

MAY 19, 2008

**A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, MAY 19, 2008 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  
Al Lopez, Fire Chief  
Bill Donnell, Public Works Director  
Yolanda Cadena, Health Director  
Diana Gonzalez, Human Resource Director  
Armando Gutierrez, City Engineer  
Mark Rushing, Finance Director  
Dora Byington, Purchasing Director  
Rene Quintanilla, Fire Lieutenant  
Armando Sandoval, Fire Captain  
Terry Valentine, Firefighter  
Joey Cordero, Firefighter  
James Creek, Firefighter  
Frank Garcia, Wastewater Supervisor  
Don Erebia, Fire Captain  
Felix Camarillo, Fire Engineer  
Ricardo Torres, Police Chief

**I. Preliminary Proceedings.**

**OPEN MEETING**

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

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

The invocation was delivered by Ms 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 regular meeting of May 12<sup>th</sup>, 2008. **Commissioner Laskowski made a motion to approve the minutes, as presented, seconded by Commissioner Pecos and Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Wilson, Laskowski voting “FOR”.**

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

Mayor Fugate announced there were no public hearings.

**III. Reports from Commission & Staff.<sup>2</sup>**

*“At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Convention and Visitor’s Bureau, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, and Texas Municipal League.*

*Staff reports include the following: Building & Development , Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Monthly Financial Reports; Police & Fire Department – Grant Update, Police & Fire Reports; Street Updates; Public Works- Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Administration – Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, Proclamations, Comprehensive Annual Financial Report for fiscal year 2006-2007. No formal action can be taken on these items at this time.”*

City Manager Yerena reported on the closing of City Hall on Monday, May 26<sup>th</sup> in observance of Memorial Day; on twenty (20) structures being demolished through the KWOP program; the swearing-in ceremony for the City Commission to be held on Wednesday, May 21<sup>st</sup>; and on the date of the next regular Commission meeting. He announced there were two presentations for the Fire Department. Mayor Fugate presented retired Lieutenant Rene Quintanilla with a plaque and a clock from the City of Kingsville. Firefighter James Creek presented Lt Quintanilla with his retired badge and a watch from the Fire Fighters Union Local 2390. Mayor Fugate presented a certificate of retirement to Ms Maria Garcia, Fire Secretary.

City Manager Yerena announced that Auditors Mr. Luke Womack and Mr. Patrick Moore would make presentation on the City's Comprehensive Report. Mr. Moore addressed the Commission and pointed out information on page 12 – 13 which is the Auditor's independent opinion. He stated that the real issue on page 12 states that the financial statements referred to above present fairly. In reference to management discussion of analysis section, he stated that this section analyzes things in a broad basis. He then called their attention to page 19 which compares revenues and expenses for the City of Kingsville for year end September 30, 2006 and September 30, 2007 both for major governmental operation of the city and utility. He pointed out revenue increases in the governmental activities. He stated the utility function revenues have declined and stated that total expenses have declined. He provided information on the City's net income is approximately \$2.6 million versus \$3 million the previous year. He highlighted the government activities fund. He stated in the business type activities the City's cash is down. He stated that the City's charges for services are up and the revenue from taxes is stable. He stated that over the last three years the City's net assets have increased by \$7 million. He briefly touched on page 29, and stated that the unreserved undesignated general fund balance is almost \$4.3 million which is up about \$850,000 over the previous year. He added that the total fund balance for the general fund is up about \$1.9 million. He stated that the City has had a good three years where the City has significantly replenished its fund balances and net assets. In reference to the internal control system and compliance system, he stated that there were a couple of significant deficiencies noted, but they are down in numbers from a few years ago. He stated that Mr. Luke Womack would address the management letter issued to the City. Mr. Womack stated that these issues concern fixed assets and escrow, but that Mr. Rushing, Finance Director had handed him a letter that outlines how these problems will be addressed. Mr. Womack stated this was an outstanding year.

Upon a question by Commissioner Garcia, Mr. Moore stated that the management team has done an excellent job and to keep doing whatever is being done.

Mayor Fugate congratulated the City Manager and staff.

Mayor Fugate called for Ms Alvarez's report. She stated she had no report.

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

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.

#### **V. Consent Agenda**

##### **Notice to the Public**

NONE

##### **REGULAR AGENDA**

#### **CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:**

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

1. RESOLUTION R2008-10 Consider resolution and order canvassing the election returns and declaring the results of the City of Kingsville's General Election conducted on May 10, 2008. (City Secretary).

Ms Lopez presented the Commission with elections results for the election held on Saturday, May 10<sup>th</sup>, 2008. The following are the total votes received by each candidate.

MAYOR:	TOTAL VOTES:
Sam R. Fugate	1,159
<b>CITY COMMISSIONER:</b>	
Charlie Wilson	806
Arturo Pecos	776
Al Garcia	891
Faustino Erebia, Jr	571
Stanley Laskowski	702

Ms Lopez explained that the total ballots cast on election night were 1432 but that number changed because two provisional ballots had been cast. She stated that only one provisional ballot was accepted, which changed the total ballots cast from 1432 to 1433.

Commissioner Wilson made a motion to adopt the resolution as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".

2. Consider accepting Comprehensive Annual Financial Report of the City of Kingsville for Fiscal Year 2006-07. (City Manager).

Commissioner Laskowski made a motion to adopt the financial report, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Wilson, Laskowski voting "FOR".

3. Consider removing from the table the final passage of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter XV, Article 6, Zoning, Section 15-6-130, providing for definitions, prohibitions, and grandfathering of changeable electronic variable message signs. (Tabled 5/12/08) (City Attorney).

Commissioner Pecos 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, Wilson, Laskowski, Garcia, Pecos voting "FOR".

4. ORDINANCE ORD2008-19 Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter XV, Article 6, Zoning, Section 15-6-130, providing for definitions, prohibitions, and grandfathering of changeable electronic variable message signs. (City Attorney).

Ms Alvarez stated regulations regarding billboards had changed. She stated that due to the time constraints when the changes were to become effective on June 1<sup>st</sup>, this ordinance was proposed. She stated that Planning and Zoning will do some studies and make recommendations. She stated the sign at the Credit Union will not be prohibited because it was purchased prior to this ordinance. Ms Alvarez stated that the smaller sign that will be located at a school is not regulated by this ordinance.

Commissioner Wilson made a motion to pass the final passage of the ordinance, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Garcia, Wilson voting "FOR".

**5. Consider awarding bid for the construction of addition to the Central Fire Station. (Purchasing Director).**

Ms Byington stated this item authorized the construction of foundation and driveway and all concrete work, including the setting of anchor bolts, and also manufacturing all metal components and erecting the metal building including installation of insulation and changing of all doors as required by the 4,000 square feet building addition to the Central Fire Station. This action will cost \$171,315.00, funds are available.

Commissioner Laskowski made a motion to award the bid to Maltby Builders, seconded by Commissioner Wilson, Commissioner Garcia, and Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Pecos, Laskowski voting "FOR".

**6. Discuss and consider the Jail Contract amendments between the City of Kingsville and Kleberg County Sheriff's Office relating to housing of City prisoners in the Kleberg County Detention Center. (City Attorney).**

Commissioner Laskowski provided information on a letter that had been previously sent to the County. He stated this seems to get further away from what is required by the contract. Mayor Fugate stated that County officials are under the impression that this is not a valid contract.

Commissioner Laskowski made a motion to send a letter and encourage them to hire an attorney to read the current contract, and that once they have received advice that they submit to the City an amendment that they can live with for the City's consideration. He added that in his opinion they need to be made aware that the City will not go back and reimburse them to October 1<sup>st</sup> as originally intended because if they wanted issue resolve they would have been more involved. He added that they should be told that the City will start paying them at the daily rate, if and when approved, by both parties. Mayor Fugate suggested not doing anything. Ms Alvarez stated the City will do whatever the Commission directs. She stated that the first amendment for a draft was received on September 28<sup>th</sup>, 2007 and on October 8<sup>th</sup>, 2007 the Commission approved an amendment that is in compliance with the current contract which was presented to the County. She added that a joint meeting was held on December 6<sup>th</sup>, 2007 and on March 24<sup>th</sup>, 2008 the County met and voted on something. She added that on April 21<sup>st</sup>, 2008 the City sent a letter and this amendment was received on May 14<sup>th</sup>, 2008. Ms Alvarez suggested sending a courtesy letter not to approve the contract amendment received on May 14<sup>th</sup>.

Commissioner Wilson made a motion to rescind the resolution authorizing the amendment to the jail contract for \$45.00 per day, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".

