

SEPTEMBER 10, 2007

A REGULAR MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON MONDAY, SEPTEMBER 10, 2007 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, Mayor Pro-tem
Al Garcia, Commissioner
Stanley Laskowski, Commissioner
Arturo Pecos, Commissioner

CITY STAFF PRESENT:

Carlos Yerena, City Manager
Edna S Lopez, City Secretary
Courtney Alvarez, City Attorney
Mark Rushing, Finance Director
Dora Byington, Purchasing Director
Diana Gonzalez, Human Resource Director
Al Lopez, Fire Chief
Ricardo Torres, Police Chief
Bill Donnell, Public Works Director
Yolanda Cadena, Health Director
Jennifer Vela, Litter Abatement Officer
Frank Garcia, Wastewater Supervisor
Armando Gutierrez, City Engineer
Caron Vela, Accounting Manager
Joe Casillas, Water Production Supervisor

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the regular meeting to order in the Commission Chambers at 6:00 P.M., and announced quorum as present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Purchasing Director Dora Byington, followed by the Pledge of Allegiance and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Mayor Fugate called for consideration of the minutes of the Special Meetings of September 5th, 6th, and 7th. **Commissioner Pecos made a motion to approve the minutes, as presented, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Garcia, Pecos voting "FOR".**

II. Public Hearing - (Required by Law).¹

1. A Public Hearing on a proposed property tax rate increase from \$0.68544 to \$.77813.

The Public Hearing was opened at 6:02 P.M, and Mayor Fugate announced this was an opportunity for any citizen to speak on this subject.

City Attorney Alvarez announced that the vote on the tax rate will occur on Monday, September 24th, 2007, here at the Alcorn Commission Chambers at City Hall at 6:00 P.M.

Mr. Raul Garza, 400 E Lee, representing his family and some senior citizens posed several questions regarding raising taxes. He asked what type of services will be enhanced with the monies from raising property taxes. He stated the City Commission should justify the raising of taxes and fees to the citizens.

Mr. Joe Boggan, 629 W Kleberg, approached the Commission and handed them some pictures of areas in the city that need attention and stated there is too much negligence.

Mr. Edward Fastin, 601 Tree Beard Lane, addressed the Commission and stated problems with his property evaluation and with the Appraisal District. He suggested the Commission reconsider raising taxes.

Mr. Ricardo Vega, 805 W Kleberg addressed the Commission and stated the individuals before him have a very good point. He stated several concerns and that the job is not being done by the City workers.

Mayor Fugate called for further comments.

The Public Hearing was closed at 6:19 P.M.

III. Petitions, Grievances, and Presentations.²

1. Presentation by Mr. Hal Ham on the Hotel/Motel Tax fund for the John E Conner Museum.

Mr. Ham approached the Commission and handed them a packet which included the actual accounting system from the University. He explained the information in the packet which is a synopsis of the past expenditures, projected expenditures for coming year, a copy of letter sent to the City Manager requesting funding for coming year and the first initial rough draft of the proposed conceptual design for the Hall of Horns. He stated the museum hosted about 20% more visitors this year, and Staff assisted in various activities outside the museum. He provided information on upcoming events.

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

Mayor Fugate called for the City Manager's report. City Manager Yerena reported on an open enrollment meeting for health insurance at Public Works; on the Shelter Operation Course at the Courthouse basement; on the next entry level exam for Police Officer; on a City Commission Special meeting on September 17th, and on the KWOP schedule. He stated 43 structures will be demolished within the two week period. City Manager Yerena announced Mr. Robert Viera from LNV Engineering would provide an update on infrastructure improvements relating to the Certificate of Obligations 2005 for Wastewater.

Mr. Viera stated that this CO was divided into five different major items, the North plant improvements, the South plant improvements, the lift stations, and I&I study. He stated at this time work is about 99% complete on the North plant, South plant and lift stations. He stated that work on the I&I study began approximately one month ago because they wanted to make sure monies were available for the study. He stated monies for I&I Study will not identify every problem but it will identify major trunk lines. Mr. Viera stated only certain areas will be identified but this will not alleviate problems that the City has with overflows and backups after heavy rains. Mr. Viera recommended having someone on staff to inspect the cleanouts.

