

**AUGUST 20, 2012**

**A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 20, 2012 IN THE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL/200 EAST KLEBERG AVENUE AT 4:00 P.M.**

**CITY COMMISSION PRESENT:**

Sam R Fugate, Mayor  
Al Garcia, Commissioner  
Arturo Pecos, Commissioner  
Dianne Leubert, Commissioner

**CITY COMMISSION ABSENT:**

Noel Pena, Commissioner

**CITY STAFF PRESENT:**

Vincent J Capell, City Manager  
Edna S Lopez, City Secretary  
Courtney Alvarez, City Attorney  
Ricardo Torres, Police Chief  
Roel Carrion, Interim Fire Chief  
Willie Vera, Task Force Commander  
David Mason, Purchasing Director  
Yolanda Cadena, Health Director  
Teresa Vasquez, Interim Accounting Manager  
Melissa Perez, Risk Manager  
Diana Gonzalez, Human Resource Director  
Mark Rushing, Finance Director  
Diana Medina, Collections Supervisor  
Bill Donnell, Asst Public Works Director  
Naim Khan, City Engineer/Public Works Director  
Mike Kellam, Director of Development Services  
Bob Truscott, Tourism Service Director  
Rose Morrow, Municipal Court Supervisor

**I. Preliminary Proceedings.**

**OPEN MEETING**

**Mayor Fugate called the meeting to order in the Commission Chambers at 4:00 P.M. and announced quorum as present with Commission Pena absent.**

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

Mayor Fugate called to forego the preliminary proceedings.

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

Mayor Fugate called for consideration of the minutes of the regular meeting of Monday, August 13<sup>th</sup>, 2012. **Commissioner Pecos made a motion to approve the minutes, as presented, seconded by Commissioner Garcia. The motion was passed and approved the following vote: Fugate, Leubert, Garcia, Pecos voting "FOR". Pena "ABSENT".**

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

**NONE**

**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, Keep Kingsville Beautiful, 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, Health Plan Update, Tax Increment Zone Presentation, Chapter 59 project. No formal action can be taken on these items at this time.”*

NONE

#### 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 made.

Mayor Fugate called for consideration of the items in the Consent Agenda, Items 1-3. **Commissioner Pecos made a motion to accept the Consent Agenda, Items 1-3, as presented, seconded by Commissioner Leubert. The motion was passed and approved by the following vote: Fugate, Garcia, Leubert, Pecos voting “FOR”. Pena “ABSENT”.**

#### V. Consent Agenda

1. ORDINANCE NO. 2012-42 Motion to approve final passage of an ordinance amending the Fiscal Year 2011-2012 budget for the General Fund Capital Projects Fund for the City website to utilize Fiscal Year 2010-2011 surplus funds. (Finance Director).
2. ORDINANCE NO. 2012-43 Motion to approve final passage of an ordinance amending the Fiscal Year 2011-2012 budget for the General Fund Capital Projects Fund for Public Works Service Center electric gate opener and fuel pump canopy to utilize Fiscal Year 2010-2011 surplus funds. (Finance Director).
3. ORDINANCE NO. 2012-44 Motion to approve final passage of an ordinance amending the Fiscal Year 2011-2012 budget for the General Fund 001 for the Legal Department Professional Services. (Finance Director).

#### REGULAR AGENDA

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

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

4. Review and discuss proposed fiscal year 2012-2013 budget for departments of the City of Kingsville. (City Manager)

City Manager Capell addressed the Commission and stated the budget was late due to health insurance information and final numbers on the tax rate and assessed valuations. He spoke about budget in general. He mentioned that budgets are revenues driven and the City has had growing revenues which makes things easier. He stated budgets are management driven. The City is getting more values through management. The goal is to accomplish the City Commissions' goals and give tax payers more value for their tax dollar. Revenues and high performance are making the budgets a little easier. The City has a good local economy and stable property taxes. The budget is presented without a tax increase, basically at existing tax rate, \$0.84220. The City is active at the staff level at revenue management. He stated that municipal court has increased the revenues by \$180,000. Liens have been filed which hadn't been filed in a long time. We identified current budget savings and have been used to help in the current budget. The City has overcome one-time financial challenges with budget surpluses; due to this the health insurance premium will not be increased. Proposed budget includes two areas not previously included: 1) the CO's bonds; and 2) fees for service. The proposed budget is prepared assuming that we continue to have some amount of revenue growth. He stated a major expenditure in the proposed budget is employee compensation. The proposal on compensations is to lower the turnover rate and create internal equity where the City thinks it is lacking. This will have a positive impact on retention and recruitment. The budget includes monies for street improvements.

City Manager Capell referred to the Revenues, Expenditures, & Fund Balances – by Fund Type. He asked the Commission to pay close attention to the General Fund. This fund should not have a fund deficit. The City has monies for 90 days of operations if no revenue came in or for an emergency.

#### Police Department – Chief Torres

Chief Torres addressed the Commission the budget reflects the Police Department's commitment in promoting safety, health and general well-being of the community when

the bounds of fiscal responsibility while preserving the quality of life. He stated that basically, they worked within the core of their budget. He focused on the department's increases of line items – Salaries has increased because they are proposing a new position an IT Technician. He explained the needs in this department for the position. City Manager Capell stated this addresses a manpower issue because personnel are being used to fix computer problems. If approved, this person will be extremely busy at the Police department. He stated that in Department 210.2 they are requesting more money for supplies in general. There are line item increases for uniforms, minor equipment, computer & associated, training & travel, vehicle maintenance, professional services, and equipment maintenance. He reviewed the line item increases for Department 210.3 and 210.4. As for 210.5, he stated this budget has nothing outstanding. In the forfeiture budget, last year's proposal was for \$600,000 in expenditures but the fencing project is still pending due to getting an ID card system replaced to work with getting access to the building. There are no expenditures for vehicles because the department still doesn't know the total cost for moving over to crimes. He stated that he tries to keep two years' worth of minimum funding as an insurance policy.

He touched on the budget from the Federal Forfeiture Fund. As for grants, he provided information on the grants and equipment that will be received.

#### **Fire Department – Interim Chief Carrion**

Interim Fire Chief Carrion addressed the Commission and added that this budget will meet their needs. He thanked the Commission for providing monies for remodeling of Fire Station #2. The budget did not change they stayed within the core. The increases are in line items for salaries, supplies, chemicals, motor gas & oil, utilities, equipment maintenance, building maintenance, and operating leases.

City Manager Capell stated the revenue for ambulance billing is going to come in low, but ambulance fees have not been raised in five years.

#### **Task Force – Commander Willie Vera**

Commander Vera addressed the Commission and stated their budget is self-sufficient. He stated they have cut the budget to be able to sustain the twelve employees in the department. He stated they have received grant monies and are being allowed monies from some of the Sheriff Department grants. They have requested a vehicle, if approved, they will hire one agent. City Manager Capell stated the vehicle will be paid for by Seizure Funds. The department was given permission to stay at the present property when the Border Patrol moves into their new location, so they will now be paying utilities. He added an MOU will be presented at a later date. They will maintain the property grounds.

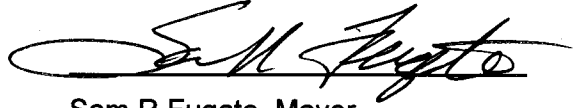
#### **Tourism Services – Mr. Bob Trescott**

Mr. Trescott addressed the Commission and stated the good news is that Tourism is a full partner with the city. He stated the bad news is that they are inheriting a civilian budget. He is dealing with three buildings, a very important pool to maintain, and are taking aggressive responsibilities: 1) the Visitor's Center; 2) the Train Depot; & 3) the Conner Museum. He read from a handout that he provided the Commission. He touched on the initiatives that they are trying to take. The City's business goals are to rebuild infrastructure and amenities, to attract private development, and to restore the image and reality of Kingsville as the family and business oasis in the Wild Horse Desert. Our mission is to position Kingsville as a locally, regionally, nationally, and internationally recognized visitor destination by building on our assets, particularly on our historic district and historic downtown, and by developing quality destination management and marketing programs and events to attract visitors, to advance tourism development, to stimulate economic development and growth, and to enhance community pride as part of the overall mission of City government. He added this is a good opportunity to look and change the Conner Museum. The retirement of the Director of the Museum and the appointment of a new dean of the College of Arts and Sciences, who oversees the museum, gives us an opportunity to review the Conner along with our review of the Depot and the Visitors Center. He explained the statutory uses for Hotel Occupancy Taxes. He stated that first and foremost, the revenue must directly promote tourism and hotel and convention business – and be likely to cause hotel stays by visitors from a different city, county, state or beyond. The type of marketing or venue used gives evidence as to whether the event or program meets the "directly" and "likely" criteria. Secondly, once the first criterion is met, the revenue can be used for following: 1) set up and run a visitor center or convention center; 2) advertise; 3) support arts; 4) support historic preservation; 5) support sporting events for out of towners; 6) enhance existing city-owned sports facilities; 7) provide special, local transportation for tourists; 8) build way-finding system; 9) provide for administration; and 10) maintain a reserve.

He provided information on the downtown plan.


**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 6:00 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, TRMC, CMC

City Secretary