

FEBRUARY 9, 2015

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, FEBRUARY 9, 2015 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Dianne Leubert, Commissioner
Noel Pena, Commissioner
Al Garcia, Commissioner
Arturo Pecos, Commissioner

CITY STAFF PRESENT:

Vince Capell, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
David Mason, Purchasing/IT Director
Tony Verdin, Information Systems Technician
Deborah Balli, Finance Director
Tom Ginter, Director of Planning & Development Services
Emilio Garcia, Health Director
Diana Gonzales, Human Resources Director
Joey Reed, Fire Chief
Willie Vera, Task Force Commander
Cynthia Martin, Downtown Manager
Robert Rodriguez, Library Director
Susan Ivy, Parks & Recreation Manager
Charlie Sosa, Street Supervisor
Melissa Perez, Risk Manager
Frank Garcia, Wastewater Superintendent
Bill Donnell, Asst. Public Works Director/Golf Course Manager
Kyle Benson, Help Desk
Leo Alarcon, Tourism Director
Jennifer Bernal, Community Appearance Supervisor
Pete Pina, Landfill Supervisor
Ricardo Torres, Chief of Police

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the meeting to order in the Robert H. Alcorn Commission Chamber at 6:00 p.m. and announced quorum with all five Commission members present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Courtney Alvarez, City Attorney, followed by the Pledge of Allegiance and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Regular Meeting - January 26, 2015.

Motion made by Commissioner Pena to approve the minutes as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Leubert, Pecos, Pena, Fugate voting "FOR".

Public Hearing - (Required by Law).¹

1. NONE.

II. Reports from Commission & Staff.² (City Manager's Staff Report Attached).

"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, Tourism, 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, Main Street Downtown, Chapter 59 project, Financial Advisor. No formal action can be taken on these items at this time."

Mr. Vince Capell, City Manager commented that this may be the last time he addresses the City Commission, depending on the decision the Commission makes during tonight's meeting. Capell stated that he would like to congratulate the Commission and staff for all their support and hard work in the past four years. He further stated that he has enjoyed his time with the City of Kingsville and has learned a lot while being here.

Mayor Fugate responded by stating that Mr. Capell has certainly taught the Commission and staff on how to govern themselves better. Fugate further stated that he agrees with Capell that good changes have been done to the City of Kingsville in the last four years which have made it a better place for our citizens. Mayor Fugate thanked Mr. Capell for his service to our community.

Mrs. Courtney Alvarez, City Attorney, stated that the next scheduled City Commission meeting is scheduled for Monday, February 23, 2015 with agenda items due Friday, February 13, 2015.

Commissioner Leubert stated that the City Commission has received a letter from Texas Municipal Clerks Certification Program congratulating Mrs. Mary Valenzuela, City Secretary for her completion to the program. Leubert stated that it is important to understand that with the City's backing and support, Mrs. Valenzuela has earned the status of Texas Registered Municipal Clerk. It has taken Mrs. Valenzuela 22 months to complete this program with over 200 study hours, multiple tests and extensive training and traveling, which was required for the program. Commissioner Leubert further commented that she would like to congratulate the new Chairman for the Coastal Bend Council of Governments, City Commissioner Al Garcia. Commissioner Garcia will also be the incoming Chairman of the local chapter. Leubert further commented that with the short time she has been City Commissioner, after being on both sides as an employee and now a Commissioner, she feels that she has been blessed both ways. Leubert stated that she has enjoyed working with Mr. Capell and would like to thank him for all his hard work and service to our community.

Commissioner Garcia stated that he would like to thank Mr. Capell for his service to the City. Garcia further commented that he has had interesting discussions with Mr. Capell that have created some ups and down, but overall he believes that things are better now than what they were when Mr. Capell first arrived. Garcia wished the best of luck to Mr. Capell.

III. Public Comment on Agenda Items.³

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

Mrs. Zonia Garcia Obregon of W. Sage Road provided some handouts to the City Commission regarding a proposal for waterline connection to her property, located on W. Sage Road. Mrs. Obregon stated that on January 19, 2015 the water well to her property collapsed. This prompted her to request a meeting with Charlie Cardenas, City Engineer, regarding the possibility of a waterline connection from the City line down W. Sage Road. Mrs. Obregon stated that W. Sage Road is located near the new Veterinarian Tech Program. This area already has city water service that is being provided to residents across the street. She further stated that she has met with Mr. Capell with the possibility of running water lines over into the area. Obregon further commented that the problem with the water wells is that the soil composition is made up of clay that compromises the water wells which cause them to collapse. She stated that when she met with Mr. Capell, she went in thinking that it would be necessary to annex her property in order to receive city services. Mrs. Obregon stated that Mr. Capell clarified that for her, and stated that with keeping with full disclosure, he stated that it was not necessary to annex her property. Mrs. Obregon is now requesting for the Commission to consider allowing the city to run water lines to her property on W. Sage Road. Obregon stated that she has received an estimate from City Engineer, Charlie Cardenas of \$24,000 and spoke about doing a 50/50 cost sharing with the city. Obregon further stated that she is requesting for waterlines to be placed on W. Sage Road as she has no water running into her property at this time.

Mayor Fugate asked the City Commission if there were no objections, he would like to allow additional time to Mrs. Obregon to speak to the City Commission under public comments. No objections were made.

Mrs. Obregon continued to state that there is a one inch water line that is heating the house at this time, so this allows her some time to work on getting a water line extension. She further asked the Commission to consider running the water line without annexation.

Mayor Fugate explained to Mrs. Obregon that during the public comments section of the agenda, there is no discussion made with the City Commission that is allowed.

Mr. Capell stated that he did have a conversation with Mrs. Obregon regarding her request. Capell further stated that the City has gone into partnership with individuals in the past. One example Mr. Capell gave was Mr. Childers and Mr. Yarborough who were in the city limits and the city entered into a partnership sharing the cost by one-third each for their waterline extension. Capell further commented that the city has also entered into partnerships regarding sewer lines as well. Capell stated that the city has a role to play in partnering with residents and businesses in these types of infrastructure. Capell further commented that it is his recommendation that getting a new water customer isn't enough. The city needs to, for purposes of its own growth and better serve existing residents, require annexation. Capell stated that what this means is that they will be paying city taxes and receive city services. Capell stated that his recommendation to the Commission is to make this a policy for future request for water or sewer line connections for those who reside outside the city limits and annex their property. Capell further stated that existing taxpayers are already paying a higher tax than a desirable tax rate.

Mayor Fugate asked if any of the other neighbors within the area of W. Sage Road inquire about the possibility to receive city services.

Mr. Capell responded that whenever you extend water and sewer for one household, they end up paying the entire cost of the water line, unless the City partners up with the resident. Capell further stated that these properties are on the fringes, either property that were annex in the last couple of decades or they are properties that are close in to the city limits.

Mayor Fugate asked City Attorney, Courtney Alvarez that by annexing a property, would all city services need to be provided.

Mrs. Alvarez responded that within three years of the annexation, city services would need to be provided.

Mr. Capell commented that there are all kinds of considerations, but he is suggesting to the Commission to consider an annexation policy.

Mayor Fugate at this time asked if there were any other comments from the public.

Mrs. Alvarez stated that she didn't know if Mr. Dizdar was present at this meeting to address the Commission, as this would be the only time he would be able to address the Commission. Unless the Commission invites him to speak during the agenda, he will not have another opportunity.

Mayor Fugate addressed Mr. Dizdar and asked if he would like to speak to the Commission at this time.

Mr. Dizdar agreed to speak at this time.

Mr. Capell stated that there are two items on tonight's agenda, agenda item 10 & 11, where the city is asking the City Commission to disapprove a preliminary and final plat.

Mrs. Alvarez stated that for the record, Mark Dizdar will be addressing the City Commission.

