

MARCH 07, 2005

**A SPECIAL MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON MONDAY, MARCH 07, 2005 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL / 200 EAST KLEBERG AVENUE AT 6:00 P.M.**

**CITY COMMISSION PRESENT:**

Sam R Fugate, Mayor  
Charles E Wilson, Commissioner  
Al Garcia, Commissioner  
Stanley Laskowski, Commissioner  
Arturo Pecos, Commissioner

**CITY STAFF PRESENT:**

Carlos Yerena, City Manager  
Courtney Alvarez, City Attorney  
Edna S. Lopez, City Secretary  
George Bejarano, Asst. City Manager/Finance Director  
Stanley Fees, City Engineer

**I. Preliminary Proceedings.  
OPEN MEETING**

Mayor Fugate called the meeting to order in the City Commission Chambers at City Hall at 6:00 P.M.

**INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)**

The invocation was delivered by City Manager Yerena, followed by the Pledge of Allegiance and the Texas Pledge.

**MINUTES OF PREVIOUS MEETING(S) – Required by Law**

None

**II. Public Hearing - (Required by Law).<sup>1</sup>**

1. None.

**III. Petitions, Grievances, and Presentations.<sup>2</sup>**

1. City Manager's Report. (City Manager).

Mayor Fugate called for the City Manager's report. City Manager Yerena stated he had no information to report.

2. City Attorney's Report. (City Attorney).

Mayor Fugate called for the City Attorney's report. Ms Alvarez reported on a City team negotiating meeting in preparation for the joint meeting on Wednesday, March 9<sup>th</sup>, with the Water Authority and their customers; tabletop exercise for emergency management; and on receiving an agreement from the City of Port Arthur regarding a business looking to locate here. Finally, she report on the Coleman case.

### 3. City Commission's Reports. (City Commission).

Mayor Fugate called for the City Commission's report. Commissioner Wilson commented in relation to the tabletop exercise, stating communication is an interval part of the City functioning correctly. He commented on reading about the exercise in the newspaper, and not being informed prior to the publication. He asked that the Mayor discuss with the Emergency Preparedness Coordinator about not speaking to the newspaper before the drill occurs.

Commissioner Laskowski asked about HDR negotiations. City Manager Yerena responded that one initial meeting has been held and information is being prepared.

Mayor Fugate reported on having lunch with Ms Dianne Leubert, Chairperson for the Beautification committee and provided information on a cleanup campaign for Earth Day; the Ranching Heritage; and talking to Ms Elenita Gross from the King Ranch Family in reference to the project at the Old High School. Finally, he reported on two young men from Kingsville who will be enrolling at two of our Service Schools.

## IV. Public Comment on Agenda Items<sup>3</sup>

1. Comments on all agenda and non-agenda items.

NONE

## V. Consent Agenda

NONE

## REGULAR AGENDA

## VI. Items for consideration by Commissioners.<sup>4</sup>

**1. Executive Session: Under Section 551.087 of the Texas Open Meetings Act, the City Commission shall convene in executive session to discuss and deliberate the offer of a financial or other incentive to a business prospect that the City seeks to have located in the City and with which it is conducting economic development negotiations. (Mayor Fugate).**

The City Commission took a five (5) minute break, than convened into Executive Session at 6:12 P.M.

The City Commission reconvened into Regular Session at 7:05 P.M.

**2. Discuss and consider potential incentives for Customer Relationship, L.L.C.; and other matters related thereto. (Mayor Fugate).**

Mayor Fugate made a motion to approve a \$100.00 per year lease for seven (7) years to Customer Relationship, L.L.C., that the lessee (Customer Relationship, L.L.C.) be in charge/responsible for any remodeling and maintenance of the building for the term of the lease, in exchange the City will waive any payments that we are responsible for to the Texas Capital Fund and the Industrial Foundation, on the condition that the Lessee (Customer Relationship, L.L.C.) have in place 100 jobs within six (6) months of the signing

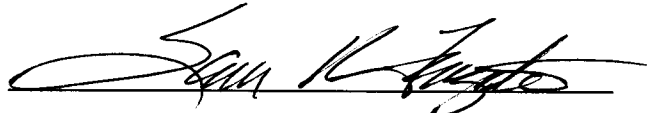
of the lease, and have in place 300 jobs within one (1) year of the lease (these are full-time, full benefited employees) during that period of time, if these levels are not maintained than the lessee (Customer Relationship, L.L.C.) will pay back all incentives which includes all payments that have been made to the Texas Capital Fund, all taxes that have been abated, all permits, licenses that have been waived by the City, and pay the entire amount of the debt owed to the Industrial Foundation. The City would also authorize the City Manager to negotiate tax abatement on any personal property with the understanding that this abatement would be for a five (5) year period and for all the personal property that they have or would have in possession at the location. The City would also waive any fees or permits that the City is responsible for or have in their control. This entire package is contingent on the County participating in that they would be responsible for one-half of all the payments that will be owed to the Texas Capital Fund. The motion was seconded by Commissioner Garcia.

Mayor Fugate asked for Commission discussion. He then commented on the County having in their package their own abatement.

The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Pecos, Garcia voting "FOR".

**VII. Adjournment.**

There being no further business to come before the City Commission, Mayor Fugate adjourned the meeting at 7:10 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary