe they were qualified appraisers and if it was spelled out in the Charter he did not believe they should be skirting the Charter on such substantial pieces of property within the City, that he understood that past administrations may have elected to do otherwise but he did not believe it was proper for this administration or Council to elect not to follow rules of the Charter, that he had also attached the appraisal from Lewis Realty Advisors, which appraised the property at \$11.3 million, that behind that page, as he had talked yesterday about what was the highest economic value for the taxpayers of the City of Houston, he had attached a simple spread sheet that analyzed sale versus lease on a cash basis and with the lease up through 30 years, on a cash basis, the City of Houston would receive \$9.5 million, however with the sale utilizing just the appraisers value, and even a letter that came from Crescent that morning, or a possible bidder, if they sold the property at \$11.3 million, 30 years City tax revenue would be \$2.2 million over that same 30 year period, so that City of Houston taxpayers would get a return of \$13.5 million, if the property were not developed at all for 30 years, that simple transaction, sale with no development of property, would yield a 42% better return than the one the administration had brought forward to Council at this time, that if it was sold and someone put a building on it that would yield an additional, over a 20 year period, \$6.5 million in tax revenue just to the City of Houston, and that was not the school district or the County, and over that same 30 year period the citizens of Houston would receive over \$20 million in revenue for the same proposal and that return was 110% better than the proposal brought before Council for this transaction. Council Members Boney and Robinson absent.

Mayor Brown asked Mr. Lewis if what was being proposed consistent with the laws of the

City, and Mr. Lewis stated that it was consistent with the laws, and some examples of other leases that they had foregone the two appraisals were Bayou Place, the new aquarium facility, the Hobby Center, the various performing arts buildings downtown, and in all of those cases they were specialized type of leases and Council had the authority by adopting an ordinance approving that to in effect establish the market value, which was the purpose of that Charter amendment to begin with, that they satisfy the Charter provision and Council had the authority to establish it. Council Member Robinson absent.

Council Member Parker stated that as she read the Charter it stated that it did require two thirds vote of Council so it was not a simple majority in order to pass the item and establish the new value and asked Mr. Lewis if that was correct, and Mr. Lewis stated that was correct, in fact any sort of grant of an interest in real estate required two thirds of Council, not two thirds of those present. Council Member Robinson absent.

Council Member Parker stated that she wanted to offer four amendments, that they were discussed at yesterday's Fiscal Affairs meeting and seemed to have general support of Council and the administration had put them in ordinance language, which was attached, that one of them, item number 3 was similar to that proposed by Council Member Robinson and next week she would request Council Member Robinson to pull his down since it was the same effect and was the actual language, that the other three items, one was to establish that if the dates were not available at the leased facility to be able transfer those dates between facilities, that the second one was to further specify that it was available for the 2012 Olympics as well as future Olympic dates, and number four had to do with the improvements made to the facility.

Council Member Parker moved to amend Item 45A to provide the following, seconded by Council Member Boney. Council Member Robinson absent.

1. Amend Section 4.6(a) of the Lease as set forth on Exhibit A attached hereto to provide that in the event Lakewood's Existing Facility located at 7317 E. Houston Road is not available for one or more City Dates (whether by sale, closure or otherwise), then Tenant shall substitute City Dates at the Leased Premises in lieu of City Dates at the Existing Facility.
2. Amend Section 4.6(b) of the Lease as set forth on Exhibit B attached hereto to provide (1) that Lakewood will accommodate the use of the Compaq Center for not only the 2012 Olympic bid but for future Olympic bids, and (2) that the parties anticipate that the cost of restoring the facility after the Olympics will be funded through the Houston 2012 Foundation.
3. Amend Section 7.1 of the Lease as set forth on Exhibit C attached hereto to provide that Lakewood will pay the City's legal fees and costs for the deed restriction litigation.
4. Amend Section 18.1(g) of the Lease as set forth on Exhibit D attached hereto to provide that Lakewood will provide reasonable supporting documentation of "the investment(s) contemplated under Section 3.2" of the Lease (Section 3.2 requires Lakewood to make certain improvements as a condition to exercise the second 30 year lease term.)

Exhibit A

in the amount of \$9,500,000 ("Letter of Credit"), issued by a bank reasonably acceptable to Landlord, providing that Landlord may draw the full amount of such Letter of Credit upon a Tenant Default in the payment of Base Rent. Tenant agrees to keep the Letter of Credit in full force and effect until such time as the entire \$9,500,000 of Base Rent is paid to Landlord; provided, however, that the Letter of Credit shall be reduced at the time each installment of Base Rent is paid by Tenant in the amount of such installment of Base Rent.

4.4 Additional Rent. Tenant covenants and agrees to pay, as additional rental, all (i) Impositions as and when required to be paid under the terms of this Lease; and (ii) costs, expenses, liabilities, obligations and other payments of whatever nature which Tenant has agreed to pay Landlord or assume under the provisions of this Lease as and when required to be paid or assumed (collectively, the "Additional Rent"). Additional Rent does not include Base Rent.

4.5 Place and Method of Payment. All Rent (other than Additional Rent that Tenant has agreed to pay directly to the respective obligee thereof) shall be paid to Landlord at Landlord's Delivery Address referenced in Appendix A attached hereto, without notice or demand, in the manner set forth in Article XXI of this Lease. The Person or account to receive such payments and the address for payment may be changed from time to time by notice from Landlord to Tenant.

4.6 Additional Consideration. As further consideration for this Lease, Tenant covenants and agrees that:

(a) City Dates. Landlord shall have the right (which right is personal to the City and not assignable to any subsequent Landlord or other Person except that the City may designate any governmental authority, quasi-governmental authority or non-profit organization as its designee for the use of the Leased Premises on any City Date) to use portions of the Leased Premises for up to ten (10) days during each Lease Year and portions of Lakewood's existing facility located at 7317 E. Houston Road ("Existing Facility") for up to ten (10) days during each Lease Year (individually, a "City Date," and collectively the "City Dates") for non-revenue generating civic or public ceremonies, forums or other similar, non-revenue generating uses and revenue generating charitable or educational purposes; provided, however, that in the event the Existing Facility is not available for one or more City Dates (whether by sale, closure or otherwise), then Tenant shall substitute City Dates at the Leased Premises in lieu of City Dates at the Existing Facility. The City may schedule such events by contacting Tenant, and Tenant agrees not to unreasonably withhold its consent to such date or use requested by the City. Such date of use, and any set up time required therefor, may not conflict with another scheduled or proposed event at the Leased Premises (including but not limited to religious worship services). Tenant agrees to meet with City representatives periodically in order to address scheduling of such events in a manner that will not conflict with Tenant's use of the Leased Premises, or as applicable, the Existing Facility, but will allow the City to use the Leased Premises, or as applicable, the Existing Facility₂ as provided in this Section 4.6(a). In any event, the City will only be allowed to use the Leased Premises and Existing Facility upon reaching such agreement with Tenant as to scheduling. The user shall enter into a license agreement with Tenant for each such use, in a form mutually acceptable to Tenant and such user. The City will not be required to pay rent in connection with such use of the Leased Premises or Existing Facility, however, the City

Exhibit B

shall be required to reimburse Tenant for any costs actually and reasonably incurred by

Tenant in connection with the City's (or its permitted designee's) use of the Leased Premises or the Existing Facility, including but not limited to, the cost of utilities utilized, security, concessions, clean up, and any other costs incurred by Tenant which are directly related to the use of the Leased Premises or, the Existing Facility by the City (or its permitted designee). The parties shall reasonably agree upon which party will provide any necessary or desirable services in connection with any such use. Such license agreement shall include the agreement of the City (or its permitted designee) not to unreasonably interfere with any use of the Leased Premises or, as applicable, the Existing Facility, made by Tenant during such license period which does not unreasonably interfere with the City's (or its permitted designee's) use under the license agreement. Such license agreement shall also provide that the City (or its permitted designee) shall surrender the Leased Premises or as applicable, the Existing Facility, to Tenant in the same condition as when the City (or its permitted designee) took possession of the Leased Premises. The serving and consumption of alcohol shall be prohibited at Lakewood's Existing Facility in connection with any such City Date use. Alcohol may be served on the Leased Premises in connection with any City Date use provided that (i) alcohol service is in connection with a fundraising activity of a non-profit organization, (ii) such organization obtains any permit or governmental approval required to serve alcohol, (iii) Tenant is allowed to post signs notifying persons on the Leased Premises that the event is not sponsored by Tenant and any other similar disclaimer, and (iv) the license agreement for such use contains requirements for such user to obtain "dram shop" or liquor liability insurance (and such user obtains such insurance coverage) and to indemnify Tenant from claims related thereto.

(b) Olympics. In order to assist the City in attracting the 2012 Olympic Games or any other Olympic Games during the Term of this Lease (to the extent reasonably required in connection with the bid therefor) ("Olympics") to the City and Harris County, Tenant agrees that, upon the request of the City, Tenant will, subject to Force Majeure and the casualty damage provisions of Article XIII hereof, use reasonable efforts—to accommodate the use of the Leased Premises for the Olympics (if awarded to Houston, Harris County, Texas) and to will negotiate in good faith with the City and other necessary Persons to agree upon the terms and conditions of a use, lease, sublease, license, concession, service, occupancy or other agreement for the use or occupancy of the Leased Premises ("Use Agreement") under which Tenant will permit use of the Leased Premises for events held as part of the Olympics (including test events). The City agrees that any use, renovation, improvement, expansion or set up of the Leased Premises for the Olympics, or return thereof to its previously existing condition, will not (i) conflict with the terms of this Lease, or (ii) cause Tenant to conduct religious worship services at another location for more than a ninety (90) consecutive day period in total during such use, renovation, improvement, expansion, set up and return of the Improvements to its previously existing condition. The parties agree to work together in good faith on any scheduling, operational and cost matters related to the use of the Leased Premises for the Olympics (including test events). Such use, renovation, improvement, expansion, set up of the Leased Premises and return thereof to its previously existing condition shall be conditioned upon the City and Tenant reaching an agreement in writing regarding scheduling, operational, indemnity, insurance, allocation of risk and cost matters. The monetary terms of any such Use Agreement shall provide for reasonable compensation to Tenant for the use of the Leased Premises on terms to be negotiated at the appropriate time. The City (or its designees) shall receive the benefit of all revenue generated at the Leased Premises as a direct result of the Olympics. Should the Leased Premises require physical modifications and improvements in order to accommodate the Olympics, the City shall be responsible for funding the costs associated with such modifications and improvements and the costs associated with

thereafter (i.e. following the occurrence of the Olympics) returning the Leased Premises to its previously existing condition on an expedited basis (and the City covenants and agrees with Tenant to promptly return the Leased Premises to Tenant in its previously existing condition), and the City shall perform such modifications, or cause such modifications to be performed, in accordance with plans that are provided to Tenant for Tenant's prior written approval, which approval will not be unreasonably withheld, conditioned or delayed, and such work shall be otherwise performed by the City, or caused to be performed by the City, in accordance with Sections 10.2.2, 10.2.3 and 10.3 of this Lease, as if the City were the Tenant under those Sections for this purpose (it being anticipated that the cost of such restoration work will be funded through the Houston 2012 Foundation . Construction of such modifications and return of the Leased Premises to its previously existing condition shall be performed on an expedited basis so as to minimize disruption to the Leased Premises and Tenant's use thereof for the Permitted Uses and to otherwise mitigate any adverse impact with respect to the rights of Tenant hereunder. Notwithstanding the foregoing, Tenant may elect, by written notice to Landlord, to perform such modifications to return the Leased Premises to its previously existing condition, which construction shall be in accordance with the provisions regarding construction of Alterations by Tenant in this Lease, and Landlord shall, within sixty (60) days after Tenant's completion of such modifications and payment therefor, upon presentation of supporting documentation reasonably acceptable to Landlord, reimburse Tenant for the cost thereof The parties will use reasonable efforts to address matters as raised by the Olympic Committee (i.e., signage and concessions) . Neither the Landlord, nor any other Person using all or any part of the Property as provided in this Section 4.6(b) may use the name or any logo or trademark or service mark of Tenant without the prior written Approval of Tenant, which Approval may be withheld, conditioned or delayed in Tenant's sole and absolute discretion.

