

MARCH 12, 2001

A REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD ON MONDAY, MARCH 12, 2001 AT 6:00 P.M. IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS AT CITY HALL, 200 EAST KLEBERG AVENUE.

CITY COMMISSION MEMBERS PRESENT:

Stanley Laskowski, City Commissioner
 Rene "Mr. V" Villarreal, City Commissioner
 Filemon "Phil" Esquivel, Jr., Mayor
 Arturo Pecos, City Commissioner
 Al Garcia, City Commissioner

CITY STAFF PRESENT:

Hector Hinojosa, City Manager
 Diana F. Valadez, City Secretary
 Ruben Perez, City Attorney
 Victor Salas, Finance Director
 Dianne Leubert, Sanitation Superintendent
 Dora Byington, Director of Purchasing
 Corando Garza, Assistant City Manager / Fire Chief
 Estella Garcia, Director of Collections
 Maria Robles, Accountant
 Sam Granato, Chief of Police
 Isabel Valdez, Director of Personnel

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING:

Mrs. Dora Byington, Director of Purchasing, led the Commission and members of the audience in an invocation. A member of the audience led the Pledge of Allegiance.

MINUTES OF PREVIOUS MEETING(S) - REQUIRED BY LAW.

There were no minutes available for approval.

II. PUBLIC HEARING – (REQUIRED BY LAW).

1. None.

III. PETITIONS, GRIEVANCES, AND PRESENTATIONS.

1. UPDATE FROM STAFF ON FOLLOWING QUESTIONS AT THE REQUEST OF THE MAYOR AND COMMISSIONERS.

- A. UPDATE FROM STAFF REGARDING NEGOTIATIONS WITH SOUTH TEXAS WATER AUTHORITY. (CITY MANAGER).

Mr. Ruben Perez, City Attorney stated that the Water Authority would be conducting an election in August to approve a tax rate for maintenance and operation purposes of the Water Authority. He said it is important for the public to know that unless the election is approved, there will be high water rates, and it is very important that the City of Kingsville become involved during the election.

Mayor Filemon "Phil" Esquivel, Jr. expressed some concern because the City of Kingsville funds 89% of the South Texas Water Authority operations, however the City Commission does not appoint any of their board members. He stated

that Kleberg County Commissioner's Court appoints five members and Nueces County Commissioner's Court appoints four members.

There was a discussion regarding pass through fees, and Commissioner Laskowski stated that a contract was executed in 1985 with the City that established the pass through fees. He stated that the contract has never been revised since that year.

Mr. Hector M. Hinojosa, City Manager stated that it is very important that we support the election and become involved.

B. UPDATE ON MATTERS RELATING TO THE COLLECTION AND TRANSFER OF SOLID WASTE WITHIN THE CITY. REPORT ON STATUS OF TNRCC APPLICATIONS FOR TEMPORARY AND PERMANENT ELEVATION MODIFICATIONS TO EXISTING LANDFILL PERMIT. (CITY MANAGER).

Mr. Hinojosa stated that Secor Engineering has already submitted a request to TNRCC for a 10' height extension. He said that Secor feels pretty confident that the request would be approved.

Mayor Esquivel stated that it is important to get State Representative Irma Rangel and Senator Carlos Truan involved, and simply inform them about the landfill situation in Kingsville. He said that our State officials could assist the City of Kingsville in expediting our request, but they need to be informed.

Commissioner Stanley Laskowski stated that in his opinion, City staff could inform the State officials, but these officials should not contact TNRCC on behalf of the City of Kingsville.

There was a discussion on whether or not a letter should be sent to State officials. It was the consensus of the Commission that a letter is sent, however, specifying that they should not contact TNRCC.

Mayor Esquivel explained the different programs that are still available to the residents of Kingsville regarding brush pick. He stated that recycling is very important, and encouraged everyone to take part in recycling.

IV. PUBLIC COMMENT ON AGENDA ITEMS.

Mr. Homer Castillo, 105 South 5th Street, addressed the Commission regarding agenda item number one. He stated that he has had an opportunity to review the pro forma study completed by Secor Engineering. He said that the use of the current permit will save the City 1/2 million dollars. Mr. Castillo recommended that the City not spend \$740,000 for partial closure as recommended in the report. He stated that if City personnel and equipment are used to construct the next sector, it could save the taxpayers one-third of the construction costs. Mr. Castillo also recommended that the Commission pursue the possibility of renewing a contract with a new financial advisor.