**7. Consider pledge of money to the Kingsville Area Industrial Foundation for retention of a consultant to promote economic interests of the City at the State Legislative level. (Mayor Fugate).**

Mayor Fugate stated that during an EDC workshop one of the subjects discussed was the need for help Austin with the upcoming Legislature. He stated a lot of issues will not be covered by TML. He stated that Corpus Christi is making another push for an Engineering school. He stated that the County will also address this issue at their next meeting. He stated that most cities our size have consultants in Austin and Washington. Mayor Fugate stated this University is equal to any BRAC rounds. Commissioner Laskowski asked what would be the contact protocol. Mr. Dick Messberger, EDC Director addressed the Commission and replied the idea is a private/public partnership. He stated the reason for going to the Industrial Foundation is that this has been a conduit in the past. He explained if the City contracts a bid process is involved. He added that he was sure there would be a vehicle for issues which would not be limited just to the University issues. He stated the person hired would be retained under the contract to the Industrial Foundation, but that

would be an open door with the City on any issue. Upon a question from Mayor Fugate, Mr. Messberger replied that the goal is \$100,000. He stated there are a number of citizens that have already indicated and pledged. He added that monies have been collected. He stated that is a significant goal but the retention period for this person would be a twelve month period through the Legislative Session. He stated there have been recommendations from people who understand and know the type of person who would be able to work in this particular position. Mr. Messberger stated there is one candidate with very good credentials and is highly recommended. Mayor Fugate stated the Commission would probably be more comfortable if they knew who would be retained. Mr. Messberger responded there will be City representation and participation in the interview process.

Upon several questions from Commissioner Garcia, Mr. Messberger responded that the money committed is about \$10,000 and the time line is close because the Board of Regents meets this week on Thursday and Friday to vote on the proposed Bachelor's Degree program in Mechanical Engineering. Upon a question from Commissioner Garcia, Mr. Messberger replied that he did not have a dollar figure for the City. He added that this would be a ten month contract. He asked that the City commit to \$3,000 per month for ten months.

Commissioner Wilson stated that in the past when a lobbyist was hired as it was played out there was not a lot of interaction because the City put into motion what was wanted and it was just one single item. He added that from tonight's discussion that is not the case, and the City will be interacting with the Legislature on what the City believes is a number of issues. He stated that he thought this creates a problem, if the City is not driving the car because the City will not have intimate knowledge of what the individual is doing at any given point in time, others will. He added which means whatever issues being discussed may not be the issues that the City needs priority on. He stated that he is uncomfortable with that situation. Commissioner Wilson stated that if Mr. Messberger is ready to hire someone, then meeting that person is virtually impossible, unless they are in the audience. He stated that someone knows who that person is, unless it is a secret, and he added that he is uncomfortable with that. Mr. Messberger responded that it was a recommendation by Ms Katherine Armstrong who is a Lobbyist. She has recommended Ms Patricia Shipton, from Laredo. Mr. Messberger added that she will not be hired and go to work this week and that the initiatives with the Regents is being driven by the community. He provided information on Ms Shipton's accomplishments. Mr. Messberger stated he will not make the final choice, he added that there should be a representative from the City Commission in the hiring process.

Upon a question from Commissioner Laskowski, City Manager Yerena stated Staff would have to go back to see where monies can be found.

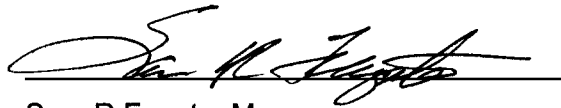
**Commissioner Garcia made a motion to approve the pledge to the Kingsville Area Industrial Foundation towards a retention for a consultant to promote economic interest, in the amount of \$3,000 per month, seconded by Commissioner Pecos. Mayor Fugate called for further discussion. Commissioner Wilson suggested giving Staff the opportunity to find the monies in the budget. He added it would be prudent to find the monies before making commitment. Mr. Rushing stated the amount needed is \$15,000 for this budget year. Mayor Fugate stated the time is of the essence, even though the City does not like to make amendments to the budget. Commissioner Pecos suggested attacking this issue like it was done for the BRAC issues. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Pecos, Garcia voting "FOR".**

**8. RESOLUTION R2008-11 Consider approval of a resolution in support of a single engineering program in South Texas within the Texas A & M University System in Kingsville, Texas. (Mayor Fugate).**

**Commissioner Pecos made a motion to approve the resolution, seconded by Commissioner Garcia and Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Garcia, Pecos voting "FOR".**

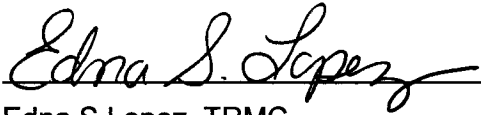
**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 7:28 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, TRMC

City Secretary