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AUGUST 17, 2009

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 17, 2009 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL/200 EAST KLEBERG AVENUE AT 5:30 P.M.

CITY COMMISSION PRESENT:

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

CITY STAFF PRESENT:

Carlos Yerena, City Manager
Edna S Lopez, City Secretary
Courtney Alvarez, City Attorney
Caron Vela, Accounting Manager
Al Lopez, Fire Chief
Ricardo Torres, Police Chief
Rudy Najera, Information Systems Specialist
Bill Donnell, Public Works Director
Dianne Leubert, Solid Waste Superintendent
Frank Garcia, Wastewater Supervisor
Joe Casillas, Water Production Supervisor
Macario Mayorga, Water Supervisor
John Garcia, Risk Manager
Dora Byington, Purchasing Director
Diana Gonzalez, Human Resource Director
Naim Khan, City Engineer
Ken Clark, Director of Development Services
Yolanda Cadena, Health Director
Robert Rodriguez, Library Director
Julian Cavazos, Lieutenant
Sherman Benys, Lieutenant
Vilma Castillo, Collections Manager

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the meeting to order in the City Commission Chambers at 5:30 P.M. and announced quorum as present.

Mayor Fugate called for items for regular session. Commissioner Wilson called for point of order advising there were minutes to approve.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Mayor Fugate called for consideration the minutes of the regular meeting of Monday, August 10th, 2009; and the special meetings of Tuesday, August 11th, 2009 and Wednesday, August 12th, 2009. **Commissioner Laskowski made a motion to accept the minutes, as presented, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Garcia, Pecos, Wilson, Laskowski voting “FOR”. Fugate “ABSTAINED”.**

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

NONE

III. Reports from Commission & Staff.²

“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, Tax Increment Zone Presentation, Budget Workshop. No formal action can be taken on these items at this time.”

IV. Public Comment on Agenda Items³

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

V. Consent Agenda

NONE

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

1. Review and discuss proposed fiscal year 2009-2010 budget for departments of the City of Kingsville. (City Manager).

City Manager Yerena announced the Finance Director was ill.

Public Works Admin: Mr. Bill Donnell addressed the Commission and stated there were minimal changes to this budget but monies were allowed for computers, if necessary.

Recycling: Mr. Donnell stated this budget has line item increases for communications, laundry, machinery, and building maintenance. He stated this budget does not allow for any cushion or mistakes. There was discussion on the requested amount for maintenance. Mr. Donnell stated the amount of \$1,000 was sufficient. Regarding, Keep Kingsville Beautiful, Mayor Fugate asked that \$2,500 be transferred to this account from the Economic Development Account.

Sanitation Collections: Mr. Donnell stated this budget shows an increase for line items: supplies, chemicals, and motor gas & oil. Mr. Donnell explained the vehicle maintenance line item amount.

Landfill: Mr. Donnell stated this budget shows an increase for line items: supplies, chemicals, communication, professional services, and vehicle maintenance. He explained the need for the amount budgeted for grounds & perm fixtures. Monies will be added to line item for computers & associates for the purchase of a new printer.

Service Center: Mr. Donnell stated this budget remained the same and explained the department requests. Commissioner Laskowski stated there are monies in this budget year that could be used for making some repairs.

Garage: Mr. Donnell stated there is an increase in the line item for supplies to purchase some tools. This division needs computers, printers, and a cell-phone will be used by personnel when they are out in the field. There was discussion on decreasing personnel and on training personnel. There was discussion on increasing the line item for training & travel.

Water Construction: Mr. Donnell stated this department is holding well. He touched on overtime and stated that personnel are working hard to meet deadlines on a project and water leaks. He explained the line item for professional services stating monies are for a survey study for a water distribution line that connects East and West side elevated tanks. Upon a question from Mayor Fugate, Commissioner Laskowski stated there are monies for capital improvement projects that have been set aside.

There was discussion on using the monies saved for capital improvement projects instead of borrowing monies. City Manager Yerena explained a handout regarding information on a five year plan for projects and minor equipment.

Water Production: Mr. Donnell stated that the line item for chemicals increased due to the cost of chemicals increasing about 20% and there is an increase in the utilities line item because of the addition of a new well. There was discussion on procuring an easement in order to get the new well online. City Manager Yerena explained the issue at hand with procuring the easement. Mr. Donnell further explained the situation. City Manager Yerena stated that Staff was not made aware of this situation until it was at the last stage of getting the well online.

Wastewater North Plant: Mr. Donnell stated most of the line items are holding current; there is an increase in the line item for printing & publishing. Commissioner Laskowski commented that all the blowers were replaced to cut down on utilities, and that line item shows an increase. Ms Caron Vela stated those numbers were calculated by the Mr. Rushing, Finance Director. Upon a question from Commissioner Garcia, Mr. Donnell replied there is a six foot fence around the facility for security. Commissioner Laskowski stated security issues should not be discussed in front of the public.