There were no other comments made by anyone.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS.

1. CONSIDERATION OF THE FOLLOWING MATTERS REGARDING THE CONSTRUCTION AND EXPANSION OF LANDFILL OPERATIONS.

1.1 REVIEW OF PRELIMINARY FINANCIAL PRO FORMA DATA ON LANDFILL EXPANSION PROJECT AND STATUS OF CURRENT PERFORMANCE OF TASK 4 – CONSTRUCTION DRAWINGS & TASK 6 – PRO FORMA STUDY, PLAN AND ANALYSIS UNDER THE SECOR MASTER CONSULTING AGREEMENT. (CITY MANAGER).

1.2 REVIEW OF FINANCING ALTERNATIVES FOR THE OPERATION OF THE LANDFILL OR PROPOSED EXPANSION. (CITY MANAGER).

1.3 AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AMENDED AGREEMENT WITH SECOR REGARDING ADDITIONAL SERVICES UNDER THE MASTER CONSULTING AGREEMENT AND/OR DIRECTING THE CITY MANAGER TO PROCEED WITH ACTIONS NECESSARY TO PROCURE FINANCING FOR PROJECT COSTS. (CITY MANAGER).

1.4 AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT FOR THE TEMPORARY DISPOSAL OF SOLID WASTE FROM THE CITY OF KINGSVILLE WITH EL CENTRO LANDFILL. (CITY MANAGER).

Mr. Hinojosa stated that the landfill issue has been discussed very thoroughly. He stated that the options were to either close the landfill or to continue with the existing permit. Mr. Hinojosa stated that he has requested from Secor another proposal for a Type 1 and Type 4 Landfill. Secor provided the additional cost for the Type 1 cell with 11 acres and a Type 4 cell with four acres. Mr. Hinojosa stated that the construction of the Type 1 cell would be approximately 2.4 million also including \$450,000 for a compactor and a water truck. The other cost is the cost of issuance of 2.95 million dollars on a Type 4 cell on four acres. Mr. Hinojosa stated that if the City proceeds with 5.4 acres, the cost would be 3.1 million.

Mr. Hinojosa recommended that the Commission proceed with the Type 1 and Type 4 cells, with the effect on the tax rate being approximately four cents.

Mayor Esquivel stated that it is important to do what is best for the citizens of Kingsville. The life on the landfill being recommended is fourteen years for the Type 1 Landfill and four years for the Type 4 Landfill.

Commissioner Laskowski stated that the cost of operating a landfill is increasing, and the City should make the investment of purchasing a compactor.

There was a discussion regarding the costs associated with the different options. Commissioner Pecos requested that the Commission be provided information to review all the options available.

Mr. Hinojosa stated that City staff is currently exploring other funding sources, possibly with the Nueces River Authority to compare the two financing packages the City currently has.

Mayor Esquivel also requested that the Commission be provided information on cost analysis and all the financing options available. He stated that the citizens of Kingsville could definitely help with the landfill situation by using the Recycling Center. He said that the citizens need to be educated on recycling.

The Commission began discussing the financing alternatives at this time.

Mr. Victor Salas, Finance Director stated that one financing alternative is conduit financing which allows one entity to issue bonds for another entity. He said this was the method used by the City of Corpus Christi when they funded the Lake Texana Project. Mr. Salas stated that during conversations with the South Texas Water Authority, it was discovered that Nueces River Authority was interested in financing the landfill expansion project.

Mayor Esquivel stated that when the City goes out for bonds, it is a big expense, and perhaps other projects could be included such as covering Caesar drainage ditch and also funding the repairs to Ailsie Avenue. He asked for staff to provide a spreadsheet on all the options available.

Mr. Hinojosa stated that when he requested the study for a Type 4 cell there were additional engineering costs associated with the study. He stated that the cost for Task 2 increased by \$37,325 and the cost for Task 4 increased by \$8,110. He stated that the original costs were for a Type 1 cell.

Mr. Perez stated the increase is because the plans are now for the construction of a Type 1 and a Type 4 Landfill. With this amendment only three tasks would be authorized. He stated that the quality and assurance compliance task could be authorized at a later date.

Commissioner Laskowski stated that City employees could do a lot of the work at the landfill, however someone needs to be out there to make sure the compaction is correct. He said that everyday our vehicles travel to El Centro Landfill, it is costing the City money.

There was a discussion on whether or not Alpha Engineering should be included as a consultant to oversee this project. After the discussion it was the consensus of the Commission to allow the City Manager to determine if and when Alpha Engineering's expertise is needed.

Mr. Hinojosa stated that he has been negotiating a contract with El Centro Landfill for the temporary disposal of solid waste. He recommended approval of the proposed contract.

Mr. Joe Kramer with El Centro addressed the Commission and stated that they are ready to assist the City of Kingsville and are available for any questions the Commission may have.

Commissioner Laskowski stated that the Commission should move forward with the construction plans, but would like to negotiate the quality and assurance compliance task.

Mayor Esquivel stated that the Commission needs to move forward and approve the construction plans.

A motion was then made by Commissioner Laskowski and seconded by Commissioner Rene "Mr. V" Villarreal to approve the amended agreement with Secor regarding additional services as identified in Item #1.3, the construction quality assurance (task 2), and construction plans (task 4); and authorized the City Manager to enter into a contract for the temporary disposal of solid waste with El Centro Landfill. The motion passed by a unanimous vote.

2. REVIEW OF PROFESSIONAL SERVICES CONTRACT FOR FINANCIAL ADVISOR AND AUTHORIZING THE CITY MANAGER TO REQUEST PROPOSALS FOR FINANCIAL ADVISOR SERVICES. (CITY MANAGER).

Mr. Hinojosa stated that the current contract with Southwest Securities would soon expire, and requested Commission approval to seek proposals.

Mr. Salas reviewed the services that are usually performed by the Financial Advisor and the services that are expected by that individual.

Mayor Esquivel stated that the Financial Advisor represents the City of Kingsville and his/her responses should be respectable to the citizens.

A motion was made by Commissioner Villarreal and seconded by Commissioner Laskowski to authorize the City Manager to request proposals for financial advisor services. The motion passed by a unanimous vote.

3. CONSIDER FINAL PASSAGE OF AN ORDINANCE GRANTING TO NUECES ELECTRIC COOPERATIVES, INC., A COOPERATIVE CORPORATION DULY INCORPORATED UNDER THE LAWS OF THE STATE OF TEXAS, ITS SUCCESSORS AND ASSIGNS, AN ELECTRIC LIGHT, HEAT, AND POWER FRANCHISE. (DIRECTOR OF FINANCE).

Mr. Salas stated this item was introduced at the last meeting. He recommended approval of the proposed franchise agreement.

A motion was made by Commissioner Villarreal and seconded by Commissioner Arturo Pecos to approve Ordinance #ORD-2001-11, granting to Nueces Electric Cooperative, Inc., an electric light, heat and power franchise. The motion passed by a unanimous vote.

4. CONSIDER RESOLUTION SETTING GOALS AND POLICIES REGARDING RECYCLED PURCHASES THROUGH THE PURCHASING DEPARTMENT. (DIRECTOR OF PURCHASING).

Mrs. Byington stated that the proposed resolution establishes the goals and policies regarding recycled purchases through the Purchasing Office. She stated that by switching to recycled copier and computer paper, we would set an important precedent. Mrs. Byington recommended approval of the proposed resolution.

Upon a motion by Commissioner Villarreal and second by Commissioner Laskowski, the Commission unanimously approved Resolution #R-2001-05, setting goals and policies regarding recycled purchases through the Purchasing Department.

5. CONSIDER RESOLUTION AUTHORIZING AN APPLICATION FOR FUNDING FROM THE FY-2001 COPS MORE 2001 TECHNOLOGY FUND GRANT PROGRAM IN THE AMOUNT OF \$250,000. (CHIEF OF POLICE).

Police Chief Sam Granato stated that the grant is a technology grant funded by the Department of Justice. It requires a 25% match from the City. Chief Granato stated that these funds have been available for four years, and this is the first time the Kingsville Police Department has applied for the grant and felt confident that the grant would be funded. He stated that the City's cash match portion of \$100,000 could be used from the savings of overtime as well as from drug forfeitures.

A motion was made by Commissioner Villarreal and seconded by Commissioner Laskowski to approve Resolution #R-2001-06, authorizing an application for funding from the FY-2001 COPS More 2001 Technology Fund Grant Program in the amount of \$250,000. The motion passed by a unanimous vote.