ARTICLE V

CONDITION OF LEASED PREMISES

5.1 Condition of Leased Premises; Disclaimer of Representations and Warranties.

TENANT ACKNOWLEDGES AND AGREES:

(a) EXCEPT AS EXPRESSLY PROVIDED HEREIN, THAT NEITHER LANDLORD NOR ANY AFFILIATE OR RELATED PARTY OF LANDLORD MAKES OR HAS MADE ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, CONCERNING (i) THE PHYSICAL CONDITION OF THE LEASED PREMISES (INCLUDING, BUT NOT LIMITED TO, THE GEOLOGY OR THE CONDITION OF THE SOILS OR OF ANY AQUIFER UNDERLYING THE LAND

Exhibit C

and other parking facilities, chilled water plant, design, development and construction of Improvements related thereto, the uses described in Section 4.6 above, and other similar and related uses, and uses ancillary and incidental to all of the foregoing and for no other purpose (collectively, "Permitted Uses").

Tenant agrees that the Permitted Uses are subject to (i) all Applicable Laws at any time applicable to the Leased Premises and (ii) the Permitted Exceptions, including the Deed Restrictions, to the extent that the same affect or relate to the Property and the Leased Premises and to the extent they are valid, enforceable and in effect; Landlord agrees to cooperate with Tenant to the extent deemed necessary by Tenant to contest any element of the Deed Restrictions which conflicts with any of the Permitted Uses and any attempted enforcement thereof, and Tenant agrees to reimburse Landlord (or Landlord's designee) for reasonable legal fees and expenses incurred by Landlord from and after the Effective Date in connection with any such contest or enforcement action prior to any termination of this Lease by Tenant pursuant to Section 23.1 b below, but only to the extent that such legal fees and costs are for payment of outside counsel selected by Tenant and reasonably approved by Landlord exceed Two Hundred Fifty Thousand and No, 00 Dollars (\$250,000.00) and provided that Landlord provides Tenant with reasonable supporting documentation for such fees and costs. Nothing in this Article VII or elsewhere in this Lease shall constitute or be deemed to constitute a waiver by Landlord of the performance of its Governmental Functions or of any such Applicable Laws or of the duty of Tenant to comply with such Applicable Laws.

7.2 Prohibited Uses. Tenant shall not use, or permit the use of, the Leased Premises or the Improvements for any of the following (collectively, the "Prohibited Uses"):

(a) Any use of the Leased Premises for events which could be in competition with the downtown multi-purpose arena to be constructed and leased to Rocket Ball, Ltd., ("Arena"); provided, however, that this restriction shall not prohibit the Leased Premises from being used for religious services and religious activities by religious organizations, K- 12 athletic functions, the Olympic Games, the Pan-American Games and for non-revenue generating public or civic ceremonies and forums (the provisions of this Section 7.2(a) shall be in effect only for so long as Landlord is bound to such restrictions and such restrictions affect the Leased Premises and Tenant's use thereof pursuant to any agreement with Rocket Ball, Ltd., its successors or assigns, relating to the use of the Arena). This restriction shall inure to the benefit of, and be enforceable by Rocket Ball, Ltd., and its successors and assigns. Notwithstanding the foregoing, if such restriction is superceded by a less restrictive non-compete agreement, such less restrictive agreement will supercede this restriction.

(b) Cause or permit obnoxious or offensive odors or fumes to emanate or be dispelled from the Improvements other than normal odors incident to any of the Permitted Uses;

(c) Cause or permit excessive accumulations of garbage, trash, rubbish or any other refuse in, on or about the Improvements;

(d) Create, cause, maintain or permit any public or private nuisance in, on or about the Improvements;

Exhibit D

operations of Tenant or on the ability of Tenant to conduct its business as presently conducted or as proposed or contemplated to be conducted (including, without limitation, the operation of the Improvements).

(g) Tenant's Investment in Alterations. Provided that Tenant does not terminate this Lease pursuant to a termination right set forth herein, Tenant agrees to

invest Twenty Five Million and No/Dollars (\$25,000,000.00) or more in Alterations (to include a chilled water or other air conditioning system) within ten (10) years after the Commencement Date, provided that such ten (10) year period shall be extended for a reasonable period of time thereafter if Tenant is then pursuing plan approval or permits for any Alterations provided that Tenant is diligently pursuing such plan approval and/or permits. On or before Tenant's exercise of the option for the First Extended Term, Tenant shall deliver to Landlord Representative a written certification that Tenant's investment in Alterations equals or exceeds Twenty Five Million and No/Dollars (\$20,000,000). Upon request of Landlord Representative, Tenant shall provide reasonable supporting documentation evidencing the expenditure of funds that comprise such investment and the investment(s) contemplated under Section 3.2 hereof. Attached hereto as Exhibit C is a non-exhaustive list of items which qualify as "Tenant's investment in Alterations".

18.2 Tenant's Covenants. As an inducement to Landlord to enter into this Lease, Tenant covenants and agrees during the construction of the Initial Alterations by Tenant as follows:

(a) to require its contractors to comply with the City's Equal Opportunity Ordinance set forth on Appendix B.

(b) to comply with the following Minority and Women Business Enterprise programs of the City:

Tenant shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Tenant shall make good faith efforts to cause its general contractor to award to MWBEs subcontracts in at least 24% of design services, 20% of construction costs, 11% of supplies, and 30% of concession services. Tenant acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Tenant shall require its general contractor to enter into written subcontracts with all of its MWBE subcontractors and to submit all disputes with MWBEs to binding arbitration if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Appendix "D". If Tenant is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, the subcontract must also be signed by the attorneys of the respective parties.

(c) Tenant agrees to comply with the following City's Drug Abuse Detection and Deterrence Policy:

Council Members Bell and Quan tagged the motion submitted by Council Member Parker. Council Member Robinson absent.

Council Member Goldberg stated that he had also distributed amendments to everyone and some of his amendment incorporated some of what Council Member Parker had just talked about.

After further discussion, Council Member Goldberg moved to amend Item No. 45A to provide the following, seconded by Council Member Parker. Council Member Robinson absent.

1. That the lease Agreement with Lakewood Church, Inc. be modified to require that all City Dates, as defined in Section 4.6 (a) of the Lease Agreement, be rolled over and made available for use by the City in subsequent years of the Lease, if such dates are unavailable for use by the City due to the construction of improvements by Lakewood Church, Inc. unavailability of parking or unavailability of heating or air conditioning.
2. That Section 3.2 of the Lease Agreement with Lakewood Church, Inc. be modified to provide that Lakewood Church, Inc. has failed to make \$69 Million in alterations (as defined in the Lease Agreement) during the initial 30 year term, the City shall have the right to terminate the Lease Agreement, including the 30 year renewal.
3. That the ordinance be amended to provide that all rental payments to the City under the lease Agreement with Lakewood Church, Inc. be paid into a General Fund account or accounts.
4. That in order to guarantee use of the Compaq for any Olympics, the wording in Section 4.6(b) will substitute the word "shall" for "will" and Tenant shall also allow any use required for an Olympic test event separate and apart from either the 90 days for Olympic use or any of the city's dates.
5. The initial rent payment shall be made in two \$4.75 million payments: one paid on lease execution and the other upon commencement of the lease agreement.

Council Member Bell tagged the motion submitted by Council Member Goldberg. Council Member Robinson absent.

Council Member Bell stated that he had a couple of questions and something that he wanted to point out about Council Member Parker's amendments, that he liked the amendments, but on number two it states that the parties anticipated that the cost of restoring the facility after the Olympics would be funded through the Houston 2012 Foundation and stated that she was correct in pointing out that was a concern expressed at the table yesterday, but the only problem was that the parties could anticipate all they wanted but that was not going to bind the 2012 Foundation to pay for restoring the facility after the Olympics and if they were concerned about that they may want to give it some time in the ensuing week so that maybe it could be addressed in a firm fashion to find a way to hold the 2012 Foundation's feet to the fire and make sure that they would pay for it; that this section of the Charter did state "which shall establish the minimum monetary value of the real estate or interest therein at which the Council must appoint two qualified appraisers for the purpose of determining fair market value prior to completion of the transaction", that he thought that Mr. Lewis would agree with him that while perhaps poorly written it would make no sense whatsoever for Council to appoint two qualified appraisers after the fact, after they had already accepted a proposal or a price from a party, that obviously the intent of the provision was to require the two appraisals to take place prior to accepting the price offered, and asked Mr. Lewis if they wanted two appraisers how would they go about doing that, and Mr. Lewis stated that he would suggest they make an amendment to that affect.

Council Member Bell stated that he would propose an amendment that they have two appraisers, seconded by Council Member Tatro.

Council Member Goldberg stated that he would be more than happy to appoint appraisers and moved to delay until they could appoint the appraisers.

Mayor Brown stated that Council Member Boney tagged Council Member Bell motion.

Council Member Boney stated that the process, as it had evolved so forth, was not in violation of the charter and thought that Mr. Lewis had explained it quite well, that he was in support of Council Member Bell's motion for a second appraiser and did not think they would do any harm to either the project or the possibility of the respondent to the proposal in any way and thought it suggested an abundance of caution on the taxpayers behalf that they simply have a second appraisal and quite frankly would be satisfied if the department would recommended an appraiser, that they did the same kind of mechanism with the Convention Center Hotel, that the more eyes they had looking at the project that were independent of each other the better scrutiny they had in terms of numbers they got; that he thought that Council Members Goldberg amendment, the guarantee of the facilities use being used for both the test event in the Olympic 2012 was important and would presume that Lakewood would be in support of that and thought it enhanced their proposal, and also thought the agreement by the Lakewood proposals regarding the legal indemnity, that they ought not to have to bare a \$250,000 burden in case there were legal matters to arise; that at yesterday's meeting the Crescent Group did not commit to build the million square foot that would produce the \$13.1 million, they simply said it was their intention and hope that within 10 years they would do that, so they could no longer count that as guaranteed revenue for the City because it was not, and with the current kind of economic environment the best of plans today sometimes did not result in the reality that was produced by events that happened in between.

Council Member Castillo asked if the intent that was in Council Member Robinson's motion that the revenue from the lease be directed to the General Fund was possible and Mr. Lewis stated that Council Member Robinson's amendment was directed at the ordinance rather than the lease agreement and thought it would be germane to put something like that in the ordinance, but did not think there would be a legal problem, that the rental payments would not be paid until after all the bonds were paid off on the Compaq Center and thought it was appropriate for Council to direct if they wished to do so where the funds would be deposited, that revenues from the Center were pledged towards the bonds, but he thought at the time Lakewood would take occupancy after 2003 the bonds would be paid off, that those pledges would no longer apply. Council Member Todd absent.

Council Member Parker stated that she wanted to be clear that they did not have any pending motions and did not intend to cut off debate but would like to move that they delay final consideration of Item 45 for one week, seconded by Council Member Castillo. Council Member Todd absent.

Council Member Vasquez stated that he was not necessarily willing to make a motion but wanted to ask Council Member Goldberg, since it was in his district, that he did support the request for a second appraisal and requested that Council Member Goldberg allow Real Estate to go ahead and appoint someone and get that process started, otherwise they had to wait a week to start the appraisal process. Council Member Todd absent.

After further discussion, Mr. Lewis stated that the thrust of the amendment, he thought, was to adhere closely to the Charter and if they were adhering closing to the Charter the procedure was to have a formal appointment before Council and adoption by the whole Council, but if they wished to do it solely on an informal basis then those rules would not apply, that if they were following the charter, which was what the amendment recommended, then they should follow the procedure of having it appointed at Council, that a Council Member recommends and the whole Council then confirms the selection. Council Member Galloway absent.

Council Member Robinson stated that since they had an amendment on the table that had been tagged it would be on the agenda for next week and that would take care of the posting requirements and Council Member Goldberg could make the recommendation and Council could

approve it at that time.

Council Member Boney stated that in order to facilitate not having to delay it another week he would remove his tag and that way they could vote on it today and by the end of the Council meeting Council Member Goldberg could make his recommendation and asked if that would work legally, and Mr. Lewis stated that posting it and then appointing next week would work, that if they wanted to do an informal appraisal and accept that then they could do it today, but they would not be following the normal procedure, that if Council would be in agreement they would in effect have an appraiser they would not know about until after the fact.

Council Member Bell asked Mr. Lewis what he meant by after the fact and Mr. Lewis stated that he was anticipating that Council Member Goldberg would give him a name after Council, and he would take a guess that it would take a minimum of two weeks to get an appraisal.

Council Member Boney stated that if it would take two weeks to get the appraisal and have all the amendments come forth then they were subject to this Council not make a decision because they only had two weeks left of Council meetings and he would like for this Council to make that ultimate decision, that he did not want to pass on this very difficult task to the next Council.

Mayor Brown stated that he wanted to make sure that they were moving in the right direction and asked if they needed Council's approval to make the appraisal and Mr. Lewis stated no, that as he said earlier the Charter was being adhered to if they approved the ordinance without any further appraisal, if they were more comfortable with having an additional appraisal and having it done on an informal basis that was acceptable because they did not need the appraisal at all to begin with, if they wished to follow the formal method on prior normal lease situations then the indicated procedure was a formal appointment recommendation from the Council Member whose district the property was located in and then appointment by the whole Council, and Mayor Brown stated that as he understood it they could make a decision to informally have an appraisal, go out and do the work, and then bring it back to Council, and Mr. Lewis stated that was correct.

Council Member Quan stated that everything they were doing was going to be scrutinized very carefully right now and there were legal teams out there looking for any flaw in the process and did not think they should shortcut the process at all, they should have a clear concise way and follow Legal's advise and go that way as opposed to leaving themselves vulnerable.

Council Member Parker stated that she was willing to bring her motion down and then put it back in when Council Member Boney was done with his motion.

Council Member Boney moved that Council adopt the informal procedure which would allow Council Member Goldberg to meet with the Legal Department to suggest several names of appraisers, develop a consensus, so that it could be brought back within two weeks with the second appraiser impact available to Council to make their final decision in two weeks, seconded by Council Member Castillo.

Council Member Bell stated that he thought it would be wise to remove the tag on his motion calling for two appraisals and allow that to be voted on and handle it in the manner that they generally appoint appraisers, that he realized that it would probably take them to the deadline at the end of the year but that was the right way to do things.

Council Member Castillo stated that they had been advised by the Legal Department that in their opinion the Charter provided a leeway, and one that had been used before, to obviate the

need for two appraisers but in the abundance of caution the Legal Department had opined that they could do an informal appraiser to reaffirm the process so he did not think that they were stepping across the line that would yield anything illegal, so he thought to delay it would just compromise the ability of this Council, after all the review and study that it had done, and tossing it to a new Council which would have to start anew and for that reason he would oppose the motion.

Council Member Todd stated that in addition to the appraisal issue they also had the issue that they were appraising a lease, and Mr. Lewis stated that was an excellent question, that the one appraisal that was available just established a value for the fee title to the property, that this particular transaction envisions granting a leasehold estate, that appraisal did not give a value for the leasehold estate and the normal appraisal that he thought everyone had been talking about would also give a fee value for the property as if they were selling it but not give a leasehold value, that he would really question what the relevance would be of having an additional appraisal of only the fee value when they were talking about a leasehold estate, and Council Member Boney stated that he thought that the sense of what Council was asking for, and maybe they did not phrase it the right way, was to have a second person review the same set of data that the first appraiser did and provide a second opinion of his perspective on the same basic data, and they were asking how would they get there, and Mr. Lewis stated that on that basis they would get another appraisal of the fee value, which was not what they were attempting to grant, that they were attempting to grant a leasehold estate which was valued differently. Council Member Castillo absent.

Council Member Boney asked if they could make a motion that would allow the second appraiser to give a second opinion on the lease value of the property and could they do that in an informal or formal way that would allow that to be done between Legal and Council Member Goldberg sometime today so that the work could be completed in two weeks, and Mr. Hall stated that he thought the confusion was that he kept saying to give a second opinion on the lease value but they never got a first opinion on the first value. Council Member Castillo absent.

Council Member Keller stated that in reference to the appraisal, what should be done and was done in the industry was that they got a qualified appraisal for the highest and best use and could be done by the same qualified appraiser that was appointed and it should be evaluated as such, an appraisal for the highest and best use, an appraisal for the fee estate, which was the City's position, and a qualified appraisal for the leasehold estate, which was the lessee, in this case it would be the church, that could all be encompassed in one appraisal and should be evaluated as such.

After further questions by Council Members, Mr. Lewis stated that fee value meant if they were selling the entirety of everything they owned there, the land and the improvements on it, that was a fee value appraisal, and there were various ways of determining it but essentially it was the sort of appraisal that told them what the whole property was worth if they were going to dispose of it, that leasehold appraisal essentially told them what the property worth to someone who wanted to lease the property from them for a term of years and what would be a fair rental rate, that the Charter amendment just states that the Council would determine at what point they needed two appraisers, that there was no distinction in the Charter between the two different types of appraisals, but the indication was that they wanted an appraisal reflecting what they planned to do with the property. Council Member Quan absent.

Council Member Sanchez asked what was the cost of a fee value appraisal and or the leasehold appraisal if they were done simultaneously, and Mr. Lewis stated that there was a very wide range but the ones he had seen would range anywhere from \$5,000 to \$7,000 up to as high as \$25,000, and Council Member Sanchez asked how would the City circumvent the Charter

and statutory requirement of procurement without placing it on the agenda, and Mr. Lewis stated that if it was under \$25,000 they did not need an appropriation and it was a professional services type contract so they were not required to go out for bids, and Council Member Sanchez stated that if they were trying to do this on the up and up and everybody have an opportunity to opine or pass on the appraiser it would seem to him it would have to be put on the Council agenda for Council to decide, otherwise the entire validity of the second appraiser was called into question by either a group of or an individual Council Member, and Mr. Lewis stated that it really depended on the approach Council wanted to take, that it was on the up and up if they did not have any appraisals if City Council approved the value of the lease, that was perfectly legal and depended on the level of technical accuracy that they wanted to utilize in the process.

Council Member Tatro stated that if the Legal Department was suggesting that this fit within the Charter to show him the Charter provision where it was voided or the procedure they were following was within the guidelines of the Charter, that for the sense of expediency he did not believe they should be sidestepping the Charter, that he thought the Charter was quite clear, and if Legal did not believe that, he would appreciate them showing Council where this particular Section 9 was superceded.

Mr. Lewis stated that he had to take issue with the comment that they were side stepping the Charter, that the Charter clearly stated that City Council would determine the value at which two appraisers would need to be appointed, that if Council determined to approve the lease without doing that they had agreed that this particular lease did not require it.

Council Member Bell stated that at the committee meeting yesterday there were some very serious questions being raised about the lease they had been presented and as a result there had been a number of amendments offered today, things that perhaps were overlooked in the drafting of the lease, he thought that should be a signal to all of them to slow down a little bit take a little bit more time and certainly it made a lot of sense to have a second appraisal and make sure they were moving along the right track in terms of price and the price considerations involved in this, so no he did not want to remove his motion, that he thought they needed to demonstrate to the public that they were proceeding with caution with respect to Item 45 and thought the tag should be removed and they should call for two appraisals and let it move forward at its natural pace.

After a further lengthy discussion by Council Members, Mr. Hall stated that he and Mr. Lewis had been sitting there listening to the debate and talking to various Members of Council trying to find a way, that Ms. Stein, Agenda Director, had suggested that potentially there could be a special meeting early next week to appoint appraisers formally, so that there would be no disagreement with that, and Mr. Lewis thought that if in fact he made that a specification in the appraisal he may be able to expedite the time period with which one was done, that Council Member Keller had suggested that they did not have to pay for two full blown appraisals, that they had the leasehold valuation to the first one and then get one for the leasehold on the second one. Council Member Sanchez absent.

Council Member Parker stated that currently they had Council Member Boney's motion on the floor and he could either withdraw it or amend it to reflect that they would call a special meeting for the purpose of appointing appraisers and to extend the original appraisal they had plus a new appraisal for leasehold and fee hold on the property with the intention that it be presented at the last Council meeting of the year, which was December 19, 2001, that would require only one special meeting, which was to appoint the appraisers and the earliest they could do that would be Monday morning and asked if it required that the District Council Member appoint appraisers or could the full Council simply meet Monday morning and appoint an appraiser, and Mr. Hall stated that by custom and tradition Council had allowed District Council

Members to nominate appraisers but appraisers were appointed by the whole City Council, that maybe what Council might want to do was to continue this meeting until Monday, to recess the meeting until Monday, that they would do the posting because they could not do the meeting by motion, so they would post continuation to Monday and they could do what they wanted that way. Council Member Sanchez absent.

Council Member Boney stated that he would accept that as his motion as long as legal was sure that they were not violating any posting procedures and they did not have to call a special meeting, but they accomplished that concern that Council Members Goldberg, Bell and Keller had raised, and Council Member Parker stated that they needed to restate the motion for the City Secretary, and Mr. Hall stated that the process he had suggested would satisfy even the questions that had been raised by the people at the table.

Council Member Boney stated that the motion on the floor was a substitute motion to continue this meeting so that the District Council Member, Council Member Goldberg, could nominate an additional appraiser to the Legal Department, so Council could appoint appraisers and that the scope of work for each one of the appraisals would also include in addition to fee, lease and sale, as indicated with the remarks of Council Member Keller, with the attention that the report be provided in time for consideration by the last Council meeting of the year by the full Council, seconded by Council Member Parker. Council Member Sanchez absent.

Mayor Brown stated that the meeting would be recessed until Monday at 9:30 a.m. on December 10, 2001. Council Member Sanchez absent.

After further discussion by Council Members a vote was called on Council Member Boney's motion that City Council recess to 9:30 a.m., Monday, December 10, 2001. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent. MOTION 2001-1286 ADOPTED.

Council Member Parker moved to postpone Item 45 and 45A and all ancillary amendments for two weeks, until December 19, 2001, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent. MOTION 2001-1287 ADOPTED.

Council Member Keller moved to suspend the rules to consider Item 49 out of order, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent. MOTION 2001-1288 ADOPTED.

Council Member Robinson moved to suspend the rules to consider Item Numbers 46, 47 and 48 out of order, seconded by Council Member Quan. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent. MOTION 2001-1289 ADOPTED.

Council Member Robinson moved to suspend the rules to consider Item 23 out of order, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Sanchez absent. MOTION 2001-1290 ADOPTED.

49. ORDINANCE appropriating \$2,926,000.00 out of Disaster Recovery Fund to contract between the City of Houston and **GILBANE BUILDING COMPANY** for continued restoration of Jones Hall – (This was Item 18 on Agenda of November 28, 2001, DISTRICT I - CASTILLO - TAGGED BY COUNCIL MEMBER TATRO) was presented. Council

Member Sanchez absent.

Council Member Tatro stated that he tagged the item last week to try to get some information regarding the entire disaster recovery process that they had been undertaking, that he supported the item and would vote in favor of the item today, but had concerns that he believed were still open, that vendors who had previously done work on other storm damage repairs had not been paid, that his concern was that they continued to move money from here to there to bring in new contracts for storm damage repair while vendors went unpaid for work they had done, that subsequent to tagging last week he received a couple of correspondences from a contractor who was doing some work on two City parks, Studewood Park and Clinton Park, and during his construction project storm damage resulted, that he was asked to repair the storm damage, that resulted during his construction period and he complied and in good faith expected the City to reimburse him, that the most disturbing thing about Paralex Builders was that he was promised he would be paid for correcting the storm damage and in that process the Building Services Department made him apply to FEMA for reimbursement of the storm damage, that he submitted the paperwork, that he could not comprehend that and was absolutely shocked that Building Services would have suggested that a contractor should apply for FEMA reimbursement on a City project and thought that this needed to be looked at substantially, and Mayor Brown stated that he would ask Mr. Haines to look into that immediately.

A vote was called on Item No. 49. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Ellis, Vasquez, Castillo, Parker and Sanchez absent. ORDINANCE 2001-1075 ADOPTED.

46. ORDINANCE approving and authorizing a fifth contract amendment between the City of Houston and the **SHELTERING ARMS**, Houston, Texas to extend the contract term and to provide an additional \$1,592,850.00 of Community Development Block Grant Funds for the continuation of an Emergency Home Repair Program – **(This was Item 14 on Agenda of November 28, 2001, TAGGED BY COUNCIL MEMBER GOLDBERG)** – was presented.

Council Member Quan stated as Chair of the Housing Initiatives Committee he believed Sheltering Arms had expressed some concerns about their ability to perform on this contract and asked that Item 46 be referred back to the administration, seconded by Council Member Tatro. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd, Ellis and Sanchez absent. MOTION 2001-1291 ADOPTED.

47. ORDINANCE approving and authorizing a fifth contract amendment between the City of Houston and the **HOUSTON AREA URBAN LEAGUE** to extend the contract term and to provide an additional \$1,488,300.00 of Community Development Block Grant Funds for the continuation of an Emergency Home Repair Program – **(This was Item 15 on Agenda of November 28, 2001, TAGGED BY COUNCIL MEMBER TATRO)** – was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd, Sanchez and Robinson absent. ORDINANCE 2001-1076 ADOPTED.
48. ORDINANCE approving and authorizing a fifth contract amendment between the City of Houston and the **NATIONAL ASSOCIATION OF MINORITY CONTRACTORS - HOUSTON CHAPTER** to extend the contract term and to provide an additional \$964,060.00 of Community Development Block Grant Funds for the continuation of an Emergency Home Repair Program – **(This was Item 16 on Agenda of November 28, 2001, TAGGED BY COUNCIL MEMBER KELLER)** – was presented. All voting aye.

Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd, Sanchez and Robinson absent. ORDINANCE 2001-1077 ADOPTED.

23. ORDINANCE relating to requirements for the issuance of ordinances for operation of existing pipelines and construction and operation of new pipelines in public streets; amending the Code of Ordinances, Houston, Texas; containing findings and other provisions relating to the foregoing subject; providing an effective date – was presented.

Council Member Quan stated that in general he liked the ordinance and thought it did a lot of good things, but wished it had gone through committee so they could have had a more detailed discussion about what changes were being enacted, the Chairman of the TTI Committee, Council Member Robinson told him that he had briefings, and while he appreciated that on an ordinance of this magnitude he thought it should have gone before the full committee, that he supported the ordinance though. Council Members Goldberg and Todd absent.

Council Member Keller stated that his concern was in the wording of the RCA, that “new pipelines could be added to an existing permit after approval by the Director of Public Works and Engineering and the payment of the requisite fees”, and asked how was the new pipeline going to be allowed to use an existing permit, was it going to be an extension of one or added to, that if it was new it seemed like it was a completely separate pipeline, and Mr. Lewis stated that what the ordinance contemplated was a one permit system for each operating company that had pipelines, that they would make application during a one year period for all of their pipelines, that they would issue a master permit, so to speak, that would make allowances if they acquired new pipeline or wished to construct a new pipeline, that they would submit all of the data required under the ordinance for a pipeline and submit it all to Public Works and they would issue an addendum to the existing blanket permit to cover all of them, that this would save a lot of administrative effort, that they would go through the same procedure, but they would not have to keep going back to Council for each street crossing that they had, and Council Member Keller stated that he knew the chain of communication where they did a new permit, as far as the inspectors and enforcing the Street Cut Ordinance, with this umbrella approach, how were they letting Plan Review or Permitting know to inspect on behalf of the Street Cut Ordinance, and Mr. Lewis stated that this particular permit did not supercede any of the other processes, that they would be required to make the same application as anyone else would when they were getting ready to make the street cut, that this was just a permit for the presence in the street. Council Members Goldberg, Todd, Ellis and Vasquez absent.

Council Member Parker stated that she just wanted to echo Council Member Quan, that she supported the item and had an opportunity to visit with industry, that this was several years in the creation and thought it was a good ordinance, however, it should have gone through committee for an opportunity for all Council Members to have a shot at it and a better understanding of it, that she hoped they would make every effort for these large items to go to committee in the next year. Council Members Goldberg, Todd, Ellis and Vasquez absent.

Council Member Bell stated that in most instances he would agree with Council Members Parker and Quan in terms of having it go to the committee, but in this particular instance this issue had been debated for such a lengthy period of time by representatives of the pipeline industry in Houston, the administration, that the original talks began with Richard Lewis at least four years ago and then he left and then Mr. Haines took up the ball and ran with it and really wanted to commend the administration for moving forward with it, that obviously it was an extremely important industry and believed that it was incumbent upon the City to come forward with a workable agreement and obviously they had finally reached that stage. Council Members Goldberg, Todd, Ellis and Vasquez absent.

Council Member Robinson stated that they would make every effort to keep bringing everything to the committee, that he wanted to thank the administration, the staff in the City Attorney's office and Mr. Haines, that this was a major public safety issue and also one of his pet projects, GIS mapping of everything in the ground in the City and they continued to move forward on that under this effort and they still had strict compliance with the Street Cut Ordinance and they would monitor that, that he wanted to make any apologies because not going to committee was his fault and would make sure it would not happen again. Council Members Tatro, Goldberg, Todd, Ellis and Vasquez absent.

A vote was called on Item No. 23. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Tatro, Goldberg, Todd, Ellis and Vasquez absent. ORDINANCE 2001-1078 ADOPTED.

Council Member Robinson moved to consider Item Numbers 42 and 21 out of order. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Tatro, Goldberg, Todd, Ellis and Vasquez absent. MOTION 2001-1292 ADOPTED.

42. ORDINANCE NO. 2001-1054, passed second reading November 28, 2001
ORDINANCE amending City Of Houston, Texas Ordinance No. 2000-678 relating to the grant of a Cable Television Franchise to **WESTERN INTEGRATED NETWORKS OF TEXAS OPERATING, L.P.**; containing provisions relating to the subject; making certain findings related thereto; and providing for severability - **THIRD AND FINAL READING** – was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. ORDINANCE 2001-1054 PASSED THIRD AND FINAL READING IN FULL

21. ORDINANCE amending the **CODE OF ORDINANCES, HOUSTON, TEXAS**, relating to the provision of Motor Vehicle Towing and Storage Services within the City; containing findings and other provisions relating to the foregoing subject; providing for severability

Council Member Quan stated that he was pleased that most parties had agreed to most of the items and knew that it was a long time coming, that he still had concern regarding the City's requirement of Workman's Comp or Occupational Health Insurance, that he thought it was a private matter that individuals should take care of themselves and should not be a requirement that the City have, other than that he thought that they had chiseled out a good agreement. Council Members Goldberg, Todd and Bell absent.

Council Member Parker stated that she appreciated those remarks and there was a set of amendments that had been distributed at the table and thought that was the item to which he was referring and she wanted to move the following amendments, that they had been distributed in writing with support from other Council Members and wanted to move them as a block.

Council Member Parker moved the following amendments to Section 5 of Item No. 21 by adding a new Subsection (e) to proposed Section 8-126 of the Code of Ordinances, Houston, Texas, as follows, seconded by Council Member Ellis. Council Members Todd and Bell absent.

“(e) The agreements shall conform to the following requirements and terms, which shall be incorporated therein by reference:

- (1) Each auto wrecker shall be allowed to perform police-authorized towing in only one 'zone', which for purposes of the agreements shall mean one of the five service areas that are described and depicted in Exhibits A and B to

Ordinance 84-560. Consistent with the foregoing requirement, the agreement shall include the following clause:

'Operator shall choose one specific zone for each auto wrecker that is to be utilized by the Operator to perform police-authorized tows. Operator shall not allow auto wrecker to tow any vehicle authorized by the police department outside of the approved zone. Violation of this provision is grounds for revocation of this Agreement.'

- (2) The agreement shall include the following clause regarding insurance requirements:

'The Operator shall obtain and maintain in effect during the term of this Agreement, insurance coverage as set out below, and shall furnish certificates of insurance, prior to the beginning of the term of this Agreement. All such policies except Worker's Compensation or Occupational Safety Insurance shall be primary to any other insurance and shall name the City as an additional insured. All liability policies shall be issued by a company with a Certificate of Authority from the State Department of Insurance to conduct insurance business in Texas or a rating of at least B+ and a financial size of Class VI or better according to the current year's Best's rating. Operator shall maintain the following insurance coverage in the following amounts:

- A. Automobile Liability Insurance
?? \$1,000,000 combined single
limit per occurrence
- B. Cargo on Hook Coverage
?? \$50,000 per vehicle
- C. Workers Compensation or
Occupational Safety Insurance
- D. All drivers of auto wreckers shall
be named insured on Operator's
liability insurance policy.'

- (3) For purposes of awarding, renewing, or terminating agreements, the police department shall not consider information regarding the moving traffic violation conviction or accident records of an agreement holder's drivers."

Council Member Robinson stated that the first point that came to his mind and he told the folks in the industry was one of the things they had a big discussion in their community, although it was not directly related to them at Council was health care in the community and the cost that they saw at the hospital district when they had no insurance and when they had an opportunity to insure that they had expanded health care coverage in the community they ought to facilitate it and support it and that was why he was comfortable with the idea, because somewhere along the line they ended up having a burden on the community where folks did not have private insurance and in this instance they could afford to encompass the private insurance, that there was nothing that said they could not afford it or did not need it.

Council Member Quan stated that they had called the various insurance companies regarding occupational safety insurance and the quotes they had were very high, \$400 or \$500 per month which seemed prohibitive for many people and in talking with many people they had their own insurance and he did not think they should be dictating what type of insurance they have for their people as long as they had insurance of their own, that was his concern.

A vote was called on Council Member Parker's amendment to Item No. 21. Mayor Brown stated that he was going to vote no based upon advise of the City Attorney that there were some issues that he was compelled to vote no. Mayor Brown and Council Member Quan voted no, balance voting aye. Council Member Galloway out of the city on city business. Council Member Todd absent. MOTION 2001-1293 ADOPTED.

A vote was called on Item No. 21 as amended. Mayor Brown stated that he was going to vote no for the same reason. Mayor Brown and Council Member Quan voting no, balance voting aye. Council Member Galloway out of the city on city business. Council Member Todd absent. ORDINANCE 2001-1079 ADOPTED.

Council Member Robinson moved to consider Item 43 out of order, seconded by Council Member Tatro. Council Member Todd absent.

Council Member Boney offered a substitute motion to consider Item 43 at the end of the agenda, seconded by Council Member Parker. Council Member Galloway out of the city on city business. Council Member Todd absent. MOTION 2001-1295 ADOPTED.

CONSENT AGENDA NUMBERS 2 through 43

MISCELLANEOUS - NUMBERS 2 through 6

2. CONFIRMATION of the appointment or reappointment of the following to the **HOUSTON CLEAN CITY COMMISSION** for one year terms to expire February 1, 2002:

Position B - **MR. R. C. JONES**, reappointment
Position C - **MRS. RUTH HURST**, appointment
Position E - **MR. GLEN GRANTOM**, reappointment
Position G - **MS. AGNES PERKINS**, appointment

- was presented, moved by Council Member Vasquez, seconded by Council Member Boney. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1296 ADOPTED.

5. RECOMMENDATION from Director Human Resources to extend for 90 days pay differential for employees called to active duty during a time of war or state of emergency - was presented, moved by Council Member Vasquez, seconded by Council Member Boney. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1297 ADOPTED.

ACCEPT WORK - NUMBER 7

7. RECOMMENDATION from Director Department of Public Works & Engineering for approval of final contract amount of \$3,257,319.50 and acceptance of work on contract with **INDUSTRIAL TX, INC** for Almeda-Sims WWTP East Lift Station Replacement, GFS

R-1222-32-3 (4447AS-3) 1.63% over the original contract amount - Enterprise Fund - **DISTRICT D - BONEY** - was presented, moved by Council Member Vasquez, seconded by Council Member Tatro. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1298 ADOPTED.

PROPERTY - NUMBERS 8 through 10

8. RECOMMENDATION from Director Department of Public Works & Engineering, reviewed and approved by the Joint Referral Committee, on request from Bob Atkinson of Edminster, Hinshaw, Russ and Associates, on behalf of the property owner, Houston Bellfort Pines Apartments, L. P., a Texas limited partnership [Houston Bellfort Pines Apartments I, L.L.C., (Michael Robinson, manager, member), general partner], for abandonment and sale of Shelby Circle (Yates Avenue), from Mariah Street ?118 feet east to its dead-end, two 10-foot-wide prescriptive sanitary sewer easements, a 10-foot-wide prescriptive water line easement, and two 5-foot-wide easements in exchange for the conveyance to the City of a 25-foot wide sanitary sewer easement, a 20-foot-wide sanitary sewer easement, and 10-foot-wide utility easement, all located in Grigsby Terrace, Benton H. Freeling Survey, Abstract 270, Parcels SY1-067A through F, DY1-032A and B, and VY2-005 - **DISTRICT D - BONEY** - was presented, moved by Council Member Vasquez, seconded by Council Member Boney. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1299 ADOPTED.
9. RECOMMENDATION from Director Department of Public Works & Engineering for condemnation of Parcel A91-138, located 145 feet south of Granville Street, owned by C. A. Queen or unknown heir(s), for the **ELLA BOULEVARD (WHEATLEY) PAVING PROJECT from Pinemont to West Little York**, CIP N-0546 - **DISTRICT B - GALLOWAY** - was presented, moved by Council Member Vasquez, seconded by Council Member Boney. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1300 ADOPTED.
10. RECOMMENDATION from Director Department of Public Works & Engineering for condemnation of Parcel A99-98, located 253 feet north of Melon Street, owned by Willie L. Hubbard and wife, Dorothy M. Hubbard, for the **ELLA BOULEVARD (WHEATLEY) PAVING PROJECT from Pinemont to West Little York**, CIP N-0546 - **DISTRICT B - GALLOWAY** - was presented, moved by Council Member Vasquez, seconded by Council Member Boney. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1301 ADOPTED.

PURCHASING AND TABULATION OF BIDS - NUMBERS 17 and 18

17. **AMEND MOTION #99-821, 5/12/99, TO EXTEND** expiration date for 12 months from May 12, 2002 to May 11, 2003, for Nylon Fire Hydrant Caps Contract for Department of Public Works & Engineering, awarded to **HUGHES SUPPLY, INC dba INDUSTRIAL INTERNATIONAL, INC** had been pull from the Agenda by the Administration and was not considered. Council Members Todd, Quan and Robinson absent.
18. **AMEND MOTION #2000-464, 3/29/00, TO INCREASE** spending authority by \$45,038.50 from \$180,154.00 to \$225,192.50 awarded to **HYDRAFLO, INC** and by \$35,123.00 from

\$140,492.00 to \$175,615.00 awarded to **HUGHES SUPPLY, INC dba INDUSTRIAL INTERNATIONAL, INC** for Fire Hydrant Repair Parts for Department of Public Works & Engineering - Enterprise Fund - was presented, moved by Council Member Castillo, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd, Quan and Robinson absent. All voting aye. Nays none. MOTION 2001-1302 ADOPTED.

RESOLUTIONS AND ORDINANCES - NUMBERS 20 through 43

38. ORDINANCE appropriating \$1,710,000.00 out of Water & Sewer System Consolidated Construction Fund, awarding construction contract to **RELIANCE CONSTRUCTION SERVICES, L.P.**, approving and authorizing professional services contract for engineering testing service with **GEOTEST ENGINEERING, INC** for On-Call Water Main and Sanitary Sewer Extensions, GFS S-0801-P3-3; providing funding for contingencies relating to construction of facilities financed by Water and Sewer System Consolidated Construction Fund - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Robinson absent. All voting aye. Nays none. ORDINANCE 2001-1080 ADOPTED.

40. ORDINANCE appropriating \$8,601,982.00 out of Airport System Consolidated 2001 AMT Construction Fund CIP A-0354 and \$15,491,374.00 out of Airport Subordinate Lien Revenue Bonds, Series 2000B (NON-AMT) Construction Fund CIP A-0203 and \$129,500.00 out of Airports Improvement Fund CIP A-0422, awarding construction contract to **J. D. ABRAMS, L. P.** and approving and authorizing professional services contract for engineering testing services with **AVILES ENGINEERING CORPORATION** for the Automated People Mover (APM) Guideway Extension, Roadway & Site Utilities III at George Bush Intercontinental Airport/Houston (IAH), Project 536A; providing funding for the Civic Art Program financed by Airport Improvement Fund **DISTRICT B - GALLOWAY** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Robinson absent. All voting aye. Nays none. ORDINANCE 2001-1081 ADOPTED.

MATTERS REMOVED FROM THE CONSENT AGENDA WERE CONSIDERED AS FOLLOWS:

MISCELLANEOUS

3. RECOMMENDATION from Director Convention & Entertainment Facilities for approval of supplemental budget submitted by the **ARTS COUNCIL OF HOUSTON/HARRIS COUNTY** - was presented, moved by Council Member Boney, seconded by Council Member Tatro, and tagged by Council Member Vasquez. Council Members Todd, Keller and Robinson absent. (Note: Council Member Vasquez removed his tag later in the meeting.)

Council Member Castillo stated that he knew that the amount that was being granted to the different grantees was pursuant to the ordinance setting up the arts program, was there any way to consider in the future any windfall such as this could go perhaps to maybe another vendor or another grantee. Council Members Todd, Keller and Robinson absent.

Mayor Brown requested Mr. Tollett to answer Council Member Castillo's concern and Mr. Tollett stated that Council decides what they do, that they had submitted their desire as to what they would do, that some of this was percentage money that Council had already agreed to, Theater District, Museum District, Miller Outdoor Theater and City initiatives, that the other two bottom numbers to

CACHE Management Grants and CACHE Program and Support was really theirs to decide, but the Council had already determined and they had to submit to Council before they got it, that it was appropriate the way they had done it and he strongly recommended it, that to the best of his knowledge there was no intention to add any staff, that the only part of this was some supporting services, about \$43,000 related to the program and in house stuff and the rest was going out to other entities, that he was bumping everyone up by their current percentages and identifying where they were going to allocate the dollars, that there was a commitment made to Council that they would come back in February for the next cycle budget, that they were analyzing all of that and were trying to get to the point that those entities that had been around for a long duration as they well knew, Ensemble and Talento Bilingue could be on a set program, that they would have recommendations for them as promised, that Miller was a free theater and when someone called in and wanted to use it they could apply for funding and assistance from CACHE, so now that they knew what they had for the remainder of the year, another six months, that someone could go to CACHE for assistance, that they could have additional performances or assist in providing additional assistance in some manner. Council Member Todd absent.

Council Member Boney stated that he had requested that Miller Outdoor Theater send to his office what was the process by which they allocated various amounts of grants to the various artists and projects they fund and had not received that, that he was inclined to segregate out and divide the question with regard to Miller Outdoor Theater unless he could be assured that they were going to provide the information to his office and that they were more than willing and open to follow a review of their grant processes in the same way that the Cultural Arts Council had already embarked, and Mr. Tollett stated that he would assure him that he would get that information and would also talk to Mr. Oliver Spellman, Director, Parks and Recreation, who had a representative who sat on that board as well and make sure that he got the information, that he would ask Mr. Spellman to take a look at the way they made the grants and talk to Council Member Boney personally, that he would ask that he not separate it out. Council Member Todd absent.

Council Member Vasquez stated that he would tag Item No. 3 and ask for more discussion with Mr. Tollett. Council Member Todd absent.

4. RECOMMENDATION from Chief Administrative Officer, Mayor's Office for approval of supplemental budget submitted by the **GREATER HOUSTON CONVENTION AND VISITORS BUREAU** - was presented, moved by Council Member Boney, seconded by Council Member Sanchez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Member Todd absent. All voting aye. Nays none. MOTION 2001-1303 ADOPTED.

6. RECOMMENDATION from Director Department of Public Works & Engineering to approve refunds over \$25,000.00 for Water & Sewer Accounts for various customers - \$67,407.12 Enterprise Water & Sewer Fund - was presented, moved by Council Member Sanchez, seconded by Council Member Quan. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1304 ADOPTED.

PROPERTY

11. RECOMMENDATION from Director Department of Public Works & Engineering for condemnation of Parcel AY1-047, located at 612 Chenevert Street, owned by Billy Marlin, Trustee, for the **EXTENSION OF AVENIDA DE LAS AMERICAS PROJECT from Rusk to Texas**, CIP B-0069-00-1 - **DISTRICT I - CASTILLO** - was presented, moved by Council Member Castillo, seconded by Council Member Sanchez and tagged by Council Member Bell. Council Members Todd and Vasquez absent.

Council Member Bell stated that he wanted to have some visit with him on the item and Council Member Quan stated that he would like a briefing on it as well. Council Members Todd and Vasquez absent.

12. RECOMMENDATION from Director Department of Public Works & Engineering for condemnation of Parcel AY1-048, located at 618 Chenevert Street, owned by Frank Kalas and Albert Kalas, for the **EXTENSION OF AVENIDA DE LAS AMERICAS PROJECT from Rusk to Texas**, CIP B-0069-00-1 - **DISTRICT I - CASTILLO** - was presented, moved by Council Member Sanchez, seconded by Council Member Castillo. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1305 ADOPTED.
13. RECOMMENDATION from Director Department of Public Works & Engineering for condemnation of Parcel AY1-050, located at 1705 Capital Avenue, owned by Urban Farmers Ltd., a Texas limited partnership, Urban Farmers GP, LLC, General Partner (W. A. Shindler, R. L. Buckalew, and T. D. Davis, Managers), for the **EXTENSION OF AVENIDA DE LAS AMERICAS PROJECT from Rusk to Texas**, CIP B-0069-00-1 - **DISTRICT I - CASTILLO** - was presented, moved by Council Member Sanchez, seconded by Council Member Castillo. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1306 ADOPTED.
14. RECOMMENDATION from Director Department of Public Works & Engineering for purchase of Parcel LYO-25, located at 8250 Westheimer Road, owned by Varzea Alegre II (Houston) L.L.P., a Texas Limited Partnership, formerly VAREGRE II L.L.C., a Texas limited liability company, [Fogo de Chao Churrascaria, a Texas limited liability company, (Jair Coser, Manager) sole general partner], for the **DUNVALE-LIPAN RELIEF STORM SEWER PROJECT**, CIP M-0189-01-1, \$48,224.00 - Storm Sewer Consolidated Construction Fund - **DISTRICT G - KELLER** - was presented, moved by Council Member Sanchez, seconded by Council Member Castillo. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1307 ADOPTED.

