

APRIL 22, 2019

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, APRIL 22, 2019 IN THE RECREATION HALL INSIDE DICK KLEBERG PARK, 501 EAST ESCONDIDO, KINGSVILLE, TEXAS AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Edna Lopez, Commissioner
Dianne Leubert, Commissioner
Arturo Pecos, Commissioner
Hector Hinojosa, Commissioner (arrived at 6:23 p.m.)

CITY STAFF PRESENT:

Jesus Garza, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Bill Donnell, Public Works Director
Derek Williams, IT
Susan Ivy, Parks Manager
Deborah Balli, Finance Director
Janine Reyes, Tourism Director
Tom Ginter, Director of Planning & Development Services
Charlie Sosa, Purchasing Manager
Diana Gonzales, Human Resources Director
Emilio Garcia, Health Director
Rudy Mora, City Engineer
Cynthia Martin, Downtown Manager
Manny Salazar, EDC
Jennifer Bernal, Parks Manager
Nora Martinez, Parks Admin Assistant
Ricardo Torres, Chief of Police

I. Preliminary Proceedings.**OPEN MEETING**

Mayor Fugate opened the meeting at 6:00 P.M. with all four 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)

None.

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

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

Mayor Fugate presented the following proclamation: Arbor Day; Small Business Week; and Public Service Recognition Week.

Mr. Garza passed out the Investment Report and Quarterly Budget Reports were distributed to the Commission for their review. Also given to the Commission was the Street Department Weekly Report.

Mrs. Susan Ivy, Parks Director gave a brief update on the Park Services.

The Civitan Club presented a donation check to the Commission for Park Equipment for Thompson Park.

Commissioner Lopez announced that she would like an update on the Fire Truck at a future meeting.

Mrs. Courtney Alvarez, City Attorney reported on the dates for early voting. She further reported that the next City Commission meeting is scheduled for Monday, May 13, 2019, with a deadline to staff to submit their agenda items by May 3rd. At this time, Mrs. Alvarez announced some upcoming events.

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

1. Motion to approve final passage of an ordinance amending the zoning ordinance by granting a special use permit for 530 W. Henrietta, also known as Orig. Town, Block 32, Lots 29-32, for a residential accessory and incidental use. (Director of Planning & Development Services).
2. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to Paulson's Subdivision #1, Lot B, also known as 2029 E. General Cavazos, Kingsville, Texas from AG (Agricultural District) to C4 (Commercial District). (Director of Planning & Development Services).
3. Motion to approve final passage of an ordinance amending the Fiscal Year 2018-2019 budget to expend funds for the fee associated with the Supplemental Revenue Program for the Fire Department. (Fire Chief).
4. Motion to approve amending the resolution appointing Election Judges and Early Voting Ballot Board Judge for the City of Kingsville Special Election on May 4, 2019. (City Secretary).

(MOCIÓN PARA APROBAR MODIFICACIÓN DE UNA RESOLUCIÓN QUE NOMBRA JUECES ELECTORALES Y EL JUEZ DE LA JUNTA DE VOTACIÓN ANTICIPADA PARA LAS ELECCIONES ESPECIALES DE LA CIUDAD DE KINGSVILLE, QUE SE LLEVARÁN A CABO EL 4 DE MAYO DE 2019.) (SECRETARIA MUNICIPAL).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

- VI. Items for consideration by Commissioners.⁴

5. **Consider final passage of an ordinance amending the Fiscal Year 2018-2019 budget to accept and expend the donation from the Coastal Bend Civitan Club for Thompson Park playground equipment. (Parks Director).**

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

6. **Consider final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 3rd, Block 6, Lots 14-16, also known as 529 E. Ella, Kingsville, Texas from R1 (Single Family District) to R3 (Multi-Family District). (Director of Planning & Development Services).**

Mrs. Alvarez commented that the Planning & Zoning Commission unanimously voted to not approve this rezone. If the City Commission was to elect to go a different direction, under Code of Ordinance, 15-6-4(a)(b)(2), a $\frac{3}{4}$ vote of the members of the Commission would be necessary to overrule their denial. Alvarez further commented that this is the second time this item has been brought forward to the Commission. There were community members that were present at the public hearing who are here tonight that were in opposition to the matter.

Mayor Fugate asked if there was a motion to approve the final passage of this ordinance.