6. CONSIDER RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AMENDMENT TO THE COLLECTIVE BARGAINING AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL ASSOCIATION NO. 2390 REGARDING HEALTH INSURANCE BENEFITS. (CITY ATTORNEY).

Mr. Perez stated that the Firefighters Association has approved the amendment. He stated that the change in the agreement is that a retired firefighter under the age of 65 would be able to continue his health insurance benefits by paying 1/2 cost of the regular fire fighter. Mr. Perez recommended approval of the proposed resolution.

Upon a motion by Commissioner Villarreal and second by Commissioner Laskowski, the Commission voted unanimously to approve Resolution #R-2001-07, authorizing the City Manager to enter into an amendment to the Collective Bargaining Agreement with International Association of Firefighters, Local Association #2390 regarding health insurance benefits.

7. CONSIDER AMENDING THE AGREEMENT FOR GOODS AND SERVICES WITH KLEBERG COUNTY FOR SERVICES IN CONNECTION WITH THE PARKS AND RECREATION PROGRAMS PROVIDING FOR A REDUCTION OF \$2,500 FOR CAPITAL IMPROVEMENTS FOR CITY PARKS AND IN LIEU THEREOF THE EXPENDITURE OF \$2,500 FOR WATER USAGE. (CITY MANAGER).

Ms. Susan Ivy, Director of the Kleberg County Parks Department stated that the Kingsville Youth Soccer Association (KYSA) wants to irrigate four soccer fields. She stated that the cost to irrigate the fields is \$7,000 and they have asked Kleberg County to pay 1/2 of the cost. Ms. Ivy stated that she needs City Commission approval to spend \$3,500 from the water trade agreement. She stated that there would not be any money exchanged at all.

There was a discussion regarding the use of the skatepark and the fee charged per individual. Mayor Esquivel requested that the Parks Department reconsider the three dollar fee charged and perhaps reduce that fee.

Upon a motion by Commissioner Villarreal and second by Commissioner Pecos, the Commission voted unanimously to amend the agreement for goods and services with Kleberg County for services in connection with the Parks and Recreation Programs providing for a reduction of \$3,500 for capital improvements for City Parks and in lieu thereof the expenditure of \$3,500 for water usage.

Mayor Esquivel stated that item number eight and nine would be considered at the same time.

8. CONSIDER OUT-OF-STATE TRAVEL FOR THREE MEMBERS OF THE KINGSVILLE FIRE DEPARTMENT TO ATTEND THE 22ND ANNUAL INTERNATIONAL DISASTER MANAGEMENT CONFERENCE IN TAMPA, FLORIDA. (FIRE CHIEF).

9. CONSIDER OUT-OF-STATE TRAVEL FOR THE CHIEF OF POLICE TO ATTEND THE POLICE EXECUTIVE RESEARCH FORUM 2001 ANNUAL MEETING IN CHICAGO, ILLINOIS. (CHIEF OF POLICE).

Fire Chief Corando Garza requested approval for three members of the Kingsville Fire Department to attend the 22nd Annual International Disaster Management Conference in Tampa, Florida.

Police Chief Granato requested the Commission authorize him to attend the Police Executive Research Forum 2001 Annual Meeting in Chicago, Illinois.

Upon a motion by Commissioner Villarreal and second by Commissioner Pecos, the Commission unanimously approved both out-of-state travel for the Fire and Police Department.

10. CITY MANAGER'S REPORT. (CITY MANAGER).

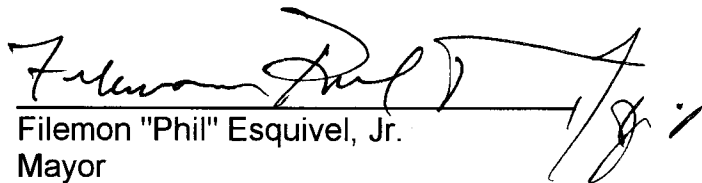
No report was given at this time.

11. EXECUTIVE SESSION.

There was no executive session conducted at this time.

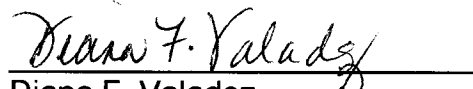
VI. ADJOURNMENT.

The meeting then adjourned at 10:32 p.m.



Filemon "Phil" Esquivel, Jr.
Mayor

ATTEST:



Diana F. Valadez,
City Secretary