Mr. Mark Dizdar, 1586 Wildwood Trail Blvd., made a presentation (by poster board) of the proposed new Torres Estates. Mr. Dizdar reported that anything that is happening is ten by ten which will bring 10,000 people in 10 years. A way that this can happen is by providing different homes. Dizdar reported that the average income in Kingsville is \$35,000. Those who make this amount can probably afford an \$80,000 to \$85,000 home. With the City not having very many new or old homes, it is necessary to develop these types of affordable homes. Dizdar stated that he is a bit confused about the agenda items for disapproval of a preliminary plat and final plat. He further stated that after a discussion he has had with Mr. Capell and Mr. Ginter they come up with a solution for the Torres Estates. Dizdar continued with his presentation showing the City Commission pictures of homes within the area he would like to develop Torres Estates. Dizdar also commented that Torres Estates homes will be developed with six foot sidewalk in every lot, with two car parking and a sprinkler yard for every home. He further stated that they will also have a wood side fence with trees planted on both sides of the driveway. Dizdar commented that these are some of the details he had spoken with Mr. Robert Isassi, previous Director of Planning & Development Services, prior to his departure. Mr. Dizdar continued with his poster board presentation.

At this time, Mr. Dizdar's three minute was up. Mayor Fugate asked if the City Commission if they had objections with Mr. Dizdar to continue his presentation. No objections were made by the City Commission.

Mr. Dizdar continued with his presentation on Torres Estates. Mr. Dizdar reported on some of the homes that already exist in the area he would like to develop. Mr. Dizdar further stated that after be notified by staff that the preliminary and final plat were not going to be

able to be approved, he made it a point to visit with Mr. Capell and Mr. Ginter. The solution they came up with was to go to an R-2P and have some off street parking. Dizdar continued to state that there are two lots that go to 15th street, three lots on 16th street, and five lots that run north to Kenedy Street. Dizdar stated that the idea that the City would acquire the two lots in the middle and pave them for off street parking.

Commissioner Leubert asked if staff stated that the City would purchase the two lots and pave them for parking.

Mr. Capell stated that this is only preliminary discussion.

Mr. Dizdar stated that the plan in place now is efficient which will maximize the use of the land.

Mayor Fugate stated that he would like to ask Mr. Dizdar to continue with his discussion, when the agenda items are ready to be heard.

IV.

Consent Agenda

Notice to the Public

The following items are of a routine or administrative nature. The Commission has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

CONSENT MOTIONS, RESOLUTIONS, ORDINANCES AND ORDINANCES FROM PREVIOUS MEETINGS:

(At this point the Commission will vote on all motions, resolutions and ordinances not removed for individual consideration)

Motion made by Commissioner Leubert to approve the consent agenda as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Leubert, Pecos, Pena, Garcia, Fugate voting "FOR".

1. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 1.44 acres, Lots 1-9, Block 1, Eva Subdivision, known as 1100 East Kenedy and Lots 1-3, Block 2, Clyde Subdivision, known as 1116 East Lott from C1-Neighborhood Service District to R2- Two Family Residential District, amending the Comprehensive plan to account for any deviations from the existing comprehensive plan. (Director of Planning and Development Services).

2. Consider a resolution authorizing the Task Force Commander to enter into an Interlocal Cooperation Agreement between the Harris County District Attorney's Office and the City of Kingsville Specialized Crimes & Narcotics Task Force. (Task Force Commander).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

V. Items for consideration by Commissioners.⁴

3. Consider a resolution approving a development loan subject to certain conditions for the proposed Cayetano Villas of Kingsville Apartments located at 500 Block of General Cavazos Blvd., Kingsville, Texas. (Director of Planning and Development Services).

Mr. Ginter reported that this resolution pertains to the funding item that Cayetano Villas of Kingsville, LLC, wants to have as a part of their application. This resolution gives them points and will help in the competitive process for housing tax credits. Ginter further stated that the City of Kingsville will not be responsible for paying back the \$160,534.00. As stated in the resolution all final terms and documentation for the loan are subject to approval of the City Commission and City Attorney.

Mr. Kendal Bennett, President of Cayetano Housing commented that the source of the funds comes from their lending sources, but just run through the City and paid back by Cayetano Villas through the City. Mr. Bennett stated that this is simply for scoring which allows them to score higher and potentially win the tax credits for the project.

Commissioner Leubert asked City Attorney, Courtney Alvarez that within the resolution, item number two, is the City Attorney comfortable with the terms listed.

