

AUGUST 30, 2016

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, AUGUST 30, 2016 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 4:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Edna Lopez, Commissioner
Arturo Pecos, Commissioner
Noel Pena, Commissioner
Al Garcia, Commissioner

CITY STAFF PRESENT:

Jesús Garza, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Tom Ginter, Director of Planning & Development Services
Emilio Garcia, Health Director
Bill Donnell, Assistant Public Works Director
Diana Gonzales, Human Resources Director
Susan Ivy, Parks Manager
David Solis, Risk Manager
Deborah Balli, Finance Director
Charlie Cardenas, Public Works Director/Engineer
Sharam Santanilla, Capital Improvement Manager
Leo Alarcon, Tourism Director
Robert Rodriguez, Library Director
Stacie Pena, Accountant Manager
David Bodiford, Accountant Supervisor
Cynthia Martin, Downtown Manager
Ricardo Torres, Chief of Police
Charlie Sosa, Street Superintendent
Frank Garcia, Wastewater Supervisor
Marco Jimenez, Water Department
Pete Pina, Landfill Supervisor
Luke Stevens, Sanitation Supervisor
Julian Cavazos, Police Department
Austin Jurica, Engineers Assistant
Joe Casillas, Water Production Supervisor

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting at 4:00 P.M. with all five Commission members present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

Mayor Fugate asked that if no one had any objections, he will waive this section of the agenda.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

None.

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, 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."

Mrs. Courtney Alvarez reported that the next budget workshop is scheduled for Wednesday, August 31st. There will be two public hearings for that day, one for the proposed tax rate increase and one for the proposed Fiscal Year 2016-2017 budget. Both the tax rate and the proposed budget will be introduced on September 6, 2016.

IV. Public Comment on Agenda Items ³

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

No public comments made.

V. 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 or a citizen, 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)

None.

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

1. Review and discuss proposed fiscal year 2016-2017 budget for departments of the City of Kingsville. (City Manager).

Mr. Jesús Garza, City Manager reported that the City of Kingsville has come into a settlement agreement with the Kingsville Police Department. The total amount that will impact the City for this agreement is for a total of \$144,000.00. The presentation made during tonight's meeting from the Police Chief will show some changes to accommodate the increases. One of the things that will be noticed is that the current fiscal year some of overtime that comes from Chapter 59 funds was actually paid through general fund as there was no money in Chapter 59.

Police Chief Ricardo Torres presented his budget through a PowerPoint presentation. The Kingsville Police Department focuses on Community first. Also being done is mentoring with young children and involved in the Micro Society Partners. The Civilian Response to Active Shooter Events (C.R.A.S.E.) is built on strategies to avoid, deny, and defend. Topics include history and prevalence, role of professional guardians, civilian response options and drills. Peace Officer licensing, 46% hold Master Peace Office License, which is a high percentage in terms of most other cities. Others hold advanced, intermediate and basic licenses. Some trends to watch for are violent crime. Violent Crime is on the down slope for this year. Something that young adults are discovering is something called Crunk and Purple Drank. This is used by young adults in the community. This is marketed for children which is a downer. The State is working on making this illegal. Synthetic Marijuana appears to be current drug of choice, especially amongst younger users. This drug can have deadly consequences. The Kingsville Police Department has daily arrests, usually multiples, of subjects abusing this drug. Torres further commented on the budgets for the division and bureau. Under Administration, motor gas and oil increased by \$306, Catering was reduced by \$1,000. Patrol Division, Salaries & Wages increased by \$93,000; overtime reduced by \$124,000; supplies increased by \$700; Uniforms and Personal Wear increased \$331; Motor Gas & Oil reduced \$6,373; Animal Care decreased to \$1,000; Printing & Publishing reduced \$500; Training & Travel reduced \$2,500; Laundry reduced by \$4,000, but will be corrected since this is a contractual item. Jail contract expense \$164,250. Currently meeting with County Officials in regards to the Jail contract. Currently paying \$45 per inmate. County would like to increase to \$55 per inmate. Recommend that City pays as we go, lower the number of guaranteed beds. In the Communication Bureau, supplies reduced \$1,384; Communications reduced \$19,740. This was due to wrongfully charged for

telephone lines, recovered \$40,000. Two dispatchers reorganized into this division for consolidated dispatching with Fire Department. In the Criminal Investigation Bureau, salaries and wages increased by \$48,600; overtime same at \$5,143; supplies reduced \$3,200 of which \$2,000 was a onetime purchase for Ion Scanner and \$1,200 filter for drying cabinet which was a onetime purchase. Motor Gas and Oil reduced \$8,387, which there was no impact to the Police Department as they have newer vehicles; Laundry increased to \$5,000. In Community Service, Utilities increased \$3,328; vehicle machinery maintenance reduced \$550. Need to purchase ductless mini split for property room \$4,500. Torres commented that the Police Department is an approved TCLEOS Training Facility. Since October, 267 officers have been trained. There are certified instructors on staff that provide in-house training.

Commissioner Garcia asked how many officers are certified to do training. Chief Torres responded that the department has fifteen instructors.

Chief Torres further reported that the Warrant Officer was formerly funded by the Finance/Municipal Court Department but is now under the Police Department, which is a structural change only. The next fiscal year, the Police Department will be receiving \$35,000 from the Certificates of Obligations. This will assist in replacing two air conditioning units on top of the building. The Chapter 59 and federal totals are as followed, Kleberg Bank State Pending \$1,921,513.01 but it's actually less than this amount due as \$1.1 Million that was awarded. Kleberg Bank State has \$82,174.70; Kleberg Bank Federal \$26,344.66; Cutwater pending \$116,606.17; Cutwater State \$504,562.40; and Cutwater Federal \$1,140.42.

Commissioner Garcia asked what Cutwater is. Chief Torres responded that Cutwater is Texas Class, which is high interest funds. The Police Department fund drug prevention programs such as Palmer Drug Abuse Program (PDAP), Boys and Girls Club, Communities in Schools, Boys Scouts of America, and Kingsville Boxing Club. Each of these programs receive \$5,000 per year. In overtime fund \$1,080,000.00 funded during the last 11 years. Fiscal Year 2015-2016 saw overtime funding via general fund. Fiscal Year 2016-2017, \$150,000 is being proposed. Torres further commented that since 2007, the Police Department has purchased 28 fully outfitter police units at a cost of \$1,120,000.00. It is budgeted to purchase two Ford Taurus and three Ford Explorers fully outfitted at a cost of \$225,641.00. Under Impress Fund, which is the fund that pays informants is budgeted at \$30,000 for the new fiscal year.

Commissioner Garcia asked what procedures are used for auditing. Torres responded that this is something that can be discussed with Commissioner Garcia after the meeting. Torres further stated that when there is a criminal informant it is done by fingerprint in order to verify where money is going back and forth. They do not have names, they have CI numbers. Operation Stonegarden, \$121,000.00 for overtime, benefits, and equipment. Operation Border Star, \$85,000.00 for overtime and benefits. Torres stated that they have 35 Coban Cameras for a cost of \$42,640.00 of which the City is funding 25%. Already installed the 30 terabyte server. Torres stated this will assist the police officer to maintain their professionalism as they will always be recorded. These cameras will not be shut off or erase any footage.

Mr. Garza commented that one thing to keep an eye out is the staff time related to this endeavor. As the body worn cameras become more popular and used more, it is starting to require more staff time to go through the videos and cut the videos as individuals are submitting open records request for videos Chief Torres commented that this is not something that will go through open records by statute. There will be a process where an individual can come into the Police Department and request a copy of the video, which will have to be released without an open records request.

Commissioner Garcia commented that there are statute of limitations in a particular law, state or federal, if the video is only kept for a year is the city opening itself to messing with the statute of limitation where it should allow us to keep it for longer than a year. Chief Torres commented that the department will not be keeping for a year, from the vendor, the 30 terabyte will only hold one years' worth of video. The system allows for, after 90 days by federal statute, you can get rid of old tape. This system will allow staff to go in and mark cases and save.

Mayor Fugate commented that what happens now is that any recordings they have, it is turned over to the Prosecutor, which goes to the County Attorney or District Attorney's Office.

Mrs. Alvarez commented that staff will need to be mindful about, when they can delete things so that they can maintain the storage, otherwise there will be a budgetary impact on having to get more storage.

Chief Torres commented that there will be a budgetary impact as it will take more storage. Torres further commented that what they have tried to stay with the same vendor on their

body cameras as their mobile cameras. This will allow them, at some point, to sync which will allow them, if when they go to court, watch more than one video at once. Chief Torres continued with his presentation regarding the radio service for the Kingsville Police Department. Some discussion took place regarding other entities and the type of radio systems they are on.

Mr. Charlie Cardenas, Public Works Director/Engineer made the presentation for Public Works. Cardenas reported that most of the changes and projects will be in the Certificates of Obligations. Under the Water Construction fund, the big projects includes an 8 inch transmission line that was paid out this year. Also is the 8 inch water line that is under the CDBG Project to which the project will begin next week. This project goes from Armstrong, West Kenedy Tower to Caesar by Thompson Park. Next year staff is looking at another CDBG type of project to which Mr. Sharam Santanilla will be in charge of.

Mr. Sharam Santanilla, Capital Improvements Manager spoke about the next CDBG Project. Due to Mr. Santanilla speaking in a low voice and too far from the microphone, no audio recording was picked up.

Mr. Cardenas next discussed the budget for Water Production. One of the big issues for this year is Water Well #20, which had to be plugged. This will cause the increase in Professional Services for the New Year. Maintenance was done on Well #23. Staff has been in discussion about water meter replacements. Mr. Santanilla has been working on this project as well.

Mr. Santanilla stated that he has been meeting with several manufacturing companies to put together different options to upgrade the existing water meter system. Currently the City has Badger meters which are on year 10 of their expectancy. The existing water meter system is beginning to fail at a faster rate than expected at this point. Through conversation with Badger about potentially upgrading the system, testing the existing meters for accuracy was brought up. Badger believes that it is not the meters that are failing but it's the technology that is associated with the current system that is out dated. Staff is sending 10 meters to be tested for accuracy. Half of those meters will be meters that were installed in the beginning of the project in 2006. The rest will be less than five years old so staff can have an idea of how the older meters are performing compared to the newer meters. If test results come back showing that the older meters are still reading accurately, there is a chance that the city may not have to replace their entire inventory of meters which will ultimately save the city some money. If the test results come back showing that it is time to replace most of the meters, then staff has two options which can be looked at. The City can go by a drive by system which is known as Advanced Meter Reading (AMR). With an AMR system, it is very much like the current system operations where the city will have a meter reader go out into the field and get meter readings with special equipment. The other option is a fixed-base system which is also referred as Advanced Meter Infrastructure (AMI). With this type of system you get rid of doing field readings. Readings are transmitted by a radio frequency network directly to a computer. In essence, the meters have an antenna that sends signals to receivers and repeaters that are connected to the city's network which allows the city to manage the system from a desktop. Santanilla further commented that the good thing about an AMI System is that the radio frequency signals are not only capable of delivering real time consumption readings, but they can also detect water leaks, tampering of meters, and reverse flows which allows the City to take action in a much more timely manner and in reducing water loss. This type of system costs about double what a drive-by system cost but it eliminates the need for a meter reader to go out into the field and do manual readings. If the test results for the current meters come back positive and staff decides to go on only upgrading the technology, the cost would be \$1.2 million. If staff decides to go with brand new meters and a drive-by system the price will range around \$1.2 to \$1.6 Million. With a fixed base system the price will range from \$2.5 to \$2.8 Million, depending on the company sought.

Mr. Garza commented that funding for this project is still pending and is yet to be figured out. There are some options that are being explored from dealing with performance contracting companies that would allow us the ability to take additional revenue to pay for service only on the installation to also straight up loans with different organizations that exist such as Texas Water Development Board. These are things that staff is evaluating to determine a proposed resolution for it.

Mayor Fugate asked staff what is the life on the existing meter. Mr. Garza responded that it is about 10 to 15 years. This is why it is important to test meters regularly. Not all 7,000 meters are that old or would need to be replaced.

Commissioner Garcia asked if the AMI meter runs off of a battery component. Mr. Santanilla responded that it depends on the company that is chosen, but some run off of solar powered panels.

Mr. Cardenas stated that in the budget there is \$100,000 for Water Well #19, which includes fencing around the water well. Also budgeted is funds to finish Water Well #25. Water Well

#25, is under a TCEQ review process due to some data missing which includes the deed agreement, land agreement and additional testing needing to be done. Staff foresees operation of this water well to occur sometime next month. In Wastewater budget, because of the Copper Project the big item in this budget is under Chemicals for \$130,000 which is the Hydride 6909 Chemical that was bided out and was approved by the Commission. Staff is looking into at the North Plant, LNV was hired to work on the solution to this copper issue. LNV has already submitted a preliminary report and one of the things being looked at is the outfall of where the effluent water is dumped which is Tranquitas Creek. The outfall was same, but there's a certain bug in there that the piping plover bird eats the endangered bugs and grass where the current outfall is located. It is being considered to move the outfall so that it won't affect the bugs and the grass within this area. This is a project that staff is still looking into. It is being proposed to spend over \$130,000 in chemicals but the project cost about \$700,000 to move the outfall. Also there is a reduction in professional services, which has to do with the lab the samples are sent to.

Mr. Garza commented that the North Plant utilities in a three-year period has been around \$300,000 which is a hefty expense which is more reason for staff to look into having more efficient operations at these Plants.

Mr. Cardenas commented that Mr. Santanilla is working on a five-year Capital Improvement Plan.

Commissioner Garcia asked that in comparison to both the North & South Plant, which has the most capacity. Mr. Cardenas responded that the North Plant has more capacity, however, the South Plant is 1Million gallons per day, North Plant is 3Million gallons per day, which half of that is treated on each. Cardenas further stated that staff has gone out for Request for Qualifications (RFQ) for an Engineering Firm to do a capacity analysis of the South Plant. This will show whether an expansion is needed and how much life is left before we have to expand.

Mr. Garza commented that under utilities, the decrease of water sales that have been occurring is something that needs to be looked at. What is being propose is \$4,350,000 in revenue, which is a decrease from what was budgeted last year at \$4.6 Million and budgeted in 2015 which was \$4.8 Million. These water sale revenues have been trending downwards. As staff speaks about water meters, there are other factors involved. In 2015, it was a very wet year, which impacted water sales. This year is coming up to being a wet year as well. Water gauges that are installed at the Landfill have measured more rainfall this year than all the rainfall that was measured in 2015. The fact that the City has had two consecutive wet years also plays a role in these water sales. It is important to keep this in mind as it's not just the failed meter component but there a lot of environmental factors that are involved with these water sales. Garza further commented that we need to make sure to budget appropriately which is why staff has budgeted \$4.3 Million as staff would rather be conservative with it and if the city ends up doing better next year that would be great.

Mayor Fugate commented that there has to be enough rain to keep the yards going cause if not, people just give up.

Commissioner Garcia asked if there is a rain gauge within the city limits or a record of rainfall within the city limits other than at the landfill. Mr. Cardenas stated that there is a gauge at the Water Well.

Mr. Joe Casillas, Water Production Supervisor stated that there are rain gauges at every water well. Also, there is an official rain gauge at Public Works. For every one inch of rain received within the city limits, we lose 1Million gallons in production for every inch received.

Mr. Garza discussed the Utility Billing/Collections budget which is also part of the utility fund. No major changes were made within this budget. The only one change that needs to be pointed out is that training & travel has \$2,500 to which is being increased to \$6,000. This will allow the Utility Billing Department to be updated to Incode 10. Incode will be hosting a conference in San Antonio that some staff will need to attend. Staff has been trying to find more comprehensive Customer Service Training program to allow staff to attend. We need to make sure that staff is proactive and not necessarily wait until complaints come in to address issues. We need to make sure that these operations that have a more face to face interaction take more of a proactive approach with customer service. In the Meter Readers budget the only change is under salaries & wages. This had an increase due to the addition of a temporary meter reader position as we need to make sure that with replacing the meter's systems that are failing, which becomes very challenging to do it with the two existing meter readers. With have the temporary employee it will help us insure that the replacement of the meters continues so that there is one person replacing the meters and won't impact the reading components of the other meter readers. Garza further commented that we need to make that we are aggressive as can be for the rest of this year because as mentioned before, the company was gracious enough to extend the warranty for another year, which will expire at the end of this year.

Commissioner Garcia asked if staff needed to increase the overtime budget for this department. Mr. Garza commented that there is no need to increase it as staff is bringing in a temporary employee which help with the meter readers to go into overtime.

Mr. Cardenas spoke about the Engineering Department budget. There are some changes in this department which is more of a Finance thing. Some of the offices within the Engineering Department and Public Works Department were split to where this year the two are being combined.

Mrs. Deborah Balli, Finance Director explained the reason for the big number under salaries and wages for the Engineering and Public Works Departments. Balli commented that there are still split but put into their respective places.

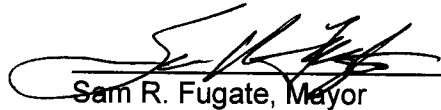
Mr. Cardenas further stated that there are no changes to the Garage and Service Center Department budget. Cardenas further went on to explain the Street Department. Cardenas gave the City Commission a map of the streets within the city limits. The map showed all streets that were done this year and those that still need to be done in the next few years. The map shows that there are still 19 blocks to be done for the rest of this fiscal year. Already completed is about 29 to 30 blocks, the long stretches being Young Drive and Escondido Road. What is not reflected on the map is when the City entered into an agreement with the County it was to do the rest of Young Drive all the way to FM 1355 and Kenedy Street out by the American Legion. Cardenas commented that in the past a street maintenance program which had a list of streets for every year for the next 20 years. The city at this time is in year 3 of this program.

Commissioner Lopez commented that if anybody was looking at potholes and reporting them. Mr. Cardenas responded that staff did a pothole blitz and at last count, staff worked on over 900 potholes.

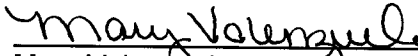
Mr. Cardenas spoke briefly on Sector 4 of the Landfill. He stated that the final design will be turned in next week. The plan is to break ground in December, 2016.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:08 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary