

**TOWN OF SOUTH PADRE ISLAND, TEXAS**  
**BOARD OF ALDERMEN**

MINUTES OF WORKSHOP  
WEDNESDAY, MARCH 21, 2007

**I CALL TO ORDER**

Mayor Robert N. Pinkerton Jr. called the Workshop of Wednesday, February 21, 2007 to order at 2:30 p.m. A quorum was present: Aldermen James Hoff, Richard Ridolfi, Dr. Tara Rios Ybarra and JoAnn Evans. Alderman Phillip Money arrived at 2:37 p.m.

Staff members present were Efrain DeLeon, Chuck Zebrowski, Melissa Zamora, Raul Morales, Dan Quandt, Darla Honea, Paul Cunningham and Joyce Adams.

**II PLEDGE OF ALLEGIANCE**

**III DISCUSSION OF STRATEGIES AND METHODS OF FUNDING FOR THE WI-FI NETWORK**

Drew Lentz, CEO of MeshTek, explained the three options and the possible methods of funding (for each option) for a proposed Wi-Fi Network for the Town of South Padre Island, as follow:

**1. FULL OWNERSHIP:**

- a. *SUMMARY:* Town purchases all infrastructure and has a network administrator on staff, or on contract, to run the network.
- b. *PROS:* Town owns all equipment; Town could expand services and marketing features, charging subscriptions for guaranteed support.
- c. *CONS:* Costly, training. Requires additional personnel; no general public interaction; requires training time.

*FUNDING* could be provided solely by the Town. The possibility of matching grant funding should be investigated.

**2. SHARED OWNERSHIP**

- a. *SUMMARY:* Town may purchase all infrastructure or may share a cost with a private company. A Private company manages the network and markets internet usage to private owners.
- b. *PROS:* Cost is reduced, services expanded. If Town buys network, we still own the infrastructure if partnership goes awry; revenues may be earned from a franchise type fee.
- c. *CONS:* Partners can be problematic, longer to develop than the first option. Company may require Town space; may require an advisory committee.

*FUNDING* could be solely by the Town, matching grants or shared by the managing company.

**3. CONTRACTED OWNERSHIP**

- a. *SUMMARY:* The Town would contract a private company to install, maintain and market the network. The company would pay for and own all infrastructure.
- b. *PROS:* No/little cost to the Town. Could generate high revenues. Major public interactions. Mayor marketing tool. Town staff time is kept at a minimum to maintain network.
- c. *CONS:* Town owns no infrastructure. If there is a problem with the private company, the Town must start process all over and is still without a network in the interim. May require an advisory committee.

*FUNDING* would be the sole responsibility of the Company and the Town will assess a franchise fee to the Company for all billed services. No fees would be assessed to the Town.

**IV DISCUSSION OF STRATEGIES AND METHODS OF FUNDING FOR THE BEACH RE-NOURISHMENT PROGRAM**

Finance Director Darla Honea presented options for funding for the Beach Re-Nourishment Program:

1. ½ Cent Property Tax
2. 1 Cent Property Tax
3. .5% Hotel Motel Tax
4. .5% Sales Tax
5. 1% Hotel Motel Tax from State of Texas.

She explained that lobbying for grant opportunities and the funding of grants is much more realistic if the Town has the project engineered and ready to "go".

Discussion was held regarding these options and the urgency of the matter.

#### V DISCUSSION OF THREE YEAR TERMS FOR MAYOR AND BOARD OF ALDERMEN

City Attorney Paul Cunningham reviewed the laws regarding (the proposed) change from a two year term system to a three year term system for the Mayor and Board of Aldermen.

Discussion was held by the Board and questions were answered by Mr. Cunningham.

#### VI PUBLIC COMMENTS

#### VII ADJOURN

Mayor Pinkerton adjourned the workshop at 3:55 p.m.

  
JOYCE ADAMS, CITY SECRETARY



APPROVED:

  
ROBERT N. PINKERTON JR., MAYOR