Mrs. Alvarez responded that at the end of that same section, it states that all final terms and documentation of the loan are subject to approval of the City and its counsel. Alvarez further stated that in the event they do get the sufficient number of tax credit points for them to move forward with the development. At that time they will prepare a loan document that would come back to the City Commission for approval.

Motion made by Commissioner Garcia to approve this resolution, seconded by Commissioner Pecos. Motion was passed and approved by the following vote: Pecos, Pena, Garcia, Leubert, Fugate voting "FOR"

Commissioner Pecos then asked how many apartments are proposed to be built. Mr. Bennett response was 48 units.

4. Consider a resolution approving changes to the efficiency reporting requirements for the Classified Fire & Police personnel as recommended by the City of Kingsville Civil Service Commission. (Director of Human Resources).

Mrs. Diana Gonzales, Human Resources Director reported that this is for a requested change to some wording on the current efficiency reports for Civil Service Personnel. On January 27, 2015, the Civil Service Commission voted to approve changes to the Civil Service Rules and Regulations regarding the efficiency report. The original was approved on August 18, 2009. The only changes at this time are that semi-annual reporting or evaluation of the Civil Service Personnel be done annually. The other change is that reports be sent to the Civil Service Director for filing and eliminating the date or the months the evaluation would be conducted. This would be left up to the department directors as to when they would want to have the annual evaluations. Gonzales further stated that at this time the Fire Department will have them in December of every year. It would be up to the Police Department, if they are going to have them on the anniversary dates of the individuals or a specific month, and at this time it is leaning towards the anniversary dates of each individual, as it has been conducted.

Motion made by Commissioner Pena to approve this resolution, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

5. Consider final passage of an ordinance amending Chapter III, Article 7, Personnel Policies, Section 1 Classification and Compensation Plan to add, change and reclassify positions and correct clerical error to the City of Kingsville classification and compensation plan for fiscal year 2014-2015. (Director of Human Resources).

Mrs. Gonzales reported that this is the second reading of this ordinance to which the City Commission had questions for the City Manager regarding the first section management level changes.

Commissioner Leubert commented that the Parks and Recreation Director, what does this intel.

Mr. Capell responded that this changes that the Parks and Recreation Department will include parks, recreation, and golf course. This position has been filled because of the time needed. This position is relying heavily on Susan Ivy and Bill Donnell. Mr. Donnell is serving on a temporary capacity at the Golf Course. The Parks and Recreation Director position is just being established, it is not going to be filled just yet, as the City Commission has not approved the budget.

Commissioner Leubert asked that with regards to the Economic Development Director position, and further stated that Mayor Fugate should explain some of this information so that the public understands where this is coming from. Leubert further asked if a contract was being worked on with EDC to protect the interest of the City of Kingsville and everyone else who will be involved with this position.

Mrs. Alvarez responded that at this time she is working on a draft agreement but only have the general terms for the rough draft as she hadn't received the specific terms. A copy was provided to the City Manager who would be inserting some of the specific terms that she could review and modify.

Commissioner Leubert further asked that with regards to the contract, the cost would be divided in three ways. Leubert further stated that if the funding from the other two entities does not come through, than the City of Kingsville will not be obligated to take over this position.

Mr. Capell commented that it is not worded that way. There are several things that need to fall into place such as be in the position to hire a qualified Economic Development Director. Capell further stated that over 70 applications have been received for this

position to which was narrowed down to six. The challenge is that we need to be able to offer a competitive benefits package. This hasn't been an issue in the past because the former director participated in the spouse health benefit plan. Capell stated that the best option in his opinion is to, whoever the new Economic Director would be, be placed on the City's plan. Capell stated that the justification for this is that under the City Charter, the city is responsible for Economic Development. The City can contract it out which is what has been done in the past thirty years. Capell further stated that he suggest that for purposes of providing a full and competitive package, you allow the Economic Development Director position to receive city benefits.

Commissioner Leubert stated that to clarify for the public, the City has already budgeted \$65,000 as their part for the position. Leubert stated that her concern would be if the County and/or the EDC do not fulfill their obligations of their financial part, the City would have recourse to either dissolve this to protect the city for not being responsible for the entire amount.

Mr. Capell stated that the City has budgeted \$65,000 for the EDC position which part pay for the consulting fees of Mr. Messbarger and the rest goes to City EDC, with most of it paying for salary and benefits. Capell stated that whatever the city's cost are in terms to the benefits, it will be deducted from the cash contribution. Capell further stated that the City is working with the County to part in this position.

Commissioner Leubert further asked if the City Commission will have the opportunity to review the contract. Mr. Capell responded yes.

Motion made by Commissioner Pena to approve the final passage of this ordinance, seconded by Mayor Fugate. The motion was passed and approved by the following vote: Leubert, Pecos, Pena, Fugate voting "FOR". Garcia "AGAINST".

6. Consider introduction of an ordinance amending Chapter III, Article 7, Personnel Policies, Section 1 Classification and Compensation Plan to add a position of Civic Facilities Manager to the City of Kingsville classification and compensation plan for fiscal year 2014-2015. (Director of Human Resources).

Mr. Capell stated that at this time, Susan Ivy is responsible for all parks and recreation as well as maintenance to parks, swimming pool and J.K. Northway contracts. Capell stated that if the responsibility is kept in this manner, the City may not be successful as not enough revenue is being generated. Capell further stated that higher revenues can be generated if the position of Civic Facilities Manager is created. He also stated that he would like for this position to fall directly under the Tourism Department which will remove the expense out of general fund. Capell further stated that Mr. Leo Alarcon, Tourism Director researched twenty-six cities that have a multipurpose facility. Of those twenty-six cities, two of them have it under the Tourism Department. Six cities have it under the Parks and Recreation Department which comes from their general fund. Capell further stated that it is not unusual to put this responsibility in the Tourism Department.

Commissioner Leubert asked that if this is done as proposed, funding can be put back into J.K. Northway Coliseum as it needs significant work done.

Mr. Capell commented that improvements to the facility will be done in small steps.

Introduction item.

7. Consider introduction of an ordinance amending the Fiscal Year 2014-2015 General Fund Budget for Parks Department for a donation from the Kleberg-Kenedy County 4-H Council for improvements to the Parks Department Recreation Building. (Director of Finance).

Introduction item.

8. Consider introduction of an ordinance amending the Fiscal Year 2014-2015 Tourism Fund Budget for the purpose of providing matching funds for street furnishings. (Director of Finance).

Mrs. Deborah Balli, Finance Director reported that this is a budget amendment to accept the funds to appropriate the revenues and expenditures of the matching funds.

Introduction item.

9. Consider a resolution authorizing the City Manager to enter into a City Hall Network Infrastructure Project Agreement by and between Richline Technical Services and the City of Kingsville for the new city hall. (Director of Purchasing and Technology).

Mr. David Mason, Director of Purchasing and Technology reported that this item authorizes the award of the contract for the network and phone system for the New City Hall. Richline Technical Services of Corpus Christi, has designed and will provide material and installation for network cabling and phone system including phone hardware for the new City Hall. Richline will perform this work under the Western States Cooperative Alliance (WSCA) and is an authorized Shore Tel, Inc. vendor. Staff is recommending the contract be awarded to Richline Technical Services of Corpus Christi, TX. As the City of Kingsville is members of WSCA and this will meet competitive bidding requirements under Local Government Code 252 and 271. Mr. Mason further stated that this contract will expend \$211,108.48 from 091-5-103.0-713.00 of which \$500,000 has been budgeted.

Commissioner Pecos asked how many phones will be installed. Mr. Mason responded that there will be 68 phones installed.

Mayor Fugate asked what the cost for this service is and is it budgeted. Mr. Mason responded that it will expend \$211,108.48 for the network wiring installation for the computer system as well as the wiring for the telephone and telephonic devices itself.

Mr. Capell commented that \$500,000 was budgeted. This amount also includes furnishing for the New City Hall.

Motion made by Commissioner Pena to approve this resolution, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Leubert, Pecos, Pena, Fugate voting "FOR".

10. Consider disapproval of preliminary plat of 1.44 acres Eva Addition, Block 1, Lot 1-9 and Clyde Addition, Block 2, Lot 1-3 on south side of Kennedy Ave. between 15th and 16th Streets for residential housing. (Director of Planning and Development Services).

Mrs. Courtney Alvarez stated that while this item has Mr. Ginter's name by it, she would be assisting him with this issue. Mrs. Alvarez commented that as the Commission may recall at the last City Commission meeting these two plats were brought before the Commission for approval. At that time the Planning Director advised the Commission that there were some errors that they found within the plat, where they were not complying with current city code. Alvarez continued to state that it is the developers and his staff's responsibility to make sure that what they submit complies with city code. While the issue was not caught prior to the matter going to the Planning and Zoning Commission, it was apparently caught by staff prior to the item coming to the City Commission, which is why at the last meeting Mr. Ginter asked the Commission to not take any action. Mrs. Alvarez continued to state that however, in looking at the Local Government Code, there is a technical glitch or a situation where if the Planning and Zoning Commission approves a plat, and the City Commission's approval is required, which it is, then the City Commission must act within 30 days of the Planning and Zoning's Commission decision on the plat. If the Commission does not approve or deny the plat within 30 days of the Planning and Zoning acting on the matter, than the plat is considered approved by law. Alvarez further stated that since staff knows that the current plat has a defect in it, because it doesn't comply with ordinance, and there is insufficient time for the parties to reconcile the difference, than the item is brought before the City Commission on a technicality to make sure we comply with the State Law and that we don't have a plat administratively approved by the sheer fact that the Commission didn't act on within 30 days of the Planning and Zoning approval. Alvarez stated that this does not prevent the developer from coming back with a plat that is in conformant or with one of the other potential solutions to the situation we currently have.

Mayor Fugate asked for Mr. Ginter to explain where this plat violates the city ordinance.

Mr. Ginter commented that Section 15-6-107, Special Off-Street Regulations (b), Parking in R1 and R2 Districts shall be provided only in areas properly located for a future garage. Ginter further commented that without changing the plat, the area is not there.

Mayor Fugate stated that what concerns him is that Mr. Dizdar relied on city staff in designing this.

Mr. Capell stated that the reason this is in the city code, is because the city four-fathers didn't want the very thing that Mr. Dizdar is proposing to do.

Commissioner Leubert commented that if the property is a fifty foot lot and most of it is taking up by the house. You also have to include the setbacks for the homes next door as well as the setbacks for the front street which does not allow room for a garage.

Mr. Capell stated that talks between staff and Mr. Dizdar took place to figure out a solution to this issue. Capell further stated that a solution was created that will provide a good

building and well designed for the next hundred years. The solution is to create parking spaces within the development if the city buys the lots from him. This will give Mr. Dizdar 9 units to sale instead of 11 units. The two lots the city purchases will be turned into a paved parking lot for onsite parking. This will cost the City some money, but well create a better development is worth the money spent.

Mayor Fugate asked that if this is done, it would eliminate the two car driveways by each home. Mr. Ginter responded that there would be trees in front of the homes with a sidewalk.

Commissioner Leubert commented that if the city decides to go with this solution, it would obligate the city to do the same for other developments.

Mr. Capell responded that these should be treated on a case by case basis as he doesn't feel that it will obligate the city to subsidize every future development.

Commissioner Leubert asked if the developer wouldn't be responsible for the parking. Mr. Capell responded that the City can make the developer responsible, but then the developer wouldn't be able to generate the profits that they need.

Mayor Fugate asked what each lot cost. Mr. Dizdar responded that they would cost \$10,000 to \$11,000 each. Mayor Fugate asked that it would cost \$22,000 to purchase two lots plus the cost for paving the lots for its parking.

Mr. Capell further commented that Mr. Dizdar would also like to purchase the adjacent property and develop that location as well.

Mayor Fugate stated that what is going to happen is that residents will still park in their yard or the street.

Mr. Dizdar commented that there need to be a two car parking in every home. Residents will want to park in front of their homes.

Motion made by Commissioner Pecos to approve the disapproval of preliminary plat of 1.44 acres Eva Addition, Block 1, Lot 1-9 and Clyde Addition, Block 2, Lot 1-3 on south side of Kennedy Ave. between 15th and 16th Streets for residential housing, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Leubert, Pecos, Pena, Garcia, Fugate voting "FOR".

11. Consider disapproval of final plat of 1.44 acres Eva Addition, Block 1, Lot 1-9 and Clyde Addition, Block 2, Lot 1-3 on south side of Kennedy Ave. between 15th and 16th Streets for residential housing, subject to conditions. (Director of Planning and Development Services).

Motion made by Commissioner Pecos to approve the disapproval of final plat of 1.44 acres Eva Addition, Block 1, Lot 1-9 and Clyde Addition, Block 2, Lot 1-3 on south side of Kennedy Ave. between 15th and 16th Streets for residential housing, subject to conditions, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Pecos, Pena, Garcia, Leubert, Fugate voting "FOR".

12. Consider a resolution authorizing the City Manager to enter into a consultant contract with CK Consulting Firm, LLC for planning, zoning, and development related issues. (Director of Planning and Development Services).

Commissioner Leubert requested to remove agenda item #12 from the Agenda.

Mayor Fugate asked if anyone from the Commission had any objections to remove agenda item #12 from the agenda. No objections were made.

No action was taken on this item.

13. Executive Session: Pursuant to Section 551.074, Texas Open Meetings Act, the City Commission shall convene in Executive Session to deliberate the employment of the City Manager. (Mayor Fugate).

Mayor Fugate announced the Executive Session and convened the City Commission into Executive Session at 7:03 p.m.

Mayor Fugate returned from Executive Session and convened into open session at 7:24 p.m.

Mayor Fugate announced at 7:24 p.m., that the City Commission will be going into Executive Session pursuant to Section 551.071, Texas Government Code, Consultation

with Attorney Exception, the City Commission shall convene in executive session to seek legal advice from the City Attorney regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.

Mrs. Courtney Alvarez, City Attorney, announced that at 7:35 p.m. the City Commission is going to reconvene in Executive Session under section 551.074, of the Texas Open Meetings Act, the City Commission shall convene in Executive Session to deliberate the employment of the City Manager.

Mayor Fugate reconvened the City Commission into open session at 7:41 p.m.

14. Consider resignation of City Manager, process for filling position, provision of interim services, and matters related thereto. (Mayor Fugate).

Motion made by Mayor Fugate to accept the City Manager's resignation letter and making it effective at the completion of his present contract and also to include that the City Manager be placed on paid leave pending the remainder balance of his contract, seconded by Commissioner Pena. The motion was passed and approved by the following vote: Leubert, Pecos, Pena, Fugate voting "FOR". Garcia "ABSTAINED".

Mayor Fugate stated that he left wording out of the above motion that would need to be included, that he has a motion that the City Manager receives payment for 160 hours of his accrued sick leave contingent upon executing a release letter, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pecos, Pena, Leubert, Fugate voting "FOR". Garcia "ABSTAINED".

Mayor Fugate stated that the next motion is to fill the Interim, to provide an Interim City Manager.

Motion made by Commissioner Pena to appoint Courtney Alvarez as the temporary Interim City Manager, seconded by Commissioner Garcia.

Mayor Fugate asked if the Commission needs to put in the provision for this and does it have to be done now.

Mrs. Alvarez responded that the Commission would need to act on that now so that the Human Resources Office has official record of what it is the City Commission is proposing.

Commissioner Pena stated that he would like to amend his motion to include a \$5,000 per month stipend for services and City Manager's car allowance, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

Mayor Fugate asked Mrs. Alvarez if they would need to discuss the hiring of a head hunter service or is this just done through RFP.

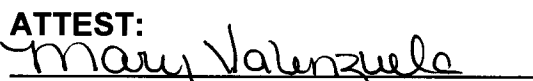
Mrs. Alvarez responded that it would be good if the Commission would give direction to staff whether they would like for the Human Resources Office to handle it strictly by themselves or move forward with the process that the City Commission implemented in 2010 regards to having the Purchasing Director send out for RFP's.

Mayor Fugate stated that he believes the direction from this Commission is to do what was done in 2010 and direct the Purchasing Director to send out RFP's for the search services.

V. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:45 P.M.


Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, TRMG, City Secretary