Wastewater South Plant: Mr. Donnell stated this budget is holding firm.

Wastewater Construction: Mr. Donnell stated this budget is maintaining the same, they are working on the findings of the I&I Study by replacing manhole lids.

Health: Ms Yolanda Cadena addressed the Commission and stated her budget has been cut by 10% by the County. She stated the County did allocate the monies for the vehicles. She stated it was very difficult to cut \$15,000 from her budget. The Commission voiced their concerns about the County cutting this budget. Ms Cadena stated the budget presented reflects the cuts. Commissioner Laskowski asked for the needs of this department so that he could make contact with the County Commissioners. Ms Cadena advised that the County has already approved its budget.

Library: Mr. Robert Rodriguez addressed the Commission and stated his budget for \$242,221 reflects a 10% decrease and the Library Board recommends approval. Upon a request from Commissioner Laskowski, Mr. Rodriguez provided information on the lease for the Music Club. He stated after twenty-eight years the Music Club members did not renew the lease for the Music Club to the Library. He explained there was a lot of money spent on the Music Club building and he is hoping that one day the City and County can get together to build a meeting room for the Library.

City Manager Yerena stated there is a proposal for Downtown & Business Development Manager. He stated they would be responsible for directing and overseeing activities related to services performed in the downtown area including the management and coordination of all major downtown special events. The manager would also provide a communication link between committees, initiates and coordinates a wide range of projects including supervising promotional business activities to assembling market information and to promote a healthy business environment. He stated Staff is looking at the legal aspect. Upon a question from Commissioner Garcia, City Manager Yerena replied this position would report to the Director of Development Services. The monies would come from any potential increases in revenue from the Hotel/Motel tax. City Manager Yerena stated that Mr. Rushing's conversation with the Tourism Director, Ms Carol Ann Anderson was that for this fiscal year they had reached their revenue goal and they still had two months left before the end of the fiscal year. Mayor Fugate stated the downtown area is lacking and something has to be done to bring merchants and businesses back downtown. City Manager Yerena stated Staff is working on bringing back a Taxing Increment Reinvestment zone (TIF). The monies derived go back into the area and to pay for this manager. Commissioner Wilson stated if this is the opinion of the City Manager and Mayor that this person's duties will bring people to Kingsville and will stay overnight. Mayor Fugate replied that was correct. Mr. Clark provided information on a meeting with the Chamber of Commerce in reference to the closing of the Sellers Market. He stated there was a laundry list that came out and there was discussion of having more events downtown. He stated that there will be regular meetings held to do a survey and assessment of downtown. Upon a question from Commissioner Laskowski, City Manager Yerena provided further information on the budget for this new position stating this was a draft budget. Upon a question from Commissioner Garcia, City Manager Yerena replied monies will come from the

Convention & Visitors Bureau (KCVB) budget. Mayor Fugate stated the KCVB has monies saved and that he has spoken to Ms Anderson. Commissioner Laskowski asked if this would be a reoccurring expense that the City will be taking out of the Hotel/Motel Tax for the future, or is the City just looking to take the Hotel/Motel Tax, now, then once the TIF is up and running would the City utilize those funds. City Manager Yerena replied this is correct, when the TIF is developed the responsibility of this person would be to manage the TIF, so that would be an eligible expense under the TIF to provide some funding for the administrator. He stated that Staff would provide information on a legal opinion. Mayor Fugate stated that when he spoke to Ms Anderson she wanted the person housed in her office but it makes more sense to house them at City Hall. Commissioner Garcia stated he personally likes the concept but does not like the idea of crippling another department. Ms Linda Scott, Secretary for KCVB stated the KCVB budget would have to be decreased if monies are taken. Mr. Anse Windham, Tourism representative explained the income to meet the budget for the past year. Ms Scott stated there will be a 15% drop in tourism in the Fall. Commissioner Garcia asked if \$70,000 would cripple the KCVB. Mr. Windham replied it would reduce the advertising significantly. Ms Scott replied that would cripple them. Mayor Fugate stated that he would listen on any suggestions on how to finance this position.

2. Discuss proposed water and sewer rate study for the City of Kingsville. (City Manager).

City Manager Yerena called for questions on the rate study information.

Mayor Fugate asked for the budget timeline. Ms Alvarez stated the final version of the budget will be introduced on September 14th and passing the final version of the budget on September 21st. City Manager Yerena stated that the revenue will be in place by next week. Ms Vela stated that the Finance Director was out, today. Commissioner Laskowski asked the Finance staff to step up and get this done because he is not willing to wait to review a budget at the last minute. He asked that Mr. Rushing meet with Staff to make adjustment and get final numbers.

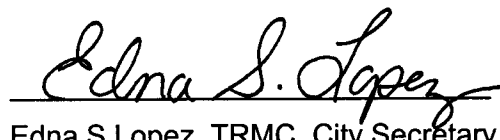
VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:30 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, TRMC, City Secretary