Commissioner Laskowski suggested Staff contact the newspaper and request that any citizens that are experiencing sewer backups call the City in order to identify the areas.

Mayor Fugate called for any further comments from the City Manager. City Manager Yerena reported there would be a final sign up for employees to enroll in the City's supplemental benefits and on the City's family picnic.

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

Mayor Fugate called for the City Attorney's report. City Attorney Alvarez reported on the next Collective Bargaining meetings with Police and Fire Unions.

4. City Commission's Reports. (City Commission).

Mayor Fugate called for the City Commission's reports. Commissioner Laskowski reminded the citizens of the events of September 11th.

IV. Public Comment on Agenda Items³

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

Mayor Fugate called for comments on all agenda and non-agenda items. There were no comments made.

Mayor Fugate called for consideration of the Consent Agenda, Items 1-3.

V. Consent Agenda

1. Motion to approve awarding annual contract Bid No. 28-11, to the lowest bidder, Fleetpride from Corpus Christi, Texas for automotive filters, based on estimated usage, approximately \$7,100.00 will be expended under this contract. (Purchasing Director).
2. Motion to approve awarding annual contract Bid No. 28-12, to the lowest bidder, AOC from Kingsville for chlorine, based on estimated usage, the city will expend less than \$20,000.00 under this contract. (Purchasing Director).
3. Motion to approve awarding annual contract Bid No. 28-13, to the lowest bidder, Bay Chemicals from Odem, Texas for liquid ammonia sulfate, based on estimated usage, the city will expend less than \$10,000.00. (Purchasing Director).

Commissioner Pecos made a motion to accept the Consent Agenda, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Wilson, Pecos voting "FOR". Laskowski "AGAINST".

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

4. Consider removing from the table the final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter VII, Article 5, Traffic Schedules, providing for a new school zone for the Christian Life Academy and the installation of school zone signs; repealing all ordinances in conflict herewith and providing for an effective date and publication. (TABLED 8/27/07) (Public Works Director).

Commissioner Wilson made a motion to remove this item from the table, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Garcia, Wilson voting "FOR".

5. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter VII, Article 5, Traffic Schedules, providing for a new school zone for the Christian Life Academy and the installation of school zone signs; repealing all ordinances in conflict herewith and providing for an effective date and publication. (Public Works Director).

Public Works Director Donnell stated as requested, research was done and nothing was found as to who has previously paid for the school lights. He stated that the new City Engineer has stated that in other cities the developer is responsible for the installation and then the City takes over the cost for the maintenance and electricity. He stated that he has advised the Church and they will take it to their board, for their approval or denial.

Mayor Fugate called for questions or comments. City Manager Yerena stated that traditionally the developer pays for the installation of the lights and the City will take over the maintenance. He stated Staff's recommendation is for them to pay for the installation of the lights and the City then can take over the maintenance. Commissioner Pecos stated that traditionally this is done in other Cities, but what has been done in this community. Public Works Director Donnell replied there is no record. Commissioner Laskowski asked if the City is saying the school is a developer and if this can be used as criteria for the recommendation. City Manager Yerena replied the school would function the same way as a developer. He stated traditionally most communities function that way, but this is not a traditional scenario because there isn't a private developer. He stated the original cost of the building of a school would have included the cost for the lights. Commissioner Wilson asked if a formal request in writing had been made. Public Works Director Donnell replied there was a formal request made but he had misplaced it. Upon a question from Commissioner Garcia, Public Works Director Donnell replied the request was for placement of school zone lights.

Commissioner Garcia made a motion to approve for the City to pay for the lights, the installation of the lights and maintenance, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Laskowski, Pecos, Garcia voting "FOR" Fugate, Wilson "AGAINST".

Mayor Fugate called for a five minute recess. The Commission reconvened at 7:00 P.M.

6. Consider introduction of an ordinance adopting the Annual Budget of the City of Kingsville, Texas and appropriating funds for the fiscal year beginning October 01, 2007 and ending September 30, 2008, in the particulars hereinafter stated. (City Manager).

City Manager Yerena stated that new information has been provided because several changes have been made since the last workshop. He stated the proposed budget has a 3% increase for all employees. He stated a copy of several different rate increases is provided showing a 1%, 2%, and 3% and what it would cost the City. He stated that at this time the budget is based on a 3% increase for all employees. He stated that also provided is a worksheet that contains a proposal for some Form 6's. He advised the Commission that omitted from the Form 6 list is the Telecommunication Operators. City Manager Yerena stated another significant change in the proposed budget is that the City is budgeting for forty-seven (47) Police Officers instead of fifty-one (51).

Finance Director Rushing stated the changes occurred is referenced to September 10, 2007. He stated there was a flow through correction to salaries which related to a TMRS issue. He stated that information of changes was made to salaries to cover Health Department and Library Department net between County and City. The match portion for a litter abatement officer's benefits was looked at in case a grant was acquired, which is an additional expense of \$9,675.00. He stated \$2,200.00 will be included for supplies and expenditures relative to the new litter abatement officer. The previous budget called for three leased purchase of ambulances which was paired back to two ambulances. There was an increase in salaries relative to the one step as proposed on the Form 6's with benefits which was \$35,637.00. There was an increase of \$4,040.00 in the Fire Department line item for laundry as per contract. He stated the amount of \$97,630.00 is the amount for the bid of the Recycling Center roof, he added that other alternatives are being looked at. He stated that \$50,000 was added in to Streets and Bridges. He touched on the longevity and shift differential pay for Police Department. He stated that the total expenditures projected for the scenario just discussed is \$13,055,136.00, which would be \$70,220.00 net receipts above disbursements on the General Fund. He stated this includes a 3% raise for all employees. In the Utility Fund, he stated that he had increased the \$75,000.00 in additional water revenues and added the Form 6's of \$6,563.00 to give a net receipts over disbursement of \$72,097.00. He stated the Task Force stayed the same as discussed at the last meeting.

Mayor Fugate called for questions or comments. Commissioner Laskowski questioned the amount budgeted for the recycling roof, if there is insurance. Finance Director Rushing replied he would take another look at that.

The Commission was provided information of the summation of requested Capital Outlay, and were advised that these items were not included in the budget.

INTRODUCTION ONLY

7. Consider introduction of an ordinance establishing and adopting the ad valorem tax rate for all taxable property within the City of Kingsville, Texas for the fiscal year beginning October 01, 2007 and ending September 30, 2008, distributing the tax levy among the various funds, and providing for a lien on real and personal property to secure the payment of taxes assessed. (City Manager).

City Manager Yerena stated the budget is composed with a proposed tax rate of \$.77813 which is just below the rollback tax rate.

Mayor Fugate called for questions or comments.

INTRODUCTION ONLY

8. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Water, providing for an increase in Water Rates. (City Manager).

City Manager Yerena stated this is dictated by the study done by HDR Engineering for a 5% Water rate and 8% Sewer rate increase.

INTRODUCTION ONLY

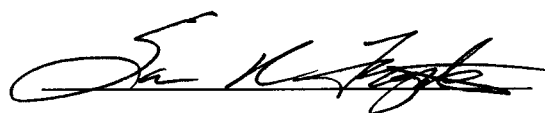
9. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewers, providing for an increase in Sewer Rates. (City Manager).

City Manager Yerena stated this ordinance is setup for an 8% sewer rate increase.

INTRODUCTION ONLY

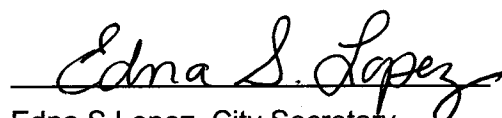
VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:25 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary