

FEBRUARY 12, 2018

**A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, FEBRUARY 12, 2018 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 6:00 P.M.**

**CITY COMMISSION PRESENT:**

Sam Fugate, Mayor  
Edna Lopez, Commissioner  
Arturo Pecos, Commissioner  
Al Garcia, Commissioner  
Diana Guerrero-Pena

**CITY STAFF PRESENT:**

Jesús Garza, City Manager  
Mary Valenzuela, City Secretary  
Kyle Benson, IT Manager  
Courtney Alvarez, City Attorney  
Tom Ginter, Director of Planning & Development Services  
Emilio Garcia, Health Director  
Derek Williams, Systems Specialist  
Bill Donnell, Public Works Director  
Deborah Balli, Finance Director  
Diana Gonzales, Human Resources Director  
Leo Alarcon, Tourism Director  
David Solis, Risk Manager  
Israel Vasquez, Maintenance Manager  
Sharam Santillan, Capital Improvements Manager  
Richard Flores, Golf Course Manager  
Susan Ivy, Parks Manager  
Jennifer Bernal, Community Appearance Supervisor  
Adrian Garcia, Fire Chief  
Pete Pina, Landfill Supervisor  
Charlie Sosa, Purchasing Manager  
Frank Garcia, Wastewater Supervisor  
Rudy Mora, Director of Engineering  
Julian Cavazos, KPD Lieutenant  
Marco Jimenez, Street Supervisor  
Robert Rodriguez, Library Director  
Cynthia Martin, Downtown Manager  
Stephanie Ley, Administrative Assistant  
Manuel Buentello, Planning Inspector  
Richard Ortegon, Animal Control Officer  
Vincent Murray, Police Officer

**I. Preliminary Proceedings.****OPEN MEETING**

Mayor Fugate opened the meeting at 6:00 P.M. with all five Commission members present.

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

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

**MINUTES OF PREVIOUS MEETING(S)**

Regular Meeting – January 22, 2018

**Motion made by Commissioner Lopez to approve the minutes of January 22, 2018 as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Lopez, Pecos, Garcia, Fugate voting "FOR". Guerrero-Pena "ABSTAINED".**

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

1. 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, 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, **Investment Report, Quarterly Budget Report, Monthly Financial Reports, Utilities Billing Update; Police-Communications Update; Police & Fire Department – Grant Update, Police & Fire Reports; Streets Update; Public Works; Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Emergency Management, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, SEP, Legislative Update, Proclamations, Health Plan Update, Tax Increment Zone Presentation, Main Street Downtown, Chapter 59 project, Financial Advisor, Landfill Update, Wastewater Treatment Plant, Water And Wastewater Rate Study Presentation, Demolition Update, Golf Course Update. No formal action can be taken on these items at this time.***

Mayor Fugate presented the Because you Care Award to Alesandra Zavala for her recycling project she has spearheaded in her neighborhood.

Mr. Garza Introduced the newly hired City Engineer, Mr. Rudy Mora. Garza also awarded the Employee of the Month to Manuel Buentello, Building Inspector for the month of December and Mr. Richard Ortegon, Animal Control Specialist Officers for the month of January.

Mr. Bill Donnell, Public Works Inspector gave an update on Streets. Donnell stated that due to the weather conditions, staff is moving on Huisache Street as best they can and had to deal with some drainage issues on the southside of the project. To remedy this issue, staff is installing a grade inlet box in order to convey the water. Staff has also been mowing the underpasses and cleaning out the planters around that area. They have mowed 6<sup>th</sup> Street, W. King Ave., and Franklin Adams. As the weather improves, staff is working in Zone 3 on curb and gutters. As the weather cooperates, staff will continue with the weed spraying in Zone 12. Staff has been working on patching in Zones 2 to 4 and 7 to 12. On Special Projects, staff has assisted the Sanitation Department with the demolition at 425 E. Kenedy. Staff has also assisted in grading the arena at the JK Northway.

Mayor Fugate thanked Mr. Donnell's staff for all their hard work. Mr. Donnell stated that TXDOT will be cleaning the overpasses. City staff was to help, but TXDOT will have their contractor from Corpus Christi and clean before March.

Mr. Garza commented that staff has asked TXDOT to pay close attention to the entrances and exits in Kingsville.

Fire Chief Garcia gave an update on the Ambulance Program. Chief Garcia stated that this is a program that had been taken care of for some time. He stated that currently they have identified ten ambulance services that use to operate within the City. Staff has reached out to these businesses and confirmed that five are still continuing to work in the City. An initial email has been sent out to notify them of the new application and asking them to register with the City. Garcia stated that as of today, he has three ambulance services that are working on their application and have scheduled follow-up appointment with the other two ambulance services that is giving staff some run around. Garcia stated that the next step is to outline the ambulance ordinance. Certified letters will be mailed to them, as it states in the ambulance ordinance, which is to explain to them that they have a certain amount of time to get this done, before pursuing other means. Garcia stated that they will continue to get their initial inspection out of the way and will continue to do unannounced inspections throughout the year. Garcia stated that they will submit the inspections and follow-up with them on what they are doing and what they are not doing. He stated that the part-time Customer Service Representative is fully trained and busy with inputting occupancies and fire inspections.

Mr. Garza presented the 1<sup>st</sup> Quarter Budget Report and the Investment Report. In the Budget Report that at the end of the first quarter we are at 27%. Ad valorem taxes are at 42%, which is trending better than expected and better than prior years. Non-property taxes, this category contains sales tax, mixed drink and franchise taxes. Only City sales taxes are received on a month basis while all other taxes are received on a quarterly or semi-annual basis. Revenues in this category are trending lower than expected at 22%. In sales tax, Garza commented that this is one of the areas that increased or expected revenue from last fiscal year to this one. Last fiscal year, staff budgeted \$4.5 million in revenues and this year it was budgeted \$4.7 million, which the city is on target to meet the \$4.7 million. City sales tax revenue is trending slightly higher than expected with the revenue percentage at 26%. In Permits & Licenses, revenues in this category are significantly lower that what was expected and in relation to prior years. Revenues should be at \$62,906 which is short about \$15,870. Almost every type of permit is under projection with building permits down \$14,000 from last year, mechanical permits down \$2,579, and

food permits down \$2,030. Garza stated that through the first quarter, permits and licenses is at 18%, which is attributed to decrease in development. Garza commented that due to some large size development in the past couple of years, which caused this budget number to increase. Garza stated that staff is working on an update from the Planning Department which will be presented on a future meeting. This will give information on residential permits and commercial permits in order to give the Commission a look at what is going on with our permits and the reasoning for the decrease in permits and licenses within the Planning Department.

Commissioner Garcia commented that the report ends on December 31, 2017, and asked what is going on today, as far as permits, increase this amount starting January and February, 2018. Mr. Garza responded that at this time he does not have the numbers for January and February, and stated that in terms of development he is not sure if there is any difference from the first quarter.

Mr. Tom Ginter, Director of Planning & Development Services, commented that there is nothing significant now that would show any increase.

Commissioner Garcia further asked if there are any big projects coming in to the City. Both Mr. Ginter and Mr. Garza commented that there are no big projects coming into the City at this time.

Mr. Garza commented that Mr. Ginter is working on a more detailed report. Staff is also working on the monthly reporting with the assistance of Andrew Lugo, City Manager's Intern. Garza stated that by the end of this month, staff should be caught up with this monthly report, which will show permits on a monthly basis. This should help in showing where we are as far as permits, fines, and other issues. Garza continued with his reporting of the Quarter Budget Report. Garza reported on Municipal Court Fines, which is one that has been trending downwards over the last few years and will continue to see this through the first quarter. In fiscal year 2016, the number budgeted was \$960,000. The actuals didn't come in at \$960,000, so since then those revenues have been budgeted to be less. In fiscal year 2017, it was budgeted \$835,000, which was less than the \$960,000 from the year before and the fiscal year we are in now, we have budgeted \$760,000 which is less than the year before. Garza stated that even with this reduction in the budget, we are still at 20% with revenues from Municipal Court. Garza commented that staff has taken the time to look into the data. Some of the issues that he has verbalized last year, revolved around some staffing issues, technologies issues that we were experiencing. Staff really looked into the data which explained the reasoning for the decrease in revenues. The data shows in the last few years that there has been a decrease in citations. When you have a decrease in citations, you have a decrease in revenues, which is a way that its worked itself out. Garza commented that staff does have the data that backs up the lower is driven with the fact that we have less citations and when you have less citations, you have less warrants which stems from the citations that are being issued. Garza commented that there is a Warrant Roundup that is coming up which will be focused on a two week period, historically this was a one week period. Municipal Court staff and the Police Chief are working together to ensure that we can maximize this warrant roundup period to get as much revenues as possible.

Commissioner Garcia asked that the uncollected warrants, have they bottomed out or have they been collected by Linebarger.

Mr. Garza's responded that he is not able to answer that question at this time, but staff can pull a report specifically showing Linebargers involvement with those collectibles. Garza continued with the Parks Department section of the report. He stated that with the Golf Course, the city is at 22% of expected revenues, which is slightly higher than last year. Last year at the end of the first quarter it was at \$47,000 and this year it's at \$61,000. He stated that its his belief that there was some issues with the payments from the County being behind, so the number may be affected due to that. This year they are fully caught up and so we are at \$61,000 with revenues through the first quarter with the Golf Course. Garza also stated that staff added some reminders on the expenditures that he brought up through the budget process of concern. Garza further that the Golf Course is at \$52,000 at the end of the first quarter, the end of the first quarter last year it was at \$44,000. Based on the two fiscal years, it is roughly at the end of the first quarter in the low \$50's, which puts it back on track. There is also a slight increase in the Parks, compared to last year. In the solidwaste fund, it is on target as to what staff budgeted. Tourism is doing well through the end of the first quarter, on the hotel side. Staff has had some discussion about having a percentage of the Tourism funds for reserves fund. The reserves policy only addresses the general fund and the utility fund, and no other funds. Internally, staff is working towards working their way up on having 25% reserves in the Tourism Fund. Even though it is not stated in a policy, but through practice, try and keep a healthy 25% reserve in the Tourism Fund. Garza mentioned that last year, staff transitioned the JK Northway

to the Tourism Department, which the increase of revenues that is received from Tourism also helps with that. JK Northway is an expense to the City of almost \$200,000 per year. Budgeted revenues for the JK Northway for this fiscal year is \$61,000, which was an increase of about \$25,000 from last year, which was an increase due to a transfer of \$25,000 from the General Fund to the Tourism Fund due to the contributions received from Kleberg County. Garza stated that fees that are collected for the facility only brings in less than \$40,000 per year with the expenses being close to \$200,000 per year. In the Utility Fund, it is doing slightly better than budgeted, with it being at almost 27% of revenues for this fund. The Street Maintenance Fund was budgeted to receive \$812,000 through the Street User Fee for this year, which is a little over \$200,000, which is at about 25% and on track with this. Garza commented that with regards to the Health Insurance fund, there has been some conversations on where the city is with estimated expenses and expected fund balances. Garza stated that one of the questions asked was regarding the fund balance. At that time, staff mentioned that they would speak to the auditor as the numbers that were being utilized for the conversation was a number that staff came up with through the budget process. Garza stated that in the summer time, during the budget process, it's usually between three to four months prior to the end of the fiscal year, which makes the entire budget process based on projections. The auditor does not audit those number until the Spring, which is expected to be completed in the end of March to early April. At that point it is when staff receives true figures of where the City stands with fund balances, expenditures, and revenues. Garza commented that because of the timeliness on the Insurance Fund, staff spoke with the auditor to try and figure out where the city is truly at this fiscal year with the fund balance. Garza further commented that it is being estimated for the city to be at \$315,000 range, and now the auditor is coming back stating that the city will be at \$550,000 in fund balance. Garza stated that staff included some additional information relating to the Health Insurance fund on this report in the form of a bar graph, which is a new section in the quarterly report.

Mr. Garza commented that as for the Investment Report, the City Commission can review the report on their leisure. He stated that the Investment Committee met on this report to review the first Investment quarter report. The committee consist of Commissioner Pecos, Deborah Balli, Finance Director, Courtney Alvarez, City Attorney, and the City Manager.

Mrs. Courtney Alvarez, City Attorney reported that the Warrant Roundup which begins February 12<sup>th</sup> through March 9, 2018. Alvarez stated that from February 9<sup>th</sup> through February 23<sup>rd</sup>, it is a grace period. During this time anyone who may have outstanding matters with Municipal Court can come in and pay without fear of getting arrested. Beginning February 24<sup>th</sup> through March 9<sup>th</sup>, individuals are encouraged to take care of any matter they may have with Municipal Court. Municipal Court will be having extended hours for the next four Fridays. Alvarez reported that the next City Commission meeting is scheduled for February 26<sup>th</sup> with the deadline to submit agenda items for this meeting is on Friday, February 16<sup>th</sup>. She further stated that there has been some updates made to agenda items 11, 12, and 19. She further asked that those sitting in the audience during tonight's meeting, with there being an executive session agenda at the end and allow the Mayor to read the executive session item before anyone gets up and moving about and begin talking, as what the Mayor says, needs to be recorded on the record.

Mayor Fugate welcomed Commissioner Diana Guerrero-Pena for her services on the City Commission.

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

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

Mr. John Temple, 519 S. 19<sup>th</sup> Street commented that he was able to find out a few things regarding skateparks not being fenced. He stated that did some research into this and there are skateparks that are fenced throughout the country. He asked about cameras at the skatepark and asked if these had already been installed, which he feels would be a waste of money, as staff would not be able to identify the individuals that are out during late hours. Mr. Temple stated that he personally went over to Harvey School and was given a tour of the campus and personally saw the card reader ripped off the wall and stated that it doesn't take much to figure out who could have done this. He stated that he also saw light fixtures broken and have damage to the benches that are located on the eastside of the campus. He stated that he was also told that there was so much trash in the common area on the eastside, that their janitor can't keep up with it. He stated that individuals use the electrical outlets at the school to charge their electronic devices. Temple commented that Kleberg Park closes at 10:00 P.M., and if you find out that there are individuals out there having a party at 1:00 A.M., it would be considered trespassing, which would be considered the same thing at the skate park. He stated that the 10:00 p.m. hour doesn't bother him, but the midnight hour does bother him. He further stated that with Spring and Summer, the 10:00 p.m. closing time will mean nothing to the youngsters.

Vincent Murray, 1700 E. King Ave., commented that he is here tonight to express his concerns, not only as an employee but more importantly as a father. Mr. Murray made the following statement: He has been a resident and an employee of the city for 10 years. The recent talk about the large increases in health care cost is the main cause for his concern and the concern of most city employees. He has served the city as a police officer for nearly 10 years. During that time he has put in maximum effort in doing his absolute best to serve the citizens of this community. He further commented that not only does he do his job, but he also volunteers a lot of his time to schools and other programs when he is asked to volunteer due to his position as a police officer. He does these things, not because he has to, but because he wants to, because he loves to serve the community he is raising his family in. He is a head of the household for a family of four. His wife has been able to stay home and raise both children due to some strict budgeting in their part. Seven years ago, he was blessed with their third child, who is a little different than other children. He stated that his son needs things in his life that are very structured, and if everyday life is not carried in the same routine, he begins to struggle. Due to the possible rising cost of health care, his wife will no longer be able to fulfill her job as a stay at home mother as she will have to find a job to bring income into the household. This will be a difficult challenge for their son and family, that they will have to go through together. Murray further commented that this is frustrating for him and his wife, as they have done everything in their power to make sure that this would not happen. However, this is possibly no longer a reality and totally out of their control. Murray also commented that the Commission may question about all the things he has spoken about are important and what it has to do with him being hearing tonight and speaking, so allow him to explain. Murray commented that three health care options have been presented to the Commission that may help cut the cost for spending for the city. Unfortunately, all of the options presented will cost each and every employee, within the city, thousands of dollars a year on average. The third option, which is kind of similar to what we have now, family plan, will cost his family \$3,492.72 in premiums a year and another \$3,000 to pay for his family deductible. This means that the insurance will cost \$6,490.72 per year, which will take approximately \$3.12 an hour from his hourly rate. Murray further commented that although the deductible may not be used yearly, he still must plan for worst case scenario because no one can control what his or his family's health may bring forward in one year. Murray further commented that this is concerning to him as he lives on a budget as everyone sitting in the room at this moment. He stated that most city employees may tell you that one of the main reasons that they stay gainfully employed for the city is because of the great insurance package that is offered to the employee and their family. Murray stated that Mayor Fugate made a comment that the best part of being the Mayor was the health insurance. Murray further stated that it is understandable that the cost of health insurance is increasing all over the nation and it must go up for the employees as well. He stated that he personally feels that the options being presented by city management and staff are not in the best interest of the city employee and are more focused on cutting debt for the city. Murray stated that he would like to oppose a question to the Commission that he also asked the city manager during one of the health care seminars, question was, how do you expect employees to pay for the large increases to health care when statistics show that average savings for a middle class family of four in the United States is \$500 or less, the answer given to him by the City Manager was, do what everyone else does and find the money. Murray stated that that statement concerned him. Every city employee, of the several hundred that are employed for the city, all have a different situation; some are married, single, single parent(s), divorced, widowed, head of household and any other situation that could be thought of which makes finding the money virtually impossible. Murray further stated to look at an employee who is an Equipment Operator 2 that makes a salary of \$22,000 per year and use this employee situation as an example. This employee is in the same situation as he is, when it comes to health care coverage needs.

As the allotted time was up, the Commission allowed Mr. Murray to continue with his comments.

Vincent Murray continued and stated that the first thing to do is take away \$6,490.72 from this employee salary. This will make this same employee salary \$15,509.28, before taxes and other deductibles are removed from his/her check. Murray stated that he asked the employee the following question, how do you afford to survive? The answer given was that he/she cannot survive on that salary. Murray stated that the employee stated that he/she does not have a choice other than to get rid of health care for their family, as it is not practical. Murray further commented that there are many employees in the city that are at or near the same pay as this individual employee whom he has spoken with. He stated that he asked this employee why he/she would not come forward and tell their story to the City Commission. Murray stated that the employees answer to him was, what for, it's obvious the City Manager doesn't care about the employees but more about spending money on projects. Murray further stated that the same employee stated to him that it did not matter what he or any other employee would say, because the city management and staff would make the changes anyway. Murray stated that after speaking with several other employees, he learned that they have similar feelings. Murray stated that he has confidence that the City Commission will try and do what is best for the city employees and the city.

Murray commented that the City Manager opposed a question to the City Commission a few weeks ago, about how much risk the city was willing to take when it came to health care. This same question was asked from the employees when the City Manager did his health care presentation. Murray stated that he asked the question, why should he have to take a risk? The whole point of having insurance is to use it when you need. Murray commented that this is why we pay insurance on our vehicles, homes and anything that is owned. Insurance is there to protect the individual when something out of their control happens, which is what most people in insurance call an act of God. Murray commented, what is the point of having health care, if one can't afford it. Murray stated that he would like to speak about a one sided survey that was provided during one of the health care seminars. The survey provided by city management and staff was clearly geared on how they wanted to change the direction of the health care coverage, which he believes the survey was strictly one sided. He stated that it is his belief that city management and staff already knows the direction it wants to take the health care coverage and want to enforce it on the Health Care Task Force and the employees just as the City Manager attempted the Commission to give him an answer about their views on the direction on health care during the last meeting. Murray continued to state that the word transparent was used several time during the last City Commission meeting when it came to health care. Murray stated that however, that he has spoken with several city employees that have little to no understanding about what is happening when it comes to health care. They only understand what is being conveyed to them by the members of the Health Care Task Force, and have a lot of questions about what this health care really means to them. Murray stated that he also questions the transparency about the health care as change has already been made to the prescription coverage plan; and no one has talked about how much money this has saved the city. He stated that he has already several horror stories by employees that are now being denied prescriptions that were covered by the previous plan that are paying large amounts of money for the same prescriptions. Murray commented that it is unfortunate that this is the only place he could come to express his concerns due to being denied access to the Health Insurance Task Force, which was supposed to be open to every city employee. Murray stated that he put his request in email form twice to the Chief of Police requesting access to this group. However, he was told by the Chief that he was being denied access to the group as it did not need any other union representatives; Johnny Campos was chosen to represent the Police Officers Union. Murray stated that this was unfortunate for him as he is concerned for his family and all of the city employees at the police department as well as all the city employees that work for the city. He further stated that he believes he could have assisted the city management staff in finding a health care option that was beneficial to both the city and employee. He further commented that some employees are willing to pay as high as a deductible as possible to keep premiums low, while other employees want the opposite. He stated that everyone's individual situation makes finding a happy medium difficult. He further stated that he thinks the city management and staff could be doing a better job in attempting to work with the employees, better than what it is doing. Murray stated that everyone he has talked to from the Health Care Task Force, all have the same feeling that the city management staff is forcing their proposals on them instead of working together and trying to find a solution. Vincent Murray stated that he is not here to attack anyone tonight, or blame anyone or ask for sympathy or empathy from anyone, but just simply hear his story and how the health care cost will directly affect his family. He further stated that he is asking for everyone to do a better job in working together to generate a reasonable health care plan that will benefit both the employee and the city.

Mayor Fugate commented that the Commission will stick to the three minute rule from this point forward.

Chris Loudon, President to the Firefighters Union 2390, commented that he is here in regards to the insurance as well. Loudon commented that he agrees with some of the points that were just mentioned by the previous individual as they are having some of the same issues. He stated that the average firefighter will have a 6.40% loss of take home income. He stated that it may be doable from their standpoint but not to mention that they will lose 6.40% of their income. He stated that he personally, \$172 a month increase will still equate to \$3,000 deductible, which he does not have in his bank account now. He stated that he has two children and a wife that he takes care of and there is no telling what type of health issues can arise for him or his family. Loudon stated that the individual also spoke about employees working in different departments that work at \$10.30 per hour, \$10.30 per hour with a \$172.00 per month increase, they will lose 15% of their take home wages in their annual and their monthly income will be \$966.00 per month to support a family. Loudon continued to say that the \$966.00 that they make will be expected to come up with \$3,000 in order to get some type of coverage for their family. He further stated that he is glad that they didn't move hastily as there are \$200,000 projected to be there. Loudon stated that to come up with the money, when you have a \$100,000 a year salary, and over the past few years, some of these members have gotten 10% raises and so at \$172.00 a month, for them, it is less than a 3% take home and with their raises, it is 30.8% of their raises, which his not even not affecting their take home income, if the raises they have received are considered. He further stated that he has been affected by the prescription plan. He has

been told that he cannot have the medicine that his doctor has prescribed for him. He stated that it makes him think why even go to the doctor, just go to the insurance company and they can tell him what to take. He stated that one of the beneficial things he had, was when he started he had free health insurance and now he has family and realized that he should probably pay as individual. He stated that health insurance is something that he would not want to gamble with. He stated that the way it is right now is good but he agrees with Vincent Murray's comments and feels that the staff needs to come up with a more happy medium and find something that benefits everyone.

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

- 1. Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinance by amending Section 15-6-26-Home Occupations, revising Home Child Care Regulations. (Director of Planning & Development Services).**
- 2. Motion to approve final passage of an ordinance amending the FY17-18 budget to accept and expend Park donations from local hoteliers for dog park. (City Manager).**
- 3. Motion to approve final passage of an ordinance amending the Fiscal Year 2017-2018 Budget to accept and expend an Edward J Byrne Memorial Justice Assistance Grant for the purchase and installation of dispatch consoles at the Police Department. (Police Chief).**
- 4. Motion to approve final passage of an ordinance amending the Fiscal Year 2017-2018 Budget to accept and expend an Office of the Governor Criminal Justice Division Body Armor Grant. (Police Chief).**
- 5. Motion to approve final passage of an ordinance amending the Fiscal Year 2017-2018 Budget for additional engineering services for the Landfill. (Public Works Director).**
- 6. Motion to approve final passage of an ordinance amending the FY17-18 Budget to accept and expend a Defense Economic Adjustment Assistance Grant (DEAAG) for land purchase near Naval Air Station-Kingsville to prevent encroachment. (Director of Planning & Development Services).**
- 7. Motion to approve resolution authorizing participation in the 15<sup>th</sup> Annual Ride on the Wild Side Charity Bike Ride to be held on April 28, 2018 and authorizing the City Manager to execute an Indemnity Agreement with King Ranch for said event. (City Attorney).**
- 8. Motion to approve re-appointment of Ramon Perez to the Joint Airport Zoning Board for a two year term. (Director of Planning & Development Services).**

**REGULAR AGENDA**

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

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

- 9. Consider request for city participation in promotion of boxing event to be held at the JK Northway on February 17, 2018, to include marketing assistance and waiver of certain rental rates and fees. (Mayor Fugate).**

Mayor Fugate stated that he asked for this item to be placed on the agenda for consideration. He stated that the 12<sup>th</sup> Street Boxing Club has volunteered in many community events and feels that it is only right to waive certain fees for the Boxing Event on February 17<sup>th</sup>. The request is for waiver of all fees involved with the rental of

the J.K. Northway Exposition Coliseum and to include \$1,500 for marketing assistance from Tourism marketing dollars.

**Motion made by Commissioner Lopez to approve the request for city participation in promotion of boxing event to be held at the JK Northway on February 17, 2018, to include marketing assistance and waiver of certain rental rates and fees, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Guerrero-Pena, Lopez, Pecos, Fugate voting "FOR".**

At this time, City Manager Jesús Garza asked the Commission to move agenda item #22 prior to agenda item #11. No objections were made from the Commission. The Commission continued with agenda item #22.

**10. Consider a resolution authorizing the City Manager to enter into the 2018 Election Services Agreement between the City of Kingsville and Kleberg County Clerk. (City Secretary).**

**Motion made by Commissioner Pecos to approve the resolution authorizing the City Manager to enter into the 2018 Election Services Agreement between the City of Kingsville and Kleberg County Clerk, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Guerrero-Pena, Lopez, Pecos, Garcia, Fugate voting "FOR".**

**11. Consider awarding RFQ#18-08 for Administration Services for the 2016 GLO CDBG Disaster Recovery Grant to Grantworks as per staff recommendation and authorizing staff to negotiate a contract. (Purchasing Manager).**

**Motion made by Commissioner Pecos to award RFQ#18-08 for Administration Services for the 2016 GLO CDBG Disaster Recovery Grant to Grantworks as per staff recommendation and authorizing staff to negotiate a contract, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Pecos, Garcia, Guerrero-Pena, Fugate voting "FOR".**

**12. Consider awarding RFQ#18-07 for Engineering Services for the 2016 GLO CDBG Disaster Recovery Grant to LNV Engineering, Inc. as per staff recommendation and authorizing staff to negotiate a contract. (Purchasing Manager).**

**Motion made by Commissioner Pecos to award RFQ#18-07 for Engineering Services for the 2016 GLO CDBG Disaster Recovery Grant to LNV Engineering, Inc., as per staff recommendation and authorizing staff to negotiate a contract, seconded by Commissioner Lopez and Commissioner Garcia. The motion was passed and approved by the following vote: Pecos, Garcia, Guerrero-Pena, Lopez, Fugate voting "FOR".**

**13. Consider awarding contract to Greenscape Six for the resurfacing of greens, sprigging, and bunker renovations at the L.E. Ramey Golf Course via Buyboard, as per staff recommendation. (Purchasing Manager).**

Mr. Richard Flores, Golf Course Manager stated that the irrigation is at 90% completion. The contractor still has some cleanup work to do. Staff is looking for them to possibly be completed with the project by mid next week.

Mayor Fugate commented that one of the concerns is that when they start closing the course to re-do the green, are the fairways going to be done at the same time?

Mr. Flores responded that they will prioritize the work on the fairways along with some of the dirt work. This will cause for some of the holes to be closed but will leave the landing areas open. At the same time, they will be creating some temporary greens so that it won't disrupt the revenue flow. Flores stated that he is recommending to work it into the project as a whole, so that when the greens are open, which staff is shooting for June 1<sup>st</sup>, it will have some new putting surfaces and sand trap will be done at that time.

Mayor Fugate commented that he would like for the fairways and greens to get done at the same time so that staff won't have to come back and close them down again. He further commented that he is glad that the sand traps will be done as it is critical to the University with their golf program.

Mr. Charlie Sosa, Purchasing Manager reported that This item authorizes the construction of Resurfacing Greens, Sprigging, and Bunker Renovations at the L.E. Ramey Golf Course. Staff reached out to several companies on the Buyboard Cooperative Purchasing Program that would be interested in submitting proposals for these projects. Staff received a total of one responsive proposal from Greenscapes Six. After reviewing the proposal staff has selected Greenscapes Six proposal.



Greenscapes is a registered vendor through Buyboard Cooperative Purchasing Program, Buyboard Contract: Grounds Maintenance Equipment, Irrigation parts, Supplies and Installation, Proposal No. 529-17. Scope of work to include approximately 115,000 sqft. strip dead grass and one inch of sand material, till and install one inch sand material, till compact and finish grade greens surface, sprig greens provided by Greenscape Six and approximately 40,000 sqft of bunker renovations including remove and dispose of existing sand, reconstruction of bunker cavity, installation of salvage drainage pipe, installation of bunker sand, finish grading, and installation of sod. Local Government Code 271, Subchapter F, allows for the use of cooperative purchasing program, specifically section 271.102(c), states, a local government that purchases good and service under this subchapter satisfies any stated law requiring the local government to seek competitive bids for the purchase of goods and services. Sosa continued to state that the financial impact will be \$224,660.13 for the construction and installation of resurfacing greens at the L.E. Ramey Golf Course. A total of \$225,000 in funding is available through account 033-5-4502-71215, Golf Course improvements. It is staff's recommendation to contract with Greenscape Six.

**Motion made by Commissioner Garcia to award contract to Greenscape Six for the resurfacing of greens, sprigging, and bunker renovations at the L.E. Ramey Golf Course via Buyboard, as per staff recommendation, seconded by Commissioner Lopez and Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Guerrero-Pena, Lopez, Pecos, Fugate voting "FOR".**

**14. Consider a resolution approving an application and agreement for the Historic District Façade Grant Program from Adelmo & Yolanda Luera for Al's Hair Design for property located at 321 E. Kleberg Avenue, Kingsville, Texas. (Downtown Manager).**

**Motion made by Commissioner Lopez and Commissioner Garcia to approve a resolution approving an application and agreement for the Historic District Façade Grant Program from Adelmo & Yolanda Luera for Al's Hair Design for property located at 321 E. Kleberg Avenue, Kingsville, Texas, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Guerrero-Pena, Lopez, Pecos, Garcia, Fugate voting "FOR".**

**15. Consider resolution approving the Agreement for the Defense Economic Adjustment Assistance Grant between the City of Kingsville and the Office of the Governor, Texas Military Preparedness Commission, authorizing the City Manager to execute such agreement. (Director of Planning & Development Services).**

Mr. Tom Ginter, Director of Planning & Development Services stated that the city was awarded a \$143,616.00 DEAG to assist the city in purchasing property to prevent development encroachment near Naval Air Station-Kingsville. This grant also includes a 20% match. While the city will get reimbursed \$143,616.00, it will have to come up with \$35,904. Of the \$35,906, \$24,904 will be cash and the remaining \$11,000 will come from in-kind services, which work is done by city employees.

**Motion made by Commissioner Garcia and Commissioner Pecos to approve the resolution approving the Agreement for the Defense Economic Adjustment Assistance Grant between the City of Kingsville and the Office of the Governor, Texas Military Preparedness Commission, authorizing the City Manager to execute such agreement, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Pecos, Garcia, Guerrero-Pena, Fugate voting "FOR".**

**16. Consider a resolution authorizing the City to start the process for the acquisition of land for encroachment prevention near the base pursuant to an application approved by the state Defense Economic Adjustment Assistance Grant Program. (Director of Planning & Development Services).**

Mr. Ginter stated that this item will authorize staff to begin the process for the acquisition of land for encroachment prevention.

**Motion made by Commissioner Garcia to approve this resolution authorizing the City to start the process for the acquisition of land for encroachment prevention near the base pursuant to an application approved by the state Defense Economic Adjustment Assistance Grant Program, seconded by Commissioner Lopez and Commissioner Pecos. The motion was passed and approved by the following vote: Pecos, Garcia, Guerrero-Pena, Lopez, Fugate voting "FOR".**

**17. Consider a resolution authorizing the City Manager to execute an Unlimited Managed Services Contract with Barcom Technology Solutions. (Purchasing Manager).**

Mr. Philip Garza, Senior Solutions Engineers for Barcom, and Saul Lopez, General Manager for Barcom Technologies Solutions were present at this meeting.

Mr. Philip Garza provided the Commission with a slide presentation, but was not provided to the City Secretary.

Mayor Fugate called for a break at 7:32 p.m.

Mayor Fugate reconvened the meeting at 7:35 p.m.

Mr. Garza commented that staff has been looking for ways to improve customer service to our own employees. Often times, as cities there is a focus on interactions with the public and sometimes loose site that the city has a service department that provides certain services to our own employees. Garza stated that this past fiscal year, a part-time position was included in the budget for the IT Department. This position has not been filled. Staff came across this opportunity with Barcom for some services. It is staff's intention in taking the money that was budgeted for the part-time position and try in finding a more comprehensive way that staff can improve the IT Help Desk operation.

Mr. Philip Garza went over a PowerPoint presentation regarding what it is that Barcom does and how they can assist the city.

Mr. Sosa stated that this item will allow staff to enter into a managed services contract with Barcom Technology Services for providing of contracted IT Help Desk functions. Barcom will supply unlimited remote help desk service hours along with anti-virus software, patch management software, and a suite of remote management tools. Barcom's services act to supplement small on-site IT departments which lack staffing necessary to truly provide all tiers of support at any given time. If the number of projects or high-criticality tasks exceeds the number of available technicians, then any users seeking basic support will end up queued behind more critical or time sensitive issues. In an effort to minimize wait time, existing staff is working extra hours to complete necessary tasks while also addressing simple issues as they arise. By leveraging Barcom for Tier 1 and 2 support, existing staff would be able to focus primarily on Tiers 3 and 4 situations, which is more closely aligned with the vision of the Technology Department and city overall. Additionally, Barcom offers software to aid in remoter support and maintenance which can be utilized by existing staff to increase efficiency in the performance of network and server related tasks. Sosa further stated that the amount of \$5,265.00, a one-time onboarding charge and \$3,115 per month over the 7 month term of the contract for a total of \$27,070. Fund for these costs would be covered through the reallocation of existing funds within the IT Department budget and efficiencies created through Barcom's providing of software which would otherwise be purchased separately.

Mayor Fugate commented that the IT Department already does a good job and asked if this was duplicating services.

Mr. Garza responded that part of the challenge that staff is running into is that staff is beginning a lot of the operations to technology. It is requiring for the IT Department to become more engaged with some of the bigger projects such as software development. Garza further stated that IT will also be assisting in options for the Municipal Court software. There is also beginning to be a higher presence at the Library. As the IT Department's workload increases, staff wants to make sure that we don't lose sight on day to day operations.

Commissioner Garcia asked if Barcom carries technology liability insurance, and if so, can they make the City of Kingsville as an additional insured. Mr. Philip Garza stated yes, it will be part of the onboarding process. Commissioner Garcia asked what type of insurance does Barcom carry. Mr. Garza stated that it's the same type of coverage that his company provides for their other clients. Mr. Garza made other comments that was not picked up on the audio.

Mayor Fugate asked if this was something that staff budgeted for. Mr. Garza responded that staff will be taking the budget that was approved for the part-time position and redirecting some funds in order to pay for this service. Garza further stated that Barcom will also be including antivirus as part of the package where at this time, the city pays for that separately. So by bundling that together, there is a savings from that line item. Garza stated that it is not any additional funds that staff is requesting, just a matter of reshuffling of funds within the department.

Commissioner Lopez commented that she would have liked to see for staff to have given the Commission some information to be included in the packet as to where the funds to pay for this service was coming from.

Mr. Garza asked staff if that information was not included in the memo.

Mr. Sosa stated that the information was not included in the memo as it was not available. He further stated that staff was getting that information and spoke to the Human Resources Department, after the part-time position, insurance, and benefits It's about \$40,000 that will be allocated for this contract. This is not something that needs to be acted on tonight if the Commission so wishes to wait.

Commissioner Lopez stated that she understood that, but the Commission was given that information and is new information to them.

Mr. Garza commented that as Mr. Sosa stated, this is not something that needs to be acted on tonight.

Mayor Fugate commented that if this is not a time-sensitive issue, he would like to give the Commission more time to be able to look at this, and would like to bring it up at the next meeting.

No action taken.

**18. Consider a resolution adopting the FEMA approved Kleberg and Kenedy Counties and City of Kingsville, Texas Multi-Jurisdiction Hazard Mitigation Plan. (Fire Chief).**

Mr. Adrian Garcia, Fire Chief, reported that the City of Kingsville is requesting to adopt the following Multi-Jurisdiction Hazard Mitigation Plan (HMP) as part of the City of Kingsville. This was a joint effort between FEMA, Kleberg County, Kenedy County, and the City of Kingsville to develop a HMP that identifies potential threats, provides mitigation goals, and mitigation actions. Garcia further stated that the HMP was created in accordance to the Disaster Mitigation Act of 2000, which identifies mitigation goals and actions to reduce or eliminate long-term risk to our residents from potential future hazards and disasters. By adopting this HMP demonstrates the City's commitment to hazard mitigation and achieving the goals outlined in the plan. By adopting the HMP will make the City of Kingsville eligible to apply for current and future Hazard Mitigation Grants. No direct financial impact attached to the agreement, but will allow access to additional grant opportunities not available to the City of Kingsville before. Garcia commented that staff recommends approval of this item.

**Motion made by Commissioner Garcia to approve the resolution adopting the FEMA approved Kleberg and Kenedy Counties and City of Kingsville, Texas Multi-Jurisdiction Hazard Mitigation Plan, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Guerrero-Pena, Lopez, Pecos, Garcia, Fugate voting "FOR".**

**19. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter VII, Article 8, Section 3-Traffic Control Devices, providing for the authority to replace yield signs with stop signs on Kenedy Avenue at 20<sup>th</sup> St. and on Lott Avenue at 20<sup>th</sup> St. (City Engineer).**

Mr. Rudy Mora, City Engineer stated that this item is for an ordinance authorizing the replacement of stop signs along the intersections of 20<sup>th</sup> street and E. Lott Ave. Currently the intersections of E. Kenedy and E. Lott Avenue at 20<sup>th</sup> Street are both Yield Sign condition intersections. This will prevent any vehicular accidents between vehicles and pedestrians.

Mayor Fugate commented that this is near the Brookshire Pool and the skatepark and this is a good idea.

Introduction item.

**20. Consider a resolution authorizing the City to submit an application to the Office of the Governor for a Homeland Security Grant for the purpose of requesting grant funding on behalf of the City for equipment for law enforcement purposes for the Kingsville Police Department with no anticipated cash match. (Police Chief).**

**Motion made Commissioner Pecos to approve resolution authorizing the City to submit an application to the Office of the Governor for a Homeland Security Grant for the purpose of requesting grant funding on behalf of the City for equipment for law enforcement purposes for the Kingsville Police Department with no**

anticipated cash match, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Pecos, Garcia, Guerrero-Pena, Fugate voting "FOR".

**21. Consider acceptance of donation of a drafting table for the Engineering Department. (City Engineer).**

Motion made by Commissioner Lopez to accept the donation of a drafting table for the Engineering Department, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pecos, Garcia, Guerrero-Pena, Lopez, Fugate voting "FOR".

**22. Presentation and discussion on employee health plan and options. (City Manager).**

Mayor Fugate took agenda items 22 and 23 together.

Mr. Garza stated that he would like to follow-up on his comment that he made earlier about the additional increase in the fund balance. He stated that one of the things he wants to briefly talk about is the city's stop loss insurance. The city has a stop loss insurance that the city pays for to help cover some of the more significant claims. The claims that are hundreds of thousands of dollars have a stop loss insurance that reimburses the city on some of those expenses. These reimbursements are not some that are budgeted as they are unknown. There are some years that the city gets stop loss reimbursements and some years that the city gets a little money from the stop loss reimbursement and some year that the city receives a lot. Garza stated that one of the reasons why the fund balance is at \$550,000 instead as to what staff estimated which is a little bit above \$300,000, is because some of these stop loss reimbursements that came in. He further stated that staff had a conversation with Entrust which is the City's Third Party Administrator (TPA) in order to have a more detailed conversation about the city's expected expenditures as well as trying to get a feel of where the city may be with stop loss for this year. Garza stated that at the end of the conversation, both Entrust and staff felt comfortable that even if the city is at the expenditure side close to 25% of the 4.1, that hopefully the city won't get to that point by the end of the fiscal year. Garza further stated that when you combine the fact that the fund balance is healthier than what it was, the last there was a conversation about it, as well as conversations with the city's TPA, which made staff feel comfortable that the city's expenses will not reach the 4.1. Garza stated that anything can happen when you are dealing with insurance. Garza stated that the recommendation here tonight is to proceed with not making any changes for this fiscal year. Garza stated that at the last meeting there was a conversation about possibly doing something with the May implementation date and on top of that doing something on October 1<sup>st</sup>, after going through an RFP process, but because of those two aforementioned reasons, staff is recommending not making any changes this May which would allow staff the ability to work with the Commission to develop the parameters set forth for the RFP so that we can have a October 1<sup>st</sup> implementation date for a new plan. Garza further stated that these two realities that came to staff in the last couple of weeks don't change the long term sustainability of the health insurance fund, but it does help ease into it with any potential changes. Garza at this time displayed a document that shows some of the key items that will need direction from the Commission on. Garza stated that one of the things that he was pushing for at the last meeting was some direction because of some necessity to try and make some changes this fiscal year. With that now, not being the case, staff has some time to dialogue on what parameters staff wants to set in place for this RFP, assuming that the Commission still wants to go out for a Re-RFP for a TPA this spring. Garza stated that whenever staff works to develop this RFP, there is specific information that will need to be on this RFP, for instance, if the city is going to change to an annual deductible, it will need to be spelled out on the RFP. If the city makes changes to co-insurance, it would need to be spelled out on the RFP, as well if the city makes changes to employee contributions with the tiers, as discussed. This would allow the respondents of the RFP, can respond with the adequate parameters. Garza stated that staff would need a recommendation from the Commission to proceed with. Garza went over the handouts that were passed out to the City Commission regarding deductibles. Garza stated that in prior discussion, it was discussed to shifting to an annual deductible as well as the concept of an HDAP Plan which allows for the option of a health savings account, which was a big topic of concern of the employees not being able to have the funds to cover high deductibles. Garza commented that the concept of having an HSA was received favorably and also something that staff would recommend moving towards.

Mr. Garza further discussed the document he handed to the City Commission, one was not provided to the City Secretary. He stated that the amount of \$1350 is an amount that is required by IRS in order for us to have an HDAP Plan. On this form, there are also alternative options, as it was mentioned earlier, every employee has different situations. Some are more concern with the monthly premium expense and some are

concern with the deductible. What has stemmed from this, is giving the employee multiple options to choose from, which currently we only have one plan at this time. Also on this document, it discusses co-insurance, it talks about the 100% co-insurance with the monthly deductible that we are setup currently. This also list the options of shifting to an 80/20, 90/10, or continue to cover at 100%. Garza further stated that if the city is going to have multiple plans, you would have different parameters amongst those plans. Regarding premiums, this is a higher concern to the employees, on the employee contributions. Garza stated that during the scenarios that were distributed about two weeks ago, some of the employee contributions went up to \$85 for employee only. The document that has been provided to the Commission tonight will show that staff has lowered the employee contributions which brings scenario one to \$45, which is a \$15 increase for employee only; it's stays the same for employee/spouse and employee/child at \$118; with increase for employee/family to \$135. Scenario two: employee only to \$58; stays the same for employee/spouse and employee/child at \$118; and with increase for employee/family to \$165. Scenario three: employee only at \$65; employee/spouse at \$140 and employee/child at \$125; employee/family at \$195. Garza stated that this is to summarize the options that staff will need direction from the Commission on so that staff can develop the RFP. He further stated that assuming that the Commission wants to continue in doing an RFP to have a competitive process for the changes, is something from staff's perspectives that we want done in the April timeframe. The sooner staff can get direction on the parameters to be included in the RFP, the sooner staff can put out the RFP, the sooner staff receives the responses and will be able to shop the market for TPA's. The sooner this is done, the more accurate it will be through the budget process come this summer.

Mayor Fugate asked if staff is asking the Commission if they would like to do an RFP in April and to be reviewed this summer and acted upon October?

Mr. Garza responded that this doesn't have to happen tonight, but staff wanted to give the option to the Commission.

Mayor Fugate commented that he would like for everyone in the audience to understand that that the city is not moving forward on making any changes for now. The insurance will remain the same, but possible looking at a Request for Proposal (RFP) to change some things in the plan that could go into effect on October 1<sup>st</sup>. This is only a request for proposal, the Commission is not acting on it, but simply looking at it to see if maybe they would want to do it.

Mr. Garza responded that this was correct. He further stated that the action that would be beneficial for staff, which doesn't have to happen tonight.

Mayor Fugate commented that it wouldn't hurt to do an RFP. The Commission has reviewed them and have turned them down before. Fugate further commented that request for proposals have been done for ambulance service, garbage pickup, and other things. The Commission has looked at them and saw that it wouldn't work, so they turned them down. He stated that it wouldn't be a bad idea to see what is out there.

Commissioner Lopez commented that what the City Manager is asking from the Commission is to give him specifics.

Mr. Garza commented that this doesn't have to happen tonight.

Commissioner Lopez commented that the Commission would need to be allowed some time to study the information that has been provided to them, then come back to staff at a later time.

Mr. Garza commented that prior to staff developing this RFP, staff would need direction from the Commission to confirm, just for the RFP, that it shifts to monthly to annual, or with the co-insurances. Some decisions still need to be made in order for staff to develop the RFP, to then consider in the summer.

Mayor Fugate commented that he can speak for himself on this, that the Commission will need some guidance on recommendations for this.

Mr. Garza commented that one thing that staff can do for the next meeting is bring forward more specific scenarios, as samples to include in the RFP, then go from there.

Mayor Fugate commented that this would be a good idea.

Commissioner Pecos thanked Mr. Garza for working hard on trying to keep the health plan that the city has now and trying to go for RFP's. He stated that he has spoken with the City Manager, various times, on the fact that he was concerned about the

employees and the amount of money they would have to contribute. Pecos further asked if staff has the figures on what the city pays for an employee's health insurance?

Mrs. Balli responded that for employee only, it's \$6,300 to \$6,400 a year for employee only and for anything other than employee only, it's about \$14,000 plus.

Commissioner Pecos commented that this is how much money the city contributes in health insurance for its employees. He further commented that in October of 2017, the commission went to Houston to attend TML Annual Conference, where he attended a session on health insurance. He stated that during that workshop, it was asked how many were with the Teachers Retirement System (TRS) health insurance, about one 1/3 of those attending the session, which were about 200 attendees, stated that they were with TRS. He further stated that TRS is having problems, just as the city is having problems. The State had to contribute millions of dollars into the TRS health plan, just to keep it afloat. He further stated that the premiums they are charging are very high. He stated that he has some friends that are retired from the University that are groundkeepers and maintenance managers that are not receiving a check as it is all going towards health insurance. Pecos commented that the Commission has asked Mr. Garza to look into the insurance plan and see how changes can occur, without hurting the city employees. He further commented that he is aware of the pay that city employees receive as well as how much they pay on health insurance. He commented that the City Manager and staff are only trying to do their job and trying to keep the city afloat with the type of revenue the city receives. The city doesn't receive a lot of money in taxation or have factories which makes our tax base not as strong as other cities, which makes it hard to have a balance budget. He commented that for this year, there will be no increase, but come next year, this cannot be promised. He stated that this is a big problem and thanked Mr. Garza for taking it on, but this is a problem that the city will be facing next year as well.

**23. Consider action on employee health plan options. (City Manager).**

No action taken.

**24. Executive Session: Pursuant to Section 551.072, Texas Government Code, Deliberations regarding Real Property Exception, the City Commission shall convene in Executive Session to discuss the purchase, exchange, lease, or value of real property as deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. (City Manager).**

Mayor Fugate announced the Executive Session and convened the meeting into closed session at 7:55 P.M.

Mayor Fugate reconvened the meeting into open session at 8:05 P.M.

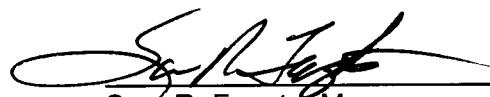
**25. Consider a resolution authorizing the sale of the City's 11.013 acres of land located off of US Hwy 77 Business/Loop 428 at KT&I Co., Block 18, Lot Pt 9, 10 in Kingsville, Texas. (City Manager).**

Mr. Garza stated that the city received two offers for this piece of property. The property was listed at \$88,000, and the city received two offers, one for \$68,000 and the other for \$90,000. Staff is recommending proceeding and approaching the offer of \$90,000 from those sellers and continue the conversation for the purchase of that property.

**Motion made by Commissioner Garcia to approve a resolution authorizing the sale of the City's 11.013 acres of land located off of US Hwy 77 Business/Loop 428 at KT&I Co., Block 18, Lot Pt 9, 10 in Kingsville, Texas, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Lopez, Pecos, Garcia, Guerrero-Pena, Fugate voting "FOR".**

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 8:07 P.M.

  
Sam R. Fugate, Mayor

**ATTEST:**

  
Mary Valenzuela, TRMC, CMC, City Secretary