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This item failed due to a lack of motion.

7. **Presentation and discussion on recommendations from the Economic Development Strategic Plan developed by consultants for the Greater Area Kingsville Economic Development Council. (City Manager).**

A presentation on the Economic Development Strategic Plan was made to the City Commission. Handouts were given to them regarding this item. Some of the items discussed were to create a source of sustainable and growing funding source for Economic Development activities. Reevaluate CVB funding and its allocations to activities, events and venues. Combine the EDC and the Chamber boards into one Advisory Board to oversee the partnership. Combine the EDC and Chamber into one entity sharing the duties of both organizations. Monument signage was discussed for the entrances of the City.

8. **Discussion and consideration of a request from Kleberg County to provide a letter of commitment for grant matching funds for an EDA Grant for a Regional Training Center and Emergency Operating Center. (Mayor/City Manager).**

Mr. Garza stated that the county has been pursuing this idea to have a regional training facility located by the Golf Course. Staff has also brought forward an amendment to the agreement, where if they were able to show that the Department of Interior would allow the use of that land they would regain control of the acreage out there for this training facility. He further stated that during a meeting with County Judge regarding the JK Northway and the plans for the improvements of the JK Northway which include some multipurpose rooms to the facility. From this meeting stemmed the new idea from the County Judge, which was conveyed to the Mayor and City Manager, to try and join forces with these projects. He stated that what the proposition is that this grant that the county has been working on through the EDA and is intended to be the recovery funds after Hurricane Harvey, that we merge the idea of renovating the JK Northway with the idea of a regional training facility as well as an EOC. The idea with some of the multipurpose rooms that were already contemplating into the JK Northway, could be used as a classroom space for the training they were already planning on doing somewhere else. The overall idea was to merge the grant and their idea of a training facility with the JK Northway. He stated that the grant that the county is pursuing is a \$6,000,000.00 grant of which \$4.8 million dollars would come through the grant and \$1.2 million dollars would come from the community. He further stated that what the County Judge had suggested to the City is for the City to take some of the money that is received from the venue tax and apply it towards the match. Staff then realized that this couldn't be done, as the funds can not be mixed. Garza stated that they continued to have these conversations, as they don't know when the County would get another opportunity to get \$6 million dollars to go towards the JK Northway, on top of the potential money that would come from the venue tax. Garza stated that what the city's bond counsel suggest was that the projects and the funds be kept separate. He stated that for an example, if the County is successful in getting the grant, the \$6 million dollars would be focused in the existing building, which is the JK Northway, and the city's tax

venue money could be spent for the outdoor arena, which is part of the same site improvements but is technically a different project but overall they are all together with the same overall goal. Garza stated that this is a conceptual idea but there is still a lot of intricacies that still need to be figured out ranging from management and who would select the architect. He further stated that the County is on a deadline to submit this application and one of the requirements is to get letters of commitment from the entity that is applying, so they have asked us as a City to commit to half of the \$1.2 million dollars as a worst case scenario, in terms of budget impact. He stated that he states worst case scenario because the idea is that this match comes from private donors. But the City can't commit or have funds unencumbered that we don't have yet. So the idea is that each entity, it being the County and the City, will commit to having \$600,000 unencumbered funds set aside to serve as a match, as worst case scenario, if there are not funds that are fund raised, and split the difference. Garza stated that on the City's end, the city does not have \$600,000 that was budgeted for this effort, but with this being a once in a while opportunity, staff has scrambled to try and come out with a break down as to how the city can set aside \$600,000, which would require budget amendments. This would come from the following: \$100,000 that can be contributed in in-kind services; put a stop to projects that were budgeted out of CO 2016 funds, landscaping project around city hall, which has \$100,000 from the CO funds; \$200,000 allocated to downtown which the city can take \$100,000 from that, which brings us to \$300,000. The other \$300,000 could be split between the General Fund and Utility Fund, just from fund balance. Garza stated that staff has run the numbers, and even if they do that, the city would still be above the 25% requirement for both General Fund and Utility Fund. All this would have to come back and be formalized and approved through budget amendments. Garza stated that this is staffs solution to having unencumbered funds for purposes of the request, which is to have a commitment letter that the Mayor would sign for the County to submit with their application. The County's deadline to submit is May 1st.

Mayor Fugate asked how long ago the study was done for the JK Northway. Mr. Garza responded that it was done in 2017, so about two years ago. Mayor Fugate further commented that when this was done and looking at the renderings at that time and seeing how it could look and how it does look as well as what it was going to cost, he wasn't sure if he would see this project completed in the next 10 to 15 years. Fugate also stated that opportunity is sometimes not convenient and this is an opportunity to make this happened. With the \$6 million dollars and the venue tax, if passed, the additional \$2 million dollars, there are private citizens in this community that are interested in making this project happen. He further stated that he can see the opportunity for the County to get this grant. He also stated that \$6 million dollars is a real possibility and he doesn't believe that it is a risk to the city to make this commitment as he believes that the private money is going to be there. Fugate commented that is it a chance for the city to complete phase 1 and possibly phase 2 of the JK Northway. This is a great project and has a chance of happen, but only if the city helps. He further stated that this Commission throughout the years, since he himself has been here, has always thought outside the box because we are who we are and have been very successful in the past and feels that they will be successful in this one as well.

Commissioner Leubert asked is this is an action item or is item #9 the action item for it? Mrs. Alvarez responded that item #8 is an action item because of the level of commitment that is required, therefore staff wanted the Commission as a whole to vote on whether or not you wanted to authorize the Mayor to sign the letter of commitment on the city's behalf, knowing as the City Manager stated that it will require the encumbrance of certain funds with a budget amendment coming before the Commission at the next meeting. She further stated that as the City Manager and Mayor stated, this is kind of a safety net because the commitment letter does say that the city does have the funds encumbered for that purpose. So if between now and when those cash match, should the county be successful in obtaining the grant and actually comes through, there might be the donations received that would cover all or a part such that all of the funds that the City Manager had identified that the Commission would be earmarking in a budget amendment may not be needed. She further stated that for the basis of the letter of commitment, you have to have that guaranteed which requires commission approval.

Commissioner Leubert asked if this was a yes? Mrs. Alvarez responded that she started out with a yes, but also gave an explanation.

Motion made by Commissioner Leubert to approve the request from Kleberg County to provide a letter of commitment for grant matching funds for an EDA Grant for a Regional Training Center and Emergency Operating Center, seconded by Commissioner Pecos.

Commissioner Hinojosa asked that it was mentioned that there were private funds that would assist on the match. Was this on the \$1.2 million dollars or some other match?

Mayor Fugate responded that he believes that there are more than \$1.2 million dollars in private monies that are interested in renovating the JK Northway.

Commissioner Hinojosa asked if it would go to the \$1.2 million dollars? Mayor Fugate responded that the first \$1.2 million dollars would go to alleviate from the city's commitment.

Mr. Garza commented that the idea is that once the private dollars are fund raised and contributed to the project, both County and City could free up the funds that were set aside for it. There is the opportunity to change where that money comes from when we get to it.

The motion was passed and approved by the following vote: Pecos, Lopez, Hinojosa, Leubert, Fugate voting "FOR".

9. **Consider a resolution supporting Kleberg County's application to the U.S. Department of Commerce, Office of Economic Development Administration under the Disaster Supplemental Funding Economic Adjustment Program for a Regional Public Safety Training Facility and Emergency Operations and Command Center; certifying that the City of Kingsville is in support of the application and willing to provide up to \$600,000 in cash match for the grant. (Mayor/City Manager).**

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

10. **Executive Session: Pursuant to Section 551.074, Texas Government Code, the Personnel Exception, the City Commission shall convene in Executive Session to deliberate the appointment, employment, and duties of the City Manager. (Mayor Fugate).**

Mayor Fugate announced the executive session and convened the meeting into closed session at 7:02 p.m.

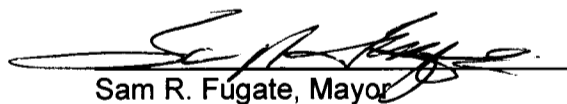
Mayor Fugate reconvened the meeting into open session at 7:35 p.m.

11. **Consider process for filling the position of City Manager, the provision of Interim City Manager services, and matters related thereto. (Mayor Fugate).**

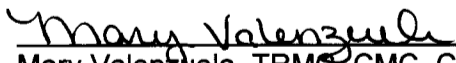
No action or discussion taken on this item.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:36 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, CMC, City Secretary