PURCHASING AND TABULATION OF BIDS

15. **AMEND MOTION #2001-511, 5/13/01, TO INCREASE** award amount by \$78,885.00 from \$315,540.00 to \$394,425.00 for Sewer Cleaning Services for Department of Public Works & Engineering, awarded to **KENNY INDUSTRIAL SERVICES, LLC** - Enterprise Fund - was presented, moved by Council Member Sanchez, seconded by Council Member Castillo. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1308 ADOPTED.
16. **AMEND MOTION #99-1828, 10/20/99, TO INCREASE** spending authority by \$149,625.00 from \$262,500.00 to \$412,125.00 for Automotive, E-One Fire Truck Replacement Parts for Fire Department, awarded to **EMERGENCY VEHICLES OF TEXAS, INC** - General Fund - was presented, moved by Council Member Sanchez, seconded by Council Member Castillo. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1305 ADOPTED.

19. ORDINANCE appropriating \$201,057.00 out of Water & Sewer System Consolidated Construction Fund for Landscaping Services and Landscape Management Consulting Services for the Public Works & Engineering Department, CIP S-1000-N8 - was presented. Council Members Todd and Vasquez absent.

Council Member Castillo stated that he had a question and knew that consultants and construction managers were required on many Public Works projects but was there an absolute need to have a consultant oversee the work of a landscaper, and Mayor Brown stated that they would be doing the landscape design, that they would do the actual work. Council Members Todd and Vasquez absent.

A vote was called on Item No. 19. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1082 ADOPTED.

- 19a. **BIO LANDSCAPE AND MAINTENANCE, INC** - \$154,340.00 and contingencies for an amount not to exceed \$162,057.00 and **LANDSCULPTURE & DESIGN** - \$39,000.00 for Landscaping Services for Department of Public Works & Engineering - was presented, moved by Council Member Castillo, seconded by Council Member Sanchez. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1310 ADOPTED.

RESOLUTIONS AND ORDINANCES

20. RESOLUTION designating certain properties in the City of Houston as Historic Landmarks (Houston Heights City Hall and Fire Station, Simon and Mamie Minchen House, Link-Lee House and Sam Houston Hotel) - **DISTRICTS C - GOLDBERG; D-BONEY; H - VASQUEZ and I - CASTILLO** - was presented, and tagged by Council Member Goldberg.
22. ORDINANCE amending the **CODE OF ORDINANCES, CITY OF HOUSTON, TEXAS, SECTION 14-168** revising and expanding criteria for compensatory time for certain exempt employees under ordinary and extraordinary circumstances; containing other provisions relating to the foregoing subject; providing for severability - was presented, and tagged by Council Member Boney.

Council Member Keller asked what was an exempt employee or what qualified one from being exempt, and Mayor Brown asked Mr. Hall to give the definition. Council Member Todd absent.

Mr. Hall stated that an exempt employee was one who was not subject to the Civil Service rules that applied to everybody else and there was a designation and a list of people that personnel maintained were exempt, that typically it was the senior management people and the people who came on board outside the regular Civil Service process, that most of the people who worked for Council Members worked for the City because the Council Members wanted them to. Council Member Todd absent.

Council Member Boney stated that he was going to tag the item; that he had reviewed the pension for Council Members and understood that so far as the State law was concerned they were considered part time employees, that they were included in the pension plan after they became vested at four years under Plan A or Plan B, which meant that at the time they became 60 years old they would get a pitiful check of \$60 per month and he thought it was an absolute outrageous, that Plan C was adopted by the Municipal Pension Board for the purposes of providing benefits to the department heads, that for the pressure, the scrutiny, the transparency,

the kind of obligation and burden that Council Members had they ought to be compensated in the pension part at least somewhere close to where departments were, because he did not think that department heads in general worked any harder than did Members of Council, that he was going to tag the item for a week and see if other Members of Council had similar interests and might want to look at it close. Council Member Todd absent.

Council Member Castillo stated that Section E sets pay grade 24 as the top classification and Section F sets pay grade as the maximum classification and asked why, and Mr. Hall stated that Mr. Haines would address it, that he wanted to make it clear that this item had nothing to do with pensions or any such business like that and was totally unrelated. Council Member Todd absent.

Mr. Haines stated that the short answer was that Section F dealt with what they called extraordinary or catastrophic circumstance, that was where there was a state of emergency declared by the Mayor, such as they had with Tropical Storm Allison, and Section E dealt with those employees who were given extraordinary assignments, for example they had a group in the Finance and Administration Department that worked an extraordinary amount of time during the budget process and rather than referring to that on a salary basis or compensation basis they went to pay grade, that the difference was the gravity of the circumstances they were working on, and Council Member Castillo stated that in Section 3 of the ordinance it provided for a convertibility to cash and asked if it applied for all the people covered by Section E and Section F, a representative of Finance and Administration stated that the exempt people who accrued comp time could not convert it to cash, that there was a part of that which allowed Health Care people to be compensated in cash, because of the extraordinary requirements sometimes for nurses and health care professionals to keep the clinic's open and staffing issues that related to being able to staff those clinics fully, and Mr. Hall stated that he knew that the finance people, based on the change in the general accounting standards, were real concerned about creating cash liability that they were trying to get rid of as opposed to time based on time off, and Mr. Haines stated that the category of people who could be compensated in cash was very narrow and historically it had not been applied and had not been necessary, and Council Member Castillo asked if everybody in the same category be compensated in cash or only some and some others would have to take time off, and Mr. Haines stated that it would be across the board, that they had to deal with all as opposed to sort of selective. Council Members Boney and Todd absent.

Council Member Parker stated that it was a sore spot that they were not included under Plan C and stated that she certainly heard commitments from pension board members when they were going to the ledge last time around and would find it very hard to support anything they wanted to do in the future because she felt they did not tell her the truth the last time they came to see her so they needed to deal with that issue because it was a sore spot for Council Members, and Mr. Hall stated that so it was clear the inclusion provision was advanced by both the pension board and was supported by the City and if they recollected the initial proposal included Council Members, that the City Council Legislative Committee forced elected officials to be taken out and the legislation passed without elected officials in it, four years ago, that they tried to get it amended and the Governors office told them that if elected officials had been in it he would have vetoed it and that was the reality of it, and Council Member Parker stated that she would like to hear more information about that. Council Members Goldberg, Todd and Castillo absent.

Council Member Boney stated to Mr. Haines that when they visit on it further he would like to have available to Members of Council the Directors and Deputy Directors compensation, pension and other benefits so he could have a comparison with the County because he was not convinced that there was that accommodation reached and that was the position of the

governor. Council Members Goldberg, Todd and Castillo absent.

Council Member Robinson stated that he did not care about being included, but what bothered him was that David Long, the Executive Director, tried to blackmail Council period and he thought it was a terrible thing to even be considered for inclusion they were going to blackmail them into giving up a Council or Mayoral appointee, that he thought there needed to be some serious oversight and evaluation of the pension board and probably a performance review, that he did not think they were doing the best possible job for the employees of the City. Council Members Goldberg and Todd absent.

24. ORDINANCE approving and authorizing a Strategic Partnership Agreement between the City of Houston, the **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT 344**, and **GENSTAR SUMMERWOOD L. P.** - was presented, and tagged by Council Member Tatro.

Council Member Castillo asked if the State statute setting up the authority to establish strategic partnership agreements prohibit the residents of those areas to vote in the Controller's race in addition to bond elections, and Mr. Dan stated that members in the district that had been annexed for limited purposes could vote for members of the governing body and for any changes to the Charter, and Mr. Wood stated that it did not have a prohibition it allowed them to vote on certain things, but did not allow them to specifically vote for a non member of the governing body and on bond elections, that the Controller was not a member of the governing body of the City of Houston. Council Members Goldberg and Todd absent.

- 24a. ORDINANCE annexing to the City of Houston, Texas for limited purposes all of the area in Harris County Municipal Utility District No. 344; containing findings and other provisions relating to the foregoing subject; adopting a Regulatory Plan for such area; imposing the sales tax of the City of Houston, Texas in such area; providing for severability - was presented, and tagged by Council Member Tatro. Council Members Goldberg and Todd absent.

Council Member Vasquez stated that he would remove his tag on Item No. 3 and Mayor Brown stated that they would take up Item No. 3 at the end of the agenda. Council Members Goldberg and Todd absent.

25. ORDINANCE approving and authorizing a Strategic Partnership Agreement between the City of Houston, the **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT 361**, and **GENSTAR SUMMERWOOD L. P.** - was presented, and tagged by Council Member Tatro. Council Members Goldberg and Todd absent.

- 25a. ORDINANCE disannexing all of the area in Harris County Municipal Utility District No. 361; annexing all of the area in Harris County Municipal Utility District No. 361 for limited purposes; containing findings and other provisions relating to the foregoing subject; adopting a Regulatory Plan for such area; imposing the sales tax of the City of Houston, Texas in such area; providing for severability - was presented, and tagged by Council Member Tatro. Council Members Goldberg and Todd absent.

26. ORDINANCE approving and authorizing lease agreement between **ARTS COUNCIL OF THE HOUSTON/HARRIS COUNTY REGION**, as tenant, and the City of Houston, Texas, as landlord, for space at 3201 Allen Parkway, Houston, Texas - **DISTRICT D - BONEY** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Goldberg absent. All voting aye. Nays none. ORDINANCE 2001-1083 ADOPTED.

27. ORDINANCE amending Ordinance Numbers 97-1131 **UNIVERSITY OF TEXAS**, 97-1132 **INTERFAITH CAREPARTNERS** formerly known as **Foundation for Interfaith Research and Ministry**, **ALZHEIMER ASSOCIATION**, 97-1133 **CITY OF LA PORTE**, **CITY OF PASADENA**, 97-1175 **YWCA OF HOUSTON-AREA 3**, **JEWISH COMMUNITY CENTER-AREA 6**, **INTERFAITH MINISTRIES FOR GREATER HOUSTON-AREA 9**, 97-1629 **CITY OF SOUTH HOUSTON**, 99-171 **SHELTERING ARMS**, **PERRYLEE HOME HEALTH**, 2000-1087 **INDOCHINESE CULTURE CENTER** and 2001-403 **HEIGHTS AUDIOLOGY & HEARING AIDS** to increase the maximum contract amount for the above contractors who provide services to the elderly - \$1,761,697.00 - Grant Fund - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Todd and Goldberg absent. All voting aye. Nays none. ORDINANCE 2001-1084 ADOPTED.
28. ORDINANCE approving and authorizing contract between the City and **SCIENTIFIC TECHNOLOGIES CORPORATION** for an Immunization Marketing Plan for the City's Immunization Program; providing a maximum contract amount - \$200,000.00 - Grant Fund - was presented.

Council Member Tatro stated that he had heard that the company was out of Arizona and thought that with the Medical Center being the largest medical complex in the Country that they could not find a comparable company in Houston was very unfortunate, that they had to bring somebody in from Arizona to do immunization marketing for two years and for \$200,000, but he approved the item, and Mayor Brown stated that the reason was that this was a very specialized market and they had done an RFP and only two responded and this was the low bid. Council Members Goldberg and Todd absent.

Council Member Parker stated that this item should have gone to committee, that they had a committee meeting on Monday where they discussed Health Department items and immunizations was something that was of very great interest to all of Council. Council Members Goldberg and Todd absent.

A vote was called on Item No. 28. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg and Todd absent. All voting aye. Nays none. ORDINANCE 2001-1085 ADOPTED.

29. ORDINANCE appropriating \$300,000.00 out of Homeless and Housing Consolidated Bond Fund; approving and authorizing the City of Houston to enter into contract with **HOUSING OPPORTUNITIES OF HOUSTON, INC** to provide up to \$2,898,000.00 of Federal "Home" Funds and \$300,000.00 of Homeless and Housing Consolidated Bond Funds to administer Homebuyers Assistance Program providing subsidy funding to qualified homebuyers to be used for down payment assistance and closing costs - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1086 ADOPTED.
30. ORDINANCE appropriating \$350,000.00 out of Homeless and Housing Consolidated Bond Fund; approving and authorizing the City of Houston to enter into contract with **HOUSTON HOUSING FINANCE CORPORATION** to provide up to \$5,106,000.00 of Federal "Home" Funds and \$350,000.00 of Homeless and Housing Consolidated Bond Funds to administer a New Home Homebuyers Assistance Program providing subsidy funding to qualified homebuyers to be used for down payment assistance and closing costs - was presented.

All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1087 ADOPTED.

31. ORDINANCE approving and authorizing contract between the City and **UNIVERSITY OF HOUSTON** to serve as Research Partner for the Gang Free Schools and Communities Program **DISTRICTS H - VASQUEZ and I - CASTILLO** - \$49,842.00 - Grant Fund - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1088 ADOPTED.
32. ORDINANCE appropriating \$38,950.00 out of George R. Brown Consolidated Construction Fund and approving and authorizing an agreement for Professional Conservation and Restoration Services between the City of Houston and **BEN WOITENA d/b/a METAL ARTS** for the Restoration of the Artworks "Dancer" located at Jones Hall and the "Sweeney Clock" located at Capital and Bagby Streets - **DISTRICT I - CASTILLO** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1089 ADOPTED.
33. ORDINANCE approving and authorizing contract amendment between the City of Houston and **SYNAGRO SOUTHWEST, INC** for Hauling and Disposal of Municipal Biosolids for the Department of Public Works and Engineering; increasing the maximum contract amount \$1,950,000.00 - Enterprise Fund - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1090 ADOPTED.
34. ORDINANCE awarding contract to **HOUSTON SERVICES INDUSTRIES, INC** for Blower Replacement Parts & Repair Services for Public Works & Engineering Department; providing a maximum contract amount - \$3,862,655.11 - Enterprise Fund - was presented.

Council Member Quan stated that he was concerned when he looked at this item because it seemed that there were two other companies that had bid \$1.2 million and \$800,000 less than the company they had selected, that he had an opportunity to review the report prepared by Calvin Wells and Ray DuRousseau, that he was always concerned when they did not always go with the low bid just to make sure that everybody had a fair opportunity, but it did seem that the City had sent inspectors out to the other companies and it appeared that the other two were not capable of performing the services, that he did want to commend them on being diligent and making sure that they did look at the lowest responsible bid in those cases. Council Members Goldberg, Boney, Todd and Vasquez absent.

A vote was called on Item No. 34. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1091 ADOPTED.

35. ORDINANCE approving and authorizing contract between the City and **TURNER COLLIE & BRADEN, INC** for the Government Accounting Standards Board (GASB) Statement No. 34 Drainage Assessment Program, CIP M-0126-51-2 (SM5029) - \$550,000.00 - Street & Drainage Maintenance Fund - was presented.

Council Member Ellis stated that with regard to this item he assumed that the Mayor's office had put together a committee of Public Works, F&A and maybe the Controller's office to

oversee this, and if they had he would like for them to come around and visit with him, because he assumed that over the next couple of years they were going to be seeing a number of different items coming up on GASB 34, and Mayor Brown stated they had been working on it and would have Mr. Haines go by and visit with him. Council Members Goldberg, Boney, Todd and Vasquez absent.

Council Member Robinson stated that he was going to ask for a briefing for the TTI Committee on the fact that they knew that at the end of Fiscal Year 2002 that the GASB requirements would kick in for evaluation for all of their infrastructure so they could get an update on where they were, and maybe a joint committee of Fiscal Affairs and TTI, and Mayor Brown stated that they would get the appropriate briefing, and Council Member Tatro stated that he would appreciate one too. Council Members Goldberg, Boney, Todd and Vasquez absent.

Council Member Castillo asked if the Sanitary Sewer System evaluation was part of it, and Mr. Haines stated that he did not believe it was part of it, that it was General Fund only and it would be a separate one.

A vote was called on Item No. 35. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1092 ADOPTED.

36. ORDINANCE appropriating \$50,000.00 out of General Improvement Consolidated Construction Fund and approving and authorizing professional surveying services contract between the City of Houston and **COBB, FENDLEY & ASSOCIATES, INC** for Surveying of Buffalo Bayou from Sabine Street to Bagby Street, CIP D-0100-02-2 (SB9074) - **DISTRICTS H - VASQUEZ and I- CASTILLO** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1093 ADOPTED.
37. ORDINANCE appropriating \$1,494,273.58 out of Water & Sewer System Consolidated Construction Fund, awarding construction contract to **PHOCO, INC dba TELEPHONE COMPANY OF HOUSTON** and approving and authorizing professional services contract for engineering testing services with **GEOSCIENCE ENGINEERING & TESTING, INC** for Citywide Fire Hydrant Replacement and Height Correction, GFS S-0035-86-3 (WA10707); providing funding for construction management and contingencies relating to construction of facilities financed by Water and Sewer System Consolidated Construction Fund - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1094 ADOPTED.
39. ORDINANCE appropriating \$1,200,000.00 out of Airport System Consolidated 2000 AMT Construction Fund and approving and authorizing amendment No. 1 to professional engineering services contract between the City of Houston and **POST, BUCKLEY, SCHUH & JERNIGAN, INC** for Runway 8L-26R at George Bush Intercontinental Airport/Houston, Project No. 522, CIP A-0304 - **DISTRICT B - GALLOWAY** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1095 ADOPTED.
41. ORDINANCE appropriating \$334,000.00 out of Public Health Consolidated Construction Fund, awarding construction contract to **ALBERTI DESIGN, INC** and approving and

authorizing professional services contract for engineering testing services with **PROFESSIONAL SERVICES INDUSTRIES, INC** for construction of the Renovation of Shower Areas at Metropolitan Multi-Service Center, CIP H-0062; providing funding for contingencies relating to construction of facilities financed by the Public Health Consolidated Construction Fund - **DISTRICT D - BONEY** - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1096 ADOPTED.

NON CONSENT AGENDA – NUMBER 44

MISCELLANEOUS

44. **SET HEARING DATE** to amend **CHAPTER 42 OF THE CODE OF ORDINANCES** **SUGGESTED HEARING DATE - 9:00 A.M. - WEDNESDAY - 1 WEEK FROM DATE OF PASSAGE** - was present. Council Member Robinson moved to set hearing for Wednesday, December 12, 2001, seconded by Council Member Tatro. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. MOTION 2001-1311 ADOPTED.

MATTERS HELD - NUMBERS 45 through 50

50. ORDINANCE appropriating \$10,000.00 out of Fire Consolidated Construction Fund, CIP C-NA-00-1; \$10,000.00 out of Police Consolidated Construction Fund, CIP G-NA-00-1; and \$20,000.00 out of Convention and Entertainment Construction Fund, CIP B-0069-25-1; for payment of appraisal costs and Title Expenses, for and in connection with projects within the City of Houston's Capital Improvement Plan - (**This was Item 21 on Agenda of November 28, 2001, TAGGED BY COUNCIL MEMBER GOLDBERG**) - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1097 ADOPTED.
43. ORDINANCE canvassing the returns of the City of Houston Runoff Election held on December 1, 2001, counting the votes cast; making various findings and provisions related to the subject; determining the official results of the Runoff Election - was presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. All voting aye. Nays none. ORDINANCE 2001-1098 ADOPTED.

Council Member Vasquez had previously released his tag on Item No. 3. Council Members Goldberg, Boney, Todd and Vasquez absent.

3. RECOMMENDATION from Director Convention & Entertainment Facilities for approval of supplemental budget submitted by the **ARTS COUNCIL OF HOUSTON/HARRIS COUNTY** - was again presented. All voting aye. Nays none. Council Member Galloway out of the city on city business. Council Members Goldberg, Boney, Todd and Vasquez absent. MOTION 2001-1312 ADOPTED.

MATTERS TO BE PRESENTED BY COUNCIL MEMBERS

Council Member Keller stated that he wanted to congratulate Mayor Brown on his re-

election and everybody else that was present, that he thought they had shown they had worked together along time together on some of the items and stated that he would miss his fellow colleagues that had two more meetings and hoped they could get a lot done in those two meetings and was welcoming the new Council Members. Council Members Goldberg, Boney, Todd and Vasquez absent.

Council Member Quan stated that they were scheduled to have a Housing Initiatives Committee meeting tomorrow, but would not have the meeting, that they had postponed it until Monday after the special meeting of Council, that as many of them knew the Houston Housing Finance Corporation was considering the Pleasant Hills issue and they were going to be meeting tomorrow afternoon. Council Members Goldberg, Boney, Todd and Vasquez absent.

Council Member Quan stated that on Tuesday they were all invited to a senior gala at the George R. Brown Convention Center, that they had about 1,600 seniors who would be attending the gala, that it was a fun event and a great opportunity to meet with the people. Council Members Goldberg, Boney, Todd, Vasquez, and Sanchez absent.

Council Member Quan stated that Council Member Vasquez wanted him to mention that this weekend was the Lights in the Heights on December 8, 2001, from 6:00 p.m. to 9:00 p.m. at Bayland and Omar Streets and everybody was invited. Council Members Goldberg, Boney, Todd, Vasquez, and Sanchez absent.

At 11:33 a.m. upon motion by Council Member Parker and seconded by Council Member Quan, City Council recessed until 9:30 a.m., Monday, December 10, 2001.

City Council Chamber, City Hall, Monday, December 10, 2001

City Council reconvened in the City Council Chamber at 9:30 a.m. Monday, December 10, 2001, with Mayor Lee P. Brown presiding and with Council Members Bruce Tatro, Carol M. Galloway, Mark Goldberg, Jew Don Boney, Jr., Rob Todd, Mark A. Ellis, Bert Keller, Gabriel Vasquez, John E. Castillo, Annise Parker, Gordon Quan and Carroll Robinson; Mr. Anthony Hall, City Attorney; Ms. Martha Stein, Agenda Director present. Council Members Orlando Sanchez and Chris Bell absent.

At 9:38 Mayor Brown reconvened the meeting of the City Council. Council Members Galloway, Boney and Todd absent.

Mayor Brown requested that the City Secretary call the item.

The City Secretary stated that the item that was posted for today was for a MOTION to appoint two real estate appraisers in connection with proposed ordinance authorizing lease agreement between **LAKEWOOD CHURCH, INC**, a Texas Non-Profit Corporation, as tenant, and the City of Houston, Texas, as landlord, for the Compaq Center. Council Members Galloway, Boney and Todd absent.

Mayor Brown requested that Mr. Stephen Lewis tell them what their objective and agenda was this morning, and Mr. Lewis stated that based on last weeks meeting the Council had indicated a desire to have two appraisers appointed so they could have some additional information to help evaluate their decision in connection with leasing the Compaq Center to Lakewood Church, Inc., that they had designated putting the item off until December 19, 2001, which left them a very short period of time to appoint the appraisers and obtain satisfactory appraisals to help with the evaluation, that ordinarily an appraisal of this degree of complexity and difficulty could take up to 30 to 45 days so it was apparent that they appoint persons that felt that

they could meet the deadline, that they believed they should have the appraisals in hand by noon on December 18, 2001 to give Council at least some time to look it over and evaluate it before the item appeared on the agenda on December 19, 2001, that these appraisals should include both the fee value of the land, that meant the value of the dirt and the improvements, and the appraisals should also include a valuation of the property as a leasehold estate, in other words what was its value as leased property, that this particular property, because of its limitations, such as it did not have its own parking or chilled water system, was going to be probably difficult to evaluate by the appraisers, and he suspected this to be an instance that would require an appraiser with some degree of experience and expertise in order to first put together the material in time for delivery at noon on the 18th and secondly to properly evaluate the property given its limitations. Council Member Galloway absent.

Council Member Goldberg named Mr. Mathew Deal, with Lewis Realty Advisors and Mr. Ronald P. Little, who would also do the appraisal for the sale and leasehold, as appraisers. Council Member Galloway absent.

Mayor Brown asked Mr. Lewis of the people that he determined to be capable of doing this were the two being nominated on the list, and Mr. Lewis stated that Mr. Deal did the first appraisal on the fee value of the property and was comfortable that he could do the job and do it within the timeframes, that unfortunately he was not familiar with Mr. Little and asked if he had given them a price quote and had he agreed to meet their time deadline, and Council Member Goldberg stated that as Mr. Lewis had stated that normally something like this took 30 to 45 days and he understood that but thought he would be able to do something like this within two weeks, and Mayor Brown asked that he tell them something about Mr. Little, that they did not have that much time, and Council Member Goldberg stated that he was on the approved list of independent appraisers and had worked in the area for a long time and was MAI designated and was located in the District C area, that he spoke to him and gave him an idea of what was involved in the appraisal, and Mayor Brown asked if they had a proposal or price quote from him or was it just conversation that the two of them had, and Council Member Goldberg stated that they had talked at length about it, that as far as a price quote he did not have a number at that time but it would not fall into anything unusual and thought it would be in the range of the other appraisers, and Mayor Brown asked Mr. Lewis if they had a list of people who had given them price quotes and were qualified to do this, and Mr. Lewis stated that Public Works had contacted quite a number of appraisers, the ones that they thought were the more competent ones on the list and asked if they would be able to perform such an appraisal within the deadline and give them a price quote, and those appraisers were Albert Allen, who gave them an estimated fee of \$21,000, Gary Brown, who gave them an estimate of \$20,000, David Dominy, who gave them an estimate of \$20,000 to \$25,000, Joe Stanfield, who gave an estimate of \$7,500 and Tom Bazan, who gave an estimate of \$10,000 to \$12,000. Council Members Galloway absent.

After further discussion, Mayor Brown stated that this was a little different than just a small project, that it was a huge project, and what the Council asked was that they get an appraiser who had experience in doing this type of work and could do it in a short period of time, that they did not know what Council Member Goldberg's recommendation price would be, that many of them had never heard of him, he was not on the list, and Council Member Goldberg stated that he had a list from the agenda office and Ronald P. Little was on the list that he had gotten from the Mayor's office originally. Council Member Galloway absent.

Council Member Tatro moved to accept Council Member Goldberg's recommendation of appraisers, seconded by Council Member Ellis. Council Member Galloway absent.

Council Member Boney stated that was the Public Works Department list and had always been a department list, that they came up with approved appraisers and submit that list and then

they pull from that list and was a City Council Member's choice, that obviously this particular appraisal had some controversy, had a timeline and had some budget issues that normally they did not have and the only questions that he had with Council Member Goldberg's recommendation was that the individuals, whoever they were, were able to meet the timeline and going to be roughly in the same price line as the others, that if he would affirm that he would have no problem with supporting it, and the three questions he had were was he going to be within the range of prices that the others were, was he going to get it done on time and did he know how to do the particular work they were trying to do so they could have the information the day before and Council Member Goldberg stated that the answer was yes to all of his questions, that the price would be comparable to the other appraisals. Council Members Galloway and Todd absent.

Council Member Parker asked if he could deliver an appraisal by the 18th and would the maker of the motion be willing to amend it that they go with whatever appraisal they had in hand if one or the other appraisers did not have the appraisal available, because the whole object of the exercise was to get two appraisals by the 18th, and Council Member Tatro stated that the whole object of the exercise was to adhere to the City Charter, and Council Member Parker stated no, that she would disagree with that, that she asked a question, that they were within the City Charter to vote on the lease of the facility and in an abundance of caution they decided to go out again for appraisal and she was asking if the maker of the motion, since they were doing this with the intention of trying to get the appraisals in so they could vote on it on the 19th, and there seemed to be some concern whether the appraiser would be able to do it by that day, if the maker of the motion would amend it to specify that if he could not that they would go with the appraisals that they had.

Council Member Parker asked if whether either of the two parties who were involved in this issue, Crescent and Lakewood Church, had any issues or concerns with either of the appraisers that were being appointed.

Council Member Parker moved to suspend the rules to hear from representatives of Crescent Realty and Lakewood Church to see if they had any concern about the appraisers that had been named, seconded by Council Member Boney. All voting aye. Nays none. Council Members Sanchez and Bell absent. MOTION 2001-1313 ADOPTED.

Mr. Dave Walden appeared and stated that he represented Lakewood Church and they only had one issue and that was that they get an appraisal done quickly and be a fair and honest appraisal and that there be no conflicts involved in either parties and assumed that Council Member Goldberg checked that out, that they were not aligned with Lakewood Church to the best of his knowledge, nor did they have a business relationship with their competitor, Crescent.

Mayor Brown asked if any of the two appraisers have any alliance with either side, either Lakewood or Crescent, and Council Member Goldberg stated that none that he knew off.

Mr. Joe B. Allen, Vinson and Elkins, appeared and stated that he represented Crescent, that as far as they knew neither one of the appraisers had any relationship with Crescent in terms of past dealings, that they were acceptable to them, that the only request that they would make was that the appraisals be done in accordance with generally accepted appraisal standards for this kind of property, which he believed hopefully would be acceptable to everyone, in other words, they wanted a full blown appraisal done like Mr. Lewis's earlier appraisal on the property as opposed to some two page windshield appraisal, which was sometimes done.

Mayor Brown stated that one of the concerns had been taken off the table, that neither side had a problem with either of the appraisers, and stated that Council Member Goldberg had said

that the one he had named could come in line with the amount of money that had been suggested by the others and the other remaining question could this be done so they would be able to do the work on the 19th and he was saying that they guaranteed that they could do it by the 19th, and Council Member Goldberg stated that he did not say that, that he was saying exactly what Mr. Lewis stated, that normally it took 30 to 45 days and it was unusual for them to do it this quickly, and they said they believed they could do it.

Council Members Ellis stated that the timeline that Council Member Boney had imposed was just a hurry up job so that he could vote on the issue and he did not think it was appropriate, that he also did not think it was appropriate for them to be questioning whether or not Council Member Goldberg had picked a qualified appraiser from the standpoint that he was taking it from the list that was produced by the City, that he was going to request that everybody approve the appraiser that Council Member Goldberg had nominated.

Council Member Vasquez asked Council Member Goldberg if he could be specific with them in terms of what price range he had spoken with the individual about, and Council Member Goldberg stated that they did not speak about a specific price range, that he told him there would be another appraiser and he said that his price would be comparable to the other appraiser, and Mr. Lewis stated that the other appraiser, Mathew Deal, had already collected the data on the property and he prepared an initial report on the fee value and he would anticipate that his fees would be substantially less than someone starting from scratch and doing a complete appraisal on fee value and leasehold estate, that the price ranges that they had quotes ranged anywhere from \$20,000 up to \$90,000 for doing it, and they would hope that the Council would select someone that would do the job for under \$25,000 so as to avoid them having to start from scratch doing a contract and bringing it to Council for an appropriation and approval, that the people he was recommending had given them a commitment to get it to them by the 18th, that these were individuals who had lots of experience, had MAI standings and that Public Works and Legal had worked with before and felt had good qualifications and also they came back with quotes that were less than \$25,000, that the only part of it that was somewhat unique was the value of leasehold on property that had problems such as no parking or no chilled water, that the reality was that probably any good appraisal company could meet the deadline if they were willing to put out the necessary resources on this one appraisal during the limited time period given, that generally the 30 to 45 days meant they were working on other things and bringing all of their appraisals along at the same time, that this would require the attention and resources of the appraisal company on this one item in order to meet the deadline, that the first appraisal was commissioned by the selection board and cost \$15,000, that they would anticipate approximately \$10,000 for Mathew Deal.

Mayor Brown asked Mr. Tollett if for the \$15,000 did he do all of the background work and Mr. Tollett stated that he did not do the appraisal he did the fee and not the leasehold and they were estimating that between \$8,000 and \$10,000.

Council Member Vasquez stated that he wanted to respect Council Member Goldberg's prerogative as District Council Member about making to make those nominations, however, he was concerned about the cost and the time and at the appropriate time he would like to make the motion that they have a third appraisal.

Council Member Vasquez moved to amend Council Member Goldberg's motion to name an appraiser and named Mr. David Dominy as the third appraiser, seconded by Council Member Boney.

After further discussion by Council Members, Council Member Goldberg stated that he took great offense at Council Member Vasquez's nomination, that it was not his district, that he had

not made a nomination in his district before, that he had a second name if they needed a third appraiser and was willing to nominate him.

Council Member Vasquez stated that he understood his righteous indignation but this was broader than just a district issue, it was a City issue and in that regard each Council Member, whether District or At Large, had the ability to make a comment.

Council Member Boney stated that he did not think it did any harm to have three appraisers because at least then they certainly ought to have a good average of what the value was.

Council Member Vasquez stated that they were adding a third to be on the safe side, that they received hundreds of e-mails on this issue from all over the City and from all over the jurisdiction.

Mayor Brown asked Council Member Goldberg if he would be prepared to nominate a third appraiser off of the Public Works list.

Council Member Goldberg stated that he wanted to name Mr. Gerald Deal as the third appraiser, seconded by Council Member Tatro.

Mayor Brown asked if he was on the Public Works list and Mr. Tollett stated that he declined because he could not do it in the timeframe.

Council Member Goldberg named Mr. Albert Allen as the third appraiser, seconded by Council Member Tatro.

Mayor Brown asked if he was on the list and Mr. Lewis stated that yes he was and agreed to perform for an estimated fee of \$21,000, and Mayor Brown asked Council Member Vasquez if he was prepared to remove his amendment, and he stated yes, and Mayor Brown stated that Council Member Vasquez removed his amendment and Council Member Goldberg amended his motion to add Mr. Albert Allen, so they now had three recommendations before City Council.

After a further lengthy discussion a roll call vote was called on Council Member Goldberg's motion to amend his motion to appoint two appraisers by adding Mr. Albert Allen as a third appraiser.

ROLL CALL VOTE:

Mayor Brown voting aye	Council Member Vasquez voting aye
Council Member Tatro voting no	Council Member Castillo voting aye
Council Member Galloway voting aye	Council Member Parker voting aye
Council Member Goldberg voting no	Council Member Quan voting no
Council Member Boney voting aye	Council Member Sanchez absent
Council Member Todd voting aye	Council Member Bell absent
Council Member Ellis voting no	Council Member Robinson voting no
Council Member Keller voting aye	MOTION TO AMEND CARRIED

A vote was called on the main Motion as amended. All voting aye. Nays none. Council Members Sanchez and Bell absent. MOTION 2001-1314 ADOPTED.

RESOLUTION 2001-0049 – a resolution commending Commend Council Member Boney for his distinguished work as a leader in the community and extended best wishes for continued

success, was signed by the Mayor and Council Members.

RESOLUTION 2001-0050 – a resolution commending Council Member Sanchez for his distinguished work as a leader in the community and extended best wishes for continued success, was signed by the Mayor and Council Members.

RESOLUTION 2001-0051 – a resolution commending Council Member Bell for his distinguished work as a leader in the community and extended best wishes for continued success, was signed by the Mayor and Council Members.

RESOLUTION 2001-0052 – a resolution commending Council Member Todd for his distinguished work as a leader in the community and extended best wishes for continued success, was signed by the Mayor and Council Members.

RESOLUTION 2001-0053 – a resolution commending Council Member Castillo for his distinguished work as a leader in the community and extended best wishes for continued success, was signed by the Mayor and Council Members.

There being no further business before Council, the City Council adjourned at 10:02 a.m. upon MOTION by Council Member Robinson, seconded by Council Member Quan. All voting aye. Nays none. Mayor Brown, Council Members Castillo and Sanchez absent. Mayor Pro Tem Boney presiding.

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

MINUTES READ AND APPROVED

Anna Russell, City Secretary